

City of Kodiak Regular Council Meeting Agenda for January 24, 2013
7:30 p.m., at 710 Mill Bay Road, Assembly Chambers (Room 232)

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VIII. Council Comments

IX. Audience Comments (limited to 3 minutes) (486-3231)

X. Adjournment

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**MINUTES OF THE REGULAR COUNCIL MEETING
OF THE CITY OF KODIAK
HELD THURSDAY, JANUARY 10, 2013
IN THE BOROUGH ASSEMBLY CHAMBERS**

I. MEETING CALLED TO ORDER/PLEDGE OF ALLEGIANCE/INVOCATION

Mayor Pat Branson called the meeting to order at 7:30 p.m. Councilmembers Randall C. Bishop, Gabriel T. Saravia, Richard H. Walker and John B. Whiddon were present and constituted a quorum. Councilmembers Charles E. Davidson and Terry J. Haines were absent. City Manager Aimée Kniazowski, City Clerk Debra L. Marlar, and Temporary Acting Deputy Clerk Catherine Perkins were also present.

After the Pledge of Allegiance, Salvation Army Sergeant Major Dave Blacketer gave the invocation.

II. PREVIOUS MINUTES

Councilmember Whiddon MOVED to approve the minutes of the December 13, 2012, regular meeting as presented.

The roll call vote was Councilmembers Bishop, Saravia, Walker, and Whiddon in favor. Councilmembers Davidson and Haines were absent. The motion passed.

III. PERSONS TO BE HEARD

a. Proclamation: Stalking Awareness Month

Mayor Branson read the proclamation, which acknowledges staking as a serious crime and applauds the efforts of victim service providers, police officers, prosecutors, national and community organizations, and private sector supporters for their efforts in assisting victims and promoting awareness about stalking. She presented the proclamation to Sandra Wilkins, Outreach Coordinator for the Kodiak Women's Resource and Crisis Center.

b. Public Comments

Marilyn Guilmet voiced concerns about health and environmental issues of composting and spoke against sludge disposal and composting at the Middle Bay site.

Sara Thayer, via telephone, voiced opposition to Ordinance No. 1303.

Judy Kidder spoke against sludge disposal at the Middle Bay site. She also voiced her belief that it was difficult to obtain information about the issue.

Bill Wren noted that out of several thousand Kodiak Island residents, only five individuals had voiced opposition to sludge disposal/composting at the Middle Bay site. He urged people to be professional and adult when voicing their opinions regarding sludge disposal at Middle Bay and to stop personal attacks and threats.

IV. UNFINISHED BUSINESS**a. Second Reading and Public Hearing, Ordinance No. 1302, Amending Kodiak City Code 3.08.140(A) to Require Sales Tax Returns to Report the Number of Transactions in Which a Portion of the Price or Charge is Exempt From Sales Tax Under Kodiak City Code 3.08.120**

Mayor Branson read Ordinance No. 1302 by title. To comply with the Council's request for improved sales tax estimates based on different sales tax maximum caps, the sales tax return process should be amended to add the number of transactions in which a portion of the price or charge is exempt from sales tax under KCC 3.08.120. KCC 3.08.140(a)(6) currently stipulates the City Council may require additional information on a sales tax return, but is not specific. Ordinance No. 1302 will improve the Code language by adding a sentence that requires reports to include the number of transactions that are exempt from sales tax based on the sales tax cap.

Councilmember Whiddon MOVED to adopt Ordinance No. 1302.

Mayor Branson closed the regular meeting, opened and closed the public hearing when no one came forward to testify, and reopened the regular meeting.

The roll call vote was Councilmembers Bishop, Saravia, Walker, and Whiddon in favor. Councilmembers Davidson and Haines were absent. The motion passed.

V. NEW BUSINESS**a. First Reading, Ordinance No. 1303, Amending Kodiak City Code 2.36.010(B), Definition of City Records, and Kodiak City Code 2.36.060(A), Access to Public Records, to Exclude Reference Documents and Transitory Documents From the Definitions of City Records and Public Records, Respectively**

Mayor Branson read Ordinance No. 1303 by title. State law and City Code provide access to official City records. The City Clerk's Office routinely responds to requests for public City records and responded to 27 requests in 2012. Oftentimes, requestors ask for reference material or transitory (temporary) information that is not considered to be a record. The City Attorney recommended KCC 2.36 be amended to clarify that reference and transitory documents are not included in the definition of a City record. This amendment will enable staff to more efficiently assist the public and clarify for the public the information that may be received.

Councilmember Bishop MOVED to pass Ordinance No. 1303 in the first reading and advance to second reading and public hearing at the next regular or special Council meeting.

The roll call vote was Councilmembers Bishop, Saravia, Walker, and Whiddon in favor. Councilmembers Davidson and Haines were absent. The motion passed.

b. Acceptance of FY2012 Comprehensive Annual Financial Report (Audit)

Each year the City Council retains a qualified accounting firm to perform an annual audit of the City's financial records and accounting practices. The City Charter and the City Code require the

Council to accept the comprehensive annual financial report. The Council typically accepts the audit by motion.

Councilmember Bishop MOVED to accept the City's Fiscal Year 2012 Comprehensive Annual Financial Report.

The roll call vote was Councilmembers Bishop, Saravia, Walker, and Whiddon in favor. Councilmembers Davidson and Haines were absent. The motion passed.

VI. STAFF REPORTS

- a. City Manager Kniaziowski reported on the many meetings already held this month. She also reported on the Legislative Information Office open house, as well as staff training with Mr. Paul Glick on budget development and philosophy. She reported the first batch of Class B compost had reached operating temperatures and that it is continuing to be mixed and monitored. She said she attended the community meeting with the unified command staff regarding the Shell oil drilling rig grounding incident. She said the unified command did a good job updating the community of the situation and that the command center will be officially standing down in Anchorage. She reported on the construction of the new public library and the ice rink. She said the ice rink is operational again and will offer a shortened kid's hockey season. She said she would like the community to know there was extensive damage to the ice rink, but the City was able to respond quickly, and she thanked the Parks and Recreation employees for their hard work.
- b. City Clerk Marlar reminded the public of upcoming City Council meetings. She informed the Council and the public that audio recordings of Fisheries Work Group meetings and Council work sessions are now available on the Clerk's website. She thanked City IT Administrator Lee Peterson for his help with making the meeting recordings available. She also wished City Manager Kniaziowski happy birthday.

VII. MAYOR'S COMMENTS

Mayor Branson said she is glad the ice rink is operational again. She thanked the City staff for their work on the audit. She also reported on the numerous meetings the Council attended this month. She said she hopes the community understands how committed the City's elected officials and staff are to serving the public, noting elected officials have other commitments as well. She said the Council is open to comments and working with the community to find solutions.

VIII. COUNCIL COMMENTS

Councilmember Walker agreed with Mayor Branson's comments and said he enjoys working with the Council and continuing to learn about City issues. He commented on his attendance at and benefits of the budget training session. Councilmember Walker complimented everyone involved for their hard work and quick response time on the Shell oil drilling rig grounding incident.

Councilmember Whiddon agreed with Mayor Branson's comments. He added that one of the Council's roles and responsibilities is to provide leadership to the community, and he thinks

Councilmembers make the best decisions they can. He said he finds public comments very helpful and encouraged that dialog, but expressed concern about some comments made via social media.

Councilmember Saravia said he is glad to be back after vacation and encouraged the public to keep voicing their concerns. He reminded the public there are elections every year and encouraged anyone who is interested to run for office. He wished Manager Kniaziowski a happy birthday and thanked the staff for their hard work. Councilmember Saravia said he is always willing to speak to and read information provided by the public.

Councilmember Bishop said he agrees with what has previously been said about public comments and said comments are both appreciated and encouraged. He said he recognizes the new sales tax reporting requirement may seem burdensome to retailers, but the additional information will allow the Council to better serve the community.

IX. AUDIENCE COMMENTS

Judy Kidder said she thinks Facebook is good way to get information out to the community and encouraged the public to attend meetings and give their input. She said the ice rink is a valuable asset to the community and she would be willing to pay to use it.

Marilyn Guilmet reiterated her opposition to compositing, especially at the Middle Bay site.

X. ADJOURNMENT

Councilmember Whiddon MOVED to adjourn the meeting.

The roll call vote was Councilmembers Bishop, Saravia, Walker, and Whiddon in favor. Councilmembers Haines and Davidson were absent. The motion passed.

The meeting adjourned at 8:27 p.m.

CITY OF KODIAK

MAYOR

ATTEST:

CITY CLERK

Minutes Approved:

PERSONS TO BE HEARD

MEMORANDUM TO COUNCIL

Date: January 24, 2013

Agenda Item: III.a. **Proclamation: Teen Dating Violence Awareness & Prevention Month**

SUMMARY: This proclamation encourages citizens to learn more about preventing dating violence and to show support for the organizations and individuals who provide critical advocacy, services, and assistance to victims.

ATTACHMENTS:

Attachment A: Proclamation: Teen Dating Violence Awareness & Prevention Month

**Proclamation
Declaring Teen Dating Violence
Awareness & Prevention Month**

WHEREAS, teen dating violence, a pattern of controlling behaviors by one teen over another in a relationship, is a crime that impacts youth and families in Alaska and across the country; and,

WHEREAS, protecting Alaska's most valuable resource, our youth, demands both awareness and action as we strive to ensure their health, safety, and well-being as they develop into the next generation of leaders, parents, and strong role models; and

WHEREAS, teen dating violence includes verbal, emotional, or physical abuse and one in 11 adolescents report being a victim of physical dating violence, and more than one in four have been in a relationship where a partner is verbally abusive; and,

WHEREAS, victims of violent relationships in adolescence suffer not only from the crime itself, but from severe potential long-term consequences, including higher risk for substance abuse and eating disorders; and,

WHEREAS, Teen Dating Violence Awareness & Prevention Month provides an excellent opportunity for citizens to learn more about preventing dating violence and to show support for the organizations and individuals who provide critical advocacy, services, and assistance to victims.

NOW, THEREFORE, I, Pat Branson, Mayor of the City of Kodiak, do hereby proclaim the month of February 2013 as

TEEN DATING VIOLENCE AWARENESS & PREVENTION MONTH

in Kodiak and encourage all citizens of Kodiak to actively support and participate in the ongoing programs designed to reduce and eventually eliminate teen dating violence.

Dated this 24 day of January 2013.

City of Kodiak

Pat Branson, Mayor

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UNFINISHED BUSINESS

MEMORANDUM TO COUNCIL

To: Mayor Branson and Councilmembers

From: Debra Marlar, City Clerk DM

Date: January 24, 2013

Agenda Item: IV.a. Continued Second Reading and Public Hearing, Ordinance No. 1268, Amending Kodiak City Code Section 2.08.090, Adopting Kodiak City Code Section 2.08.085 and Amending the City Personnel Rules and Regulations Pertaining to Personnel in the City Clerk's Office

SUMMARY: In October 2009 the Clerk re-evaluated the Deputy Clerk's job classification because the position had assumed the additional duties of the City's Record Manager. The JOBMEAS Technical Manual for the JOBMEAS System of Job Evaluation was used as a tool for the classification recommendation. JOBMEAS is the evaluation tool presently specified in the City's Personnel Rules and Regulations (PRR). The technical manual provides examples of ratings, and the system evaluates mental requirements, physical requirements, human relations, work environment, and accountability. In using this tool, the Clerk

- reviewed previous City position classification results based on the JOBMEAS tool;
- reviewed other City administrative job descriptions in the Finance Department for the General and Senior Accountants and compared those to the Deputy Clerk/Records Manager position;
- discussed with the Finance Director and HR personnel the various City job classifications that provide salary increases based on experience and/or certification or advanced job-specific training;
- researched ordinances since 1999 that resulted in salary grade changes to City positions;
- reviewed salary grades for other Deputy Clerk positions within Alaska and IIMC Region IX, which includes Alaska, focusing on municipalities that operate a records management program similar to the City of Kodiak.

The position evaluation resulted in the Clerk's recommendation to specify two job classifications of the position based on municipal clerk certification: Deputy Clerk I at salary grade 24 or Deputy Clerk II at salary grade 27. These salary ranges are consistent with the JOBMEAS classification plan in Section 301 of the City's Personnel Rules and Regulations and reflect the duties of an entry level Deputy Clerk I and provide opportunity for advancement to Deputy Clerk II, upon receiving official Clerk certification. This amendment is consistent with other City departments that provide advanced salary grades based on certification and/or on-the-job training.

In November 2009 the Clerk discussed with the Council changing the Deputy Clerk's salary to reflect the added duties of Records Manager and allowing for separate salary grades to reflect Clerk certification. The Council and Clerk also discussed amendments to City Code Section 2.08 and Personnel Rules and Regulations Section 3.04 to clarify the Clerk's authority and provide for Council confirmation of the Deputy Clerk appointment.

The Council directed the Clerk to draft an ordinance with these changes. Ordinance No. 1268 was drafted and was passed in the first reading on February 25, 2010. It was postponed in the second reading

on March 31, 2010, pending completion of an active administrative process including completion of a classification and compensation study. The Council again reviewed Ordinance No. 1268 with the Clerk in November 2012, and directed the Clerk to put the ordinance on this agenda for adoption, as the administrative process including completion of a classification and compensation study has been completed. The Council also directed minor amendments to clarify language and to detach the Clerk from the PRR salary schedule.

PREVIOUS COUNCIL ACTION:

- April 1999, Ordinance No. 1090 was adopted, which granted the City Clerk the overall authority for the development and administration of the Deputy Clerk position, including the overall administration of the classification plan for Clerk's staff
- July 1999, Ordinance No. 1094 re-titled Accounting Technician/Payroll to Payroll/Human Resources Clerk, salary grade increased from 19 to 21
- September 1999, Ordinance No. 1098, several PRR changes including job title changes in Police and Fire Departments, 2% salary increase to schedules II and III
- February 2000, Ordinance No. 1108, Firefighter re-titled to Firefighter/EMT I, salary increased from grade 16 to 18; Firefighter/EMT II reclassified to salary grade 19
- March 2000, Ordinance No. 1110, Senior Engineering Technician, salary grade 22 expanded to include grade 23, depending on skill level
- July 2000, Ordinance No. 1116, three Treatment Plant Operators at salary grades 19, 21, and 22 were eliminated and new positions added to include Treatment Plant Operators, Levels I through V at salary grades 19, 20, 21, 22, and 23
- October 2000, Ordinance No. 1119, an Accounting Clerk salary grade was eliminated from the Harbor Department, Deputy Clerk salary increased from grade 19 to 20
- December 2000, Ordinance No. 1124, Fire Marshall re-titled to Fire Marshal/Deputy Chief, salary increased from grade 26 to 27; Harbormaster salary increased from grade 30 to 32
- August 2002, Ordinance No. 1149, the following positions received salary increases: Civil Engineer, Senior and General Accountants, Senior Library Assistant, Parks Supervisor and Maintenance Worker, Police Detective, Communications Corporal, Communications Officer, and Humane Officer
- July 2003, Ordinance No. 1159, restructured salary schedules I and II; additional salary changes for 12 positions in Engineering, Finance, Fire, and Police Departments
- November 2007, Ordinance No. 1230, Jacobsen, Betts, & Co. recommendations to salary grades I and II adopted
- December 2008, Ordinance No. 1234 (budget ordinance) two Firefighter/EMT positions added to Fire Department in lieu of Deputy Fire Chief's position; a sergeant's position at the Police Department was upgraded to a Lieutenant's position
- November 2009, the Council discussed the Deputy Clerk's position with the Clerk and directed the Clerk to draft an ordinance that amended the Deputy Clerk job classification and salary, and amended language in the City Code and Personnel Rules pertaining to personnel in the Clerk's office
- February 2010, Ordinance No. 1268, pertaining to personnel in the City Clerk's Office, was adopted in the first reading and advanced to second reading and public hearing

- March 2010, Ordinance No. 1268 was postponed in the second reading “pending completion of an active administrative process including completion of a classification and compensation study”
- November 2012, the Council discussed Ordinance No. 1268 with Clerk, recommended amendments to clarify language and detach the Clerk from the PRR salary structure, and directed the ordinance to be brought back under Unfinished Business at this meeting

DISCUSSION: Kodiak City Code and Charter designate the City Clerk as a City official and officer appointed by the City Council. The City Clerk is empowered by State law and the City’s Charter and Code to perform certain municipal duties. As provided in the job description, the Deputy Clerk acts as City Clerk in the Clerk’s absence. This ordinance will amend the City Code to provide that the Council confirm the Clerk’s appointment of Deputy Clerk and empower the Deputy Clerk to exercise the powers and duties of the City Clerk in the temporary absence of the Clerk. Similar language is typical in other municipal codes. The ordinance will clarify that the Clerk appoints and supervises all employees in the Clerk’s Office. The ordinance will also amend Schedule I of the Personnel Rules and Regulations by creating a Deputy Clerk I position at salary range 24 and Deputy Clerk II position at salary range 27. These salary ranges are consistent with the JOBMEAS classification plan in Section 301 of the City’s Personnel Rules and Regulations. The Deputy Clerk salary grade is presently set at grade 20. Although the duties and functions of the Deputy Clerk position have been expanded over the past few years to include the overall management of the City-wide records management program, the salary does not reflect these additional job functions. The proposed changes to the salary grade will bring this position more closely in line with other Deputy positions in the City and will more accurately reflect the duties and work performed by this position. This ordinance will authorize transfer of authority to the Deputy Clerk to perform the duties of the City Clerk during the temporary absence of the Clerk.

The recently completed salary and compensation study reflects a salary for the Deputy Clerk/ Records Manager that is higher than the salary increases reflected in Ordinance No. 1268. Because the position is currently vacant and needs to be filled soon, the Clerk recommends Ordinance No. 1268SUB be adopted now. A new ordinance will be presented for Council approval at a future meeting after the Council approves the new salary and compensation study that was completed by Fox Lawson & Associates. Once approved, this will result in additional changes to the Deputy Clerk/Records Manager salary, and these additional changes will be made at the same time as other City employees, to reflect the new salary structure resulting from the Fox Lawson & Associates compensation and classification study.

ALTERNATIVES:

1. The Council may amend by adopting Ordinance No. 1268SUB, which is the Clerk’s recommendation. The Deputy Clerk/Records Manager position has been vacant since November 30, 2012, and the Clerk would like to recruit for the position at a salary that more accurately matches the duties and responsibilities of the position. (Two Deputy Clerks quit in a period of just over two years due to insufficient salary.)
2. Further postpone or fail Ordinance No. 1268. This is not recommended, as it is unlikely the Clerk will be able to recruit and retain a Deputy Clerk/Records Manager at the present salary, and the position is vital to the successful operation of the Clerk’s Office

FINANCIAL IMPLICATIONS: This ordinance will change the existing Deputy Clerk salary grade from 20 to 24 or 27 depending on experience and Clerk certification. This change will increase the Clerk's personnel budget for future hires for the Deputy Clerk/Records Manager position.

LEGAL: The City Attorney refined Ordinance No. 1268 to incorporate the Council's additional suggestions during its review with the Clerk in November 2012 to clarify language and detach the Clerk from the PRR Salary Structure. Suggested additions to the original ordinance are in blue and suggested deletions in red as reflected in Ordinance No. 1268SUB.

CITY CLERK RECOMMENDATION: The City Clerk recommends the Council amend Ordinance No. 1268 by substituting Ordinance No. 1268SUB.

NOTES/ATTACHMENTS:

Attachment A: Ordinance No. 1268SUB

[Clerk's Note: The motion to adopt Ordinance No. 1268 is already on the floor. The amendment below is suggested.]

PROPOSED MOTION:

Move to amend Ordinance No. 1268 by substituting Ordinance No. 1268SUB.

CITY OF KODIAK
ORDINANCE NUMBER 1268(SUB)

AN ORDINANCE OF THE COUNCIL OF THE CITY OF KODIAK AMENDING KODIAK CITY CODE SECTION 2.08.080, ADOPTING KODIAK CITY CODE SECTION 2.08.085 AND AMENDING THE CITY PERSONNEL RULES AND REGULATIONS PERTAINING TO PERSONNEL IN THE CITY CLERK'S OFFICE

WHEREAS, the City Clerk is empowered by City Charter, City Code, and State law to exercise certain powers and duties; and

WHEREAS, in the City Clerk's absence the Deputy Clerk acts as the City Clerk; and

WHEREAS, the Kodiak City Code does not provide for transfer of authority to the Deputy Clerk in the City Clerk's absence; and

WHEREAS, The Deputy Clerk's duties have been expanded to include management of the City-wide records management program, and the Deputy Clerk's classification and salary grade ~~were was~~ not changed to reflect these increased duties and responsibilities; and

WHEREAS, the City Personnel Rules and Regulations do not provide for a classification and salary grade to compensate for achievement of clerk certification; and

WHEREAS, the City Personnel Rules and Regulations are somewhat ambiguous regarding the Clerk's authority over the Clerk's Office; and

WHEREAS, the classifications and salary grades in the City Personnel Rules and Regulations require amendment to reflect actual staffing in the Clerk's Office.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Kodiak, Alaska, as follows:

Section 1: Kodiak City Code 2.08.080 is amended to read as follows:

2.08.080 City Clerk; powers and duties. The City Clerk shall serve as clerical officer of the council. The City Clerk shall keep the journal of the proceedings of the council, and shall enroll in a book or books kept for the purpose all ordinances and resolutions passed by it. The City Clerk shall be custodian of the seal of the City, shall attest and affix the seal to documents when required, in accordance with the charter, law, or ordinance; shall keep a correct and up-to-date record of the City boundaries and changes therein; and shall supervise municipal elections and such other elections as may be required by law or ordinance, including voter registration and records; provided that the city council by ordinance may vest the supervision of elections in a board. The City Clerk appoints the Deputy Clerk subject to confirmation by the City Council, and the City Clerk appoints other employees in the Clerk's department. The City Clerk supervises

employees in the Clerk’s department. The City Clerk shall recommend and the council shall determine the salary and other compensation of employees in the Clerks department.

Section 2: Kodiak City Code Section 2.08.085 adopted to read as follows:

2.08.085 Deputy Clerk; powers and duties. The Deputy Clerk exercises the powers and duties of the City Clerk in the temporary absence of the City Clerk, and performs other duties assigned by the City Clerk.

Section 3: Section 203.4.5 of the Personnel Rules and Regulations is amended by adding a subsection (i) to read as follows:

- (i) Classify positions in the Clerk’s department, subject approval of the City Council

Section 4: Section 3.04 of the Personnel Rules and Regulations is amended to read as follows:

The City Manager shall have authority for the overall administration of the classification plan except for staff identified under the heading 203.4.5 City Clerk. In developing the classification plan, he shall consult department heads, key staff, employee, and other technical resources as appropriate. ~~In the event the City Manager and City Clerk do not concur on any action to be taken under this chapter with regard to staff identified under the heading 203.4.5 City Clerk, the issue shall be referred to the Personnel board for recommended resolution. If the Personnel Board’s recommendation does not resolve the difference, the issue shall be referred to the City Council for final resolution.~~

Section 5: Schedule I to the Personnel Rules and Regulations is amended by deleting the entry for Deputy Clerk and adding the following entries:

<u>Dept(s)</u>	<u>Position Title</u>	<u>Salary Grade</u>
	<u>City Clerk</u>	29 /Contract
	Deputy Clerk II	27
	Deputy Clerk I	24
	Assistant Clerk	16

Section 6: This ordinance shall be effective one month after its final passage and publication in accordance with Kodiak Charter Section 2-13.

CITY OF KODIAK

MAYOR

ATTEST:

CITY CLERK

First Reading:

February 25, 2010

Second Reading & Public Hearing:

March 31, 2010 (postponed after public hearing)

Continued Second Reading & Public Hearing:

Effective Date:

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MEMORANDUM TO COUNCIL

To: Mayor Branson and City Councilmembers
From: Aimée Kniazowski, City Manager *AK*
Debra Marlar, City Clerk *DM*
Date: January 24, 2013

Agenda Item: IV.b. **Second Reading and Public Hearing, Ordinance No. 1303, Amending Kodiak City Code 2.36.010(B), Definition of City Records, and Kodiak City Code 2.36.060(A), Access to Public Records, to Exclude Reference Documents and Transitory Documents From the Definitions of City Records and Public Records, Respectively**

SUMMARY: State law and City Code provide access to official City records. The City Clerk's Office routinely responds to requests for public City records, and responded to 27 requests in 2012. Oftentimes, requestors ask for information that is considered to be reference material or transitory (temporary) information that is not considered to be a record. The City Attorney recommended KCC 2.36 be amended to clarify that reference and transitory documents are not included in the definition of a City record. This amendment will enable staff to more efficiently assist the public and clarify for the public the information that may be received. Staff recommends the Council adopt Ordinance No. 1303 in the second reading after the public hearing.

PREVIOUS COUNCIL ACTION:

- 1975, Ordinance No. 432 amended KCC 2.36 by providing for the retention, disposal, and microfilming of public records
- 1990, Ordinance No. 887 amended KCC 2.26 by the addition of a section on confidentiality of personnel records
- 2003, Ordinance No. 1160 enacted KCC 2.36.030 through 2.36.030, which clarified public access to law enforcement records
- 2006, Ordinance No. 1203 repealed KCC 2.36 Public Records and enacted KCC 2.36 Management of Records
- 2009, Ordinance No. 1254 amended KCC 2.36 to prohibit public access to City harbor and utility customer records
- 2013, Ordinance No. 1303 was passed in the first reading

DISCUSSION: The public has a right to inspect official public records, and some requests take many staff hours to complete. A recent request for public records required 21 staff hours to research and compile, and required our attorney's opinion to interpret. Other recent records requests have included requests for information including notes, scheduled meetings, and discussions, which are not public

records and which information was not released. The suggested amendment to KCC 2.36 will clarify that reference and transitory documents, such as preliminary notes, telephone logs, correspondence tracking logs, appointment books/calendars and similar information are not public records and will not be released.

KCC 2.36, Management of Records provides for the efficient and lawful management of City records, which are a City asset. Included within KCC 2.36 are sections that identify public records and access to public records. Due to records requests for information that is not deemed to be public records, the City Attorney suggested an amendment to KCC 2.36 to specifically identify reference and transitory documents and exclude these types of documents from public access.

ALTERNATIVES:

1. Adopt Ordinance No. 1303 in the second reading after the public hearing, which is staff's recommendation. This amendment clarifies items that are excluded from the definition of a City record.
2. The Council may postpone or fail Ordinance No. 1303 in the second reading. This is not recommended for the reasons stated above.

FINANCIAL IMPLICATIONS: There is no direct financial impact to the adoption and implementation of this ordinance. However, it should reduce the need for legal assistance in interpreting poorly worded or open-ended requests, and staff time can be spent in identifying, locating, and supplying the requested documents more timely and efficiently.

LEGAL: The City Attorney recommended KCC 2.36 be amended to exclude reference and transitory documents from the definition of a public record and wrote Ordinance No. 1303.

CITY CLERK'S COMMENTS AND RECOMMENDATION: Requests for public records have increased from an average of 13 between 2007 and 2009 to 27 in 2010, 2011, and 2012. The trend for public records requests is expected to increase. A clear definition of records and access to them is very important to ensure that public records requests are handled efficiently and quickly. The City Clerk, who has the overall responsibility of City records, supports Ordinance No. 1303 and encourages the Council to adopt it in the second reading after the public hearing.

CITY MANAGER'S COMMENTS AND RECOMMENDATION: I believe it's important to clarify the language in our code to describe what City work products are considered records and which constitute working or transitory documents. I support a citizen's right to ask for information of interest or concern to them. However, City staff generates information such as calendars, phone logs, and working meeting notes when we work on projects or issues over the course of time. Key outcome documents are considered records and are retained as such, but not all items generated are actually records as identified in our records retention program. I support this ordinance to clarify the code

language as to what is and isn't a record. This change will improve staff's response time to the growing number of citizen requests and reduce the need to get legal advice for those public information requests that are unclear or wide ranging.

NOTES/ATTACHMENTS:

Attachment A: Ordinance No. 1303

PROPOSED MOTION:

Move to adopt Ordinance No. 1303.

**CITY OF KODIAK
ORDINANCE NUMBER 1303**

AN ORDINANCE AMENDING KODIAK CITY CODE 2.36.010(b), DEFINITION OF CITY RECORDS, AND KODIAK CITY CODE 2.36.060(a), ACCESS TO PUBLIC RECORDS, TO EXCLUDE REFERENCE DOCUMENTS AND TRANSITORY DOCUMENTS FROM THE DEFINITIONS OF CITY RECORDS AND PUBLIC RECORDS, RESPECTIVELY

BE IT ORDAINED by the Council of the City of Kodiak, Alaska, that:

Section 1: Subsection (b) of Kodiak City Code 2.36.010, Definition of City records, is hereby amended to read as follows:

(b) City records do not include, and this chapter does not apply to, library and museum material developed or acquired and preserved solely for reference, historical, or exhibition purposes, Kodiak Public Library Association materials, those items identified as reference materials by the city clerk, or stocks of publications and processed documents, reference documents or transitory documents. In this section:

(1) "Reference document" means a writing or image that is acquired or created solely for the purpose of creating or incorporation into a record, and includes without limitation, notes, calculations, and working papers.

(2) "Transitory document" means a writing or image that after its immediate use has no value as evidence of the organization, function, policies, decisions, procedures, operations, or other activities of the city, and includes without limitation transmittals, suspense copies when a reply has been received, routine requests for information, and routine appointment and scheduling requests.

Section 2: Subsection (a) of Kodiak City Code 2.36.060, Access to public records, is hereby amended to read as follows:

(a) Definition of Public Records. Public records include books, papers, files, accounts, writings, including drafts and memorializations of conversations, and other items, regardless of format or physical characteristics, that are developed or received by the city, or by a private contractor for the city, and that are preserved for their informational value or as evidence of the organization or operation of the city; public records do not include proprietary software programs, reference documents or transitory documents. In this section:

(1) "Reference document" means a writing or image that is acquired or created solely for the purpose of creating or incorporation into a

record, and includes without limitation, notes, calculations, and working papers.

(2) "Transitory document" means a writing or image that after its immediate use has no value as evidence of the organization, function, policies, decisions, procedures, operations, or other activities of the city, and includes without limitation transmittals, suspense copies when a reply has been received, routine requests for information, and routine appointment and scheduling requests.

Section 3: This ordinance shall be effective upon the date that is one month after its final passage and publication in accordance with Kodiak Charter Section 2-13.

CITY OF KODIAK

MAYOR

ATTEST:

CITY CLERK

First Reading: January 10, 2013

Second Reading:

Effective Date:

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MEMORANDUM TO COUNCIL

To: Mayor Branson and City Councilmembers

From: Aimée Kniazowski, City Manager 

Date: January 24, 2013

Agenda Item: IV. c. Acceptance of Compensation and Classification Report

SUMMARY: The City began the classification and compensation project in the spring of 2011. Staff worked closely with Fox Lawson & Associates (FLA) to complete the two key phases of the project, the classification phase and the compensation phase. Council and staff received multiple updates during the course of the project, so Council should be familiar with the key aspects of the report and main findings because of the updates received since the start of the project. Lori Messer with FLA presented the findings at the Council work session on January 22 and will be present at the meeting in case Council has further questions. The main points of the report show that the City has agreed to a new classification method, a new job description format, a new pay scale anchored to the 50th percentile of the market, and that a range of methods by which the City would transition to the new pay scale will be presented separate from the report. Staff recommends Council accept the classification and compensation report by motion at this meeting. Staff will then come back to Council with the required Personnel Rules & Regulations (PR&R) amendments needed to switch to the new classification system and pay scale and to provide recommendations for implementation of the new pay plan based on several options.

PREVIOUS COUNCIL ACTION:

- The classification and compensation study, Project No. 4030, was included in the FY2011 General Fund capital budget
- Council authorized a contract with Fox Lawson & Associates (FLA) to perform a comprehensive classification and compensation study in February 2011
- Council has received at least four project updates from FLA, the last one in September 2012
- Delayed acceptance of the report on October 25, 2012
- Reviewed final report at the January 22 work session

DISCUSSION: The City's job descriptions were reviewed and classified in the late 1990s, and the pay plan was updated in 2003. Since that time the services provided by the City have not changed much. However, some positions were eliminated and duties combined, some new positions were created, and job duties shifted as they do over time. Employees expressed their frustration with the existing classification system and the pay scales which they believed were not competitive. Their dissatisfaction was reflected, in part, by the efforts to unionize in 2009 and again in 2010.

Staff and Council agreed that a comprehensive classification and compensation study of all City

positions should be undertaken. The project was included in the FY2011 budget, an RFP was issued in December 2010, and the City received fourteen proposals. Based on staff's recommendation, Council approved a contract with FLA in February 2011.

Classification Phase:

FLA began work in March 2011 starting with the classification phase. This phase determined the relative value of jobs within the City. It also provided a way to combine internal equity with the market value of like jobs, and it became the basis for the recommended salary structure that was presented to Council in January and September of 2012.

FLA reviewed all City job descriptions, organizational charts, and the PR&R. They met with employees and issued position description questionnaires (PDQs), which all employees filled out. The PDQs were evaluated by management and turned in to FLA. The PDQ information was used to develop the new job descriptions based on the essential functions of each existing position. In the meantime, the City's management team reviewed several types of classification systems such as market pricing, whole job ranking, point factor (what the City has been using since the 1990s), scored questionnaires, and decision banding. The decision banding method (DBM) was selected as the most flexible and easiest to use and maintain, and that decision was shared with the City Council. Once the DBM method was selected, all regular full- and part-time employees in existing job descriptions were placed in the appropriate classifications. This process took multiple meetings and teleconferences to review and discuss with the project team, the management team, and the employees.

Compensation Phase:

FLA and management staff began to work on the compensation phase of the project as soon as the majority of City jobs were placed in the new DBM classifications. During this phase, the Council agreed to anchor the pay for City jobs to the 50th percentile of the market as a sustainable way to keep up with changes in the market. FLA used many sources to conduct its market analysis of current City pay compared to public sector jobs of a similar nature in Alaska and the Lower 48. The results, which were shared with Council, showed that overall, the average of all current City salaries lag the market by approximately 9%. The results trended across all job levels in the City. FLA also prepared recommended policies to manage and maintain the new classification and compensation systems, which will require amendments to the PR&R.

The way the City classifies, hires, and pays temporary employees has been problematic and is in need of major adjustment. FLA looked at the issues and came up with recommendations based on research and best practices. The study addresses the need to develop and align job descriptions with the appropriate DBM rating and base the pay for temporary employees at the start of the appropriate range. This would eliminate the existing temporary pay scale, which is old, may not be competitive, and does not meet minimum hourly wage requirements.

FLA also selected 11 City jobs that were super-benchmarked to determine how the City's total compensation compared to that of the market. Those results show that the City's total compensation package is competitive with the market, sitting at -1% below the market median. While this type of comparison is good to review, it was done in this study only for informational purposes. Staff and FLA recommend that the City implement the new classification and salary structure that reflects the current market to remain competitive in attracting and retaining qualified employees and to have an analysis of the City's benefit package performed by a benefits/insurance specialist at another time.

Final Presentation:

This study is now complete. Lori Messer with FLA provided copies of the final report to Council and this memo summarizes the report findings. As mentioned, before the recommendations can be put in place, the PR&R will need to be amended to allow the City to implement the selected classification and pay systems. Staff will also work with FLA to identify and present a selection of options on how to bring employees into the new pay structure in a way that is affordable and sustainable.

Once the report is presented, FLA will work with staff for a specific time period to allow employees who don't agree with the new DBM classifications to appeal their DBM placement. The appeals process will be laid out by FLA. This is a separate service that was not covered in the original contract agreement and may require a contract amendment.

Staff recommends Council accept the FLA report by motion.

ALTERNATIVES:

1. Council may accept the Fox Lawson and Associates compensation and classification report, which is recommended because the report is consistent with stated Council goals to evaluate the City's classification system and compare the existing pay scale to the current market conditions.
2. Council may also delay acceptance or reject the report, which is not recommended because of the time and effort that has gone into the study and final report and would have a negative effect on employee morale.

FINANCIAL IMPLICATIONS: None at this time. The Council should accept the report and indicate that they intend to implement the recommended classification system and new pay scale. Staff will then return with a recommended implementation scenario and the amendments to the PR&R that will put the necessary changes in place.

CITY MANAGER'S COMMENTS: A comprehensive classification and compensation study requires time, commitment of City resources, and the expertise of a professional firm. This has been a long process, in part due to the City's current system, the complexity of the study process, the lack of staff to assist with the majority of the behind-the-scenes work required, and due to the multiple demands on my time. However, I believe we have a thorough study, have received solid advice and information, and can

implement the new systems with confidence that meets the original goals of the project and provides us with a clean new baseline that will be useful for many years. I recommend Council accept this report by motion. I will bring back the necessary amendments to the PR&R and an implementation timeline and cost to Council as soon as I possibly can.

ATTACHMENTS:

Attachment A: Please bring copies of the FLA final report dated January 2013


PROPOSED MOTION:

Move to accept the Fox Lawson and Associates' report on the classification and compensation study conducted for the City of Kodiak and state the intention to implement the recommended classification system and recommended pay scale.

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NEW BUSINESS

MEMORANDUM TO COUNCIL

To: Mayor Branson and City Council Members
From: Aimée Kniaziowski, City Manager 
Thru: Mary Munk, Finance Director
Date: January 24, 2013

Agenda Item: V. a. First Reading, Ordinance No. 1304, Establishing Supplemental Appropriation No.1 to the Budget for the Fiscal Year Commencing on the First Day of July 2012 and Ending on the Thirtieth Day of June 2013

SUMMARY: The Supplemental Appropriation No. 1 to the Budget for the fiscal year commencing on the first day of July 2012 and ending on the thirtieth day of June 2013 is in the amount of \$42,487,704. It is customary for the City Council to approve at least one supplemental budget annually to authorize the adjustments of current revenues and expenses as detailed in the attachments provided. These adjustments are for the operating funds as well as additions to project funds for grant revenues received and additional expenditures needed that were not known at the time the original budget was adopted. This is the first budget amendment of FY2013. Staff recommends adoption of Ordinance No. 1304 in the first reading.

PREVIOUS COUNCIL ACTION:

- June 21, 2012, Council adopted Ordinance No. 1298 for the Fiscal Year 2013 budget in the amount of \$45,169,102, commencing on the first day of July 2012 and ending on the thirtieth day of June 2013

DISCUSSION: The adoption of the budget by the City Council puts the budget into effect for the budget year July 1 through June 30. Amendments to the budget can occur anytime during the fiscal year through a supplemental budget ordinance, which is introduced at one Council meeting and typically adopted at the next Council meeting.

All new appropriations are authorized by an ordinance that amends the annual budget ordinance. An ordinance is required to move amounts between funds, departments, and projects. An ordinance is required to move funds, to add permanent personnel, or to grant unscheduled salary increases. The Supplemental No. 1 appropriation is requesting the addition of \$42,487,704 to the adopted and amended budget bringing the total amended budget to \$87,656,806 for Fiscal Year 2013.

The Supplemental No. 1 appropriation is requesting an increase in non-capital funds in the amount of \$4,709,500 and capital funds in the amount of \$37,778,204. The largest increases in non-capital funds is an increase in sales tax in the General Fund in the amount of \$1,000,000, a transfer in the Water Fund to

the Biosolid project in the amount of \$1,200,000, and a transfer in the Sewer Fund to the Biosolid project in the amount of \$2,800,000. The largest increases in the capital funds are for the Pier III Replacement project in the Cargo Capital Fund in the amount of \$33,100,000 and the Baranof Park Improvements project in the Parks & Recreation Capital Fund in the amount of \$3,650,000.

ALTERNATIVES: N/A

FINANCIAL IMPLICATIONS: All expense appropriations requested in Supplemental No. 1 are funded by increased revenue sources, additional state and federal grant sources, and use of fund balances and transfers. The ordinance makes a number of changes in the Fiscal Year 2013 budget reflecting increased revenues and expenditures, new project and grant funding, and movement of funds to more accurately reflect current City operations. Details of funding sources and expenses have been submitted in the attachments.

LEGAL: The Kodiak City Charter and Kodiak City Code grant Council the authority to make appropriations and adopt and amend budgets as required.

STAFF RECOMMENDATION: Staff recommends that the City Council pass Ordinance No. 1304, Supplemental Appropriation No. 1 to the Fiscal Year 2013 budget in the first reading and advance the ordinance to second reading and public hearing at the next regular or special Council meeting.

CITY MANAGER'S COMMENTS: The City traditionally adopts one major budget amendment each fiscal year to make necessary adjustments to cover changes or additions to projects, to account for the receipt of additional revenues, and increased operating expenses. At \$42,487,704, this supplemental is higher than previous years due to the award of two large state grants and a bond for the replacement of Pier III and completion of Baranof Park improvements. In addition to smaller operational adjustments, the amendment covers an increase of \$4,709,500 in non-capital funds that authorize transfers from the Water and Sewer Enterprise Funds to the biosolid project and authorizes an increase of \$1,000,000 in General Fund Revenues. The ordinance and attachments detail the sections of the City's operating and capital budget that require changes. I recommend Council pass Ordinance No. 1304 in the first reading.

ATTACHMENTS:

Attachment A: Ordinance No. 1304

Attachment B: Backup descriptions containing details and summaries by each fund

PROPOSED MOTION:

Move to pass Ordinance No. 1304, in the first reading and advance to second reading and public hearing at the next regular or special Council meeting.

**CITY OF KODIAK
ORDINANCE NUMBER 1304**

AN ORDINANCE OF THE COUNCIL OF THE CITY OF KODIAK ESTABLISHING SUPPLEMENTAL APPROPRIATION NO. 1 TO THE BUDGET FOR THE FISCAL YEAR COMMENCING ON THE FIRST DAY OF JULY 2012 AND ENDING ON THE THIRTIETH DAY OF JUNE 2013

BE IT ORDAINED by the Council of the City of Kodiak, Alaska, as follows:

Section 1: The following estimated revenues and expenditures are hereby appropriated for the corporate purposes and objects of the City of Kodiak for fiscal year 2013.

FY 2013 Supplemental Budget GENERAL FUND			
	Amended Budget	Supplemental #1	Revised Budget
Anticipated Revenues:			
Property Tax	\$ 773,500	\$ -	\$ 773,500
Sales Tax	9,530,000	1,000,000	10,530,000
Intergovernmental	2,449,346	248,075	2,697,421
Charges for Services	1,612,193	6,000	1,618,193
Fines & Forfeitures	20,500	-	20,500
Licenses and Permits	68,000	-	68,000
Rental Income	155,236	-	155,236
Interfund Charges	854,316	-	854,316
Investment Income	45,000	-	45,000
Other Revenues	26,800	17,000	43,800
Use of Fund Balance	1,490,854	(1,068,575)	422,279
Transfers In	-	-	-
Total Amended Revenues	<u>\$ 17,025,745</u>	<u>\$ 202,500</u>	<u>\$ 17,228,245</u>
Planned Expenditures:			
Legislative	\$ 273,210	\$ -	\$ 273,210
Legal	50,000	-	50,000
Executive	501,080	-	501,080
Emergency Preparedness	56,500	-	56,500
City Clerk	378,352	-	378,352
Finance	1,276,034	2,500	1,278,534
Police	6,030,142	90,000	6,120,142
Fire	1,834,910	6,000	1,840,910
Public Works	2,203,511	-	2,203,511
Engineering	243,400	-	243,400
Parks & Recreation	1,298,210	-	1,298,210
Library	858,950	1,000	859,950
Non-Departmental	696,400	6,000	702,400
Transfers	1,325,046	97,000	1,422,046
Total Amended Expenditures	<u>\$ 17,025,745</u>	<u>\$ 202,500</u>	<u>\$ 17,228,245</u>

SPECIAL REVENUE FUNDS

	Amended Budget	Supplemental #1	Revised Budget
Anticipated Revenues:			
Tourism Development	\$ 142,860	\$ -	\$ 142,860
KFDA	60,050	-	60,050
City Enhancement	-	-	-
Total Amended Revenues	\$ 202,910	\$ -	\$ 202,910
Planned Expenditures:			
Tourism Development	\$ 142,860	\$ -	\$ 142,860
KFDA	60,050	-	60,050
City Enhancement	-	-	-
Total Amended Expenditures	\$ 202,910	\$ -	\$ 202,910

CAPITAL PROJECTS

	Amended Budget	Supplemental #1	Revised Budget
Anticipated Revenues:			
300 General Capital Projects	\$ 269,000	\$ 481,360	\$ 750,360
315 Vehicle Replacement Capital	-	66,844	66,844
301 Street Improvements	885,000	60,000	945,000
302 Building Improvements	2,031,948	-	2,031,948
305 Water Capital Fund	3,207,000	420,000	3,627,000
306 Sewer Capital Fund	4,200,000	-	4,200,000
307 Cargo Development Fund	-	33,100,000	33,100,000
308 Harbor Development	-	-	-
309 Parks & Recreation Fund	15,000	3,650,000	3,665,000
Total Amended Revenues	\$ 10,607,948	\$ 37,778,204	\$ 48,386,152
Planned Expenditures:			
300 General Capital Projects	\$ 269,000	\$ 481,360	\$ 750,360
315 Vehicle Replacement Capital	-	66,844	66,844
301 Street Improvements	885,000	60,000	945,000
302 Building Improvements	2,031,948	-	2,031,948
305 Water Capital Fund	3,207,000	420,000	3,627,000
306 Sewer Capital Fund	4,200,000	-	4,200,000
307 Cargo Development Fund	-	33,100,000	33,100,000
308 Harbor Development	-	-	-
309 Parks & Recreation Fund	15,000	3,650,000	3,665,000
Total Amended Expenditures	\$ 10,607,948	\$ 37,778,204	\$ 48,386,152

ENTERPRISE FUNDS

	Amended Budget	Supplemental #1	Revised Budget
Anticipated Revenues:			
Cargo Fund 500	\$ 1,087,747	\$ -	\$ 1,087,747
Harbor Fund 510	4,205,392	-	4,205,392
Boat Yard/Lift 512	1,295,438	-	1,295,438
Electric Fund 515	657,480	-	657,480
Water Fund 550	4,590,932	1,220,000	5,810,932
Sewer Fund 570	4,511,020	2,830,000	7,341,020
Trident Basin Fund 580	355,490	-	355,490
E-911 Services	74,800	-	74,800
Total Amended Revenues	\$ 16,778,299	\$ 4,050,000	\$ 20,828,299

Enterprise Funds Continued

Planned Expenditures:			
Cargo Fund 500	\$ 1,087,747	\$ -	\$ 1,087,747
Harbor Fund 510	4,205,392	-	4,205,392
Boat Yard/Lift 512	1,295,438	-	1,295,438
Electric Fund 515	657,480	-	657,480
Water Fund 550	4,590,932	1,220,000	5,810,932
Sewer Fund 570	4,511,020	2,830,000	7,341,020
Trident Basin Fund 580	355,490	-	355,490
E-911 Services	74,800	-	74,800
Total Amended Expenditures	<u>\$ 16,778,299</u>	<u>\$ 4,050,000</u>	<u>\$ 20,828,299</u>

INTERNAL SERVICE FUND

	Amended Budget	Supplemental #1	Revised Budget
Anticipated Revenues:			
Self Insurance Fund	\$ 554,200	\$ 457,000	\$ 1,011,200
Total Amended Revenues	<u>\$ 554,200</u>	<u>\$ 457,000</u>	<u>\$ 1,011,200</u>
Planned Expenditures:			
Self Insurance Fund	\$ 554,200	\$ 457,000	\$ 1,011,200
Total Amended Expenditures	<u>\$ 554,200</u>	<u>\$ 457,000</u>	<u>\$ 1,011,200</u>
Total Revenues	\$ 45,169,102	\$ 42,487,704	\$ 87,656,806
Total Expenditures	\$ 45,169,102	\$ 42,487,704	\$ 87,656,806

Section 2: This ordinance shall be in full force and effect from and after its passage as required by law.

CITY OF KODIAK

MAYOR

ATTEST:

CITY CLERK

First Reading:
Second Reading:
Effective Date:

CITY OF KODIAK
 FY 2013 Supplemental
 Attachment B

Fund 100 General Fund

REVENUES:

	Adopted Budget 2013	Capital Project Rollover 2012	Supplemental #1 2013	Supplemental #2 2013	Total Budget 2013	As of 12/31/2012	Difference	%
310.100 Property Taxes	770,000				770,000	-	770,000	0%
310.111 PILOT from KIHA	3,500				3,500	-	3,500	0%
310.200 Sales Taxes	9,500,000		1,000,000		10,500,000	2,968,427	7,531,573	28%
310.900 Penalty & Interest	30,000				30,000	7,667	22,333	26%
320.000 License & Permits	68,000				68,000	39,952	28,048	59%
330.100 PERS Relief	702,810				702,810	-	702,810	0%
330.105 State Revenue Sharing	568,936		4,000		572,936	572,306	630	100%
330.130 Fish Tax - Dept of Rev	1,000,000		253,000		1,253,000	1,252,420	580	100%
330.131 Fish Tax - DCED (Shared Fish Tax)	70,000				70,000	15,586	54,414	22%
330.140 Fuel Tax Sharing	7,000		75		7,075	7,075	(0)	100%
330.150 Alcohol Beverage Sharing	31,000				31,000	-	31,000	0%
330.160 Utility Revenue Sharing	38,100				38,100	-	38,100	0%
330.300 State Grant Capital	25,000		(10,000)		15,000	533	14,467	4%
330.305 State Grant - Operations	6,500		1,000		7,500	6,500	1,000	87%
340.100 Boarding of Prisoners	1,133,993				1,133,993	566,997	566,997	50%
340.110 State Trooper Comm Contract	120,000				120,000	-	120,000	0%
340.120 Other Police Services	20,000				20,000	2,398	17,602	12%
340.130 Police Protective Custody	2,000				2,000	1,776	224	89%
340.240 Borough Building Inspections	140,000				140,000	35,947	104,053	26%
340.300 Ambulance Services	40,000				40,000	11,946	28,054	30%
340.310 Fire Miscellaneous	1,000		6,000		7,000	-	7,000	0%
340.405 School Lifeguard Services	10,000				10,000	7,565	2,435	76%
340.405 Parks & Recreation Revenues	116,000				116,000	53,273	62,727	46%
340.520 Library Revenue	19,000				19,000	6,146	12,854	32%
340.545 Miscellaneous Service Charges	10,200				10,200	100	10,100	1%
350.100 Fines & Forfeits	20,500				20,500	8,975	11,525	44%
360.100 Interest on Investments	45,000				45,000	1,022	43,978	2%
363.100 Rents & Royalties	155,236				155,236	113,753	41,483	73%
375.600 Miscellaneous other	26,800		17,000		43,800	43,458	342	99%
380.100 Cargo Terminal Services	38,820				38,820	38,820	-	100%
380.110 Boat Harbor Services	97,070				97,070	97,070	-	100%
380.115 Boat Yard Service	38,820				38,820	38,820	-	100%
380.118 Electric	19,410				19,410	19,410	-	100%
380.120 Water Services	97,080				97,080	97,080	-	100%
380.121 Sewer Services	97,080				97,080	97,080	-	100%
380.125 Trident Basin	19,410				19,410	19,410	-	100%
380.130 Tourism Services	36,860				36,860	36,860	-	100%
380.150 Public Works	253,500				253,500	253,500	-	100%
380.190 Engineering/Inspections Fees	100,220				100,220	100,220	-	100%
380.400 Vehicle Replacement	56,046				56,046	30,729	25,317	55%
385.100 Approp. From Fund Balance	1,490,854		(1,068,575)		422,279	-	422,279	0%
390.780 Transfer In	-				-	-	-	-
TOTAL REVENUES	17,025,745	-	202,500	-	17,228,245	6,552,823	10,675,422	38%

EMPG Grant Reduced to \$15,000
 12EMPG GR 35585
 Library Operations Grant ILC-12-702-142, State Continuing education grant \$1,000

Resolution No. 2012-34 MOU with Red Cross Fire & \$3,500 for Miscellaneous Fire Services

Surplus Sales Generated higher revenues

**CITY OF KODIAK
FY 2013 Supplemental
Attachment B**

EXPENDITURES:

	Adopted Budget 2013	Capital Project Rollover 2012	Supplemental #1 2013	Supplemental #2 2013	Total Budget 2013	As of 12/31/2012	Difference	%
Legislative	273,210				273,210	88,564	184,646	32%
Legal	50,000				50,000	14,691	35,309	29%
Executive	501,080				501,080	130,038	371,042	26%
Emergency Preparedness	56,500				56,500	14,202	42,298	25%
City Clerk - Clerk	251,062				251,062	104,136	146,926	41%
City Clerk - Records	127,290				127,290	52,836	74,454	42%
Finance	1,276,034		2,500		1,278,534	561,179	717,355	44%
Police	6,030,142		90,000		6,120,142	2,600,496	3,519,646	42%
Fire	1,834,910		6,000		1,840,910	793,706	1,047,204	43%
Public Works	2,203,511				2,203,511	829,871	1,373,640	38%
Engineering	243,400				243,400	74,430	168,970	31%
Parks & Recreation	1,298,210				1,298,210	512,619	785,591	39%
Library	858,950		1,000		859,950	361,101	498,849	42%
Non-Departmental	696,400		6,000		702,400	505,587	196,813	72%
Transfers	1,325,046		97,000		1,422,046	1,299,729	122,317	91%
TOTAL EXPENDITURES	17,025,745	-	202,500	-	17,228,245	7,943,185	9,285,060	46%

Training for Utility Budget \$2,500
Vehicle Towing reduced twice in FY 13 Budget Prep
100,140,147,450,155
Overtime 140,144 \$25,000, 140,142 \$25,000, 140,147 \$20,000
Resolution No. 2012-34 MOU with Red Cross Fire, \$3,500 replace Hazmat Suites for Level A Fire Services of Harbor Boat

State Grant - Travel & Training 100,180,100,450,135
Increase Chamber Economic Development \$2,000
100,190,100,440,360, Budget Training \$4,000
100,190,100,430,110
Transfer to General Capital Projects
Sales Tax Software 4028 \$45,000,
Transfer \$15,000 to General Capital Perfect Old Police Station
Demolition, KPD Boiler Repair \$37,000

Fund 251 Tourism Development

Revenues:								
Hotel/Motel Tax	142,860				142,860	77,980	64,880	55%
Interest on Investments	-				-	44	(44)	
Approp. From Fund Balance	-				-	-	-	
Revenues:	142,860	-	-	-	142,860	78,025	64,835	55%
Expenditures:	142,860	-	-	-	142,860	110,360	32,500	77%

Fund 254 KFPA

Revenues:								
Rents	60,000				60,000	77,586	(17,586)	129%
Interest on Investments	50				50	41	9	83%
Approp. From Fund Balance	-				-	-	-	0%
Revenues:	60,050	-	-	-	60,050	77,628	(17,578)	129%
Expenditures:	60,050	-	-	-	60,050	12,719	47,331	21%

**CITY OF KODIAK
FY 2013 Supplemental
Attachment B**

Fund 299 City Enhancement

Revenues:	Adopted Budget 2013	Capital Project Rollover 2012	Supplemental #1 2013	Supplemental #2 2013	Total Budget 2013	As of 12/31/2012	Difference	%
Interest on Investments	55,000				55,000		55,000	0%
Gibson Cove Cannery	42,210				42,210		42,210	0%
Other Revenue - Land Sales	-				-		-	0%
Approp. From Fund Balance	(97,210)				(97,210)		(97,210)	0%
Transfer from General Fund	-				-		-	0%
Revenues:	-	-	-	-	-	-	-	0%

Expenditures:

	-	-	-	-	-	-	-	0%
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Fund 300 General Capital Projects

Revenue:	Adopted Budget 2013	Capital Project Rollover 2012	Supplemental #1 2013	Supplemental #2 2013	Total Budget 2013	As of 12/31/2012	Difference	%
State Grants		753,730	11,360		765,090	681,752	83,338	89%
Federal Grants		727,500			727,500	294,092	433,408	40%
Approp. From Fund Balance		50,000			50,000	-	50,000	0%
Transfer from General Fund	269,000	1,680,500	60,000		2,009,500	1,949,500	60,000	97%
Transfer from Enhancement Fund		100,000			100,000	100,000	-	100%
Transfer from Harbor Fund		20,000			20,000	20,000	-	100%
Transfer from Land Development		115,000			115,000	115,000	-	100%
Transfer from Insurance Fund		-	410,000		410,000	-	410,000	
Revenues:	269,000	3,446,730	481,360	-	4,197,090	3,160,344	1,036,746	75%

Resolution No. 2012-34 Homeland Security Grant 12SHP-GR34077

Customization & Reports for new Sales Tax Software \$15,000, Harbor Software \$30,000, Demolition of Old Police Station \$15,000.

Resolution # 2012-28 Ice Risk Fire Damage - Transfer from Insurance Fund 780

Expenditures:

4001 Near Island Development	85,000				85,000	76,698	8,302	90%
4002 City Land Development	70,000				70,000	44,912	25,088	64%
4009 Compr Records Management Prog	275,000				275,000	238,237	36,763	87%
4013 Museum Building - Phase I	250,000				250,000	244,092	5,908	98%
4014 Municipal Airport Improvements	700,000				700,000	669,523	30,477	96%
4015 Fire Station Upgrades	550,000				550,000	466,782	83,218	85%
4026 Energy Grants KIB/COK	50,000				50,000	50,000	-	100%
4027 Alaska Shield Hazmat Exercise/Anchorage	14,500				14,500	8,045	6,455	55%
4028 Financial Software Upgrade	150,000	335,000	45,000		530,000	369,998	160,002	70%
4029 E-911 Upgrade System		275,000			275,000	-	275,000	0%
4030 Classification & Compensation Study		100,000			100,000	76,128	23,872	76%
4031 Home Land Security		4,230			4,230	4,230	-	100%
4032 Fire Department Engine Replacement		450,000			450,000	-	450,000	0%
4033 Fire Department Ambulance Replacement		35,000			35,000	-	35,000	0%
4034 Paving Police Station Parking Lot	99,000	253,000			352,000	-	352,000	0%
4035 Demolition of Old Police Station	20,000	-	15,000		35,000	-	35,000	0%

Customization & Reports for new Sales Tax Software \$45,000 & Harbor Software Conversion \$30,000

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	Adopted Budget 2013	Capital Project Rollover 2012	Supplemental #1 2013	Supplemental #2 2013	Total Budget 2013	As of 12/31/2012	Difference	%	
4036 Ice Rink Fire Damage Repair		-	410,000		410,000	308,744	101,256	75%	Resolution # 2012-28 Ice Rink Fire Damage - Transfer from Insurance Fund 780
4037 Home Land Security & Emergency Management		-	11,360		11,360	-	11,360	0%	Resolution No. 2012-34 Homeland Security Grant 12SHP-GR34077
Expenditures:	269,000	3,446,730	481,360	-	4,197,090	2,557,388	1,639,702	61%	

Fund 315 Vehicle Replacement Capital Fund

Revenue:	-	21,850	66,844		88,694	52,529	36,164	59%	FY 2013 Estimate
Transfer from General Fund	-	21,850	66,844	-	88,694	52,529	36,164	59%	
Revenues:	-	21,850	66,844	-	88,694	52,529	36,164	59%	

Expenditures:

4900 Vehicle Replacement Capital	21,850	66,844			88,694	-	88,694	0%	FY 2013 Estimate
Expenditures:	-	21,850	66,844	-	88,694	-	88,694	0%	

Fund 301 Street Improvement

Revenue:	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	-	-	-
Federal Grants	-	-	-	-	-	-	-	-	-
Interest on Investments	120,000	-	-	-	120,000	120,000	-	100%	
Approp. From Fund Balance	-	621,000	20,000	-	641,000	-	641,000	0%	Project #5033
Transfer from General Fund	450,000	494,000			944,000	944,000	-	100%	
Transfer from Water Fund 550	420,000	225,032			665,032	645,032	20,000	97%	Project #5033
Transfer from Sewer Fund 570	15,000	25,000			60,000	40,000	20,000	67%	Project #5033
Revenues:	885,000	1,485,032	60,000	-	2,430,032	1,749,032	681,000	72%	

Expenditures:

5003 Annual Sidewalk/Curb	60,000	640,032			700,032	535,772	164,260	77%	
5025 Pavement Repairs	-	800,000			800,000	684,971	115,029	96%	
5028 Specs 2000	-	45,000			45,000	43,142	1,858	75%	
5029 Mission Road Retaining Wall Repair	220,000	-			220,000	165,475	54,525	0%	
5030 Preliminary Design of Snow Dump Storage Yard	70,000	-			70,000	-	70,000	0%	
5031 Storm Drainage Repair on Shellkof	70,000	-			70,000	-	70,000	0%	
5032 Storm Drainage Repair on Simeonof	465,000	-			465,000	-	465,000	0%	
5033 Pillar-Mountain Waste Material Dump Site	-	-	60,000		60,000	-	60,000	0%	
5098 Transfers	-	-	-		-	-	-	-	
Expenditures:	885,000	1,485,032	60,000	-	2,430,032	1,429,360	1,000,672	59%	

Fund 302 Building Improvement Fund

Revenue:	-	-	-	-	-	-	-	-	-
Interest on Investments	-	1,000			1,000	-	1,000	0%	
State Grants	-	6,900,000			6,900,000	2,041,833	4,858,167	30%	
Local Funding - Pledges	750,000	-			750,000	750,000	-	0%	
Local Funding Grant	500,000	-			500,000	500,000	-	0%	
Other Local Funding	46,763	-			46,763	46,763	-	0%	
In-Kind City Owned Land	650,000	-			650,000	650,000	-	0%	
In-Kind Pre Development	85,185	-			85,185	85,185	-	0%	

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Transfer from General Fund
Transfer from New Library Fund 255
Transfer from Enhancement Fund
Approp. From Fund Balance

Adopted Budget 2013	Capital Project Rollover 2012	Capital Project Supplemental #1 2013	Supplemental #2 2013	Total Budget 2013	As of 12/31/2012	Difference	%
-	1,000,000	5,424	-	1,005,424	1,000,000	- 5,424	100%
-	2,510,000	-	-	2,510,000	2,510,000	-	100%
2,031,948	10,416,424	-	-	12,448,372	5,557,257	6,891,115	45%

Revenues:

6012 New Library

2,031,948	10,416,424	-	-	12,448,372	2,074,267	10,374,105	17%
2,031,948	10,416,424	-	-	12,448,372	2,074,267	10,374,105	17%

Fund 305 Water Capital

Revenues:

1,300,000	5,404,452	420,000	-	7,124,452	4,413,895	2,710,557	62%
-	768,000	-	-	768,000	768,000	-	100%
-	1,121,078	-	-	1,121,078	-	1,121,078	0%
-	2,763,185	-	-	2,763,185	388,384	388,384	86%
1,443,500	349,000	-	-	1,792,500	-	1,792,500	0%
-	341,930	-	-	341,930	-	341,930	0%
463,500	98,000	-	-	561,500	761,894	(200,394)	136%
-	78,000	-	-	78,000	78,000	-	100%
3,207,000	10,923,645	420,000	-	14,550,645	8,396,590	6,154,055	58%

Resolution # 2012-37 Adopted Budget FY 13

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Expenditures:

7020 UV Pre/Final Design Secondary Water Treatment Facility	900,000	-	-	900,000	873,151	26,849	0%
7021 Phase II Downtown Comprehensive Water, Sewer, & Storm Drain	850,000	-	-	850,000	462,970	387,030	0%
7023 UV Water Treatment Facility Construction	7,720,645	-	-	7,720,645	5,644,090	2,076,555	0%
7024 Utility Rate Study	48,000	-	-	48,000	37,131	10,869	0%
7026 Aleutian Homes Water & Sewer Replacement Proj Phase V	2,227,000	260,000	-	2,487,000	255,971	2,231,029	0%
7029 Monashka Pump House Feasibility Study	425,000	225,000	420,000	1,070,000	159,462	910,538	0%
7030 Replace Chlorine Solution Storage Tank WWTP	-	120,000	-	120,000	-	120,000	0%
7031 Monashka Watershed Survey	-	250,000	-	250,000	-	250,000	0%
7032 Emergency Replacement Water Main on Rezanof	-	450,000	-	450,000	368,184	81,816	0%
7033 Pillar Creek Dam Spillway Repair Work	-	100,000	-	100,000	37,935	62,065	0%
7034 Periodic Dam Safety Inspections	45,000	-	-	45,000	-	45,000	0%
7035 Water leak Pavement Repairs from Winter Damage	510,000	-	-	510,000	165,983	344,017	0%
7099 Transfer	-	-	-	-	-	-	0%
3,207,000	10,923,645	420,000	-	14,550,645	8,004,876	6,545,769	55%

Transfer Grant Revenue to Project 7029 that had not been allocated

Fund 306 Sewer Capital Fund

Revenues:

Charges for Sewer Sales (10%)	26,000	-	-	26,000	-	26,000	0%
Approp. From Fund Balance	-	1,895,000	-	1,895,000	-	1,895,000	0%
Alasak Clean Water Loan	-	-	(4,000,000)	-	-	-	0%

City of Kodiak - Attachment to Ordinance No. 1304

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State Loan was not approved

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Transfer from Sewer fund 570
Transfer from Water fund 550
Transfer from Street Improvement Fund 301
Revenues:

	Adopted	Capital Project Supplemental		Supplemental	Total	As of	Difference	%
	Budget 2013	Rollover 2012	#1 2013	#2 2013				
	200,000	-	2,800,000	200,000	3,000,000	200,000	2,800,000	7%
	-	15,000	1,200,000	-	1,200,000	-	1,200,000	0%
	4,200,000	1,936,000	-	-	6,136,000	215,000	5,921,000	4%
Expenditures:								
7508 Lift Station Electric (5)	26,000				26,000	1,079	24,921	4%
7509 Upgrade Lift Station #1	150,000				150,000	7,370	142,630	0%
7510 Sludge Study & Composting	285,000				285,000	284,998	2	0%
7512 Aeration Basin Air Control System	150,000				150,000	-	150,000	0%
7513 Inflow & Infiltration Repair materials	25,000				25,000	2,813	22,187	0%
7514 Rehabilitate Press pump Station	400,000				400,000	-	400,000	0%
7516 Replace Lift Station #1 & #2	900,000				900,000	-	900,000	0%
7517 Bio Solid Management Project	4,200,000				4,200,000	83,189	4,116,811	0%
7599 Transfer	-				-			0%
Expenditures:	4,200,000	1,936,000	-	-	6,136,000	379,449	5,756,551	6%

7% State Loan was not approved
0% State Loan was not approved
100%

Fund 307 Cargo Development Fund

Revenues:
State Grants
State Bond Issue
Approp. From Fund Balance
Revenues:

	2,934,000	18,100,000	21,034,000	670,713	20,363,287	3%
	1,159,700	15,000,000	15,000,000	-	15,000,000	0%
	4,093,700	33,100,000	37,193,700	670,713	36,522,987	2%

Resolution # 2012.18 Pier III Replacement
DEC GOB Transportation Bond

Expenditures:
8013 Design & Engineering Pier III
8015 Cruise Ship Facility Planning - Pier II
8016 Pedestrian Access from Pier II
8017 Inspection Pier II and Inner Harbor Docks
8018 Security Improvements
8019 Oscar's Dock Electric
8020 Decking for Dock I
8021 Zinc Replacement
8022 Data Weather Station
8023 Pedestrian Pathway

	712,000	308,167	712,000	403,833	43%
	250,000	250,000	250,000	-	100%
	2,684,000	(384,000)	2,300,000	1,879,144	18%
	85,700	64,297	85,700	21,403	75%
	50,000	11,500	50,000	38,500	23%
	150,000	-	150,000	150,000	0%
	100,000	-	100,000	100,000	0%
	50,000	7,660	50,000	42,340	15%
	12,000	5,000	12,000	7,000	42%
	-	384,000	384,000	-	0%
	-	33,100,000	33,100,000	33,100,000	0%
	4,093,700	33,100,000	37,193,700	1,067,480	3%

Bike Path Project separated out form 8016
Bike Path Project separated out form 8016
Resolution # 2012.18 Pier III Replacement & DEC GOB Transportation Bond

Fund 308 Harbor Development

Revenues:
State Grant
Approp. From Fund Balance
Transfer from General Fund
Transfer from Boat Harbor
Revenues:

	1,015,000	280,000	1,015,000	280,000	1,015,000	0%
	280,000	-	280,000	-	100%	
	1,295,000	-	1,295,000	280,000	22%	

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	Adopted Budget 2013	Capital Project Rollover 2012	Supplemental #1 2013	Supplemental #2 2013	Total Budget 2013	As of 12/31/2012	Difference	%
Expenditures:								
8515 Harbor Security Camera System		10,000			10,000	-	10,000	0%
8516 Float, Boat Launch, SPH		150,000			150,000	14,863	135,137	10%
8517 Restrooms, Fisherman's Hall		200,000			200,000	53	199,947	0%
8519 SPH Ladders		20,000			20,000	9,791	10,209	49%
8520 SHH Repairs		745,000			745,000	389,407	355,593	52%
8521 Channel Transient Float/ Bull Rails		25,000			25,000	-	25,000	0%
8523 Oscar's Dock Fender Piling Replacement		45,000			45,000	10,920	34,080	24%
8524 Water Front Harbor Planning		100,000			100,000	4,828	95,172	5%
9598 Transfers		-			-	-	-	0%
Expenditures:		1,295,000	-	-	1,295,000	429,862	865,138	33%

Fund 309 Parks & Rec Capital

	Adopted Budget 2013	Capital Project Rollover 2012	Supplemental #1 2013	Supplemental #2 2013	Total Budget 2013	As of 12/31/2012	Difference	%
Revenue:								
State Grants		2,100,000	3,650,000		5,750,000	5,047,561	702,439	88%
Local Grants		500,000			500,000	555,376	(55,376)	111%
Approp. From Fund Balance	(35,000)	355,629			320,629	-	320,629	0%
Transfer from Enhancement Fund		500,000			500,000	500,000	-	84%
Transfer from General Fund	50,000	251,465			301,465	253,371	48,094	84%
Revenues:	15,000	3,707,094	3,650,000	-	7,372,094	6,356,307	1,015,787	86%

Resolution #2012-17 Baraonof Park Phase II

Expenditures:

9001 Baranof Park Improvements (E&D)	15,000	3,350,000	3,650,000		7,015,000	5,099,249	1,915,751	73%
9004 Playground Equipment & Improve		73,000			73,000	71,523	1,477	98%
9007 Storage Building - Baranof Park		115,000			115,000	61,126	53,874	53%
9012 Baranof Baseball Field Improvements		48,094			48,094	42,816	5,278	89%
9013 Major Park Maintenance		71,000			71,000	65,938	5,062	93%
9014 Building Improvement (Weatherization)		50,000			50,000	21,223	28,777	42%
9098 Transfers		-			-	-	-	0%
Expenditures:	15,000	3,707,094	3,650,000	-	7,372,094	5,361,875	2,010,219	73%

Resolution #2012-17 Baraonof Park Phase II

Fund 500 Cargo Terminal

Revenue:								
PERS Relief	19,560				19,560	-	19,560	0%
Dockage Pier III	120,000				120,000	57,049	62,951	48%
Cruise Ship Revenues	125,000				125,000	49,110	75,890	39%
Pier III Lease	300,000				300,000	148,184	151,816	49%
Warf	450,000				450,000	252,977	197,023	56%
Interest on Investments	7,000				7,000	1,192	5,808	17%
Warehouse Rental	205,000				205,000	100,917	104,083	49%
Van Storage Rental	12,000				12,000	11,971	29	100%
Approp. From Retained Earnings	(150,813)				(150,813)	-	(150,813)	0%
Transfer								
Revenues:	1,087,747	-	-	-	1,087,747	621,401	466,346	57%

Expenditures:

Cargo Terminal Administration	377,750				377,750	182,175	195,575	48%
Cargo Terminal Interfund Charges	173,270				173,270	-	-	100%
Cargo Terminal Warehouse	10,500				10,500	7,248	3,252	69%

**CITY OF KODIAK
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	Adopted Budget 2013	Capital Rollover 2012	Project Supplemental #1 2013	Supplemental #2 2013	Total Budget 2013	As of 12/31/2012	Difference	%
Cargo Terminal Pier II	507,227	-	-	-	507,227	249,385	257,842	49%
Cargo Terminal Pier III	19,000	-	-	-	19,000	814	18,186	4%
Expenditures:	1,087,747	-	-	-	1,087,747	612,892	474,855	56%

Fund 510 Boat Harbor Fund

Revenue:								
PERS Relief	81,900				81,900	-	81,900	0%
Dockage AMHS	80,000				80,000	28,360	51,640	35%
Exclusive Moorage	1,240,000				1,240,000	1,235,495	4,505	100%
Transient Moorage	500,000				500,000	344,479	155,521	69%
Harbormaster Service	5,000				5,000	5,375	(375)	107%
Gridiron Fees	15,000				15,000	6,120	8,880	41%
Pier/Dock Fees	160,000				160,000	112,150	47,850	70%
Used Oil Fees	10,000				10,000	5,617	4,383	56%
Waiting List Fees	3,000				3,000	1,225	1,775	41%
Trailer Parking Fees	33,000				33,000	17,331	15,669	53%
Bulk Oil Sales/Charges	60,000				60,000	28,579	31,421	48%
Gear Storage	45,000				45,000	30,596	14,404	68%
Parking Meters	7,000				7,000	5,604	1,396	80%
Launch Ramp Fees	20,000				20,000	3,939	16,061	20%
Interest on Investments	14,000				14,000	5,790	8,210	41%
Office Rent AMHS	16,500				16,500	6,504	9,996	39%
Other Revenues	7,300				7,300	3,998	3,302	55%
Harbor Services to Cargo	167,730				167,730	167,730	-	100%
Approp from Retained Earnings Transfer	1,739,962				1,739,962	-	1,739,962	0%
Revenues:	4,205,392	-	-	-	4,205,392	2,008,892	2,196,500	48%
Expenditures:								
Boat Harbor Administration	3,210,014				3,210,014	1,532,506	1,677,508	48%
Boat Harbor Interfund	175,610				175,610	175,610	-	100%
Transfer to Boat Yard Lift	819,768				819,768	819,768	-	100%
Expenditures:	4,205,392	-	-	-	4,205,392	2,527,884	1,677,508	60%

Fund 512 Boat Yard/Lift

Revenue:								
PERS Relief	12,170				12,170	-	12,170	0%
Customer Fees	460,500				460,500	304,886	155,614	66%
Interest on Investments	1,000				1,000	63	937	6%
Other Revenue	2,000				2,000	1,688	312	84%
Approp from Retained Earnings Transfer	-				-	-	-	-
Revenues:	819,768				819,768	819,768	-	100%
	1,295,438	-	-	-	1,295,438	1,126,406	169,032	87%
Expenditures:								
Yard Administration	1,136,088				1,136,088	542,459	593,629	48%
Boat Yard Interfund	159,350				159,350	159,350	-	100%
Expenditures:	1,295,438	-	-	-	1,295,438	701,809	593,629	54%

Fund 515 Harbor Electrical

Revenue:								
Non-Meter Charge	25,000				25,000	5,555	19,445	22%

**CITY OF KODIAK
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	Adopted Budget 2013	Capital Project Rollover 2012	Supplemental #1 2013	Supplemental #2 2013	Total Budget 2013	As of 12/31/2012	Difference	%
Customer Charge recurring	115,000				115,000	46,470	68,530	40%
Connect/Disconnect fee	7,000				7,000	4,330	2,670	62%
Energy Charge	530,000				530,000	189,131	340,869	36%
Record Fee	1,000				1,000	345	655	35%
HM Service	5,000				5,000	2,691	2,309	54%
Interest on Investments	1,000				1,000	135	865	13%
Approp from Retained Earnings Transfer	(26,520)				(26,520)	-	(26,520)	0%
Revenues:	657,480	-	-	-	657,480	248,657	408,823	38%

Expenditures:								
Electric Utility Administration	565,260				565,260	189,473	375,787	34%
Electric Utility Interfund	92,220				92,220	92,220	-	100%
Expenditures:	657,480	-	-	-	657,480	281,693	375,787	43%

Fund 550 Water Utility

Revenues:								
PERS Relief	46,900				46,900	-	46,900	0%
Water Sales Metered	1,390,000				1,390,000	694,360	695,640	50%
Water Sales City	1,139,900				1,139,900	630,568	509,332	55%
Water Sales Borough	741,170				741,170	424,675	316,495	57%
Water Service Connections	10,580				10,580	-	10,580	0%
Interest on Investments	10,000				10,000	1,311	8,689	13%
Other Revenues	24,500				24,500	17,277	7,223	71%

Approp From Retained Earnings

	1,227,882		1,220,000		2,447,882	-	2,447,882	0%
Revenues:	4,590,932	-	1,220,000	-	5,810,932	1,768,191	4,042,741	30%

Expenditures:

Water Utility Transfers	1,863,500		1,220,000		3,083,500	1,863,500	1,220,000	60%
Water Utility	2,347,843				2,347,843	1,064,883	1,282,960	45%
Water Treatment Plant	379,589				379,589	100,545	279,044	26%
Expenditures:	4,590,932	-	1,220,000	-	5,810,932	3,028,928	2,782,004	52%

Fund 570 Sewer Utility

Revenues:								
PERS Relief	70,670				70,670	-	70,670	0%
Sewer Service Charges - City	2,229,260				2,229,260	1,161,346	1,067,914	52%
Sewer Service Charges - Outside	1,157,630				1,157,630	631,235	526,395	55%
Sewer Connections	6,300				6,300	-	6,300	0%
Septic Truck Discharge	42,800				42,800	30,370	12,430	71%
Lab Testing Fee	25,000				25,000	10,440	14,560	42%
Interest on Investments	10,000				10,000	2,290	7,710	23%

**CITY OF KODIAK
FY 2013 Supplemental
Attachment B**

	Adopted Budget 2013	Capital Project Rollover 2012	Supplemental #1 2013	Supplemental #2 2013	Total Budget 2013	As of 12/31/2012	Difference	%
Approp From Retained Earnings	969,360		2,830,000		3,799,360	-	3,799,360	0%
Revenues:	4,511,020	-	2,830,000	-	7,341,020	1,835,681	5,505,339	25%

Transfer to Insurance Fund for Bio Solids Project \$10,000, Transfer to Bio Solid Project #7517 \$2,800,000 Transfer to Waste Material Dump Site \$20,000

Expenditures:								
Sewer Utility Transfers	678,500		2,820,000		3,498,500	678,500	2,820,000	19%
Sewer Utility	662,371		10,000		662,371	331,331	331,040	50%
Wastewater Treatment Plant	3,170,149				3,180,149	1,410,356	1,769,793	44%
Expenditures:	4,511,020	-	2,830,000	-	7,341,020	2,420,187	4,920,833	33%

Transfer to Bio Solid Project #7517 \$2,800,000 Transfer to Waste Material Dump Site \$20,000

Bio Solid Project #7517 Insurance

Fund 580 Trident Basin								
Revenues:								
Trident Basin - Charges	11,600				11,600	-	11,600	0%
Interest on Investments	1,000				1,000	-	1,000	0%
Rentals from Others	33,300				33,300	16,026	17,274	48%
Approp From Retained Earnings	309,590				309,590	-	309,590	0%
Transfer from Trident Basin Capital Fund	-				-	-	-	0%
Revenues:	355,490	-	-	-	355,490	16,026	339,464	5%
Expenditures:	355,490	-			355,490	194,905	160,585	55%

Fund 585 E-911 Services								
Revenues:								
PERS Relief	440				440	-	440	0%
Customer Charges	66,290				66,290	69,142	(2,852)	104%
Interest on Investments	1,000				1,000	-	1,000	0%
Approp From Retained Earnings	7,070				7,070	-	7,070	0%
Transfer from General Capital Projects	-				-	-	-	#DIV/0!
Transfer from General Fund	-				-	-	-	0%
Revenues:	74,800	-	-	-	74,800	69,142	5,658	92%
Expenditures:	74,800	-			74,800	2,723	72,077	4%

Fund 780 Self-Insurance								
Revenues:								
Interest on Investments	5,000				5,000	99	4,901	2%
Insurance Refund/Reserve	42,900		385,000		427,900	11,431	416,469	3%
Charges to General Fund	276,900				276,900	276,900	37,000	88%
Charges to Trident Basin	8,300				8,300	8,300	-	100%
Charges to Cargo Terminal	65,500				65,500	65,500	-	100%
Charges to Boat Harbor	98,800				98,800	98,800	-	100%
Charges to Boat Yard	1,500				1,500	1,500	-	100%
Charges to Boat Electric	1,000				1,000	1,000	-	100%

APEL Insurance Refund for Ice Rink Fire - Resolution #2012-28
Resolution # 2012-26 Repair of the Kodiak Police Repair Work - \$37,000

CITY OF KODIAK
 FY 2013 Supplemental
 Attachment B

	Adopted Budget 2013	Capital Project Rollover 2012	Supplemental #1 2013	Supplemental #2 2013	Total Budget 2013	As of 12/31/2012	Difference	%
Charges to Water Utility	16,300				16,300	16,300	-	100%
Charges to Sewer Utility	37,500		10,000		47,500	37,500	10,000	79%
Charges to E-911	500				500	500	-	100%
Approp Fund	-		25,000		25,000	-	25,000	0%
Revenues:	554,200	-	457,000	-	1,011,200	517,829	493,371	51%

Expenditures:

Insurance Expenses	554,200		457,000		1,011,200	491,608	519,592	49%
Expenditures:	554,200	-	457,000	-	1,011,200	491,608	519,592	49%

Non Capital Projects Revenue

Non Capital projects Expenses	34,561,154		4,709,500		39,270,654	14,920,699	24,349,955	38%
	34,561,154		4,709,500		39,270,654	18,328,894	20,941,760	47%
	-		-		-	(3,408,195)	3,408,195	

Capital Projects Revenue

Capital Projects Expenses	10,607,948	37,325,475	37,778,204		85,711,627	26,437,773	59,273,854	31%
	10,607,948	37,325,475	37,778,204		85,711,627	21,304,556	64,407,071	25%
	-	-	(0)		(0)	5,133,216	(5,133,217)	

Total Revenues


Total Expenses	45,169,102	37,325,475	42,487,704		124,982,281	41,358,472	83,623,809	33%
	45,169,102	37,325,475	42,487,704		124,982,281	39,633,451	85,348,830	32%
	-	-	(0)		(0)	1,725,022	(1,725,022)	

Total Non-Capital Projects for FY

Total Capital Projects for FY	34,561,154		4,709,500		39,270,654			
	10,607,948	37,325,475	37,778,204		85,711,627			
	\$ 45,169,102	\$ 37,325,475	\$ 42,487,704	\$ -	\$ 124,982,281			

Resolution # 2012-26 Repair of the Kodiak Police Repair Work - \$37,000 Resolution #2012-28 Ice Risk Damage Repair - \$410,000, Bio Solid Insurance \$10,000

MEMORANDUM TO COUNCIL

To: Mayor Branson and City Councilmembers
From: Aimée Kniaziowski, City Manager 
Thru: Mark Kozak, Public Works Director and Doug Mathers, Building Official
Date: January 24, 2013

Agenda Item: V.b. First Reading, Ordinance No. 1305, Amending Kodiak City Code 14.04.010, 14.24.010 and 14.24.020; Enacting Kodiak City Code 14.04.080 and 14.24.030; and Repealing and Reenacting Kodiak City Code 14.24.040; Regarding the Adoption of Building and Other Codes and Related Matters

SUMMARY: The State of Alaska adopted new building codes on November 16, 2012, and as a deferred jurisdiction, the City of Kodiak is required to adopt codes that meet or exceed the State's adopted codes. The Joint Building Code Review Committee met numerous times to discuss, review, and develop the proposed code changes. The Kodiak Island Borough Assembly will also adopt these amendments with a first reading of their ordinance scheduled for February 7. City staff and the Joint Building Code Review Committee recommends Council pass Ordinance No. 1305 in the first reading.

PREVIOUS COUNCIL ACTION:

- January 2009, Council adopted Ordinance No. 1246, incorporating the most recent building code updates to Title 14 of the Kodiak City Code

BACKGROUND: The State of Alaska adopted new building codes in November 2012. Kodiak is considered a deferred jurisdiction and is required to adopt codes that meet or exceed those adopted by the State. The City and Borough's Joint Building Code Review Committee began meeting in April 2012 and met a total of nine times to finalize their recommendations to both governments in November 2012.

DISCUSSION: The Joint Building Code Review Committee is made up of seven members. They are John Butler, Ed Mahoney and Scott Arndt (City Building Code Board of Appeals representatives), Gregg Hacker and Scott Bonney (Borough Architectural Review Board Representatives) Jerrol Friend (KIB Assembly Representative) and Randy Bishop (City Council Representative).

Following many meetings throughout 2012, the Committee voted unanimously to recommend the City adopt the 2009 International Building Code (IBC) with amendments, the 2009 International Mechanical Code, the 2009 International Fire Code with amendments, the 2009 Uniform Plumbing Code, the 2011 National Electrical Code, and the International Fuel Gas Code chapters 6 and 7. There are also a few minor housekeeping changes as identified in the ordinance.

In addition, the Joint Building Code Review Committee recommended adoption of the International Residential Code up to 2012. At this time the State of Alaska does not adopt a residential building code.

The City has been using the 1997 Uniform Building Code as our one- and two-family dwelling building code.

The Borough will begin to amend their code to reflect these recommended amendments, as well, with introduction of their ordinance scheduled for February 7 with final adoption on February 21.

Staff recommends Council agree to make the required amendments as requested by the Joint Building Code Review Committee by passing Ordinance No. 1305 in the first reading.

ALTERNATIVES:

1. Staff and the committee recommend Council adopt the new codes and recommended amendments by passing Ordinance No. 1305 in the first reading. This is the recommended alternative and is consistent with requirements of a deferred jurisdiction.
2. Council could adopt a portion of or some amendments to the codes as recommended by the joint committee. This is not recommended in order to maintain consistent application of codes.
3. Council could choose not to adopt the new codes as recommended. This is not recommended, since it could affect the City's deferred status with the State Fire Marshal office and the ISO rating, which could impact property insurance costs.

FINANCIAL IMPLICATIONS: Adoption and implementation of the new codes will not impact the Public Works budget because the costs for new code books are included in the current budget.

LEGAL: The City is required to adopt various building codes that meet or exceed the State of Alaska's current building codes. Since the State recently adopted more updated codes, the City must do so, as well, because of its deferred jurisdictional status.

STAFF RECOMMENDATION: Staff recommends Council pass Ordinance No. 1305 in the first reading and advance to second reading and public hearing at the next regular or special Council meeting.

CITY MANAGER'S COMMENTS: Our building officials and the joint committee have been working diligently this past year to review and develop the proposed code changes we are required to adopt. Therefore, I support staff's recommendation that Council pass Ordinance No. 1305 in the first reading and advance to second reading and adoption. Those Council members who may be interested in review of the complete set of documents generated by the joint committee can contact me to request copies.

ATTACHMENTS:

Attachment A: Ordinance No. 1305

Attachment B: Recommendation memo from Building Official to PW Director and City Manager, dated November 27, 2012

PROPOSED MOTION:

Move to pass Ordinance No. 1305 in the first reading and advance to second reading and public hearing at the next regular or special Council meeting.

**CITY OF KODIAK
ORDINANCE NUMBER 1305**

AN ORDINANCE OF THE COUNCIL OF THE CITY OF KODIAK AMENDING KODIAK CITY CODE 14.04.010, 14.24.010 AND 14.24.020; ENACTING KODIAK CITY CODE 14.04.080 AND 14.24.030; AND REPEALING AND REENACTING KODIAK CITY CODE 14.24.040; REGARDING THE ADOPTION OF BUILDING AND OTHER CODES AND RELATED MATTERS

BE IT ORDAINED by the Council of the City of Kodiak, Alaska, that:

Section 1: Kodiak City Code 14.04.010 is hereby amended to read as follows:

14.04.010 Adoption of building and other codes. The following codes are hereby adopted by reference as the building codes for the city of Kodiak:

- (a) ~~2009~~ ~~2006~~-International Building Code, as adopted with revisions in 13 AAC 50.020 in effect as of November 16, 2012 ~~September 17, 2007~~, and including Appendix H, Signs, for all buildings except one- and two-family dwellings and residential accessory buildings; provided, that the following revisions to the ~~2009~~ ~~2006~~-International Building Code in 13 AAC 50.020 are not adopted: (i) the deletion in 13 AAC 50.020(1) of Sections 103, 104.4, 104.6, 104.8, 105.4, ~~106.5~~, ~~107.5~~, 108.2, 108.4, 108.5, 109.2, 109.5, and ~~110~~ ~~109~~ through 115; and (ii) the revisions in 13 AAC 50.020(7) through (11), (16), (17), (66), (73), (74), and ~~(77)~~ ~~(78)~~.
- (b) **2012 International Residential** ~~1997 Uniform Building~~ Code for one and two family dwellings and residential accessory buildings with the following revisions: including excerpts from Appendix Chapter 23, which are included in the uniform Building Code Vol.1; options to Appendix Chapter 23, for exposure C and D High Wind Wall Framing and Wood Piles, by Barry Still.
- (1) R105.2, Work exempt from permit #10, is modified by striking out “are not attached to a dwelling and do not serve the exit door required by Section R311.4”
- (2) R301.2.1.1 is modified by adding to the end of the section, “The following may be built to Seismic design category D2 with 110 MPH wind speed in B and C wind exposure areas provided that the house was permitted before the adoption of the 2012 Residential Building Code.
One permit only. An addition that is not more than 15% of the total gross square foot area of the existing building that the addition will be attached to. Roof pitch is a maximum of 5/12 or less. One story additions may be built on a piling foundation provided existing building has a piling foundation.
Other exempt structures in section R105.2 titled Work exempt from permit.”

[Bold and underlined added. Deleted language stricken through.]

- (3) R311.7.5.1, Riser height, is modified as follows: The maximum riser height shall be 8 inches (203mm). The riser shall be measured vertically between leading edges of the adjacent treads. The greatest riser height within any flight of stairs shall not exceed the smallest by more than $\frac{3}{8}$ inch (9.5 mm). Risers shall be vertical or sloped from the underside of the nosing of the tread above at an angle not more than 30 degrees (0.51 rad) from the vertical. Open risers are permitted provided that the opening between treads does not permit the passage of a 4-inch-diameter (102 mm) sphere.
- (4) R311.7.5.2, Tread depth, is modified as follows: The minimum tread depth shall be 9 inches (228mm). The tread depth shall be measured horizontally between the vertical planes of the foremost projection of adjacent treads and at a right angle to the tread's leading edge. The greatest tread depth within any flight of stairs shall not exceed the smallest by more than $\frac{3}{8}$ inch (9.5 mm).
- (5) R313.1, Townhouse automatic fire sprinkler systems, and R313.2 One and two family dwellings automatic fire sprinkler systems, are modified by changing the word shall to may.
- (6) Chapter 11, Energy Efficiency. Exclude this chapter
- (7) Chapters 24, 25, 26, 27, 28, 29, 30, 31, 32 & 33. Delete these chapters related to plumbing and replace with the 2009 Uniform Plumbing Code.
- (8) Chapters 34, 35, 36, 37,38,39,40, 41, 42 & 43. Delete these electrical chapters and replace with the 2011 National Electrical Code.
- (9) M2002.5, Boiler low-water cutoff, is modified by striking out the words "and hot water".
- (c) 2009 2006-International Building Code Appendix J, Grading.
- (d) 2009 Uniform Plumbing Code, as adopted with revisions in 8 AAC 63.010 in effect as of February 23, 2011 ~~September 27, 2008~~, Appendix Chapter B, Explanatory Notes on Combination Waste and Vent Systems; and Appendix Chapter H, Recommended Procedures for Sizing Commercial Kitchen Grease Interceptors.
- (e) 2009 2006-International Mechanical Code, as adopted with revisions in 13 AAC 50.023 in effect as of November 16, 2012 ~~September 17, 2007~~, except for the deletions in 13 AAC 50.023(1) of Sections 103, 104, and 106 through 110 109 of the 2009 2006-International Mechanical Code.
- (f) 2011 2008-National Electric Code:
1. New Section 300.4(IG) is added ~~amended~~ to read as follows: Thermo-plastic type insulated conductors may not be installed when the working environment is below 20 degrees ~~20°~~ Fahrenheit.
 2. Section 410.168 is amended to read as follows: Luminaries (~~Fixtures~~) and Transformers in closets.
- (g) 1997 Uniform Code for the Abatement of Dangerous Buildings.
- (h) 1997 Uniform Housing Code.
- (i) 2009 2006-International Fuel Gas Code, Chapters 6 and 7.
They are adopted to regulate erection, construction, enlargement, alteration, repair, moving, removal, conversion, demolition, occupancy, equipment, use,
[Bold and underlined added. Deleted language stricken through.]

height, area, and maintenance of buildings or structures in the city of Kodiak; to provide for the issuance of permits and collection of fees therefor; and to provide penalties for violations of those regulations. The building codes so adopted shall be interpreted, administered, and enforced with the local amendments hereinafter specifically set forth by the city building official who is authorized to take such action as may be reasonably necessary to enforce the purposes of this section. The city manager may appoint or authorize an assistant or agent to the building official if necessary to carry out the provisions of this section.

Section 2: Kodiak City Code 14.04.080 is hereby enacted to read as follows:

14.04.080 Hoop houses. A “hoop house” or “high tunnel,” used exclusively for the production or storage of live plants, shall be exempt from the permit requirements of the City of Kodiak building codes if it meets the following criteria:

- (a) There is no permanent anchoring system or foundation;
- (b) There is no storage, temporary or otherwise, of solvents, gases, or other chemicals or flammable materials;
- (c) The structure is no wider than 24 feet and no greater length than 32 feet;
- (d) The covering of the structure is of a flexible polyethylene material no greater than 10 mils in thickness;
- (e) The support structure of the hoop house is made of non-combustible materials, e.g., metal, and hoop house must be purchased as a kit per the USDA high tunnel program. Installation is per manufacturer’s recommendations;
- (f) The structure is not utilized for retail sales;
- (g) The structure is located no closer than 5 feet from all property lines and cannot redirect the existing drainage.

Section 3: Kodiak City Code 14.24.010 is hereby amended to read as follows:

14.24.010 Adoption The ~~2009~~ 2006–International Fire Code, including Appendices A through G, as adopted with revisions in 13 AAC 50.025 in effect as of November 16, 2012 ~~September 17, 2007~~, except for the deletions in 13 AAC 50.025(1) of Sections 103, 104.2, 104.3, 104.4, 104.5, 104.6, 104.10, 104.11, 104.11.1, 104.11.2, 106, 108, ~~and~~ 109 and 111 of the ~~2009~~ 2006–International Fire Code, is hereby adopted by reference as the fire code for the city of Kodiak. This code establishes regulations affecting or relating to structures, processes, premises and safeguards regarding:

- (a) The hazard of fire and explosion arising from the storage, handling or use of structures, materials or devices;
 - (b) Conditions hazardous to life, property or public welfare in the occupancy of structures or premises;
 - (c) Fire hazards in the structure or on the premises from occupancy or operation;
 - (d) Matters related to the construction, extension, repair, alteration or removal of fire suppression or alarm systems; and
- [Bold and underlined added. Deleted language stricken through.]

(e) Conditions affecting the safety of fire fighters and emergency responders during emergency operations.

The Fire Code so adopted shall be interpreted, administered, and enforced with the local amendments hereinafter specifically set forth by the fire code official who is authorized to take such action as may be reasonably necessary to enforce this section. The city manager may appoint or authorize an assistant or agent to the fire code official if necessary to carry out the provisions of this section.

Section 4: Kodiak City Code 14.24.020 is hereby amended to read as follows:

14.24.020 Copies on file/sale. After adoption, the fire code ~~building~~-official shall provide for sale, ~~to those interested,~~ copies of the **Fire Code or referenced standards** ~~code adopted pursuant to section 14.24.010~~. At least three copies shall be kept at the Building Department office.

Section 5: Kodiak City Code 14.24.030 is hereby enacted to read as follows:

14.24.030 Fire Safety Inspection program. The fire code official will conduct a fire code inspection program which meets or exceeds the program conducted by the State Division of Fire and Life Safety.

Section 6: Kodiak City Code 14.24.040 is hereby repealed and reenacted to read as follows:

14.24.040 Plan review. The fire code official will assist in the review of fire suppression, fire alarm, and site plan reviews for the purposes of emergency response and suppression with the Building Code Official.

Section 7: This ordinance shall be effective on the date that is one month after its final passage and publication in accordance with Kodiak Charter Section 2-13.

CITY OF KODIAK

MAYOR

ATTEST:

CITY CLERK

First Reading:
Second Reading:
Effective Date:

[Bold and underlined added. Deleted language stricken through.]



BUILDING DEPARTMENT

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Date: Nov. 27 2012
To: Mark Kozak, Director of Public Works
CC: Aimee Kniazowski, City Manager
From: Doug Mathers, Building Official
RE: Adoption of new Building Codes

At this time I would like to begin the process of adopting the new codes. The state adopted new codes on Nov.16 2012 and as a deferred jurisdiction we are required to adopt codes that meet or exceed the states adopted codes.

During numerous meeting The Joint Building Code Review Committee voted unanimously to adopt the 2009 IBC with amendments, the 2012 International Residential Code with amendments, the 2009 International Mechanical Code, the 2009 International Fire Code with amendments, the 2009 Uniform Plumbing code, the 2011 National Electrical Code and the International Fuel Gas Code chapters 6 and 7. There are also a few minor housekeeping changes. I would like to start the codes adopted process for the City.

The Joint Building Code Review Committee is made up of seven members. They are John Butler, Ed Mahoney and Scott Arndt (City Building Code Board of Appeals representatives), Gregg Hacker and Scott Bonney (Borough Architectural Review Board Representatives) Jerrol Friend (KIB Assembly Representative) and Randy Bishop (City Council Representative).

Attached is the rewrite of Title 14 Titled, Building Construction.

MEMORANDUM TO COUNCIL

To: Mayor Branson and City Councilmembers

From: Aimée Kniazowski, City Manager 

Date: January 24, 2013

Agenda Item: V. c. Resolution 2013–01, Adopting the Federal Fiscal Year 2013 Prioritized Federal Capital Improvements Program List

SUMMARY: Each year the City identifies capital improvement projects important to the maintenance and/or improvement of the City's infrastructure as well as issues that are important to the City or larger community. The Council reviewed and discussed a list of proposed federal requests at the January 8 and January 22 work sessions and indicated support for the projects. Resolution 2013–01 reflects that list and staff recommends Council adopt the resolution.

PREVIOUS COUNCIL ACTION: Council adopts a resolution each year identifying the City's prioritized list of projects for federal funding assistance.

- Council adopted its Federal Fiscal Year (FFY) 2012 federal funding priorities by Resolution 2011–40 on November 17, 2011
- Council reviewed and discussed staff's proposed working list at the January 8 and January 22 work sessions and supported the four projects as listed

DISCUSSION: As mentioned above, the Council reviewed and discussed a list of proposed federal projects for FFY13 at the January 8 and January 22 work sessions. Staff worked closely with the City's federal lobbyist, Brad Gilman, to develop the list of projects the City and Brad will promote this year in Washington, D.C. Brad once again advised the City to keep its list short, but he recommended including City projects currently in development that address street, road, and water type infrastructure improvements. He also recommended that the City include the estimated costs needed for completion of the projects.

Resolution No. 2013–01 reflects the prioritized list of City capital improvement projects for FFY13 and will be submitted to the Alaska Congressional Delegation upon adoption. These projects are not the only capital projects that the City will pursue in the coming year, but they are important projects the City hopes will attract federal funding because of their importance to the community and region.

ALTERNATIVES: Council may adopt, amend, or reprioritize Resolution 2013–01. Staff recommends Council approve the resolution as submitted. The list reflects City needs and is based on advice from our federal lobbyist who believes the projects might have a chance of funding this coming year.

FINANCIAL IMPLICATIONS: The City and its residents will benefit if the City is successful in obtaining federal funds for these projects by reducing reliance on local contributions.

CITY MANAGER’S RECOMMENDATION AND COMMENTS: I worked with Brad Gilman and his staff to identify and scope the projects listed in Resolution 2013–01. The list reflects Brad’s advice to keep the list short and to include streets and roads and water type infrastructure projects. He has reviewed the list and is comfortable with the requests. I recommend Council adopt the resolution.

ATTACHMENTS:

Attachment A: Resolution 2013–01

PROPOSED MOTION:

Move to adopt Resolution 2013–01.

**CITY OF KODIAK
RESOLUTION NUMBER 2013-01**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK ADOPTING
THE FEDERAL FISCAL YEAR 2013 PRIORITIZED FEDERAL CAPITAL
IMPROVEMENTS PROGRAM LIST**

WHEREAS, the City of Kodiak uses a Capital Improvements Program planning process to identify the capital improvement project needs of the community; and

WHEREAS, this identification and planning process plays a vital role in directing the City's administration and is utilized as a long-range planning and policy setting tool for City infrastructure maintenance and enhancement; and

WHEREAS, the City of Kodiak is committed to paying its way, to the greatest extent possible, but the cost of some of the City's capital project needs are greater than resources available locally; and

WHEREAS, the Kodiak City Council has identified and prioritized capital improvement projects for submission to the Alaska Congressional Delegation for funding consideration due to their significance and/or magnitude.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska, that the following projects are high priorities for the community and are hereby adopted as the City of Kodiak federal fiscal year 2013 prioritized federal capital improvement project list.

**1. Kodiak Drinking Water Improvements -
Monashka Pumphouse Upgrades**

Funding Request: \$ 5,000,000

The City of Kodiak's public water supply serves a population of about 10,000 residents because potable water is provided to a large area outside the City limits. The Monashka pumphouse provides almost all of the water for the public water system, averaging 4.73 million gallons per day, but produces as much as 10 million gallons per day during peak fish processing seasons. The pumphouse was constructed in the early 1970s, and only limited changes have been made to the system since it was built. The two-story concrete building houses an electrical room and four constant speed pumps of 1940s vintage for which parts are no longer made. The building is experiencing separation of wall panel connections and floor and roof systems and must be assessed for seismic stability. Some repairs to the old pumps require specialty machining, which is costly since parts are no longer made. The electrical system and pump motor starts are inadequate and out-of-date. The City is working to identify the scope of the upgrades needed to this critical facility since 2009. Preliminary estimates for the upgrades are \$6.3 million with funding from local, state, and federal sources. The City has spent \$595,000 in local funds for the feasibility and pre-design and received a state matching grant of \$420,000 to apply to the design phase of the project. The design phase will be

completed in 2013, and with full funding secured, will be ready for construction in 2014. The City of Kodiak is requesting federal funding assistance to complete the design and replacement/upgrades of this facility in the amount \$5,000,000.

2. Shelikof Street Bulkhead Parking

Funding Request: \$1,500,000

In 2009, the City identified the need for pedestrian improvements from Pier II to downtown Kodiak to more safely accommodate pedestrian traffic and to improve facilities for local residents and businesses that use the pier, street, and access to the City's adjacent 250 slip boat harbor. The first phase of the project, construction of an ADA accessible sidewalk, improved lighting and parking, and utility relocates is underway and will be completed in 2013. The City must plan and design the next parking improvement phase of this project, which is to construct a 30-space bulkhead parking area on the south side of Shelikof Street adjacent to St. Paul Harbor. The roadway area adjacent to the proposed bulkhead parking is very congested. Due to lack of adequate parking, vehicles block walkways and access areas adjacent to the businesses, forcing pedestrians into the roadway. Construction of additional off-road parking will direct pedestrian traffic out of the congested roadway. The net increase in parking will benefit harbor users and retail businesses along Shelikof Street. It will provide improved pedestrian access from Marine Way to the fish processors in the immediate area. Associated tasks for this phase of the project include geotechnical investigation, design, permitting, mapping, construction, improved lighting, and utility relocates. The City of Kodiak is requesting federal funding assistance for planning, permitting, design, and construction in the amount of \$1,500,000 to construct this bulkhead parking project to enhance pedestrian and vehicle safety.

3. Shelikof Street Pedestrian Improvements Pier II to Downtown

Funding Request: \$3,500,000

In 2009 the City of Kodiak began work to improve pedestrian and roadway improvements along Shelikof Street (Cannery Row) from Pier II to downtown Kodiak to more safely accommodate visitors who walk along the street and to improve the roadway and parking facilities for local residents and businesses that use the highly congested street, pier, and adjacent working boat harbor. The City wants to begin this phase of the project, which will carry pedestrian improvements further along Shelikof Street from Jack Hinkle Way to Marine Way. This phase includes a shelter/kiosk and public restroom facility for visitors and fishers who work at Pier II, rehabilitation of the sidewalk from Jack Hinkle Way to Marine Way, improved lighting, signage, redesign of existing on-street parking, and a walkway along the harbor side of the street adjacent to St. Paul Harbor. Tasks to begin the project include permitting, ROW acquisition and mapping, geotechnical investigation, and utility relocates. The City of Kodiak is requesting state and federal funding assistance for planning, permitting, design, and construction of this important safety and economic development project for the community of Kodiak and requests federal funding assistance in the amount of \$3,500,000 for this project.

4. Karluk Lake Enrichment Project

The Karluk Lake system, on the west side of Kodiak Island, is the largest producer of sockeye salmon in the Kodiak area, and supports a large portion of the area's commercial and subsistence sockeye fisheries. Since 2007, returns of adult sockeye to the Karluk system have been extremely poor, most likely due to over-escapement of spawning adults in earlier years. Continuing low returns will not only deprive local fisheries, low spawning escapements will also reduce the supply of marine-derived nutrients to the lake system. Thus, the system may remain in at a low state of productivity indefinitely into the future.

In order to bring the Karluk Lake ecosystem back to its earlier, higher level of production, the Kodiak Regional Aquaculture Association (KRAA) proposes to apply nutrients over the course of up to five years. This lake enrichment project follows established protocols for rehabilitating sockeye salmon rearing environments. However, because Karluk Lake is within the Kodiak National Wildlife Refuge and a pre-statehood withdrawal, it appears that approval is required from the U.S. Fish and Wildlife Service (USFWS). Refuge compatibility reviews and environmental assessments by the USFWS have been protracted, and are not yet complete.

It is vitally important that the USFWS approve this lake enrichment project without delay. It would be additionally helpful if the local federal refuge staff were to act as a cooperating agency in the project, provide logistic support, and help monitor the results. The City of Kodiak supports local facilitation and approval of this important project that has a direct impact to the community's economic base.

CITY OF KODIAK

MAYOR


ATTEST:

CITY CLERK

Adopted:

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MEMORANDUM TO COUNCIL

To: Mayor Branson and City Councilmembers
From: Aimée Kniazowski, City Manager 
Date: January 24, 2013

Agenda Item: V.d. **Resolution 2013–02, Rescinding Resolution 2012-33 and Adopting a Revised FY2014 State Capital Improvement Program List**

SUMMARY: Following the meeting between Senator Gary Stevens, Representative Alan Austerman, and the City Council on January 4, 2013, Council indicated support to revise the City's previously adopted list of state capital funding priorities for FY2014. If Council wishes to update the state Capital Improvement Project (CIP) request list for FY2014, they must rescind Resolution 2012–33 and adopt a new resolution identifying the revised list as identified in Resolution 2013–02 (Attachment A).

PREVIOUS COUNCIL ACTION:

- October 25, 2012, Council adopted Resolution 2012–33 requesting state funding support for a list of four prioritized capital projects.
- January 4, 2013, Council indicated they wanted to revise the FY2014 CIP request list to include a project with elements eligible for funding through the cruise ship excise tax fund.

DISCUSSION: Senator Stevens and Representative Austerman met with the City Council earlier this month. They discussed upcoming legislative issues and changes to the organizational structure of the House and Senate. Representative Austerman will co-chair House Finance, and Senator Stevens will serve on several committees in the new session. They talked about the Governor's budget and told Council not to expect a large capital budget this session.

They also reviewed the City's FY2014 state CIP list adopted in October. They discussed funding strategies to improve the City's chances of receiving funding for continued improvements along Shelikof Street. Representative Austerman indicated that the City should submit a revision to the FY2014 list to include elements from phase 3 of the Shelikof pedestrian improvement project from Pier II to downtown Kodiak, which was submitted last year, but not funded. He believes there is a chance that some or all of the elements of phase 3 (excluding the bulkhead parking which is now a separate funding request on the FY2014 CIP list) might be funded through the cruise ship excise tax fund. Council said the City would revise the CIP list to include this portion of the Shelikof pedestrian pathway improvements as the fifth priority.

Based on the discussion at the January 4th meeting, staff prepared a revised resolution to amend the recently adopted FY2014 state CIP list to include a fifth priority, a funding request totaling \$3.5 million

for cruise ship passenger-related improvements at Pier II and additional pedestrian pathway improvements along Shelikof.

Staff will send an approved copy of Resolution 2013–02 to the Kodiak delegation as soon as it is adopted for their use in promoting these four important community projects.

ALTERNATIVES: There are two alternatives for Council to consider.

1. Adopt the revised list of state funding requests for FY2014 as discussed and identified in Resolution 2013–02. The list reflects Council’s direction and will provide the delegation with information to use when promoting Kodiak’s funding needs this session. This is staff’s recommendation.
2. Decide to allow the original state funding request list to stand as listed in Resolution 2012–33.

FINANCIAL IMPLICATIONS: There are no direct financial implications in adopting the revised CIP list in this resolution. However, the entire community will benefit if the City receives state funding assistance for any of these important projects.

CITY MANAGER’S COMMENTS: I have drafted a revision to the City’s FY2014 state CIP request list that reflects the discussions as I understood them during the January 4th meeting with our representatives. The revised resolution should also reflect Council’s direction in support of the change. Changes to the existing CIP resolution require adoption of the resolution in Attachment A.

ATTACHMENTS:

Attachment A: Resolution 2013–02, Rescinding Resolution 2012–33 and Adopting a Revised FY2014 State Capital Improvement Program List

Attachment B: Resolution 2012–33, Adopting the FY 2014 Prioritized State Capital Improvement Program List

PROPOSED MOTION:

Move to adopt Resolution 2013–02.

**CITY OF KODIAK
RESOLUTION NUMBER 2013-02**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK
RESCINDING RESOLUTION NO. 2012-33 AND ADOPTING A REVISED FY2014
STATE CAPITAL IMPROVEMENTS PROGRAM LIST**

WHEREAS, the City of Kodiak uses a Capital Improvements Program planning process to identify the capital improvement project needs of the community; and

WHEREAS, this identification and planning process plays a vital role in directing the City's administration and is utilized as a long-range planning and policy setting tool for City infrastructure maintenance and enhancement; and

WHEREAS, the City of Kodiak is committed to paying its way to the greatest extent possible, but the cost of some of the City's capital project needs are greater than the resources available locally; and

WHEREAS, the Kodiak City Council previously adopted Resolution No. 2012-33 on October 25, 2012, which identified and prioritized the City's four primary capital improvement projects for submission to the Alaska State Legislature and Governor for funding consideration due to their significance and/or magnitude; and

WHEREAS, the City Council wishes to revise the FY2014 Capital Improvements Program List adopted by Resolution 2012-33 to reflect an additional capital request for FY2014.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska, that the following infrastructure replacement/improvement projects are considered of primary importance and are hereby adopted as the City of Kodiak's FY2014 State capital improvement project list:

1. Monashka Pumphouse Upgrades

Funding Request: \$5,700,000

The Monashka pumphouse provides almost the entire water supply for the City of Kodiak's public water system, averaging 4.73 million gallons per day but can produce as much as 10 million gallons per day during peak fish processing seasons. The pumphouse was constructed in the early 1970s, and only limited changes have been made to the system since it was built. The two story concrete building houses an electrical room and four pumps of 1940s vintage for which parts are no longer made. The building is experiencing separation of wall panel connections and floor and roof systems. Some repairs to the old pumps require specialty machining which is costly since parts are no longer made. The electrical system and pump motor starts are inadequate and out-of-date. The City has been working to identify the scope of the upgrades needed to this critical facility since 2009. The total project upgrades are estimated to be \$6.3 million. So far the City has utilized \$595,000 for the feasibility and

design of the needed upgrades. The City of Kodiak is requesting State funding assistance for completed design and replacement/upgrades of this facility in the amount \$5,700,000.

2. E911 Replacement Equipment:

Funding Request: \$350,000

The City completed its new public safety building in 2010. One of the important aspects of the new facility is to continue to provide area-wide dispatch services and enhanced 911 (E911) service to the Kodiak area, including areas outside the City's corporate boundaries. The City completed a study in 2009 which advised replacement of the system. The study indicated that basic upgrades with future expansion capabilities will cost at least \$350,000. The current system is experiencing unexpected failures and replacement parts and service/maintenance agreements are no longer available due to the age of the system. The City has been unable to afford the full replacement costs or find grant funding to help offset the replacement costs. The City of Kodiak is requesting State funding assistance in the amount of \$350,000 to assist with the upgrade of this important public safety tool.

3. Shelikof Street Bulkhead Parking

Funding Request: \$1,500,000

In 2009, the City identified the need for pedestrian improvements from Pier II to downtown Kodiak to more safely accommodate pedestrian traffic and to improve facilities for local residents, workers, and businesses that use the pier, street, and access to the City's adjacent 250 slip boat harbor. The first phase of the project, construction of an ADA accessible sidewalk, improved lighting and parking, and utility relocates is under underway and will be completed in 2013. The City must plan and design the next parking improvement phase of this project, which is to construct a 30 space bulkhead parking area on the south side of Shelikof Street adjacent to St. Paul Harbor. The roadway area adjacent to the proposed bulkhead parking is dangerously congested. Due to lack of adequate parking, vehicles block walkways, equipment operates in the ROW, and access to businesses is often blocked, forcing pedestrians into the roadway. Construction of additional off-road parking will direct pedestrian traffic out of the congested roadway. The net increase in parking will benefit harbor users and retail businesses along Shelikof Street. It will provide improved and safer pedestrian access from Marine Way to the fish processors in the immediate area. Associated tasks for this phase of the project include geotechnical investigation, design, permitting, mapping, construction, improved lighting, and utility relocates. The City of Kodiak is requesting state funding assistance for planning, permitting, design, and construction in the amount of \$1,500,000 to construct this bulkhead parking project to enhance pedestrian and vehicle safety.

4. Fire Apparatus Replacement

Funding Request: \$400,000

The City of Kodiak must replace its aging Fire Engine 3, a 1986 E-Once Cyclone Pumper that was purchased in 1986. Engine 3 has exceeded its recommended replacement schedule of 20 years by more than 5 years, and is showing problems in multiple areas, including the fire pump, chassis, cab, and motor. Due to its condition and recurring maintenance needs, it

must often be taken out of service. The three sided cab is no longer a recommended configuration due to the increased rollover safety standards, and Fire Department personnel cannot ride in the two back positions. When operational, Engine 3 is used as a “third out” response vehicle and may move up in a response category if the first and/or second response vehicles are out of service. The City of Kodiak needs this third engine response capability within the City limits and in response to local Mutual Aid agreements. The estimated cost to replace this engine is \$450,000, an amount that exceeds the City’s resources. The City of Kodiak is requesting state funding assistance in the amount of \$400,000 with the remainder of the funds coming from local appropriations.

5. Shelikof Street Pedestrian Improvements Funding Request: \$3,500,000
Pier II to Downtown

In 2009 the City of Kodiak started work to improve pedestrian and roadway improvements along Shelikof Street (Cannery Row) from Pier II to downtown Kodiak to more safely accommodate cruise ship passengers who walk along the street and to improve the roadway and parking facilities for local residents and businesses that use the highly congested street and pier year round. The first phase, construction of an ADA accessible sidewalk, improved lighting and parking, and utility relocates is scheduled to be completed in 2013. The City is wishes to plan the next phase of the project, which will carry pedestrian improvements further along Shelikof Street from Jack Hinkle Way to Marine Way. This phase includes a visitor shelter-information kiosk-public restroom facility at Pier II, rehabilitation of the sidewalk from Jack Hinkle Way to Marine Way, improved lighting, landscaping, benches, signage, redesign of existing on-street parking, a walkway along the harbor side of the street, and a scenic trail along the St. Paul Harbor breakwater. Additional tasks include permitting, ROW acquisition & mapping, geotechnical investigation, and utility relocates. The City of Kodiak is requesting state funding assistance in the amount of \$3,500,000 through the cruise ship excise tax fund for planning, permitting, design, and construction of this project for the community of Kodiak, its visitors, and residents.

CITY OF KODIAK

MAYOR

ATTEST:

CITY CLERK

Adopted:

**CITY OF KODIAK
RESOLUTION NUMBER 2012–33**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK ADOPTING
AN FY2014 STATE CAPITAL IMPROVEMENTS PROGRAM LIST**

WHEREAS, the City of Kodiak uses a Capital Improvements Program planning process to identify the capital improvement project needs of the community; and

WHEREAS, this identification and planning process plays a vital role in directing the City's administration and is utilized as a long-range planning and policy setting tool for City infrastructure maintenance and enhancement; and

WHEREAS, the City of Kodiak is committed to paying its way to the greatest extent possible, but the cost of some of the City's capital project needs are greater than the resources available locally; and

WHEREAS, the Kodiak City Council has identified and prioritized capital improvement projects for submission to the Alaska State Legislature and Governor for funding consideration due to their significance and/or magnitude.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska, that the following infrastructure replacement/improvement projects are considered of primary importance and are hereby adopted as the City of Kodiak's FY2014 State capital improvement project list:

1. Monashka Pumphouse Upgrades

Funding Request: \$5,700,000

The Monashka pumphouse provides almost the entire water supply for the City of Kodiak's public water system, averaging 4.73 million gallons per day but can produce as much as 10 million gallons per day during peak fish processing seasons. The pumphouse was constructed in the early 1970s, and only limited changes have been made to the system since it was built. The two-story concrete building houses an electrical room and four pumps of 1940s vintage for which parts are no longer made. The building is experiencing separation of wall panel connections and floor and roof systems. Some repairs to the old pumps require specialty machining, which is costly since parts are no longer made. The electrical system and pump motor starts are inadequate and out-of-date. The City has been working to identify the scope of the upgrades needed to this critical facility since 2009. The total project upgrades are estimated to be \$6.3 million. So far, the City has utilized \$595,000 for the feasibility and design of the needed upgrades. The City of Kodiak is requesting State funding assistance for completed design and replacement/upgrades of this facility in the amount \$5,700,000.

2. E911 Replacement Equipment:

Funding Request: \$350,000

The City completed its new public safety building in 2010. One of the important aspects of the new facility is to continue to provide area-wide dispatch services and enhanced 911 (E911) service to the Kodiak area, including areas outside the City's corporate boundaries. The City completed a study in 2009, which advised replacement of the system. The study indicated that basic upgrades with future expansion capabilities will cost at least \$350,000. The current system is experiencing unexpected failures, and replacement parts and service/maintenance agreements are no longer available due to the age of the system. The City has been unable to afford the full replacement costs or find grant funding to help offset the replacement costs. The City of Kodiak is requesting State funding assistance in the amount of \$350,000 to assist with the upgrade of this important public safety tool.

**3. Phase 3 Shelikof Street Pedestrian Improvements
Bulkhead Parking Area**

Funding Request: \$1,500,000

In 2009, the City identified the need for pedestrian improvements from Pier II to downtown Kodiak to more safely accommodate cruise ship passengers and to improve facilities for local residents and businesses that use the pier, street, and access to the City's adjacent 250 slip boat harbor. Phase 2 of this project, construction of an ADA accessible sidewalk, improved lighting and parking, and utility relocates is under construction and scheduled to be completed in 2013. The City is planning Phase 3 of the project, to construct a 30 space bulkhead parking area on the south side of Shelikof Street adjacent to St. Paul Harbor. This phase meets the goals of this pedestrian improvement project. The roadway area adjacent to the proposed bulkhead parking is very congested. Due to lack of adequate parking, vehicles block walkways and access areas adjacent to the businesses, forcing pedestrians into the roadway. Construction of additional off-road parking will direct pedestrian traffic out of the congested roadway. The net increase in parking will benefit harbor users and retail businesses along Shelikof Street. It will provide improved pedestrian access from Marine Way to the fish processors in the immediate area. Associated tasks for this phase of the project include geotechnical investigation, design, permitting, mapping, construction, improved lighting, and utility relocates. The project will have additional phases for future completion including sidewalk, roadway and landscape improvements, a walking trail along the harbor breakwater, and a cruise ship visitor's shelter. The City of Kodiak is requesting State funding assistance for planning, permitting, design, and construction in the amount of \$1,500,000 to complete Phase 3 of the project.

4. Fire Apparatus Replacement

Funding Request: \$400,000

The City of Kodiak must replace its aging Fire Engine 3, a 1986 E-One Cyclone Pumper that was purchased in 1986. Engine 3 has exceeded its recommended replacement schedule of 20 years and was recently decommissioned due to an electrical fire while sitting unused in the fire station. Before decommissioning, it was out of service for the past year with multiple problems with the fire pump, chassis, cab, and motor. When operational, Engine 3 was used as a "third out" response vehicle and would move up in a response category if the first and/or second response vehicles were out of service. The City of Kodiak needs this third engine response capability within the City limits and in response to local Mutual Aid agreements.

The estimated cost to replace this engine is \$450,000, an amount that exceeds the City's resources. The City of Kodiak is requesting state funding assistance in the amount of \$400,000 with the remainder of the funds coming from local appropriations.

CITY OF KODIAK


MAYOR


ATTEST:


CITY CLERK

Adopted: October 25, 2012



MEMORANDUM TO COUNCIL

To: Mayor Branson and City Councilmembers
From: Aimée Kniaziowski, City Manager 
Thru: Mark Kozak, Public Works Director
Date: January 24, 2013

Agenda Item: V.e. **Authorization of Professional Services Contract for Preliminary Design of Snow Dump Storage Yard, Project No. 5030/13-07**

SUMMARY: The City has disposed of snow removed from City streets and public areas into the channel downtown for many years, probably since the City began hauling snow off of the downtown area. The City's Public Works Director was contacted by an Alaska Department of Environmental Conservation (ADEC) official who said he'd received a call about City snow disposal methods and encouraged the City to immediately begin to identify other methods of disposal. City staff contacted DOWL HKM and requested them to submit a proposal to look at alternative methods of snow storage and disposal. DOWL submitted a proposal to provide a preliminary evaluation and design for a snow dump storage yard. Staff recommends Council authorize this professional services contract in the amount of \$67,860.

PREVIOUS COUNCIL ACTION:

- June 2012, Council approved a capital project in the FY2013 budget to evaluate the City's snow hauling and dumping practices and identify potential sites for upland storage locations that could be built into snow dump storage sites.
- December 2012, staff provided an update about the ADEC call and the City's proposed approach to addressing ADEC's concerns as well as the plan to start work on a long-term solution in order to improve compliance with current regulations.

BACKGROUND: In 2006, ADEC completed a study that evaluated the impact of snow disposal on near shore marine environments. The report indicated that the practice of snow disposal directly into the water introduces road salt, sand/grit and other pollutants to the marine environment.

DISCUSSION: Following receipt of an e-mail notification from ADEC on November 29, 2012, regarding the City's practices of snow disposal into the channel, staff contacted William Ashton with ADEC Storm Water & Wetlands, Wastewater Discharge Authorization Program to discuss the City's snow hauling and dumping practices. Ashton discussed ADEC's effort to prevent coastal communities from dumping snow directly into the marine environment and to move communities toward upland snow storage yards that address potential pollutants as well as sediment and trash.

Ashton explained the process the City must implement starting this winter. Staff promised to begin the project of identifying locations that meet ADEC criteria, based on waters receiving runoff and the ability to manage sediment and pollutants.

The Public Works Director sent ADEC the City's proposed interim plan: to continue to dispose of the snow from Powell Avenue, Mill Bay, and the downtown area, including City-owned parking lots, at the existing snow dump off the Harbor spit; and snow removed from remaining residential areas hauled to the area behind the water treatment plant and the area between Larch Street and Lilly Lake. Both areas have been used for materials storage in the past. Neither location has a lot of room, but depending on the snow fall amounts, road crews may be able to divert a significant amount of snow from direct dumping in the harbor.

The City should not see a major impact to the timing of snow removal or cost in the downtown area while ADEC allows City crews to use the existing downtown snow dump. However, there will be increases in time spent removing snow in the residential areas since trucking routes will need to be modified. Public Works may have to rent additional equipment if the snowfall requires snow to be stacked in the storage locations since all existing equipment is already committed to existing workloads. To work toward compliance with current regulations and water quality standards, staff requested a proposal from DOWL HKM to identify potential storage sites in or near the City, including private lands that could be purchased or leased and to conduct a preliminary design of a snow storage facility. During the discussions with DOWL engineers, it was decided that only locations of one to two acres or larger should be identified and locations within reasonable trucking distance of the downtown area in order to minimize the long-term cost increases to snow removal functions. Another critical phase of the study will be to evaluate the capacity of each site's drainage system. Since staff's presentation of the issue to Council in December, several private individuals have contacted staff about possible sites and options to be evaluated. Options could include things such as property purchase, lease, or use of a privately developed snow yard.

Hopefully the study can proceed enough over the next few months for staff to have a preliminary budget number to fund a snow dump storage area.

Over the years, various private companies and the State of Alaska DOT have used the City's existing snow dump. The various users have worked for local businesses, the school district, hospital, and the state. This must be taken into consideration and a determination made as to whether the City can continue to provide access to a City snow storage yard. If the answer is yes, it should be determined what the use is worth to the City in terms of cost and snow storage yard sizing.

The City has limited experience with snow storage on land; however, City crews know that in order to stack snow, a piece of equipment must be dedicated almost full time to keep ahead of hauling trucks. In general, most yards use a dozer to stack snow. With a dozer, it is possible to stack roughly 20 feet high, which is important when considering the size of the area needed. As the plans develop, staff will plan to

lease or rent a dozer during the winter months, rather than consider purchasing one. Several local contractors have suitable dozers that generally are not working during the winter. This option most likely would be more cost effective but needs to be carefully assessed as well.

1. **ALTERNATIVES:** This project is being driven by clean water act regulations, and the City must comply with these regulations.
2. Staff recommends Council approve this preliminary study and evaluation of options to locate and start design of appropriate-size snow storage yards for the City of Kodiak.
3. Not undertake this evaluation and proceed with an effort to create snow storage yards within the City, on City owned property. This is not recommended, because of the need to evaluate and understand drainage impacts to all downstream areas and long-term effects on these sites.
4. Not move forward with either of the above. This is not recommended because it would have long-term negative impacts on the City for being out of compliance with environmental regulations.

FINANCIAL IMPLICATIONS: The FY2013 budget contains an approved capital project of \$70,000 in the Street Capital Improvement Fund for the preliminary design of a snow dump storage yard. This funding was based on looking for suitable sites that could be developed within reasonable hauling distance of the downtown area. The existing project budget is adequate to award this contract.

This mandated change to the City's snow removal process requiring upland storage will have significant future cost impacts to the City's snow removal program. In addition to the increased costs associated with longer trucking time, there will be long-term cost increases to operate and maintain a snow storage yard or yards that meet regulatory needs.

LEGAL: The City is required to meet all applicable state and federal environmental regulations.

STAFF RECOMMENDATION: Staff recommends Council approve a professional services contract with DOWL/HKM for preliminary design of a snow dump storage yard in the amount of \$67,860, with funds coming from the Street Capital Improvement Fund, Project No. 5030/13-07.

CITY MANAGER'S COMMENTS: Earlier this fiscal year, we budgeted for the study to prepare for a transition from dumping snow into the channel to upland storage, and we're working with ADEC officials on a plan to meet the regulatory requirements. We have to consider site size, location, ownership, and drainage capacity. We have to gather enough information from the study to project fairly accurate capital and operating costs, which we know will increase. This is the right thing to do. Therefore, I support staff's recommendation that Council approve this contract with DOWL and authorize me to execute it on behalf of the City.

ATTACHMENTS:

Attachment A: DOWL HKM proposal for a snow disposal site selection study, dated January 4, 2013

PROPOSED MOTION:

Move to authorize a professional services contract with DOWL/HKM for preliminary design of a snow dump storage yard in the amount of \$67,860, with funds coming from the Street Capital Improvement Fund, Project No. 5030/13-07, and authorize the City Manager to execute the agreement on behalf of the City.

JANUARY 24, 2013
Agenda Item V.e. Memo Page 4 of 4



ATTACHMENT: A

January 4, 2013
W.O. 61385.00

Mr. Glenn Melvin
City of Kodiak
2410 Mill Bay Road
Kodiak, Alaska 99615

Subject: City of Kodiak Snow Disposal Site Selection Study

Dear Mr. Melvin:

DOWL HKM is pleased to submit a proposed scope of work and budget for conducting a site selection study to identify the preferred location for a snow disposal site for the City of Kodiak.

SCOPE OF WORK

DOWL HKM's team will perform the following duties:

Task 1 - Identify Site Selection Criteria

DOWL HKM will work with the City of Kodiak to identify the site parameters that will be used to assess potential sites for snow storage and disposal. Typical site parameters considered include parcel size, current land use (vacant/occupied), zoning, land ownership, environmental characteristics (wetlands, anadromous streams, etc.), location (driving distance from snow removal areas), opportunity costs, development limitations/development costs, and other community specific criteria.

To determine the appropriate size criteria for the proposed site, DOWL HKM will conduct a sizing analysis for the proposed snow disposal site. The sizing analysis will consider average snow levels and City of Kodiak records for snow removal and hauling. Assumptions will be made for the height of snow within the storage area and additional areas that may be needed for buffering and/or meltwater collection, treatment and disposal.

Task 2 - Initial Site Screening

The initial site screening will use city and borough data to identify sites that are vacant and meet the size criteria identified in Task 1. Information on the other criteria will be gathered for sites that are vacant and that meet the size criteria. Information for the initial site screening will be obtained from published sources and from a site visit to each site. A matrix will be prepared listing the sites and information on each of the selection criteria. At this initial level, potential development limitations will be identified but not development costs.

The initial sites will be evaluated based on the site criteria and a short list of three sites will be selected to undergo further evaluation.

Task 3 - Preferred Site Selection

DOWL HKM will prepare concept designs for the short list of sites to identify unforeseen development limitations and to approximate development cost estimates. A recommendation on a preferred site will be identified based on the development cost analysis.

Task 4 - Zoning Review/Conditional Use Permit Application (Time and Materials)

The level of zoning review required will depend on the zoning of the selected site. If the site is zoned industrial, only a zoning compliance review will be required. If the site is zoned for public institutions, a conditional use permit (CUP) would be required. If the site selected is zoned something other than institutional or industrial, a rezone may be required. For our cost estimate, we have assumed the selected site would be zoned either institutional or industrial. DOWL HKM will prepare the appropriate documents for submittal to the Kodiak Island Borough (KIB) for zoning review. If required, DOWL HKM will attend the public hearing to present the project to the Planning and Zoning Commission. DOWL HKM will work with KIB staff to resolve any conditions placed on the zoning approval.

Task 5 - Public Involvement (Time and Materials)

DOWL HKM will hold one public meeting on the short list of sites after completion of Task 2. This meeting will allow the public to review and comment on the short list of sites before the final evaluation and recommendation of a preferred site. This will allow us to take public input into consideration when evaluating the final sites. DOWL HKM will address public input, comments and questions during the project approval process with the KIB.

ASSUMPTIONS

- This scope does not include topographic survey, geotechnical investigation, or design at the preferred site location. These tasks will be completed under a future scope of work specific to the selected site.
- This scope assumes that the selected site will be zoned either industrial or institutional and that no rezone will be required. If the selected site requires rezoning, a new Task 4 would be negotiated.
- The scope includes up to three visits to Kodiak by two people (Project Manager and Lead Planner). The first trip will be for the kickoff meeting and initial data collection/site visits. The second trip will be for the public meeting and to visit the short list of sites. The third visit will be for the public hearing, if needed.

SCHEDULE

We understand that the City of Kodiak would like to acquire funding in 2013 and begin construction on the site in summer 2014. Assuming Notice-to-Proceed is received by January 25, we anticipate the following schedule.

Mr. Glenn Melvin
City of Kodiak
January 4, 2013
Page 3

Task	Completion Date
Task 1 - Identify Site Selection Criteria	March 1
Task 2 - Initial Site Screening	May 1
Task 3 - Preferred Site Selection	July 1
Task 4 - Zoning Review/CUP Submittal	July 23
Public Hearing if required	October 23
Zoning Review Decision	November 20
Task 5 - Public Involvement	May through December

PROPOSED FEE

DOWL HKM proposes to provide the services as outlined in Tasks 1 through 3 on a lump sum basis. Our estimated fee for these tasks is \$67,860. Tasks 4 and 5 would be provided, if needed, on a time and materials basis. The estimated cost for Tasks 4 and 5 is \$24,290, for a total proposed fee of \$92,150. A detailed fee estimate is attached.

Thank you again for considering DOWL HKM for this site selection study. We look forward to working with you on this project and will be happy to answer any additional questions you may have.

Sincerely,
DOWL HKM



Aaron R. Christie, P.E.
Project Manager

Attachments: As stated

D61385.Melvin.ARC.010413.tlc

This proposal/agreement and the Standard Contract Terms and Conditions are accepted, and DOWL HKM is authorized to proceed with the work.

Signature

Date

DOWL HKM		ESTIMATE FOR PROFESSIONAL SERVICES		WO#	1124-61358.00
PROJECT:	Project Name			DATE:	1/2/2013
	Snow Disposal Site Selection Study			Prepared by	MET
CLIENT:	City of Kodiak				
	PROJECT SUMMARY				
Phase 1	Site Selection Study (Lump Sum)				
	Task 1. Define Site Selection Criteria	Cost =	\$10,680		
	Task 2. Initial Site Screening	Cost =	\$25,640		
	Task 3. Preferred Site Identification	Cost =	\$31,540		
	Lump Sum (Tasks 1 - 3)		\$67,860		
	Permitting (Time and Materials)				
	Task 4. Zoning Review/Permit (T&M)	Cost =	\$12,570		
	Task 5. Public Involvement (T&M)	Cost =	\$7,470		
	Expenses (T&M)	Cost =	\$4,250		
	Time and Materials (Tasks 4 and 5)		\$24,290		
	TOTAL COST		\$92,150		

DOWL HCM									
ESTIMATE FOR PROFESSIONAL SERVICES									
PROJECT:	Project Name	Project Manager	Lead Planner	Project Engineer	Landscape Architect	GIS	AutoCad	WCH#	1124.6138.00
CLIENT:	City of Kodiak	\$165,000	\$180,000	\$120,000	\$110,000	\$105,000	\$100,000	DATE:	1/3/2013
	LABOR CATEGORY	Hours	Hours	Hours	Hours	Hours	Hours	Prepared by	MET
	Hourly Rate							Admin	Expenses
	Hours							\$80,000	
	TOTALS								
Phase 1	Site Selection Study/Permitting								
	Task 1. Define Site Selection Criteria	8	8	2	2	2			
	Kick off Meeting with City of Kodiak	8	2	24			8		22
	Site Sizing Analysis	8	2						42
	Draft Site Selection Criteria Memo	2	2		8			4	16
	Subtotal - Hours	18	12	26	10	2	8	4	80
	Subtotal - Costs	\$2,970	\$2,160	\$3,120	\$1,100	\$210	\$800	\$320	\$10,680
	Task 2. Initial Site Screening								
	GIS Data Collection/Analysis	8	8	12	40	20			88
	Development of Site Evaluation Matrix	8	8	2	16	8			42
	Site Evaluation/Short List Development	8	8	12	24	2			54
	Site Evaluation/Short List Memo	2	2	2	8			6	20
	Subtotal - Hours	26	26	28	88	30	0	6	204
	Subtotal - Costs	\$4,290	\$4,680	\$3,360	\$9,680	\$3,150	\$0	\$480	\$25,640
	Task 3. Preferred Site Identification								
	Draft Concepts for Short List	8	2	40	8	20	40		118
	Draft Development Cost Estimates	8	8	16			16		40
	Site Analysis/Recommendation	8	8	16	8	8	12		60
	Site Recommendation Memo	2	4	8	18	2	8	8	50
	Subtotal - Hours	26	14	80	34	30	76	8	268
	Subtotal - Costs	\$4,290	\$2,520	\$9,600	\$3,740	\$3,150	\$7,600	\$640	\$31,540
	LUMP SUM TASKS 1-3								
									\$67,860

DOWL HCM									
ESTIMATE FOR PROFESSIONAL SERVICES									
PROJECT:	Project Name							WOM DATE:	1124-61338.00
	Snow Disposal Site Selection Study							Prepared by	1/2/2013
CLIENT:	City of Kodiak								MEET
	Task 4. Zoning Review/Permit (T&M)								
	Prepares Zoning Review/CUP Application	2	2	8	16	8	4	2	42
	Present CUP to Planning and Zoning Commission (PZC)	8	8						16
	Resolve PZC Conditions	4	2	12	12	4	8		42
	Subtotal - Hours	14	12	20	28	12	12	2	100
	Subtotal - Costs	\$2,310	\$2,160	\$2,400	\$3,080	\$1,260	\$1,200	\$160	\$12,570
	Task 5. Public Involvement (T&M)								
	Public Meeting on Short List of Sites	8	8		8	2	2		28
	Other Response to Public Comments/Suggestions	2	2	12	8	2	2		28
	Subtotal - Hours	10	10	12	16	4	4	0	56
	Subtotal - Costs	\$1,650	\$1,800	\$1,440	\$1,760	\$420	\$400	\$0	\$7,470
	Expenses (T&M)								
	CUP Application								\$250
	Travel Expenses PZC Public Meeting (2)								\$1,950
	Public Meeting Room Rental								\$100
	Travel Expenses PZC Public Hearing (2)								\$1,950
	Subtotal - Hours	0	0	0	0	0	0	0	0
	Subtotal - Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,250
	TIME AND MATERIALS TASKS 4-5								\$24,290
	TOTAL PROJECT COST (Tasks 1-5)								
	Subtotal - Hours	94	74	166	176	78	100	20	\$4,250
	Subtotal - Costs	\$15,510	\$13,320	\$19,920	\$19,360	\$8,190	\$10,000	\$1,600	\$92,150



DOWL HKM
STANDARD CONTRACT TERMS AND CONDITIONS (Alaska)

SECTION 1 - SERVICES OF DOWL HKM

A. Basic Services

DOWL HKM shall provide Client the services as described in this Agreement within the periods stipulated herein. Services will be paid for by Client as indicated herein.

B. Schedule

DOWL HKM's services and compensation under this Agreement have been agreed to in anticipation of the orderly and continuous progress of the Project through completion. Unless specific periods of time are specified in this Agreement, DOWL HKM's obligation to render services hereunder will be for a period that may reasonably be required for the completion of said services.

C. Authorization to Proceed

Execution of this Agreement by Client will be authorization for DOWL HKM to proceed with the Work as scheduled, unless otherwise provided for in this Agreement.

D. Delay

If in this Agreement, specific periods of time for rendering services are set forth, or specific dates by which services are to be completed, are provided, and if such periods of time or dates are changed through no fault of DOWL HKM, the rates and amounts of compensation and time for completions provided herein shall be subject to equitable adjustment

E. Changes/Additional Services

The Scope of Services set forth in this Agreement is based on facts known at the time of execution of this Agreement, including, if applicable, information supplied by the Client. For some projects the scope may not be fully definable during the initial stages and/or the Client may at any time during the term of this Agreement make changes within the general scope of the Agreement. If such facts discovered as the Project progresses, or changes that are requested by the Client, change the cost of, or time for, performing the services hereunder, DOWL HKM will promptly provide Client with an amendment to this Agreement to recognize such changes.

SECTION 2 - TERMS OF PAYMENT

A. Invoicing

DOWL HKM will submit invoices to Client for services rendered and reimbursable expenses incurred each month. Invoices will be prepared in accordance with DOWL HKM's standard invoicing practices. Such invoices will represent the value of the completed Work and will be in accordance with the terms for payment in this Agreement.

B. Progress Payments

Invoices are due and payable within 30 calendar days of the date of the invoice. If Client fails to pay undisputed invoices when due, the amounts due will be increased at the rate of 1.0% per month from said 30th day. In addition DOWL HKM may at any time, without waiving any other claim against the Client, and without thereby incurring any liability to the Client, suspend or terminate performing work heretunder in accordance with Section 5.C of this Agreement. Payments will be credited first to interest and then to principal. In the event of a disputed or contested invoice, only that portion so contested may be withheld from payment, and the undisputed portion will be paid.

SECTION 3 - OBLIGATIONS OF CLIENT

A. Furnish Data

Client shall provide all criteria and full information as to Client's requirements for the Project and furnish all available information pertinent to the Project, including reports and data relative to previous designs or investigations at or adjacent to the site. Client shall provide such legal, independent cost estimating, and insurance counseling services as may be required for the Project.

B. Representative

Client will designate a person to act with authority on Client's behalf in respect of all aspects of the Project.

C. Timely Review

Client will examine DOWL HKM's studies, reports, drawings and other project-related work products and render decisions required in a timely manner.

D. Prompt Notice

Client will give prompt written notice to DOWL HKM whenever Client observes or otherwise becomes aware of hazardous environmental conditions or of any development that affects the scope or timing of DOWL HKM's Scope of Services or any defect in the Services of DOWL HKM or the work of any Contractor.

E. Site Access

Client will arrange for safe access to and make provisions for DOWL HKM and DOWL HKM's sub consultants to enter upon public or private property as required for DOWL HKM to perform the Services under this Agreement.

SECTION 4 - OBLIGATIONS OF DOWL HKM

A. Independent Contractor

DOWL HKM is an independent contractor and will maintain complete control of and responsibility for its employees, subcontractors and sub consultants. DOWL HKM shall also be solely responsible for the means and methods for carrying out the Scope of Services and for the safety of its employees.

B. Performance

DOWL HKM will perform its Services using that degree of care and skill ordinarily exercised under the same conditions by Design Professionals practicing in the same field at the same time in the same or similar locality. Professional services are not subject to, and DOWL HKM cannot provide any warranty or guarantee, express or implied, including warranties or guarantees contained in any uniform commercial code. Any such warranty or guarantee contained in any purchase order, requisition or notices to proceed issued by the Client are specifically objected to.

C. Technical Accuracy

Owner shall not be responsible for discovering deficiencies in the technical accuracy of DOWL HKM's work. DOWL HKM shall correct deficiencies in technical accuracy without additional compensation, unless such corrective action is directly attributable to deficiencies in the Client furnished information.

D. Publicity

DOWL HKM will not disclose the nature of its Scope of Services on the Project, or engage in any publicity or public media disclosures with respect to this project without the prior written consent of Client.

E. Insurance

DOWL HKM will maintain insurance coverage for Professional, Comprehensive General, Automobile, Worker's Compensation and Employer's Liability in amounts in accordance with statutory requirements, and DOWL HKM's business requirements. Certificates evidencing such coverage will be provided to Client upon request.

F. Compliance with Laws

DOWL HKM will use reasonable care to comply with applicable laws in effect at the time the Services are performed hereunder, which to the best of its knowledge information and belief, apply to its obligations under this Agreement.

G. No responsibility for Site Safety

Construction contractors shall be solely responsible for the supervision, directions and control of their work; means, methods, techniques, sequences and procedures of construction; safety precautions and programs and compliance with applicable laws and regulations.

H. No responsibility for Contractor Performance

DOWL HKM shall not be responsible for the quality of any Contractor's work, or for any Contractor's failure to furnish or perform its work in accordance with the contract documents.

I. Equal Opportunity Employment

DOWL HKM is committed to the principles of equal opportunity and affirmative action in employment and procurement. DOWL HKM does not discriminate against applicants, employees, or suppliers on the basis of factors protected by federal or applicable state laws.

SECTION 5 - GENERAL CONSIDERATIONS**A. Reuse of Documents**

1. All documents are instruments of service in respect to this Project, and DOWL HKM shall retain an ownership and property interest therein (including the right of reuse at the discretion of DOWL HKM) whether or not the Project is completed. Client may make and retain copies for information and reference in connection with the use and occupancy of the Project. Such documents are not intended or represented to be suitable for reuse by Client or others on extensions of the Project or on any other project. Any reuse without written verification of DOWL HKM will be at Client's sole risk. Client shall indemnify and hold harmless DOWL HKM and DOWL HKM's Consultants from all claims, damages, losses, and expenses, including attorney fees arising out of or resulting therefore.
2. Copies of documents that may be relied upon by Client are limited to the printed copies (also known as hard copies) that are signed or sealed by DOWL HKM. Files in electronic media format are furnished for convenience.
3. Because data stored in electronic media format can deteriorate or be modified, inadvertently or otherwise, without authorization of DOWL HKM, the party receiving the electronic files agrees to perform acceptance tests or procedures within 60 days, after which the receiving party shall have deemed to have accepted the data thus transferred. Any errors detected within the 60-day acceptance period will be corrected by DOWL HKM. DOWL HKM will not be responsible to maintain documents stored in electronic media format after acceptance by Client.

4. DOWL HKM makes no representations as to long term compatibility, usability, or readability of documents resulting from use of software application packages, operating system, or computer hardware differing from those used by DOWL HKM at the beginning of this Project.

B. Indemnification

1. To the fullest extent permitted by law, DOWL HKM agrees to indemnify and hold harmless Client from and against any liability, damages and costs, (including reasonable attorney's fees and costs of defense) arising out of the death or bodily injury to any person or the destruction or damage to any property, to the extent caused during the performance of professional services under this Agreement, by the negligent acts, errors, and omissions of DOWL HKM or anyone for whom DOWL HKM is legally responsible.
2. To the fullest extent permitted by law, Client agrees to indemnify and hold harmless DOWL HKM from any liability, damages and costs, (including reasonable attorney's fees and costs of defense) to the extent caused by the negligent acts, errors, and omissions of the Client, Client's contractors, consultants, and anyone for whom Client is legally responsible.
3. To the fullest extent permitted by law, DOWL HKM's total liability to Client and anyone claiming by, through or under Client for any claim, cost, loss or damage caused in part by the negligence of DOWL HKM and in part by Client or any other negligent entity or individual, shall not exceed the percentage share that DOWL HKM's negligence bears to the total of all other negligent entities and individuals.

C. Termination / Suspension

1. Client may terminate this Agreement for convenience. In such event, DOWL HKM will be entitled to compensation for Services performed up to the date of termination, including profit related thereto, plus any expenses of termination.
2. The obligation to provide further Services under this Agreement may be suspended by either party upon 7 days written notice or terminated by either party upon thirty (30) days written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof (including Client's obligation to make payments required hereunder) through no fault of the suspending or terminating party, and defaulting party does not commence correction of such nonperformance within five (5) days of written notice and diligently completes the correction thereafter.

D. Mutual Waiver / Limitation of Liability

To the fullest extent permitted by law, DOWL HKM and Client waive against each other, and the other's employees, officers, directors, agents, insurers, partners, and consultants, any and all claims for or entitlement to special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to the Project.

E. Limits of Agreement

This instrument contains the entire Agreement between the parties, and no statement, promise or inducements made by either party that are not contained in this written Agreement shall be valid or binding. This Agreement upon execution by both parties hereto, can only be amended by written instrument signed by both parties

F. Severability and Survival

The various terms, provisions and covenants herein contained shall be deemed to be separate and severable, and the invalidity of unenforceability



of any of them shall not affect or impair the validity or enforceability of the remainder.

G. Waiver

No waiver by either party of any default by the other party in the performance of any particular section of this Agreement shall invalidate any other section of this Agreement or operate as a waiver of any future default, whether like or different in character.

H. Choice of Law and Venue

The parties agree that any action at law or judicial proceeding for the enforcement of this Agreement or any provision thereof shall be instituted only in the courts of the State of Alaska, and it is mutually agreed that this Agreement shall be governed by the laws of the State of Alaska, both as to interpretation and performance.

L. Material Adverse Effect

This Agreement may be amended if an event, change or effect creates a material adverse effect upon the operation of DOWL HKM. Such material adverse effect may be created by, or be the effects of Acts of God (including fire, flood, earthquake, storm, or other natural disaster), war (whether declared or not declared), terrorist activities, labor dispute, strike, lockout or interruption or failure of electricity or telephone service which materially impairs DOWL HKM's ability to operate its business in accordance with the standard of professional practice ordinarily exercised by our profession and which formed the basis for this Agreement.

J. No Third Party Beneficiaries

Nothing contained in this Agreement nor the performance of the parties hereunder, is intended to benefit, nor shall inure to the benefit of, any third party, including Client's contractors, in any.

K. Successor, Assigns, and Beneficiaries

Neither Client nor DOWL HKM may assign, sublet, or transfer any rights under or interest (including but without limitation, moneys that are due or may become due) in this Agreement without the written consent of the other, except as mandated or restricted by law. No assignment will release or discharge the assignor from any duty or responsibility under this Agreement.

L. Prevailing Party Litigation Costs

In the event any actions are brought to enforce this Agreement, the prevailing party shall be entitled to collect its litigation costs from the other party.

M. Statutes of Limitation

To the fullest extent permitted by law, parties agree that, except for claims for indemnification, the time period for bringing claims under this Agreement shall expire one year after Project completion.

N. Authority

The person signing this Agreement warrants that they have the authority to sign as, or on behalf of, the party for whom they are signing.

Snow Disposal Site Selection Study
Project Name

City of Kodiak
Project Location

1124.61385.00
DOWL HKM Project Number

City of Kodiak / Glenn Melvin
Client Name / Contact Name

907-486-8065
Client Phone / Fax / Email

2410 Mill Bay Road
Client Address

Kodiak, AK 99615
City / State / Zip

IN WITNESS WHEREOF, the parties hereto have executed this Agreement:

Client: _____

By: _____

Title: _____

Date Signed: _____

DOWL HKM

By: [Signature]

Title: Project Manager

Date Signed: 1/4/13

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MEMORANDUM TO COUNCIL

To: Mayor Branson and City Councilmembers

From: Aimée Kniaziowski, City Manager 

Date: January 24, 2013

Agenda Item: V.f. **Authorization of Contract Amendment for Geotechnical Work Associated With Pier III Replacement, Project No. 8013/11-07**

SUMMARY: This memo is to recommend award of Amendment No. 1 to the PND design contract for the Pier III replacement project. PND submitted a proposal to perform survey work and preliminary engineering support to assess the survey and geotechnical information and make final recommendation for either a sheet pile or pile supported pier system. The proposal is attached and includes a recommendation memo from Roe Sturgulewski, the City's project manager. Staff recommends Council authorize this amendment to the professional services contract for the scope of work associated with Pier III replacement to PND Engineers in the amount of \$67,775.

PREVIOUS COUNCIL ACTION:

- FY09 Council approved a capital project budget of \$250,000 for inspection and design of Pier III.
- September 2011, Council accepted Pier III Design Study Report from PND.
- November 2011, Council authorized funding to PND to conduct field measurements of wave, currents and water levels.
- FY12 Council approved an additional \$462,000 to the project to cover additional pre-design work.
- February 2012, Council approved a contract with PND to conduct wave modeling study to determine best design.
- July 12, 2012, Council adopted Resolution No. 2012-18 accepting the legislative grant for \$18.1 million and accepting the additional \$15 million in bond funding for the Pier III project.
- September 2012, Council received presentation of wave modeling study results. Results showed neither design outperformed the other in the wave modeling tests.
- December 13, 2012, Council approved a professional services contract with PND for geotechnical work associated with Pier III replacement.

DISCUSSION:

The survey work included in this contract amendment includes both onshore and offshore investigations. The onshore survey will validate control and also collect data that will be used to create a base map for use in future design efforts. The offshore portion of the survey will gather similar underwater information and also be refined into the base map.

This effort, and the previously approved geotechnical investigation, are needed by PND to validate recommendations on the dock structure type (pile supported vs. sheet pile) and are also needed to progress the design. After completion of the geotech and initial survey work authorized by this amendment and discussion with stakeholders, the City Council will make the final decision on the dock structure type. The actual bathymetric and geotechnical conditions can affect the design, cost, and constructability of the pile supported and sheet pile options and could potentially shift the PND recommendation included in the design study report. PND used the best information available, but some of it involved extrapolation of existing data.

The amendment also includes funding for engineering support services needed to advance the project. This includes two separate components. The first relates to providing technical support to assist in the dock structure type determination. PND will compare the survey and geotechnical data against the assumptions behind the preliminary design presented in the design study report. They will revise the concept design and cost analysis as appropriate. They will also prepare cost/benefit information for the two dock type options and meet with stakeholders to assist in finalization of the structure type decision. In addition, funding is being provided to advance the project, including tasks such as estimating, budgeting and schedule assistance, preliminary permitting preparation, and other associated efforts.

ALTERNATIVES:

1. Authorize the professional services contract with PND, which is staff's recommendation and is necessary to keep the project moving and maintain the design critical path.
2. Do not authorize the contract. This is not recommended, as it will prevent the project from moving into the design phase.

FINANCIAL IMPLICATIONS: The funds to complete this project have been secured now that the state has approved the total of \$33.1 million in grants and bonds. The FY13 budget also has approximately \$404,100 remaining in the initial project capital budget for a total of \$33.4 million. This is more than adequate funding to award this contract.

LEGAL: N/A

CITY MANAGER'S RECOMMENDATION AND COMMENTS: Now that we have secured funding for the project, we can move forward with the pre-design, design, and permitting phases. Roe Sturgulewski worked with staff and PND and identified this next step, which is to perform survey work and provide technical support so PND can make a final recommendation on the best type of structure design for the new dock. Therefore, I recommend that Council approve this contract amendment with PND to perform additional geotechnical work needed for the Pier III project and authorize me to execute the contract for the City.

ATTACHMENTS:

Attachment A: ARCADIS Memorandum dated January 14, 2013, and PN&D proposal letter, dated January 11, 2013

PROPOSED MOTION:

Move to authorize contract amendment No. 1 to the professional services contract with PND Engineers for geotechnical work associated with Pier III replacement in the amount of \$67,775, with funds coming from the Cargo Development Fund, Pier III project, Project No. 8013/11-07, and to authorize the City Manager to execute the agreement on behalf of the City.

JANUARY 24, 2013
Agenda Item V.f. Memo Page 3 of 3



Memorandum

TO: Aimee Kniazowski
FROM: Roe Sturgulewski
DATE: January 14, 2013
RE: Kodiak Pier III
 Survey/Preliminary Engineering Support Recommendation for Award

This memo is to recommend award of an amendment to the PN&D Engineers, Inc. design contract for the Pier III Replacement project. This amendment adds survey and preliminary engineering and design support services in the Time-and-Materials amount of \$67,775.

The survey work includes both onshore and offshore investigations. The onshore survey will validate control and also collect data which will be used to create a base map for use in future design efforts. The offshore portion of the survey will gather similar underwater information and also be refined into the base map.

This effort, and the previously approved geotechnical investigation, are needed by PN&D to validate their recommendation on the dock structure type (pipe vs. sheet pile) and are also needed to progress the design. After completion of the geotech and initial survey work authorized by this amendment and discussion with stakeholders, a City Council decision will be needed on the dock structure type. The actual bathymetric and geotechnical conditions can affect the design, costs and constructability of the pipe and sheet pile options and could potentially shift the PN&D recommendation included in the Design Study Report. PN&D had used the best information available but some of it involved extrapolation of existing data.

The amendment also includes funding for engineering support services needed to advance the project. This includes two separate components. The first relates to providing technical support to assist in the dock structure type determination. PN&D will compare the survey and geotechnical data against the assumptions behind the preliminary design presented in the Design Study Report. They will revise the concept design and cost analysis as appropriate. PN&D will also prepare cost/benefit information for the two dock type options and meet with stakeholders to assist in finalization of the structure type decision. In addition, funding is being provided to advance the project including tasks such as estimating, budgeting and schedule assistance, preliminary permitting preparation and other similar efforts.

SCHEDULE

The onsite survey work has not been firmly scheduled and has some overall project schedule float. It is anticipated to be done as early as the end of February 2013 given acceptable weather. The geotechnical investigation is on the schedule critical path. The permit application required to perform the in-water drilling work is in process with the federal permit anticipated to be received in mid-February. Again assuming reasonable weather, the drilling is anticipated to be completed in mid-March with a draft

report issued near the end of the month. It is anticipated the dock type decision will be made in the April/May timeframe. An additional amendment adding permitting and full design services is anticipated at that time. Design is anticipated to take 7-8 months with the intent to have it completed to allow for effective 2014 construction.

BUDGET

\$33.1M in State appropriations have been received for the project. This includes \$18.1M in a direct FY 13 appropriation and an additional \$15M ratified in the recent Statewide November 2012 Transportation GO Bond election. Based on discussions with the State, it is anticipated the \$18.1M direct appropriation will be used to fund initial project expenditures with the bond funding used for latter expenses. The initial Design Study Report indicated both the sheet and pipe pile options could be constructed within the \$33M budget. Refined expense budgets for both type structures are anticipated to be provided as part of the dock structure decision process.

Please contact me at (907) 343-3013 if you have any questions.



January 11, 2013

PND Project No. 111012

Ms. Aimee Kniazowski
City of Kodiak Manager
City of Kodiak
710 Mill Bay Road
Kodiak, Alaska 99615

Re: Design and Hydrographic Survey of Pier 3 (Rev 1)
General Project Administration

Dear Ms. Kniazowski;

Thank you for contacting PND regarding engineering and survey to support the design of the new Pier 3 facility. We have included a scope of work and a breakdown of the associated cost to complete the work on a time and materials basis.

Survey Scope of Work:

Field Preparation:

Research of the Alaska DOT/PF right of way along Rezanof Highway and any recorded plat within the immediate area. A drawing with record property and right of way information will be completed prior to start of field work to aid the location of property and right of way monuments.

Field Survey:

Complete a control traverse, recover right-of-way monuments and property corners near project site, transfer Mean Lower Low Water (MLLW) vertical datum to site, and complete a design survey locating structures, above & underground utilities and all features that may affect the design. Complete an as-built survey of the existing dock and a hydrographic survey around Pier 3 that will encompass an area approximately 400' x 2200'.

Office Activities:

Reduce and compile field data; complete a base map to be used in the future design of the new dock facility.

Total Survey cost estimate (Time and Materials) \$37,650

Assumptions:

- a) The estimate has been prepared on the assumption that the survey will be conducted during minimal ice and snow conditions.
- b) No property survey or bound resolution will be performed as part of this survey.
 - a. These items may need to be addressed at a later date. If required, these items will be addressed under a separate scope of work.
- c) Delays in performing the survey or delay in departure from Kodiak due to weather conditions will be billed as standby time at \$2100 per day.

General Project Administration:

A final decision on the construction type (OPEN CELL[®] bulkhead or pile supported structure) has not been made, and a formal engineering budget has not been submitted for the Pier 3 project. As the survey and geotechnical portions of the project begin it is anticipated that there will be inquiries regarding other areas of the project that will require PND's attention. The scope of work for this general administration is outlined below;


- If survey and/or geotechnical information becomes available that is significantly different than the assumptions made during the development of the DSR, the cost estimates and recommendations in the report may need to be re-evaluated in order to present the most up to date information. If necessary PND will update the cost estimate and construction type recommendations from the Design Study Report based on incoming survey and geotechnical data.
- Assist the City as requested on matters related to Pier 3.
- Attend City Council and pier stakeholders meeting(s) in Kodiak to present design options and answer questions regarding the pier designs during the selection of the construction type.
 - It is assumed that several trips to Kodiak will be required in order to attend meetings with the City Council and stakeholders.

PND proposes to perform the tasks in the "General Project Administration" section above under a time and materials budget not to exceed \$30,125.


The total proposed cost for the Survey and General Administration work described above is \$67,775.

Thank you again for inviting us to provide a fee proposal for this work. We look forward to working with you.

Sincerely,
PND Engineers, Inc.



Kenton Braun, P.E.
Vice President



Bryan Hudson
Senior Engineer



1506 West 36th Ave.
Anchorage, AK. 99503

14-Jan-13

PIER 3 UPLANDS AND CONSTRUCTION ADMINISTRATION KODIAK, ALASKA

	Professional			Technical			Total	
	Senior Engineer VI	Senior Engr IV	Senior Engr II	Senior Engineer I	Land Surveyor	Survey Tech IV		CAD Designer V
1 Pier Construction Type Selection								
a Update DSR cost estimates and recommendation (if necessary)	5		20				\$3,225	
b Prepare presentation	10		30			10	\$6,150	
c Attend Meetings in Kodiak	20		40				\$8,100	
d General Construction Administration	16		38				\$7,200	
Total			128			10	\$24,675	
4 Reimbursable Expenses								
a Room and board							\$1,170	
b Vehicle							\$680	
c Airfare							\$3,600	
Total							\$5,450	
Total Services & Expenses								\$30,125

ASSUMPTIONS:

- DSR cost estimate and construction type recommendation is only necessary if geotechnical and/or survey data are collected that vary significantly from the original DSR assumptions.
- Estimate assumes attendance at up to 4 meetings during the selection process.



1506 West 36th Ave.
Anchorage, AK. 99503

14-Jan-13

PIER 3 UPLANDS AND BATHYMETRY SURVEY KODIAK, ALASKA

	Professional			Technical			Total	
	Principal	Senior Engr IV	Senior Engr I	Senior Land Surveyor	Land Surveyor	Survey Tech IV		CAD Designer V
1 Research and coordination								
a					2		\$190	
b				12	4		\$1,640	
c					6		\$570	
d								
Tot	\$175.00	\$140.00	\$110.00	\$105.00	\$95.00	\$85.00	\$90.00	
2 Field Survey Activities								
a				10	10		\$2,000	
b				4	4		\$800	
c				4	4		\$800	
d				16	16		\$3,200	
e				20	20		\$4,000	
f				20	20		\$4,000	
g				10	10		\$2,000	
h				6	6		\$1,200	
Tot				90	90		\$18,000	
3 Office Survey Activities								
a				10	20		\$2,950	
b				30	10		\$4,280	
c				4			\$420	
d								
Tot				44	30		\$7,650	
4 Reimbursable Expenses								
a	Expendable Survey supplies, data collector equipment, laptops, Survey Grade GPS Units							\$2,300
b	Room and board							\$3,500
c	Vehicle							\$1,100
d	Airfare							\$1,800
e	Boat rental							\$900
Tot								\$37,650

ASSUMPTIONS:

1. This estimate has been prepared on the assumption that survey will be completed during minimal ice and snow conditions.
2. No property survey or boundary resolution will be performed during this survey.
3. Delays due to weather will be charged out at \$2,100 per day.

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MEMORANDUM TO COUNCIL

To: Mayor Branson and City Councilmembers

From: Aimée Kniaziowski, City Manager and Debra Marlar, City Clerk

Date: January 24, 2013

Agenda Item: V. g. Authorization of Lease Assignment for Pillar Mt. Antenna Lease Site 3, U.S. Survey 3945

SUMMARY: The Council adopted Ordinance No. 1265 on September 24, 2009, which authorized a five-year agreement with GCI for a lease at the City's Pillar Mountain antenna site. The City Clerk received a letter from GCI requesting the City to agree to assign the lease to a newly formed entity made up of GCI, Alaska Communications Systems (ACS), and their affiliates, known as Alaska Wireless Network, LLC (AWN). Staff recommends Council authorize the assignment of the lease by motion, per the City Attorney's direction.

PREVIOUS COUNCIL ACTION:

- September 24, 2009, Council adopted Ordinance No. 1265, which authorized a five-year lease of a communications site with GCI

DISCUSSION: As stated above, the City has had a lease with CGI for a communications site co-located on the City's Pillar Mountain Antenna Lease Site No. 3 since 2009. The City received a request from GCI to assign interest in the lease to a newly formed entity named Alaska Wireless Network, made up of GCI, ACS, and their affiliates. AWN has been formed to design and operate a statewide wireless network (see attached letter from GCI), and to accomplish that goal, AWN will purchase GCI assets which includes GCI's lease with the City.

Staff consulted with the City's attorney who determined the requested assignment required Council authorization in accordance with Kodiak City Code 18.20.240 Assignments: "The rights of a lessee or purchaser under a lease or under contract of sale may not be assigned unless the assignment is first approved by the Council. The assignee shall be subject to all of the provisions of the lease or sales contract." The attorney recommended the assignment be approved by a motion of the Council.

ALTERNATIVES: Council may approve the lease assignment by motion, which is staff's recommendation, or may deny approval of the assignment which is not recommended.

FINANCIAL IMPLICATIONS: N/A

LEGAL: The City's Attorney reviewed the request and lease and advised staff that the lease assignment requires Council approval and the approval can be done by motion.

CITY MANAGER'S COMMENTS: Staff is comfortable with this lease assignment, since our attorney reviewed the documents and had no concerns. The new entity, AWN, will be required to comply with all provisions of the existing lease, including the requirement in Section 2 that says the tenant's use and equipment will not cause interference with the transmitting or receiving capabilities of the City. In the event the tenant wishes to make changes, they will have to provide results of an inter-modulation analysis to verify that no signal interference will occur. I recommend Council approve GCI's request.

ATTACHMENTS:

Attachment A: Request for Consent to Assignment/Consent to Assignment

Attachment B: Land Lease Agreement

Attachment C: Ordinance No. 1265

PROPOSED MOTION:

Move to authorize the lease assignment for Pillar Mt. Antenna Lease Site 3, U.S. Survey 3945, from GCI Communication Corporation to Alaska Wireless Network, LLC under the condition that all terms and conditions remain in effect with the new leaseholder, and authorize the City Manager to execute the lease assignment on behalf of the City.

November 20, 2012

City of Kodiak
710 Mill Bay Road
Kodiak, AK 99615



RE: REQUEST FOR CONSENT TO ASSIGNMENT

Dear Sir or Madam:

As you may be aware, on June 4, 2012, we entered into an Asset Purchase and Contribution Agreement with Alaska Communications Systems Group, Inc. ("ACS") and our affiliates, under which we agreed to form a new entity known as The Alaska Wireless Network, LLC ("AWN"). Under this agreement, GCI and ACS agreed to contribute the respective wireless networks assets of GCI, ACS and their affiliates to AWN.

AWN will design and operate an Alaska statewide wireless network to provide next generation wireless service plans for GCI and ACS wireless customers. GCI and ACS will continue to market and sell these plans independently to their respective retail customers.

Under the terms of the Asset Purchase and Contribution Agreement, GCI and its affiliates agreed to purchase certain wireless network assets from ACS and its affiliates, and GCI and certain of its affiliates will contribute the purchased assets and its wireless network assets to AWN. ACS also agreed to contribute its remaining wireless network assets to AWN. Upon the contribution of assets to the Company, ACS and its affiliates will own one-third of AWN and GCI and its affiliates will own two-thirds of AWN.

The assets to be contributed to AWN include vendor contracts, spectrum licenses, cell sites and backhaul facilities, switching systems, and certain other assets necessary to operate a statewide wireless network. The assets include our contract with you. Therefore, we request that you consent to our assignment of our contract with you.

We have prepared the attached Consent to Assignment to evidence your consent. Please execute the attached Consent to Assignment and return it to us in the enclosed envelope. If you have any questions regarding the assignment or would like to discuss these matters, please feel free to contact me.

Sincerely,

A handwritten signature in blue ink that reads "Rachelle A. Alger".

Rachelle A. Alger, Contracts Administrator
GCI Communication Corp.
2550 Denali Street, Suite 1000
Anchorage, AK 99503
Direct: 907.868.5771
Fax: 907.868.9709
Mobile: 907.306.1601
Email: raalger@gci.com

CONSENT TO ASSIGNMENT

This CONSENT TO ASSIGNMENT is made and entered into by City of Kodiak, a municipal corporation (“**Company**”).

RECITALS

A. Company and GCI Communication Corp., an Alaska corporation (“**GCI**”) are parties to that certain Land Lease Agreement dated as of November 1, 2009, a copy of which is attached hereto as Exhibit A (the “**Agreement**”); and

B. Under an Asset Purchase and Contribution Agreement dated as of June 4, 2012 by and among Alaska Communications Systems Group, Inc., ACS Wireless, Inc., General Communication, Inc., GCI Wireless Holdings, LLC and The Alaska Wireless Network, LLC, a Delaware limited liability company (“**AWN**”), General Communication, Inc. has agreed, or to cause GCI, to convey, assign and transfer and Awn has agreed to accept and assume all of GCI’s wireless assets, including, without limitation, GCI’s right, title and interest in and to the Agreement; and

C. Awn has asked that Company consent to the assignment of all of GCI’s right, title, and interest in and to the Agreement to Awn.

CONSENT

Company hereby consents to the assignment of GCI’s right, title and interest in and to the Agreement to Awn and Awn’s assumption of all of the obligations of GCI arising thereunder after the date of such assignment (the assignment and assumption of the Agreement is collectively referred to herein as the “**Assignment**”). Following the Assignment, the Agreement shall continue in full force and effect with Awn substituted for GCI as applicable.

The undersigned has executed this Consent to Assignment as of the date set forth below.

Company:

City of Kodiak

By: _____
Name: _____
Title: _____
Date: _____

LAND LEASE AGREEMENT

This 1st day of November 2009, the **City of Kodiak**, a Municipal Corporation ("Landlord"), whose address is 710 Mill Bay Road, Kodiak, Alaska 99615, and **GCI Communication Corp.**, an Alaska corporation ("Tenant"), whose address is 2550 Denali Street, Suite 1000, Anchorage, Alaska 99503, agree as follows:

1. Premises:

Subject to the terms and conditions herein, Landlord leases to Tenant the following Premises ("Premises"): That portion of Pillar Mountain Antenna Site Lease 3, U.S. Survey No. 3945, further described in **Exhibit A** attached hereto which is required for the location of a 100' guyed tower and 10'x12' equipment shelter as illustrated in **Exhibit B-1 and B-2** attached hereto.

2. Authorized Uses:

This lease ("Lease") is issued for the following authorized uses:

Tenant may construct, maintain, and operate a communication tower, equipment shelter, related communications equipment and guy wires in conjunction with Tenant's operation as a communications provider on such space as is illustrated in **Exhibit B-1 and B-2** or as otherwise mutually agreed upon.

Tenant shall have the right to collocate and install the communications equipment listed in Exhibit B on Landlord's Premises in the space and in the manner set forth in Exhibit B. Tenant may obtain access to operate and maintain this equipment, and all replacement equipment thereto by obtaining a key to enter the enclosed Premises from the Kodiak Police Department twenty-four (24) hours a day/seven (7) days a week. In installing, operating, or maintaining any equipment on the Premises and in its general management of the Premises, Tenant will act in accordance with applicable laws and regulations and so as not to cause interference with any other radio or television transmitting or receiving equipment whether located on the Premises or not. Tenant will at all times protect from interference all frequencies assigned to Landlord whether or not such frequencies are in use. Before altering, replacing or adding any transmission equipment at the Premises, Tenant shall, at Tenant's sole expense, arrange for an inter-modulation analysis so as to verify that no unacceptable signal interference will result from the alteration, replacement or addition. Tenant shall provide Landlord with a copy of the inter-modulation analysis.

3. Term:

The initial term of this Lease is for five (5) years ("Term"), commencing as of a date thirty (30) days subsequent to the commencement of construction, with four (4), five (5) year extensions (individually, an "extension" and collectively, the "Extensions") at the option of Tenant, so long as Tenant is not in violation of any terms or conditions as set forth in this Lease. The Extensions shall be automatic unless (a) Tenant notifies Landlord at least thirty (30) days prior to the expiration of the then-current term of its intent not to renew the Lease or (b) Landlord notifies Tenant in writing of a default, and Tenant fails to timely cure that default, in accordance with Section 16.

4. Rent:

The initial rent for the Premises will begin at One Thousand Dollars (\$1,000.00) per month, payable in annual installments of Twelve Thousand Dollars (\$12,000.00). The rental payment shall be increased each year by the amount of three percent (3%). Adjustments shall occur on each of the anniversary dates of this Lease. Payment shall be made by wire, check, bank draft, or money order made payable to City of Kodiak. Overdue payments shall be subject to a late payment charge of 1 ½% per month of the overdue amount (but not to exceed the maximum lawful rate), beginning thirty (30) days after payment is due.

5. Improvements:

Any construction on the Premises must be neat, presentable, and compatible with its use and surroundings. Before installing a new communication tower on the Premises, Tenant shall dismantle, remove and dispose of in a lawful manner the existing communication tower on the Premises, along with all related equipment and fixtures that will not be used in Tenant's ongoing operations on the Premises.

6. Radio or Electronic Interference

In the event of radio frequency or other electronic interference, the parties agree to work cooperatively to find a mutually satisfactory solution to any interference problem. In the event the problem cannot be resolved, regardless of whether or not the source of the problem can be determined, Tenant shall have the right to remove its equipment causing the interference upon thirty (30) days' prior written notice and/or cancel this Agreement.

7. Maintenance and Construction:

Tenant shall keep the Premises and all improvements neat and presentable. Tenant shall not strip, waste, or remove any material from the Premises without the prior written permission of Landlord.

Tenant shall provide for power utilities.

8. Disposition of Improvements:

- (a) Within one hundred eighty (180) days after the end of this Lease, improvements and personal property must either:
 - 1. be removed by Tenant if required by the Landlord; or
 - 2. with Landlord's consent, be sold to the succeeding Tenant.
- (b) Landlord may grant additional time for the removal of improvements if hardship is established by Tenant.
- (c) Title to any improvements or other property owned by Tenant which is not disposed of as set out above shall vest in Landlord.

9. Hazardous Substances:

Tenant shall not permit or cause any Hazardous Material to be brought upon, kept, or used in or about the Premises by its employees, agents, contractors, or invitees. If Tenant breaches this obligation, or if the presence of Hazardous Material on or about the Premises caused or permitted by Tenant results in contamination of the Premises, or if contamination of the Premises otherwise occurs for which Tenant is legally liable for damage resulting there from, then Tenant shall indemnify, defend, and hold Landlord harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities, or losses (including without limitation, diminution in value of the Premises, damages for the loss or restriction of useable space or of any amenity of the Premises, and sums paid in settlement of claims, attorney fees, consultant fees, and expert fees) that arise during or after the period in which this Agreement is in effect as a direct result of such contamination, solely to the extent caused by Tenant or its agents. This indemnification of Landlord by Tenant includes, without limitation, reasonable and necessary costs incurred in connection with any investigation of Premises conditions or any clean-up, remedial, removal, or restoration work required by any federal, state or local government agency or political subdivision because of Hazardous Material present in the soil or groundwater on or under the Premises. Without limiting the foregoing, if the presence of any Hazardous Material on the Premises caused or permitted by Tenant results in any contamination of the Premises, Tenant shall take all actions at its expense as are necessary to return the Premises to the condition existing prior to Tenant's introduction of any such Hazardous Material to the Premises; provided that Landlord's approval of such actions shall first be obtained, which approval shall not be unreasonably withheld so long as such actions would not potentially have any material adverse long-term or short-term effect on the Premises. As used herein, the term "**Hazardous Material**" means any hazardous or toxic substance, material or waste, that is or becomes regulated by any local governmental authority, the State of Alaska, or the United States Government. Landlord agrees to indemnify, defend and hold harmless, at its expense, Tenant from any and all costs, losses, damages, claims, suits or other liabilities, including reasonable attorney fees, arising from or related to contamination occurring at the Premises released by Landlord, its agents or its other tenants. No party shall have the duty to indemnify to the extent the damages are caused by the misconduct, fault or negligence of the indemnitee, its agents or invitees.

10. Warranties and Hold Harmless:

Landlord agrees to indemnify, defend, and hold Tenant harmless for any breach of the following warranties: The execution of this Lease has been duly authorized by Landlord and all necessary consents

have been received. Landlord has all right, title, and interest in the Premises, and to execute and to perform its obligations under this Lease except as set forth in Exhibit C attached hereto.

11. Liability:

Tenant shall indemnify, defend, and hold Landlord and its authorized agents, officers, and employees harmless from any liability, action, claim, suit, loss, property damage, or personal injury of whatever kind resulting from or arising out of any act of commission or wrongful omission by Tenant, its agents, employees, or customers to the extent arising from or connected with Tenant's use and occupation of the Premises or its exercise of the rights and privileges granted by this Lease, except that it shall have no duty to indemnify Landlord or its authorized agents, officers, or employees to the extent of its/their own negligence or misconduct, fraud, or breach of the terms of this Lease.

12. Insurance:

Workers' Compensation Tenant shall ensure that, with respect to all personnel performing work on the Premises, Tenant shall maintain in effect at all times during the term of this Agreement, coverage or insurance in accordance with the applicable laws relating to workers' compensation and employers' liability insurance. Tenant shall carry Employers' Liability insurance with limits of not less than:

\$500,000 Bodily Injury by Accident -Each Accident Limit

\$500,000 Bodily Injury by Disease -Policy Limit

\$500,000 Bodily Injury by Disease -Each Employee

Liability Insurance Prior to the commencement of the work, Tenant shall secure such liability insurance as will protect Tenant and Landlord (additionally insured) from and against claims and liabilities arising out of bodily injury (including death) or property damage that may result from such operations, construction, reconstruction and/or maintenance. Such insurance shall include the following:

Commercial General Liability insurance (including, but not limited to, premises-operations, products, contractual, broad-form property damage) with limits as follows:

\$1,000,000 Each Occurrence Limit

\$2,000,000 General Aggregate excluding Products/Completed Operations

Aggregate Limit

\$2,000,000 Products/Completed Operations Aggregate Limit

\$1,000,000 Personal and Advertising Injury Limits

Business Automobile Liability insurance (including owned, hired and non-owned) with a combined single limit of not less than \$1,000,000 for bodily injury (including death) and property damage.

Additional Insured / Waiver of Subrogation Tenant shall insure that the Commercial General Liability and Business Automobile Liability policies name Landlord as additional insured. Tenant's insurance shall also be primary to any policies held by Landlord and the coverage afforded Landlord under such policies shall be the same coverage extended to Tenant without exception or limitation.

Tenant waives all rights of subrogation against Landlord and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the Commercial General Liability, Business Automobile and/or Workers' Compensation policies.

Evidence of Insurance Certificates or evidence of Insurance acceptable to Landlord shall be filed with Landlord prior to commencement of the work, including copies of the additional insured and waiver of subrogation endorsements. The coverages afforded under the policies will not be cancelled or allowed to expire until at least thirty (30) days' prior written notice has been given to Landlord. Tenant shall furnish information concerning reduction of coverage with reasonable promptness in accordance with Tenant's information and belief.

No Limitation The insurance required within this Agreement shall be written for not less than the limits of liability specified in this Agreement or required by law, whichever is greater. Coverages shall be maintained without interruption from date of commencement of the work until date of final payment and termination of any coverage required to be maintained after final payment.

The requirements of this Agreement as to insurance and acceptability to Landlord of insurers and insurance to be maintained by Tenant is not intended to and shall not in any manner limit or qualify the liabilities and obligations of Tenant under this Agreement.

13. Holding Over

Subject to the Extensions available to Tenant in Section 3 above, if Tenant holds over after the expiration of this Lease, the holding over will not operate as a renewal or extension of this Lease, but only creates a tenancy from month to month, regardless of any rent payments accepted by Landlord. Each party's obligations for performance under this Lease will continue until the month to month tenancy is terminated. Either party may terminate the hold-over, month-to-month tenancy at any time by giving the other at least thirty (30) days' prior written notice.

14. Assignment or Sublease

Except to an affiliate, Tenant shall not assign or sublet this Agreement without the prior written consent of the Landlord which shall not be unreasonably withheld, conditioned or delayed.

15. Condemnation

If the Premises are condemned by any proper authority, the term of this Lease will end on the date Tenant is required to surrender possession of the Premises. Landlord is entitled to all the condemnation proceeds except Tenant will be paid the portion of the proceeds attributable to the fair market value of any improvements placed on the Premises by Tenant. Rent will also be adjusted to apply to the period ending on the date Tenant is required to surrender possession of the Premises.

16. Cancellation

Landlord may cancel this Lease and recover possession of the Premises by giving Tenant thirty (30) days' prior written notice, upon the happening of any of the events listed below, which are not cured within such thirty (30) day notice period:

- (a) Tenant's failure to pay when due the rents or fees specified in this Lease, including any increases made pursuant to this Lease.
- (b) The return for insufficient funds of checks for payment of rents or fees.
- (c) The use of the Premises by Tenant for any purpose not authorized by this Lease.
- (d) The failure of Tenant to perform any provision or covenant in this Lease. If such provision or covenant is not possible to perform within such thirty (30) day cure period, Tenant shall not be in default under this Lease if it has promptly commenced and is diligently pursuing the cure thereof.

Tenant may cancel this Lease with thirty (30) days' written notice if for any reason the Premises become unsuitable for its communications purposes, or if Landlord fails to perform provision or covenant in this Lease. If such provision or covenant is not possible to perform within such thirty (30) day cure period, Landlord shall not be in default under this Lease if it has promptly commenced and is diligently pursuing the cure thereof.

17. Vacation

At the end of this Lease, Tenant must peaceably and quietly vacate the Premises and return possession to Landlord. The Premises must be left in a clean, neat and presentable at least as good as existed at the commencement of the Lease Term, normal wear and tear excepted. If Tenant causes any abnormal wear and tear or abuse of or to the Premises, Tenant shall, at its expense and upon demand by Landlord, immediately eliminate such abnormal wear and tear or abuse or waste and pay for the restoration of the affected area(s) to a commercially reasonable equivalent condition to the Premises' condition at the commencement of the Lease.

18. Easements

Subject to Section 2, Landlord covenants and agrees that Tenant shall have access to the Premises for parking vehicles, pedestrian traffic, and ingress and egress to the Premises for all uses authorized or required by this Lease, including, but not limited to, Tenant's right to place underground conduits or aerial feeds as needed for power and telephone or other purposes, from the Premises to all utility easements and rights of way which are owned by Landlord, without any further compensation due to Landlord therefore.

Landlord reserves the right to grant to third parties or reserve to itself easements or right-of-way through, on, or above the Premises. No easement or right of way may unreasonably interfere with Tenant's use of the Premises.

19. Non-Interference with Communications Use

Landlord agrees to not build or allow to be built, any structures on the Premises, or on any property surrounding the Premises owned or controlled by Landlord, within the area emanating outward from Tenant's equipment without the prior written consent of an authorized representative of Tenant. Said consent shall not be unreasonably withheld. The intent of this clause is to prevent development that would adversely impact Tenant's ability to "see" the satellite arc required in order to provide service to the community.

20. Laws and Permits

Each party shall conduct all activities authorized by this Lease in compliance with all applicable federal, state, and local laws, including but not limited to matters of health, safety, sanitation and pollution. Tenant must obtain all necessary licenses and permits and authorizations to construct and operate a communications premises from the Premises.

21. Taxes. Tenant shall pay all property taxes levied on its property located on the Premises and its leasehold interest in the Premises.

22. Disputes

In any disputes between the parties, the laws of the State of Alaska will govern. Any lawsuit must be brought in the courts of the State of Alaska. Either party may request a mediation of any unresolved dispute.

Tenant agrees to notify Landlord of any claim, demand, or lawsuit arising out of Tenant's occupation or use of the Premises. Upon Landlord's request, Tenant will reasonably cooperate and assist in the investigation and litigation of any claim, demand, or lawsuit affecting the Premises.

23. No Other Warranties/ "As-Is"

Other than the express warranties in Section 10 above, Landlord makes no express or implied warranties concerning the title or condition of the Premises, including survey, access, or suitability for any use, including those uses authorized by this Lease. Tenant takes the Premises as-is, subject to all other provisions to this Lease.

24. Liens

Tenant shall keep the Premises free of all liens; pay all costs for labor and materials arising out of any construction or improvements by Tenant on the Premises, and hold Landlord harmless from liability for any liens arising from Tenant's activities, including costs and reasonable attorney fees. By this provision, Landlord does not recognize that it is in any way liable for any liens on the Premises.

25. No Waiver

The failure of a party to insist upon the strict performance of any provision in this Lease may not be considered as a waiver or relinquishment of that provision for the future. The waiver by a party of any provision or covenant in this Lease cannot be enforced or relied upon unless the waiver is in writing.

26. Validity of Parts

If any provision of this Lease is declared to be invalid by a court of competent jurisdiction, the remaining covenants and provisions will continue in full force.

27. Natural Disasters

If any cause which occurs without the fault or negligence of either party renders the Premises unusable for more than 30 days, this Lease may be terminated by either party upon thirty (30) days' written notice to the other, in accordance with Section 28 below. Causes include but are not restricted to acts of God or the public enemy, acts of the United States, fires, floods, epidemics, quarantine restrictions, or strikes. No

party shall be liable for any delay or failure in performance due to such events outside of the defaulting party's reasonable control. The obligations and rights of the excused party shall be extended on a day-to-day basis for the time period equal to the period of the excusable delay.

28. Notices

Any notice required by this Lease must be hand delivered or sent by registered or certified mail to the appropriate party at the address set forth on page one of this Lease or to any other address which the parties subsequently designate in writing. A copy of any legal notices to Tenant here under shall also be sent to:

City of Kodiak:
Attn.: City Manager
710 Mill Bay Road #220
Kodiak, Alaska 99615
Telephone: (907) 486-8640

GCI:
GCI Communication Corp.
Attn.: Corporate Counsel
2550 Denali St., Suite 1000
Anchorage, AK 99503

With a Copy to:
Kodiak City Clerk
710 Mill Bay Road #216
Kodiak, Alaska 99615
Telephone: (907) 486-8633
Fax: (907) 486-8633
Email: clerk@city.kodiak.ak.us

With a Copy to:
GCI Contact:
Attn.: Rachele A. Alger, Contract Administrator
Telephone: 907.868.5771
Cell: 907.306.1601
Email: raalger@gci.com

With a Copy to:
GCI Contact:
Attn.: Wayne Haerer, Jr.
3127 Commercial Drive
Anchorage, AK 99501
Telephone: (907) 350-9797
Email: whaerer@gci.com

29. Inspection

Landlord reserves the right to enter any part of the Premises, including buildings, for the purpose of inspection at any reasonable time. Except in the case of an emergency, all inspections will be coordinated with Tenant in advance, in order to minimize interference with Tenant's activities.

30. Quiet Enjoyment

So long as Tenant is not in breach of this Lease, it shall have the right of quiet enjoyment of the Premises for the Term and all Extensions thereof. This Lease shall be binding on each party's successors and assigns.

31. Binding Agreement

This Lease shall be binding upon each party's heirs, representatives, executors, successors and assigns. So long as Tenant is not in default hereunder, Tenant shall have the right of quiet enjoyment of the Premises, during the initial term and all renewal terms, regardless of any sale, transfer, assignment or foreclosure of the Premises. This Lease may only be amended in writing, and such amendment shall be signed by authorized representatives of both parties.

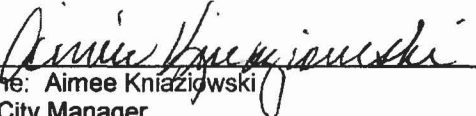
Dated the 14th day of December 2009.

Tenant:
GCI Communication Corp.

By: 
Name: Jimmy R. Sipes
Its: Vice President - Network Services & Chief Engineer

Dated the 8th day of OCTOBER, 2009.

Landlord:
City of Kodiak

By: 
Name: Aimee Kniazigowski
Its: City Manager

Attest:


City Clerk

EXHIBIT A

Legal Description of Property:

A portion of Pillar Mountain Antenna Site Lease 3, U.S. survey No. 3945

EXHIBIT B-1

Survey/Site Plan

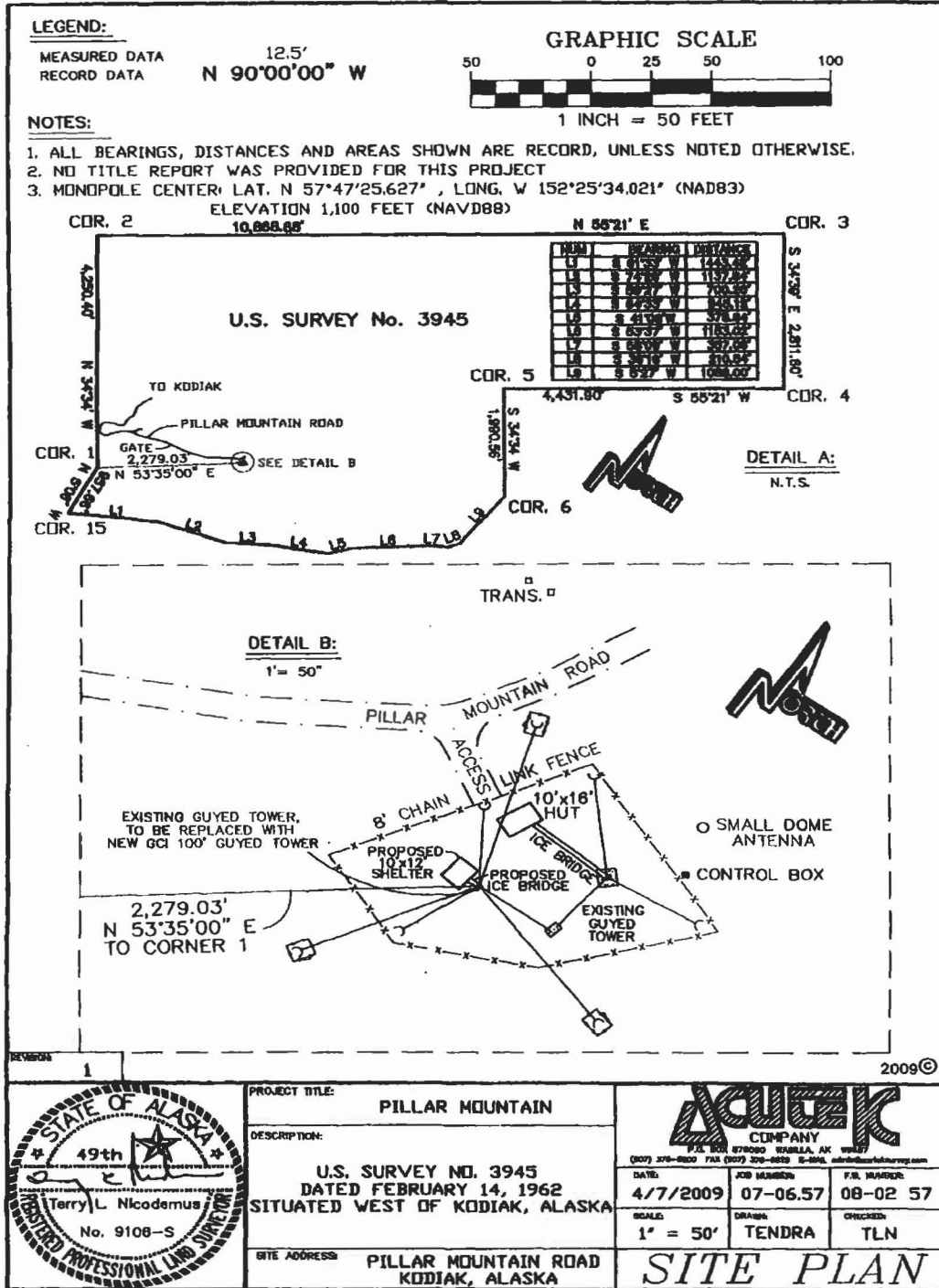
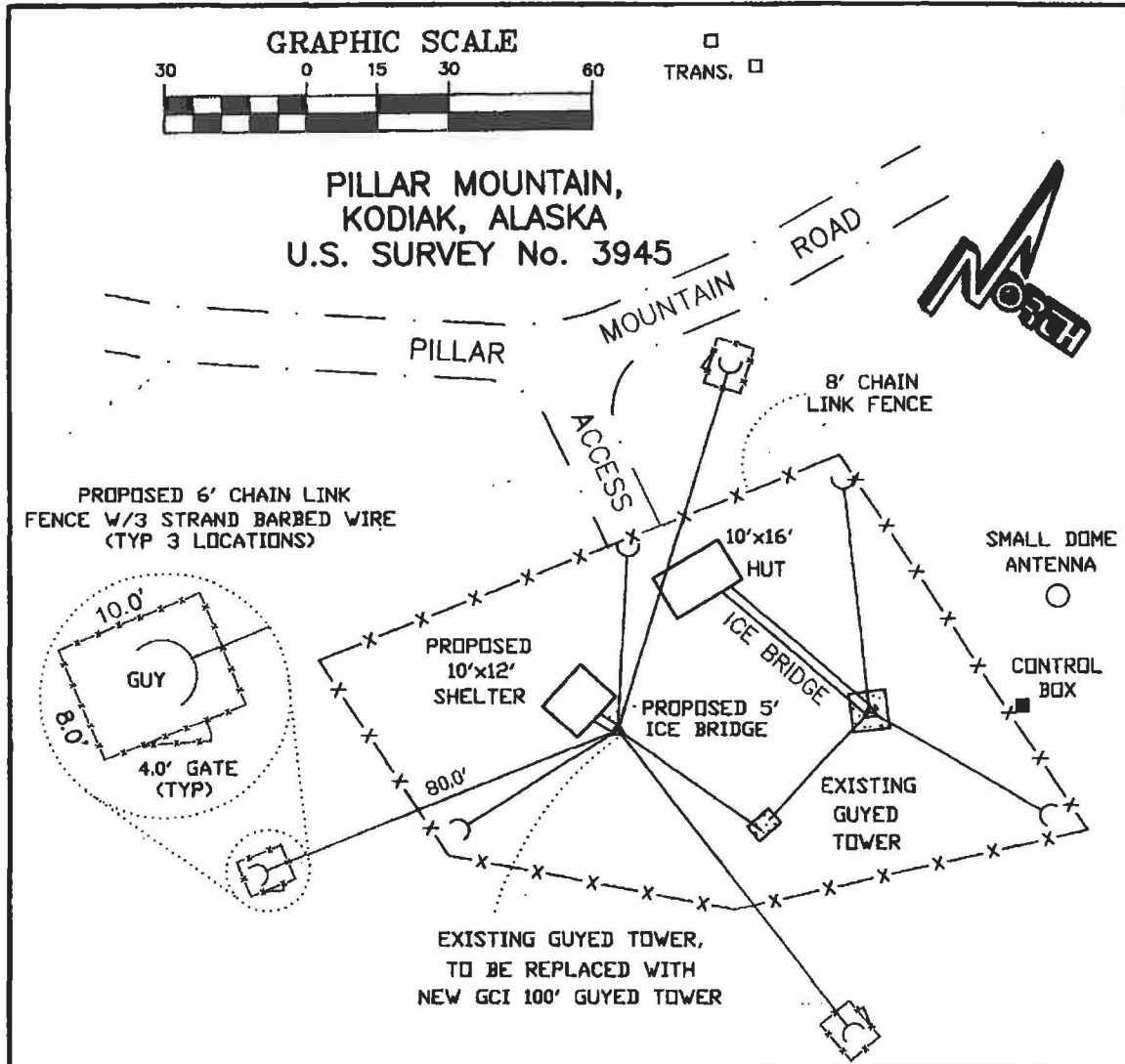


EXHIBIT B - 2

Survey/Site Plan



	PROJECT TITLE: PILLAR MOUNTAIN	 P.O. BOX 870000 WASILLA, AK 99607 (907) 376-8800 FAX (907) 376-9400 E-MAIL: aduek@aduek.com		
	PREPARED FOR: BILL FREIMUTH GCI COMMUNICATION CORP. 2550 DENALI STREET #1000 ANCHORAGE, ALASKA 99503	DATE: 4/7/09	JOB NUMBER: 07-06.57	P.L. NUMBER: 08-02 57
		SCALE: 1" = 30'	DRAWN: TENDRA	CHECKED: TLN
<h1>SITE PLAN</h1>				

**CITY OF KODIAK
ORDINANCE NUMBER 1265**

AN ORDINANCE OF THE COUNCIL OF THE CITY OF KODIAK AUTHORIZING A LEASE BETWEEN THE CITY OF KODIAK AND GCI COMMUNICATION CORPORATION FOR A PORTION OF PILLAR MOUNTAIN ANTENNA LEASE SITE 3, U.S. SURVEY NO. 3945

WHEREAS, the City is the owner of land on Pillar Mountain; and

WHEREAS, GCI Communication Corporation desires to lease a portion of the City's Pillar Mountain Antenna Lease Site 3, U.S. Survey No. 3945.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Kodiak, Alaska, as follows:

Section 1: The Council finds that it is in the best interest of the City of Kodiak to authorize the Lease, Contract No. 157303, with GCI Communication Corporation for a portion of the City's Pillar Mountain Antenna Lease Site 3, U.S. Survey No. 3945. Notwithstanding any provision of Kodiak City Code Chapter 18.20 to the contrary, the authorization of the Lease hereby is authorized.

Section 2: The form and content of the Lease between the City and GCI Communication Corporation is in all respects authorized, approved, and confirmed; and the City Manager hereby is authorized, empowered, and directed to execute and deliver the Lease to GCI Communication Corporation, on behalf of the City, in substantially the form and content now before this meeting but with such changes, modifications, additions, and deletions therein as she shall deem necessary, desirable, or appropriate, the execution thereof to constitute conclusive evidence of approval of any and all changes, modifications, additions, or deletions therein from the form and content of said document now before this meeting, and from and after the execution and delivery of said document, the City Manager hereby is authorized, empowered, and directed to do all acts and things and to execute all documents as may be necessary to carry out and comply with the provisions of the Lease as executed.

Section 3: This ordinance shall be published in full within ten days after its passage.

Section 4: If one or more referendum petitions with signatures are properly filed within one month after the passage and publication of this ordinance, this ordinance shall not go into effect until the petition or petitions are finally found to be illegal and/or insufficient, or, if any such petition is found legal and sufficient, until the ordinance is approved at an election by a majority of the qualified voters voting on the question. If no referendum petition with signatures is filed, this ordinance shall take effect one month after its passage and publication.

CITY OF KODIAK

Carolyn Fliegel
MAYOR

ATTEST:

Delmy Mante
CITY CLERK

First Reading: August 27, 2009
Second Reading: September 24, 2009
Effective Date: October 30, 2009

