

City of Kodiak Regular Council Meeting Agenda for April 25, 2013
7:30 p.m., at 710 Mill Bay Road, Assembly Chambers (Room 232)

I.	Call to Order/Roll Call	
	Pledge of Allegiance/Invocation	
II.	Previous Minutes	
	Approval of Minutes of the April 11, 2013, Regular Council Meeting.....	1
III.	Persons to Be Heard	
a.	Proclamation: Municipal Clerks Week.....	10
b.	Public Comments (limited to 3 minutes) (486-3231)	
IV.	Unfinished Business	
a.	Second Reading and Public Hearing, Ordinance No. 1307, Amending Chapters 1, 2, 3, 4, 6 and 7 of the City Personnel Rules and Regulations, Amending the Definitions in the City Personnel Rules and Regulations, and Adopting New Schedules I, II and III to the Personnel Rules and Regulations, to Adopt a New Pay Plan, and Regarding Administration of the Personnel Rules and Regulations, Position Classification, Pay Plan Administration, Probationary and Temporary Employment, and Performance Evaluation and Discipline	14
b.	Second Reading and Public Hearing, Ordinance No. 1308, Establishing Supplemental Appropriation No. 2 to the Budget for the Fiscal Year Commencing on the First Day of July 2012 and Ending on the Thirtieth Day of June 2013	42
V.	New Business	
a.	Resolution 2013–10, Authorizing the Issuance of a Permit to the Kodiak Chamber of Commerce for Use of Public Property in Conjunction With the Kodiak Crab Festival....	60
b.	Resolution 2013–11, Authorizing the Issuance of a Permit to Kodiak Chamber of Commerce for Use of City Property for a Community Market	66
c.	Resolution 2013–12, Authorizing the Issuance of a Permit to the Kodiak Garden Club for Use of Public Property for its Annual Plant Sale	72
d.	Resolution 2013–13, Authorizing the Issuance of a Permit to The Humane Society Of Kodiak for Use of Public Property for its Annual Planted Basket Sale.....	76
e.	Resolution 2013–14, Authorizing the Naming of the New Library as the Kodiak Public Library.....	80
f.	Authorization of Lease of the Office Space at 411 Marine Way.....	90
g.	Authorization of Amendment No. 1 to the Professional Services Contract for Biosolids Consultation, Project No. 7517	98
VI.	Staff Reports	
a.	City Manager	
b.	City Clerk	
VII.	Mayor’s Comments	
VIII.	Council Comments	

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

X. Adjournment



**MINUTES OF THE REGULAR COUNCIL MEETING
OF THE CITY OF KODIAK
HELD THURSDAY, APRIL 11, 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, Charles E. Davidson, Terry J. Haines, Gabriel T. Saravia, and Richard H. Walker were present and constituted a quorum. Councilmember John B. Whiddon was absent. City Manager Aimée Kniazowski, City Clerk Debra L. Marlur, 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 Haines MOVED to approve the minutes of the March 28, 2013, regular meeting as presented.

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

III. PERSONS TO BE HEARD

a. Proclamation: Declaring Child Abuse Prevention Month

Mayor Branson read the proclamation, which urges all citizens to increase their participation in efforts to prevent child abuse, thereby strengthening the communities in which we live. Mayor Branson presented the proclamation to Trina Bashem, Outreach Coordinator for the Kodiak Women's Resource and Crisis Center. Ms. Bashem thanked the Mayor and Council for declaring April child abuse prevention month and said the proclamation helps send a message of intolerance and accountability to the offenders of children and support to the victims.

b. Proclamation: Declaring Sexual Assault Awareness Month

Mayor Branson read the proclamation, which encourages all Alaskans to support local activities and programs that assist victims of sexual assault and to learn more about the pervasiveness of sexual assault in Alaska. Mayor Branson presented the proclamation to Trina Bashem who thanked the Mayor and Council for declaring April as Sexual Assault Awareness Month.

c. Presentation of Government Finance Officers Association Award

The Government Finance Officers Association of the United States and Canada has awarded Finance Director Mary Munk the Distinguished Budget Presentation Award and a Certificate of Achievement for Excellence in Financial Reporting. This award represents the highest form of recognition in governmental accounting and financial reporting.

Mayor Branson presented the award to Finance Director Munk.

d. Public Hearing on Resolution No. 2013–09, Amending Section 9.16, Shipyard, of the Schedule of Fees and Charges

Mayor Branson read Resolution No. 2013–09 by title. User fees at Kodiak’s shipyard are not generating sufficient revenue to cover operating expenses. The number of vessels using the yard is growing, but not enough to meet the Council’s budget goal for the enterprise fund to break even by the end of the fifth full year of operation. Therefore, the Port and Harbor Advisory Board and the Harbormaster are recommending a rate increase to limit the continuing use of fund balance from the Harbor enterprise fund and to increase user fees to sustain operations long-term.

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

e. Public Comments

None

IV. UNFINISHED BUSINESS

None

V. NEW BUSINESS

a. First Reading, Ordinance No. 1307, Amending Chapters 1, 2, 3, 4, 6 and 7 of the City Personnel Rules and Regulations, Amending the Definitions in the City Personnel Rules and Regulations, and Adopting New Schedules I, II And III to the Personnel Rules and Regulations, to Adopt a New Pay Plan, and Regarding Administration of the Personnel Rules and Regulations, Position Classification, Pay Plan Administration, Probationary and Temporary Employment, and Performance Evaluation and Discipline

Mayor Branson read Ordinance No. 1307 by title. The City started the classification and compensation project in 2011 with Fox Lawson & Associates (FLA). Council accepted the final classification and compensation report on January 24 and with assistance from FLA, staff developed and analyzed seven implementation options to transition employees from the existing pay scale to the new pay scale before selecting one to recommend for implementation (Option 4). Before the classification and pay plans can be implemented, the City’s Personnel Rules and Regulations (PR&R) must be amended to support the new pay ranges and classification system. The PR&R amendments are outlined in Ordinance No. 1307.

Councilmember Saravia MOVED to pass Ordinance No. 1307 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, Davidson, Haines, Saravia, and Walker in favor. Councilmember Whiddon was absent. The motion passed.

b. First Reading, Ordinance No. 1308, Establishing Supplemental Appropriation No. 2 to the Budget for the Fiscal Year Commencing on the First Day of July 2012 and Ending on the Thirtieth Day of June 2013

Mayor Branson read Ordinance No. 1308 by title. The Supplemental Appropriation No. 2 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 \$246,422. It is customary for the City Council to approve at least one supplemental budget annually to authorize the adjustments of current revenues and expenses. The 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 second amendment to the FY2013 budget.

Councilmember Haines MOVED to pass Ordinance No. 1308 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, Davidson, Haines, Saravia, and Walker in favor. Councilmember Whiddon was absent. The motion passed.

c. Resolution No. 2013–06, Rescinding Resolution No. 08–16 and Amending the Tariff of Rates and Charges for Taxicab Services

Mayor Branson read Resolution No. 2013–06 by title. Last year, the City sales tax was increased to 7%, but the existing taxicab tariff continues to reflect the 6% City sales tax rate. Staff prepared an amendment that clarifies that sales tax will be collected at the sales tax rate set by KCC 3.08.010, which is currently 7%.

Councilmember Walker MOVED to adopt Resolution 2013–06.

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

d. Resolution No. 2013–09, Amending Section 9.16, Shipyard, of the Schedule of Fees and Charges

Mayor Branson read Resolution No. 2013–09 by title. User fees at Kodiak’s shipyard are not generating sufficient revenue to cover operating expenses. The number of vessels using the yard is growing, but not enough to meet the Council’s budget goal for the enterprise fund to break even by the end of the fifth full year of operation. Therefore, the Port and Harbors Advisory Board and the Harbormaster are recommending a rate increase to limit the continuing use of fund balance from the Harbor enterprise fund and to increase user fees to sustain operations long-term.

Councilmember Bishop MOVED to adopt Resolution 2013–09.

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

e. Authorization of Professional Services Contract for Design of Pillar Mountain Waste Material Dump Site, Project No. 13-09/5033

The City has used the area next to the water treatment plant at the foot of Pillar Mountain for the disposal of soil products from City construction projects for many years. The site is now full, and staff needs to identify another disposal site. Staff requested a proposal from DOWL HKM to design the large area fill and Stormwater Pollution Prevention Plan for the old City rock quarry that is located one third of the way up Pillar Mountain.

Councilmember Davidson MOVED to authorize a professional services contract with DOWL HKM for the design of the Pillar Mountain Waste Material Dump Site, Project No. 13-09/5033, in an amount not to exceed \$50,542, with funds coming from the Street Capital Improvement Fund and authorize the City Manager to execute the agreement on behalf of the City.

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

f. Authorization of Professional Services Contract for Construction Management Services for the Aleutian Homes, Phase V, Segment A, Project No. 10-03/7026

Aleutian Homes Water and Sewer Replacement Phase V, Segment A is a continuation of the upgrade of utilities, pavement and sidewalks in the Aleutian Homes area. The Notice of Award for construction was issued to Brechan Enterprises, Inc. on March 18, 2013.

Councilmember Haines MOVED to authorize a professional services contract with DOWL HKM for the Aleutian Homes Water and Sewer Replacement Phase V, Segment A project in the amount of \$158,588, with funds coming from the Water Capital Improvement Fund, Project No. 10-03/7026 and authorize the City Manager to execute the documents on behalf of the City

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

VI. STAFF REPORTS

a. City Manager

City Manager Kniazowski thanked Finance Director Munk and staff for another great budget and congratulated them on the award. She gave an update on Senate Bill No. 24, which would allow for one more seat on the Marine Transportation Advisory Board; specifically, for the Kodiak region. She said that Charlie Powers was hired as an interim part-time Parks and Recreation Director, which will ensure a smooth transition from winter to spring and summer activities. She stated the vessel Pacific Producer is now off the beach and anchored in Women's Bay. She said the City has denied the vessel access to harbor facilities because a significant amount of money is owed to the City; she noted the City has placed a lien against the vessel. Manager Kniazowski noted staff has been busy with the FY2014 budget process. She gave an update on revenue sharing and thanked the Alaska Municipal League for their lobbying work. She noted the Mayor testified to the Senate on the City's two main capital projects, as well as the importance of revenue sharing. She reminded the public the City Council eliminated funds for the City cleanup project

and urged the public to not put trash out on the streets and to contact Alaska Waste for item pickup. She said the Borough landfill has agreed to stay open later on cleanup day and encouraged the public to take advantage of that option. She also reminded the public that once the old library is vacated, it is no longer open for public use. She mentioned there is an Emerging Leaders Dialog happening in Kodiak that gives youth an opportunity to work with members of the community and discuss topics that work towards a sustainable healthy community and encouraged the public to attend. She said Representative Austerman is the chair of a six-member Legislative Conference committee for the operating and capital budgets. She gave an update on Quayanna Development, the contractor for biosolids disposal. She said they have accepted and processed 635 cubic feet of biosolids into Class B compost at the landfill from January to end of March. She noted this is only a short-term agreement that will end in mid-August, and she is working with the Borough to find a permanent solution. She noted that the Kodiak Police Department and City staff are working together to find a solution for new regulations that affect issuing parking and other citations. She said there has been a lot of trash being left on the side of the road at Pillar Mountain and asked the public to not dump trash and report any that is there. She also urged the public to be aware of road conditions.

b. City Clerk

City Clerk Marljar thanked Assistant Clerk Catherine Perkins for assuming several of the Deputy Clerk duties while the position was open. She informed the public of the next scheduled Council work session and regular meeting.

VII. MAYOR'S COMMENTS

Mayor Branson congratulated Mary Munk and staff for their work on the budget and Catherine Perkins for her work while filling in for the Deputy Clerk. She said she spoke with Representative Austerman about the capital budget, and she reminded him the Monashka pump house is not an upgrade but a replacement. She said she is glad the Council approved the classification and compensation study and thanked City Manager Kniazowski and staff for their hard work. She reminded the public that ComFish is this weekend and encouraged the public to attend. She also expressed interest in revisiting the recommendations from the main street plan for downtown from 2002 and cleaning up downtown and making it more beautiful and viable.

VIII. COUNCIL COMMENTS

Councilmember Bishop congratulated Mary Munk and finance staff and Catherine Perkins for their hard work. He commented on the 2013 Emerging Leaders Dialog and said this year the group is looking at how to support, build, and sustain healthy Alaskan communities. He encouraged the younger generation to attend and to use their voice.

Councilmember Saravia thanked Mary Munk and Catherine Perkins for their work. He said herring season opens next week, which will be good for Kodiak.

Councilmember Walker thanked Manager Kniazowski and thanked staff for their patience waiting for the classification and compensation study. He noted that there are over \$250 million worth of projects in the next few years for the City of Kodiak and said there will be plenty of work for people in town. He encouraged the public to enjoy Baranof Park and City facilities. He

commented on the Pier III project and independent living facility that were under construction. He encouraged the public to get involved with City business and ask questions.

Councilmember Haines thanked Catherine Perkins for her hard work and thanked Mary Munk for her projections and work on the classification and compensation study. He said that Representative Austerman and Senator Stevens have done great job again with the state budget. He encouraged the public to attend ComFish.

Councilmember Davidson agreed with other Council comments and encouraged the public to attend Comfish. He thanked the City Manger and staff for their contributions to the community and also thanked the Mayor and his fellow Councilmembers for making Kodiak a better community.

IX. AUDIENCE COMMENTS

None

X. EXECUTIVE SESSION

Annually, the City Council reviews the performance of the City Manger. In accordance with the Open Meetings Act, the City Manager does not object to the evaluation being done in executive session.

Councilmember Davidson MOVED to enter into executive session, as authorized by Kodiak City Code Section 2.04.100(b)(2), to conduct the City Manager’s annual performance evaluation.

The Council entered into executive session at 8:37 p.m. The regular meeting reconvened at 9:36 p.m. The Council took no action.

XI. ADJOURNMENT

Councilmember Davidson MOVED to adjourn the meeting.

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

The meeting adjourned at 9:37 p.m.

CITY OF KODIAK

MAYOR

ATTEST:

CITY CLERK

Minutes Approved:

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PERSONS TO BE HEARD

MEMORANDUM TO COUNCIL

Date: April 25, 2013

Agenda Item: III. a. Proclamation: Municipal Clerks Week

SUMMARY: This proclamation recognizes our Municipal Clerks for the vital services they perform and their dedication to our community.

NOTES/ATTACHMENTS:

Attachment A: Proclamation

Proclamation

Declaring Municipal Clerks Week

May 5–May 11, 2013

WHEREAS, the Office of the Municipal Clerk, a time honored and vital part of local government, exists throughout the world; and

WHEREAS, the Office of the Municipal Clerk is the oldest among public servants; and

WHEREAS, the Office of the Municipal Clerk provides the professional link between the citizens and the local governing body; and

WHEREAS, Municipal Clerks have pledged to be ever mindful of neutrality and impartiality, rendering equal service to all; and

WHEREAS, the Municipal Clerk serves as the information center on functions of local government; and

WHEREAS, Municipal Clerks continually strive to improve the administration of the affairs of the Office of the Municipal Clerk through participation in education programs and annual meetings of their state and international professional organizations; and

WHEREAS, it is appropriate that we recognize the accomplishments of the Office of the Municipal Clerk.

NOW, THEREFORE, I, Pat Branson, Mayor of the City of Kodiak, do hereby proclaim the week of May 5 through May 11, 2013, as

Municipal Clerks Week

in Kodiak and extend appreciation to our Municipal Clerks for the vital services they perform and for their dedication to our community.

Dated this 25th day of April 2013.

City of Kodiak



Pat Branson, Mayor

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UNFINISHED BUSINESS

MEMORANDUM TO COUNCIL

To: Mayor Branson and City Councilmembers

From: Aimée Kniazowski, City Manager  and Mary Munk, Finance Director 

Date: April 25, 2013

Agenda Item: IV. a. **Second Reading and Public Hearing, Ordinance No. 1307, Amending Chapters 1, 2, 3, 4, 6 and 7 of the City Personnel Rules and Regulations, Amending the Definitions in the City Personnel Rules and Regulations, and Adopting New Schedules I, II And III to the Personnel Rules and Regulations, to Adopt a New Pay Plan, and Regarding Administration of the Personnel Rules and Regulations, Position Classification, Pay Plan Administration, Probationary and Temporary Employment, and Performance Evaluation and Discipline**

SUMMARY: The City started the classification and compensation project in 2011 with Fox Lawson & Associates (FLA). Council accepted the final classification and compensation report on January 24 and with assistance from FLA, staff developed and analyzed seven implementation options to transition employees from the existing pay scale to the new pay scale before selecting one to recommend for implementation (Option 4). However, before the classification and pay plans can be implemented, the City's Personnel Rules and Regulations (PR&R) must be amended to allow the changes to become effective and to implement the key policies to support the new pay ranges and classification system. The PR&R amendments are outlined in Ordinance No. 1307. Staff recommends Council adopt Ordinance No. 1307 in the second reading after the public hearing.

PREVIOUS COUNCIL ACTION:

- The classification and compensation study, Project No. 4030, was funded in the FY2011 General Fund capital budget
- Council authorized a contract with Fox Lawson & Associates to perform a comprehensive classification and compensation study in February 2011
- Council received at least five project updates from FLA, the last one in January 2013
- Council accepted the final report on January 24, 2013, including the intent to implement the new classification system and new pay scale
- Council passed Ordinance No. 1307 in the first reading on April 11, 2013

DISCUSSION: Council accepted the final classification and compensation study on January 24 of this year and agreed to implement the new classification method, new job description format, and new pay scale anchored to the 50th percentile of the market.

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Pay Implementation Options:

Staff worked with Lori Messer to develop and analyze implementation options that would place current employees on the new pay matrix. The options (Attachment B) start with the least expensive, Option 1, which would place all current regular full- and part-time employees to the minimum of the new pay matrix. That was reviewed but not recommended. It only brings the positions that fall below the new range up to the minimum and keeps all other positions that fall within the new range at the current wage. This option would cause compression by clustering positions together on the pay scale and does not address an employee's time in service. The most expensive, Option 7, would place employees in the new range based on their relative position on the existing pay scale. That was analyzed and rejected due to the high cost and the fact that this option would carry over existing internal pay inequities. Many employees are placed on the current pay scale in a way that does not reflect their time in service with the City or in their current position and does not reflect their experience. The result would increase employee frustration and discontent.

Staff used a similar methodology to develop Options 3-6. A relative value was calculated for each employee's placement on the current pay scale and that ratio or relative value was carried over into the new pay ranges. The big difference in these options is that placement in the new range is also linked to the number of years employees have been in their current position with stepped limits and a cap on the increase. This method of placement is the recommended method because it places current and future employees in the new pay range at a rate supported by the market. Option 2 was reviewed but not considered because it only provides an increase and does not adjust the wage to reflect the market.

Staff recommends Option 4 for implementation. As stated above, it uses the relative value of each current employee's salary on the existing scale and carries the relative value over into the new pay scale with a cap on the maximum increase based on years of service in the current position. Staff feels that this option is affordable in both the short- and long-term and is fair to all current employees. It places employees whose pay falls below the new minimum to at least the minimum rate and provides a percentage adjustment for years of service in the current position with a capped amount on the increase. It also allows a relatively large number of employees (49%) whose current pay falls within the new pay range to get an increase of 2.5%. This option also provides increases to those employees who are at the maximum of the current pay range, most of whom are senior employees and managers. The new pay ranges allow these employees to receive merit based increases because the pay ranges have been adjusted to the market at the 50th percentile. The estimated annual cost to implement this option is about 6.4% above the current total salaries for FY2013 and about \$504,604. This is within the 9% average lag FLA identified in the City's current pay plan.

Personnel Rules and Regulations (PR&R):

As discussed in January when the final report was accepted, the City's PR&R must be amended before the changes can become effective so key policies to support the new pay ranges and classification system can be implemented. Ordinance No. 1307 captures the needed amendments to the PR&R. The amendments focus on the changes needed to implement and manage the new classification and pay

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systems to ensure appropriate and equitable application of the new rules and systems. The amendments fall into general categories as listed:

- Remove references to old position descriptions, titles, step, and grade and specifications and replace by new terminology such as pay range, band, grade, and sub-grade, etc. Job titles are no longer referenced, as this unnecessarily restricts administrative functions. (Chapters 1, 2, 3, 4,7, Definitions, and the new Pay Schedules I-III)
- Remove references to old trademarked classification system JOBMEAS and special trainee pay (Chapter 3)
- Revise and limit independent personnel actions currently allowed in the PR&R with requirement to work with, through, or to receive prior approval or review for personnel actions. Though not directly related to implementation of the classification and compensation systems, the clarification of City Manager's responsibility to provide checks and balances required to avoid serious legal liabilities and is required by insurance carriers. Also includes term "City Manager or Designee" and includes reference to HR Manager office in preparation of hiring an HR Manager, as noted in the study. (Chapters 2, 3, 4, 6, 7, and Definitions)
- Improve definitions and terms of appointment for temporary hires. Temporary hires do not have access to the City's benefits or programs. Existing language has been problematic which changes should address. (Chapters 4, 6, and Definitions)
- Remove reference to special pay rates for trainees. The City does not have this special class and does not hire trainees at a lesser rate, nor do the new classification and pay plans identify this. (Chapter 4, Definitions)
- Remove movement up the pay scale with merit increases every six months for the first two years. No more rapid movement up the scale as new pay scales now anchored to the market. Increases to be made annually at the anniversary date of time in current position and are based on satisfactory job performance. Set starting wage criteria and process based on new pay plan (Chapter 4 and Schedules I-III)
- Clarify long-term practice and best HR practices that oral admonitions and verbal warnings will be made in writing and included in the employee's file. Result of recent Step 4 grievance recommendation by Personnel Board. Add important clarification that results of employee evaluations are not grievable (Chapter 7)
- Made minor language changes as needed in the various chapters.

Staff has worked long and hard to get the results of this project ready to put into place. The new compensation and classification systems as presented in past reports and this memo create new baselines, which are needed. The classification plan supports internal equity and follows the market, and the pay plan is anchored to the current wage market. Staff urges Council to accept the PR&R amendments and the recommended implementation option to move current employees onto the new pay matrices in a way that is fair and equitable to all.

ALTERNATIVES:

1. Adopt Ordinance No. 1307 in the second reading. This is staff's recommendation because these are the final steps to implementation of the study and are consistent with Council goals to implement needed changes to the City's PR&R and to compensate employees based on current market conditions.
2. Council could amend, postpone, or not adopt the ordinance, which would affect the transition to the new classification system and pay plan, which is not recommended. Council previously accepted the plan and directed staff to proceed with implementation. Further delays to the implementation would require additional costs and have a negative impact on employee morale.

FINANCIAL IMPLICATIONS: The recommended implementation Option 4 (Attachment B) is estimated to increase salaries and fringe benefits from the current FY2013 totals by \$389,205, which is 6.35% and will increase standard fringe benefits like FICA and PERS by \$115,399 for a total of \$504,604 for FY2014.

LEGAL: City staff conferred with FLA on current state and federal personnel law and worked with the City Attorney who prepared the ordinance.

STAFF RECOMMENDATION: Staff recommends Council adopt Ordinance No. 1307 in the second reading after the public hearing.

CITY MANAGER'S COMMENTS: As I've mentioned before, a comprehensive classification and compensation study requires time, resources, and professional expertise. We are at the end of a complex process and will finally be able to implement the study recommendations as soon as Ordinance No. 1307 is put into place. I believe we have advanced a solid plan that the PR&R amendments will put into place.

This plan will improve our market position and should help recruit and retain qualified employees. The City must be competitive because fewer people are interested in government jobs. Over the past several years, government jobs that were once considered very desirable because of the stability and benefits, like a pension plan, are no longer appealing to applicants. Very few government jobs are entry level type jobs, and most positions require specific skills or professional credentials. It is very important that we keep our wages and benefits attractive as the pool of potential applicants shrinks.

I want to thank the project team and the management team for working through the process. I also want to thank Mary Munk for the many additional hours she's put into developing the various implementation options that are before you tonight. I believe we have a good plan and it's been worth the effort. Therefore, I recommend Council adopt Ordinance No. 1307 in the second reading after the public hearing.

ATTACHMENTS:

Attachment A: Ordinance 1307

Attachment B: Summary of compensation implementation options

PROPOSED MOTION:

Move to adopt Ordinance No. 1307.

**CITY OF KODIAK
ORDINANCE NUMBER 1307**

AN ORDINANCE OF THE COUNCIL OF THE CITY OF KODIAK AMENDING CHAPTERS 1, 2, 3, 4, 6 AND 7 OF THE CITY PERSONNEL RULES AND REGULATIONS, AMENDING THE DEFINITIONS IN THE CITY PERSONNEL RULES AND REGULATIONS, AND ADOPTING NEW SCHEDULES I, II AND III TO THE PERSONNEL RULES AND REGULATIONS, TO ADOPT A NEW PAY PLAN, AND REGARDING ADMINISTRATION OF THE PERSONNEL RULES AND REGULATIONS, POSITION CLASSIFICATION, PAY PLAN ADMINISTRATION, PROBATIONARY AND TEMPORARY EMPLOYMENT, AND PERFORMANCE EVALUATION AND DISCIPLINE

WHEREAS, the City has commissioned a new pay plan for City employees; and

WHEREAS, implementation of the new pay plan requires revision of numerous provisions in the City's Personnel Rules and Regulations; and

WHEREAS, it also is appropriate to revise the Personnel Rules and Regulations to replace obsolete provisions, and to correct errors and ambiguities.

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

Section 1: The following sections in Chapter 1 of the Personnel Rules and Regulations are amended as set forth below. Except as it is amended by this section, Chapter 1 of the Personnel Rules and Regulations is retained in its current form.

103 SCOPE

The scope of this manual includes a compilation of policies and procedures for personnel administration of all non-elected employees of the City, except the City Manager and City Clerk if under agreement or other provisions approved by Council. ~~; position descriptions and specifications; and position titles with salary grades and pay ranges.~~

~~**104 — INTRADEPARTMENTAL STANDARDS** Repealed by Ord. 931, 1992~~

1045 AMENDMENTS

Amendments to this manual of personnel policies and procedures shall be made by ordinance only. The pages so affected shall be typed by the City Clerk, upon passage of each ordinance, and copies distributed to each employee for insertion and/or replacement in their copies of the personnel regulations manual.

Section 2: The following sections in Chapter 2 of the Personnel Rules and Regulations are amended as set forth below. Except as it is amended by this section, Chapter 2 of the Personnel Rules and Regulations is retained in its current form.

203.3 City Manager. The City Manager shall have the responsibility and authority to:

- (a) administer the personnel policies and procedures as approved by the City Council;
- (b) establish and maintain records of all employees in the City service, which shall include all pertinent personnel records (departments may retain copies of those personnel records necessary to comply with regulatory agencies, but originals of all records shall be maintained in the City Manager's office, and upon employee termination, all departmental records shall be forwarded immediately to the primary file);
- (c) develop and administer an affirmative action program to provide for equal opportunity in all aspects of City personnel administration;
- (d) foster and develop, in cooperation with appointing authorities and others, programs for the improvement of employees' effectiveness and productivity, including training, safety, health, counseling, and welfare;
- (e) maintain the classification and pay plans;
- (f) administer the City's recruitment and selection program except for staff identified below under heading 203.4.5 City Clerk;
- (g) insure uniformity in the application of discipline and processing of employee grievances;
- (h) appoint and dismiss all employees under the department heads' jurisdiction other than staff identified below under heading 203.4.5 City Clerk;
- (i) prepare and adopt such forms, reports, and procedures as may be necessary to carry out the City's personnel program;
- (j) establish personnel policies and procedures where needed in order to ensure consistency with state and federal requirements and to provide a more precise and consistent execution of the Personnel Rules and Regulations;**
- ~~(k)~~ appoint and dismiss all City personnel except those appointed by the Council as stated in the Charter and those identified below under heading 203.4.5 City Clerk;
- ~~(l)~~ notwithstanding any of these policies and procedures may, in an emergency, request interdepartmental assistance be provided; and see that adopted changes to the Personnel Rules and Regulations or changes to position descriptions are distributed in writing to all affected employees in a timely manner.

203.4 Department Heads. Department heads shall have the responsibility and authority to:

- (a) enforce the Personnel Rules and Regulations;
- (b) keep employees in their departments informed of current personnel policies and procedures;
- (c) participate in the grievance procedures as specified (see Chapter 9);

- (d) if approved by the City Manager, ~~delegated~~, appoint employees to vacant positions within their respective departments in accordance with established personnel rules, policies, and procedures;
- (e) develop training programs for employees within their respective departments;
- (f) Under direction of the City Manager, administer discipline within their respective departments and delegate such authority to supervisory personnel as authorized ~~deemed appropriate~~;
- (g) conduct orientation for all new employees, and have issued to each a copy of current personnel regulations and position description which outlines job duties; such orientation shall include introductions to fellow workers, work standards, safety regulations, break periods, supplies, etc.; and
- (h) Under the direct supervision of the City Manager, be involved in the appointment or dismissal of departmental ~~have appointing and dismissal authority over all employees under the department head's jurisdiction. as delegated by the City Manager.~~

203.5 Supervisory Personnel. Supervisory personnel shall have the responsibility to:

- (a) ensure personnel policies and procedures and implement personnel policies, rules and regulations in the units under their supervision are followed and applied equally to all employees;
- (b) Under the direction of the City Manager and the department head, supervise the administration of discipline to employees under their supervision and recommend termination (see Sections 708 and 1303);
- (c) train new employees and participate in the development of other employees;
- (d) Under the direction of the City Manager, evaluate employee performance ~~and participate in the development of position descriptions (see Chapter 7);~~ and
- (e) participate in the grievance procedures as specified (see Chapter 9).

203.6 All Employees. Employees of the City shall be presented with, and sign for, a copy of the personnel rules in effect on the hiring date and subsequently shall have the responsibility to:

- (a) read and understand these rules and ask the immediate supervisor to explain these rules if questions arise;
- (b) understand the function of the department assigned and how that function relates to the total mission of the City and all of its departments;
- (c) discuss with the immediate supervisor any questions relating to the interpretation or application of these rules either informally or formally through the grievance procedure;
- ~~(d) bring to the attention of the immediate supervisor any change in duties as outlined in the position description form given to the employee at hiring;~~
- (de) submit in writing recommended changes to the rules through the appropriate supervisory channels to the City Manager; and

- (ef) all employees shall have access to their personnel files upon arrangement with the City Manager.

Section 3: The following sections in Chapter 3 of the Personnel Rules and Regulations are amended as set forth below. Except as it is amended by this section, Chapter 3 of the Personnel Rules and Regulations is retained in its current form.

301 THE CLASSIFICATION PLAN

The classification plan is a system of ~~evaluating the relative importance of individual positions for pay determination purposes.~~ by which individual positions are evaluated and assigned a band, grade, and sub-grade to provide internal and external equity for pay purposes. The ~~point factor evaluation, JOBMEAS™, is specifically designed to treat positions equitably in the pay determination process. The system establishes a clear set of guidelines by which positions are ranked and measured. enables direct comparison to be made among all jobs in quantitative terms through the application of a set of guides defining broad areas of measure. Job content facts are compared producing a numerical value which then becomes the basis for determining the relative value of positions to each other and the salary treatment.~~

~~302 — CLASS SPECIFICATION Repealed by Ord. 1038, 1996~~

3023 PURPOSE OF THE CLASSIFICATION PLAN

The Classification Plan, ~~JOBMEAS™, is designed to be a management tool; one that consistently facilitates pay determination decisions with regard to the mission, philosophy, and needs of the organization. It is critical to the effective administration of personnel activities such as:~~

- (a) manpower planning and budgeting;
- (b) establishing job performance standards; and
- (c) establishing fair and equitable pay; ~~;~~
- (d) ~~developing training programs;~~
- (e) ~~developing valid selection and recruitment programs; and~~
- (f) ~~establishing appropriate career lines.~~

304 DEVELOPMENT AND ADMINISTRATION

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, s/he shall consult department heads, key staff, employees, and other technical resources as appropriate.~~

304.1 Allocation of Positions. The City Manager shall analyze and evaluate the duties, responsibilities and qualifications required of each position in the classified service and then allocate each position to the appropriate band, grade, and sub-grade ~~salary grade.~~ Any employee who is dissatisfied with the allocation

of his position shall be given the opportunity to appeal the allocation. ~~to the Personnel Board (see Chapter 9).~~

304.2 Maintenance of the Classification Plan. The City Manager shall periodically review the entire classification plan or any part thereof ~~at his own initiative or at the request of a department head, employee, or other interested party.~~ The purpose of such review shall be:

- (a) to ascertain whether or not the plan accurately reflects existing conditions;
- (b) to determine the accuracy of position specifications; and
- (c) to assure that positions are properly graded.

The City Manager shall recommend changes needed in the classification plan to the Council to keep it up to date.

304.3 Position Descriptions. Position descriptions shall be developed and finalized by the City Manager and supplied to ~~and kept current by each City departments~~ for all authorized positions. ~~each position under the department's jurisdiction.~~

304.4 New Positions. When a new position is proposed ~~or established,~~ the department head shall be required to provide a written proposal along with financial information on the cost to fill such a position ~~provide a written position description to the City Manager, who shall determine the proper band, grade, and sub-grade salary grade or and prepare a new position description, if an appropriate description does not exist.~~

304.6 Position Review. Each position in the City service shall be reviewed by the City Manager at intervals, ~~or at the request of the department head, or by a regular employee affected by the review to ascertain whether it is correctly classified. The department head and regular employee shall be notified in writing of the decision.~~ When a review results in a recommended change in the salary grade for a position, the evaluation of the position shall be made part of the public record when the recommendation is submitted to the Council.

304.7 Effective Date of Change. Classification changes shall become effective ~~be in force on the first day of the pay period following the effective date of the enacting ordinance.~~

~~306 — ASSIGNMENT OF LEADWORKER DUTIES Repealed by Ord. 1008, 1995.~~

Section 4: The following sections in Chapter 4 of the Personnel Rules and Regulations are amended as set forth below. Except as it is amended by this section, Chapter 4 of the Personnel Rules and Regulations is retained in its current form.

401 PAY PLAN

The pay plan shall include the schedules of pay for nineteen bands, grades, and sub-grades from A11 through E83, each with a minimum, midpoint, and maximum rate of pay consisting of pay steps 1 through 15, for all positions in the classified service. The objectives of the pay plan shall be to:

- (a) provide an appropriate salary structure to recruit and retain an adequate number of competent employees; and
- (b) provide appropriate pay incentives for high employee productivity.

402 STANDARDS FOR DEVELOPMENT OF THE PAY PLAN

The development of the pay plan shall be directly linked with the classification plan and shall be based on the principle of equal pay for equal work. Pay bands and grades within the pay plan shall be determined with due regard to such factors as:

- (a) the relative relationship between job groups and job duties salary grades;
- (b) the relative difficulty and responsibility of work; and
- (c) ~~the availability of applicants; and~~
- (~~c~~d) the internal alignment and external market data prevailing rates of pay in both public service and private industry in the appropriate recruiting market.

405 ENTRANCE PAY RATE

The entrance pay rate for regular full- and part-time employees shall normally be the minimum rate in the pay grade corresponding band and grade for the position prescribed for the salary grade. A department head, subject to the approval of the City Manager, may make an appointment above the entrance pay rate. Approval of appointments above the entrance minimum pay rate shall be granted only when there are no available qualified candidates at the entrance rate, or in recognition of exceptional qualifications may be granted only when a recommended applicant exceeds the minimum requirements for the position with regard to directly related education and/or experience. In such instances the department head shall provide a hiring recommendation to the City Manager in writing documenting the applicant's qualifications for a higher starting pay rate. In no instance, shall an entrance pay rate exceed appointment be made above the first quartile of the band and grade Step 4 except at the department head level. Also, in no instance will an appointment be made above the minimum step when equally qualified applicants are available at the minimum entrance rate. The entrance pay rate for temporary employees shall be at a step on Pay Grade T commensurate with the skills required by the specific temporary job and the training and experience of the temporary employee. the minimum point for the appropriate band and grade of the position in which the temporary worker is being hired. All temporary appointments are subject to the approval of the City Manager.

~~Appointments can be made at a rate below the minimum for the position on a trainee basis, for not more than one year, only when applicants possessing the minimum qualifications cannot be found and only when the position has been re-advertised as a trainee position.~~

406 MERIT STEP INCREASE

406.1 Regular Merit Step Increases. ~~A new employee, after serving a probationary period of satisfactory performance shall receive a merit step increase. An employee who has transferred or been promoted to a new position must serve a probationary period and is eligible for a probationary step increase. The employee is eligible if performance is satisfactory for additional merit step increases according to the following schedule: for increases up to Step 5, at six-month intervals; for subsequent increases up to Step 12, at annual intervals; and for the last three increases, to Step 13, Step 14, and Step 15, at two-year intervals. Where Regular full-time employees will be eligible for an annual merit increase based on satisfactory performance on their anniversary date of 2-2.5%, or as authorized in the adopted fiscal year budget. An employee who has transferred or been promoted to a new position must serve a probationary period and will be eligible for a merit based increase on the anniversary date in the new position. If the a department head feels that an employee has not demonstrated satisfactory service of a progressively greater value to the City during the past annual performance review period, the department head may, upon approval of the City Manager, suspend the merit step increase for a period of time during which certain specific improvements must be made. Notice of such deferral and reasons for it shall be given to the employee in writing with a copy to the City Manager prior to the end of the anniversary year. The suspended step increase may be approved at any time during the extended period if the department head believes the employee has achieved satisfactory improvement and the City Manager agrees. The suspended merit step increase is *not* retroactive when finally given (see Section 705).~~

406.2 Special Merit Increase. A Special Merit Increase (equivalent to one step) may be granted to an employee for outstanding performance, when justified in writing by the department head to the City Manager. This increase is in addition to normal merit increases and does not affect the anniversary date. Department heads may recommend employees for special merit increases in recognition of extraordinary (a) outstanding service to the City of Kodiak and/or its residents that is outside the employee's normal or expected job duties.

(b) ~~special acts of accomplishment; or~~

(c) ~~achievements in additional and job-related education or specialized training (outside normal working hours and other than required by the City) which enables the individual to work more effectively and from which the City tends to benefit; and~~

(d) ~~emergency Medical Technician III (see Section 1606).~~

407 REGULAR PART-TIME EMPLOYMENT

Regular part-time employees shall be compensated on an hourly basis equivalent to the hourly rate established for regular full-time employment for the actual number of hours worked in each period. Appointment shall be in probationary

~~status and a probationary pay increase shall be awarded (if performance is satisfactory) when hours worked have until a cumulative total of 1,040 hours or the equivalent number of probationary hours for that position **have been worked.** per the probationary step increase in Section 406.~~

A merit step increase shall be awarded (if performance is satisfactory) when hours worked have a cumulative total equivalent to the intervals listed in Section 406.1, based on an equivalence of 2,080 to a full-time employment year. If work performance is unsatisfactory, management shall take action as described in Section 406.

408 TEMPORARY EMPLOYMENT

Temporary employment is for short term periods, not to exceed six (6) months, or for work on an irregular basis. A person **appointed to a temporary position** ~~hired for temporary employment,~~ or hired temporarily to replace **an** absent employees, **is not eligible for** ~~shall not be entitled to~~ any fringe benefits. Probationary periods shall not be served, **and no probationary increases shall be awarded.** **such persons are not eligible for** special merit increases, **do not have access to the grievance process; nor will temporary employees be considered as internal applicants;** ~~no probationary increases shall be awarded. Special Merit Increases shall not be awarded.~~

409 PAY RATE ADJUSTMENTS

The following personnel actions shall affect the pay status of an employee in the manner described.

409.1 Transfers. When an employee is transferred from one position to another **in the same band and grade** ~~with a common salary grade~~ in which the employee has never held regular status, the City Manager will decide probationary status and step placement. ~~If the City Manager agrees to a probationary increase, the employee's anniversary date becomes the date of transfer, otherwise there will be no change. (Ord. 1038, 1996)~~

409.2 Promotion. When an employee is promoted from one position to another having a higher salary **band and** grade, the employee shall receive an increase of not less than 5%. If the employee's current rate of pay is below the minimum for the higher salary grade, the pay shall be increased 5% or the minimum rate of the higher salary **band and** grade, whichever is greater. If the employee's current rate of pay falls within the **range matrix** of the higher salary grade, the pay shall be **increased** ~~adjusted to the next higher pay step in the grade for the higher position which is at least equal to a 5% increase above the current pay rate.~~ The anniversary date shall change to the effective date of promotion.

409.3 Demotion and Demotion for Cause.

- (a) When an employee is demoted for administrative purposes, the department head will work with the City Manager to decide probationary status and step placement.
- (b) When an employee is demoted for cause, the City Manager will decide probationary status and step placement.
- (c) When an employee accepts a voluntary demotion, the employee's pay will be adjusted according to the band and grade for the new position.**

409.4 Reinstatement.

- (a) Reinstatement of regular full-time employees who have resigned: no preferential pay treatment will be given to reinstated employees. The principles of job classification and equal pay for equal work which includes work experience, shall apply as if to a new employee.
- (b) Resignations of a special nature such as, but not limited to, family illness or education leave (up to two (2) years with prior approval of the City Manager) have reinstatement rights according to arrangements in writing at the time of resignation, and if the position is available. Probationary periods will apply as described in Section 606.3.

409.5 Reinstatement of Veteran. A regular full-time City employee who returns from military leave shall be reappointed in accordance with the United States Code Annotated Title 50, War and National Defense Military Selective Service Act of 1967; Section 459, Separation from Service (a),(b),(c),(f), and (g). If the return is in accordance with the Act, the employee is entitled to reinstatement into the position held prior to military leave, or into one as nearly like it as possible.

409.6 Layoff. When an regular full-time employee following layoff is re-employed in the same position from which the layoff occurred, re-employment shall be in the same pay step occupied at the time of layoff. When the employee is re-employed in a position having a different salary band and grade, the rate of pay shall be assigned accordingly. ~~to standard principles of job classification and equal pay for equal work.~~

410 COMPENSATION DURING TEMPORARY ASSIGNMENT

A regular full-time employee who is temporarily assigned to a position with a higher paid band and pay-grade for a period of fifteen (15) calendar days or more shall be granted a five (5) percent pay increase for the full period worked in the temporary assignment. A regular full-time employee who is temporarily assigned to a position with a lower pay band and grade for any period shall not receive a reduction in pay. No temporary assignment shall exceed six (6) months.

~~413 PAY FOR EMPLOYEES DESIGNATED AS TRAINEES~~

~~When an employee is appointed to a position as a trainee, the hiring rate of pay shall be reduced from the first step of the assigned pay grade up to ten (10)~~

~~percent for the six month period of anticipated training required by the employee to reach full performance. Work performance of an employee in a trainee status shall be evaluated at least once every six months for the duration of the training. Employees in trainee positions are entitled to all benefits available to regular employees. The trainee period shall serve as the probationary period. The probationary period will be no less than the trainee period. The employee is eligible for a step increase the same as regular employees. Upon reaching full performance, the length of service date shall remain the date of appointment to the trainee position, and the anniversary date shall become the date of hire. (Ord. 1038, 1996)~~

413414 CHANGING PAY GRADE ASSIGNMENTS

When a position is re-evaluated and changed to a different **band and grade**, the base rate of employees occupying positions of that salary grade shall be adjusted as follows:

414.413.1 Reclassified to Higher Pay Grade. If the position is re-evaluated and assigned to a higher salary grade, all employees in positions affected shall have their base pay rate increased 2.5% or placed at the first step of the higher grade, whichever is greater, not to exceed the maximum of the new **band and grade** rate.

414.413.2 Reclassified to a Lower Pay Grade. If the position is re-evaluated and assigned to a lower salary **band and grade**, all employees in positions affected shall not receive reductions in their base salary upon salary grade reassignment. (Ord. 1038, 1996)

415 414 RETIREMENT

The City has in effect a retirement plan for all eligible City employees as set forth under City Council Resolution Number 11-70.

Section 5: The following sections in Chapter 6 of the Personnel Rules and Regulations are amended as set forth below. Except as it is amended by this section, Chapter 6 of the Personnel Rules and Regulations is retained in its current form.

606.1 Promoted Employee Probationary. When it becomes clear that an regular full- or part-time employee serving a promotional probationary period is not performing adequately, the department head will work in conjunction with the City Manager to inform the employee in writing of the performance issues. ~~employee shall be so informed in writing with a copy to the City Manager.~~ If demotion is found to be necessary, ~~with no recourse to the grievance procedure,~~ the employee shall be demoted to a position in the previously held **band and grade** and the anniversary date shall remain unaffected and the demotion shall not be grievable.

606.2 Demoted Employee Probationary. When an regular full- or part-time employee is demoted to a position where regular status was held previously, the employee returns to the step previously held and no probationary period will be served. Where an employee is demoted to a position not held before, the department head shall decide subject to approval of the City Manager whether a probationary period shall be served. The employee concerned shall be notified of the decision, in writing, before demotion is accomplished, and in either case the anniversary date shall remain unaffected and the probationary demotion is not grievable.

606.3 Reinstated Employee Probationary. An regular full-time employee reinstated within two years of separation may not be required to serve a probationary period unless rehired into a different position than previously served, or unless the previous probationary period was not completed.

607 TEMPORARY EMPLOYMENT

Temporary employment may not be counted toward probationary periods nor shall time be credited for such service toward anniversary, ~~or~~ length of service dates, if temporary employees are later appointed to regular full- or part-time positions. Persons serving in temporary positions shall not be considered as eligible internal candidates when applying for a regular full- or part-time position. However, time served in a temporary capacity may be counted toward experience requirements in minimum qualifications for the position concerned. (Ord. 1038, 1996)

Section 6: The following sections in Chapter 7 of the Personnel Rules and Regulations are amended as set forth below. Except as it is amended by this section, Chapter 7 of the Personnel Rules and Regulations is retained in its current form.

701 PURPOSE

The primary purpose of the employee performance evaluation program for regular full- and part-time employees is to inform employees how well they are performing and to provide direction or advice ~~offer constructive criticism~~ on how they can improve their work performance can be improved or corrected. Performance evaluations shall also be considered in decisions affecting salary advancement, promotions, demotions, dismissals, orders of layoff, orders of re-employment, placements, and training needs.

702 PERIODS OF EVALUATION

Each regular employee in the classified service shall have his performance evaluated at the following periods.

702.1 End of Probationary Period. Each regular employee shall be evaluated ten (10) days prior to the completion of the probationary period. The employee must have an overall evaluation of at least "satisfactory" in order to become a classified employee (see also Section 406).

702.2 Regular. Annual. Each regular employee shall receive an annual performance evaluation one (1) month prior to the date of each potential merit step increase as scheduled in Subsection 406.1.

703 PERFORMANCE EVALUATORS

703.1 Rating Officer. The rating officer shall be the employee's ~~immediate~~ direct supervisor and will have supervised the employee for not less than six (6) months. The rating officer shall be responsible for completing a performance evaluation report which shall be reviewed and approved by the department head and City Manager or designee at the time prescribed for each employee supervised.

703.2 Review Officer. The reviewing officer shall be the rating officer's immediate supervisor or department head. The reviewing officer shall review the ~~completed~~ draft performance evaluation report before the report is sent to the City Manager and before it is presented to ~~discussed with~~ the employee. The reviewing officer shall consider the performance evaluations completed by the rating officer when evaluating the rating officer's performance.

In the case where the rating officer is the department head, the reviewing officer shall be the City Manager. In the case where the City Manager or City Clerk is the rating officer, there shall be no review.

704 REVIEW OF PERFORMANCE REPORT

The rating officer shall discuss the performance evaluation report with the employee before the report is made part of the employee's permanent record. If the rating officer plans to recommend the denial of a merit step increase ~~or recommend more than one merit step increase~~ the report must be discussed and approved with the reviewing officer and the City Manager prior to review with the employee (see Section 406).

705 UNSATISFACTORY EVALUATION

A regular employees who receives an overall rating of "unsatisfactory" on their annual evaluation shall not be eligible to receive a merit step increase until the employee successfully completes the assigned performance improvement plan. (see Section 406).

706 EMPLOYEE APPEAL PROCEDURE

~~Refer to Chapter 9, Grievance Procedure.~~ Performance evaluations are not grievable.

707 KNOWLEDGE OF DISCIPLINARY ACTION REGULATIONS

All employees shall be informed of standards of performance and personal conduct of City employees in various positions. Employees shall be acquainted with the various provisions of disciplinary action regulations. All regular city

employees shall be given a copy of the updated Personnel Rules & Regulations. A copy is always available in the **Human Resource Manager's office and the City Clerk's office.** (see Sections 105 and 203.6).

708 DISCIPLINARY ACTION PROCEDURE

All disciplinary actions, ~~except~~ **including** oral admonitions **and verbal warnings**, shall be documented in **writing on** a Disciplinary Action Memorandum to the employee and placed in the employee's personnel file. The employee shall be given an opportunity to read the memorandum. It shall then be reviewed with the employee and a sincere effort shall be made to obtain agreement of the employee that the facts are stated correctly, that the inappropriate or incorrect behavior did occur, that it did represent behavior that should be disciplined, that the discipline is appropriate, and that the behavior will not be repeated. If errors are found, the Disciplinary Action Memorandum shall be redone and again reviewed. Comments of the employee shall be entered under that heading. The employee shall be requested to sign the memorandum and informed that the signature only indicates agreement that the memorandum accurately reflects the discussion. If the employee refuses to sign the memorandum, the following statement shall be entered:

"(Employee's name) read the contents on (date) and refused to sign."

The Disciplinary Action Memo shall be reviewed and approved by the City Manager before being presented to the employee and placed ~~One copy of each completed Disciplinary Action Memorandum shall be forwarded immediately to the City Manager's office for review and inclusion~~ in the employee's personnel file. A copy shall be given to the employee. The supervisor may, if necessary, complete reviews of the employee's progress in correcting the cause of the original action at three, six, and nine months (see Sections 406 and 702.2). These reports shall be made on the Performance Evaluation Report form. Twelve months from date of the action concerned, the City Manager shall review the disciplinary action, and if no subsequent report of similar violations has been made, the department head shall be notified to return departmental copies to the employee. The original shall be placed in a confidential folder and put in the employee's personnel file. ~~in the City Manager's office.~~ It shall not be referred to again unless there is further trouble. All appeals from disciplinary action shall be initiated at Step 3 of the grievance procedure.

If it becomes necessary at any time to inform an **regular full- or part-time** employee of impending demotion or termination, such notice shall be in accordance with the disciplinary action procedure outlined above **and coordinated through the City Manager's office.** The notice shall be in writing with copies to the City Manager and the employee. Such notice shall be for action other than a verbal admonition **or verbal warning.**

709 RELIEF OF DUTIES

- (a) Upon approval of the City Manager, a department head may at any time suspend an regular full- or part-time employee without pay for cause for a period not to exceed thirty (30) calendar days in any calendar year.
- (b) Employees against whom charges are preferred may, at the discretion of the City Manager and department head, be suspended from duty with or without pay pending final disposition of charges.
- (c) A suspension under this section shall be recorded on a Disciplinary Action Memorandum. A Performance Evaluation Report form documenting the performance improvement plan shall be completed for any employee suspended without pay. Both documents shall be reviewed with the employee as soon as possible. Following the review, a copy shall be given to the employee and the original forwarded immediately to the City Manager personnel file.

710 DEMOTION FOR DISCIPLINARY REASONS

An appointing authority may demote an regular full- or part-time employee for disciplinary reasons in accordance with other provisions of these regulations. Demotion is considered as a more moderate penalty than dismissal and may be offered in lieu thereof, as approved by the City Manager, when mitigating circumstances warrant such leniency (see Section 409.3(b)).

711 DEMOTION WITHOUT PREJUDICE

Demotion without prejudice shall not be considered a disciplinary action. With approval of the City Manager, An appointing authority may demote an employee in accordance with other provisions of these regulations for any of the following reasons:

- (a) inability to perform duties adequately for reasons that are not the fault of the employee, such as, physical or functional disability, lack of necessary qualifications, or lack of aptitude;
- (b) layoff because of lack of work or funds, or abolition of position (when regular employees are laid off, the appointing authority shall consider the advisability of demoting to vacant positions at lower salary grades for which they are qualified); and
- (c) personal reasons. There are a variety of reasons why an employee may wish to work in a position at a lower salary grade, such as personality conflicts, or transferring into another department where new experience and greater likelihood of advancement are available.

Section 7: The following definitions in the Personnel Rules and Regulations are amended as set forth below. Except as it is amended by this section, the definitions in the Personnel Rules and Regulations are retained in their current form.

ALLOCATION. The original assignment of a position to the ~~proper salary grade on the basis of duties performed and the authority and responsibility exercised.~~ current classification band and grade system and rating method. See Sections 301 and 304.1.

ANNIVERSARY DATE. The date of an employee's hire or the effective date of promotion from one position to another consistent with the current classification band and rating method. ~~having a higher salary grade.~~ See Sections 406, 409.2, 606.1, 606.2, and 1018.

APPOINTING AUTHORITY. The City Manager or City Clerk ~~other City officials who have~~ having the authority to appoint an individuals to a positions in the City service. See Chapters 5 and 6.

AUTHORIZED POSITION. A position which is funded and allocated to an appropriate and approved classification band and grade salary grade. See Chapters 3 and 6.

BREAK IN SERVICE. ~~Results from a classified employee resigning, retiring, being terminated, dismissed, laid off, or going on leave without pay for more than thirty (30) calendar days.~~ Means any period of absence of an employee from work as a result of resignation, retirement, termination, suspension without pay, or leave without pay for more than thirty (30) calendar days. See Sections 1017 and 1301 through 1304.

CENTRAL PERSONNEL FILES. ~~A file~~ Files maintained by the City Manager or designee in the office of the City Manager which contains complete personnel records of all City employees.

CHANGING CHANGE OF PAY CLASSIFICATION. RANGE ASSIGNMENTS. See Section 416-414

CITY MANAGER. The chief administrative officer and head of the administrative branch of the City government who is directly responsible to the City Council for the proper administration of all affairs of the City or a person whom the City Manager designates to exercise the authority of the City Manager under the personnel rules and regulations. See Sections 203.3, 404, 712, 802, and 910.

CLASSIFICATION PLAN. A system of evaluating ~~the relative importance of~~ individual positions in an orderly system of bands and grades for pay determination purposes. See Sections 301, 303, and 304.2.

DEMOTION. The voluntary or involuntary assignment of an employee from one classification band and grade to another with a lower pay range. a position of one salary grade to a position of another salary grade. See Sections 409.3, 420.2, 606.1, 606.2, 710, and 711.

GRIEVANCE PROCEDURE. A dispute involving the interpretation, application, or alleged violation of any section of the Personnel Rules and

Regulations, except for disputes which are expressly excluded from the grievance procedure. See Chapter 9 Section 903.

LOCAL. For the purposes of determining possible hiring preference, local shall mean residing within the Kodiak Island Borough. See Section 501.

OVERNIGHT SHIFT. See Section 412.6

OVERTIME. Time worked in excess of the City's regularly scheduled work day or week. See Section 412.

PART-TIME POSITION. A position requiring the services of a regular part-time employee for less than a regular work week on a continuous basis.

PAY PLAN. The salary schedules schedule of salary grades and pay ranges matrices for all positions in the City service. See Section 401 and Schedules I, II, and III.

PAY RANGE MATRIX. The ~~standard and variable~~ minimum, ~~intermediate,~~ mid-point, and maximum rates of pay established for each classification position. See Chapter 4 and Schedules I, II and III.

PAY RATE. The specific dollar amount within a pay range paid to an employee for work performed. Does not include overtime or other financial benefits. See Chapter 4.

~~**PERFORMANCE EVALUATION PROCEDURE.** See Chapter 7.~~

POSITION. A group of specific duties, tasks and responsibilities assigned or delegated by the appointing authority to be performed by an employee. A position may be regular part-time or full-time, and in some cases temporary or regular, ~~occupied or vacant.~~ See Chapter 3.

~~**MATERNITY LEAVE AND ADOPTIVE LEAVE.** See Section 1016.~~

PAY INCREASE. See Section 406

PROBATIONARY EMPLOYEE. An employee hired in a regular full-time or part-time position who is serving a probationary period ~~and is employed in either a regular full-time, regular part-time, or trainee position.~~ Temporary employees do not serve probationary periods.

PROBATIONARY PERIOD. A working test period which is part of the examination process during which ~~when an~~ regular full-time or part-time employee may demonstrates fitness and ability to perform the work of the position. See Sections 406, 407, 415, 606, and 1103.

PROMOTION. A change in status of a classified employee from one classification band and grade identified in the classification plan to another classification band and grade a position in one salary grade to another salary grade with a higher maximum rate of pay. See Sections 409.2, 420.2, 603, and 606.1.

REALLOCATION OR RECLASSIFICATION. A change in classification of a position by raising it to a higher classification band and grade salary grade or reducing it to a lower salary classification band and grade. See Sections 304.5, 304.6, 305, and 420.

REGULAR CLASSIFIED EMPLOYEES. Those Regular full- and part-time employees who are regular full time, regular part time and trainees. See Chapters 3 and 4.

REGULAR PART-TIME EMPLOYEE. An regular employee who is employed for less than the regular number of working hours on a continuous basis and is eligible for benefits. See Sections 407, 417, 1004, 1101, 1201, and 1205.

SHIFT DIFFERENTIAL. See Section 412.6-412.4

SHIFT ROTATION. See Section 412.5-412.2

STEP INCREASE. See Sections 406, 407, and 420.1. (*See Pay Increase above*)

SWING SHIFT. See Section 412.6-412.4

TEMPORARY APPOINTMENT. An short-term appointment for a period not to exceed six (6) months for ~~an individual who meets qualification requirements.~~ Such hires are not eligible for benefits, do not serve probationary periods, do not have access to the grievance process, and may be terminated at any time. See Section 408.

TEMPORARY EMPLOYEE. An individual hired to work full-time or part-time on a seasonal, employee who works on an irregular basis, or who has been appointed for a limited period not to exceed six (6) months; or 1,040 regular hours of employment in any given calendar year. A temporary employee is not eligible for employee benefits, does not serve a probationary period, is not eligible for benefits, does not have access to the grievance process, and may be terminated at any time. See Sections 408, 608, and 1005.

TEMPORARY PART-TIME EMPLOYEE. An employee who works on an irregular, intermittent basis and who is not eligible for employee benefits.

~~**TRAINEE.** An employee who has been appointed to a position for a specific period of time to obtain knowledge, abilities, or skills through training. At the completion of the training period, the employee is expected to pass a qualifying examination or meet the minimum standards for the position. See Section 415. (Ord. 1038, 1996)~~

TRANSFER. The lateral movement of an employee from one position to another in the same classification band, grade, and sub-grade or comparable salary grade within the City service. See Section 409.1.

WORK WEEK. The standard City workweek ~~consists~~ consisting of 40 hours in the period from midnight Sunday to the following midnight Sunday, except for those Fire Department employees subject to the platoon system. See Chapter 16 and Sections 411 and 412.

- Section 8:** Schedules I, II and III to the Personnel Rules and Regulations are deleted, and replaced with Schedules I, II and III attached hereto.
- Section 9:** The methodology presented in Option 4 of Attachment B of the implementation options attached hereto is hereby accepted.
- Section 10:** This ordinance shall be effective one month after its final passage and publication in accordance with Kodiak Charter Section 2-13.
- Section 11:** The salary structure revisions and band, grade, and sub-grade placements are retroactive to the pay period beginning April 29, 2013, for active regular full- and part-time classified employees at the time the ordinance becomes effective.

CITY OF KODIAK

MAYOR

ATTEST:

CITY CLERK

First Reading: April 11, 2013
Second Reading & Public Hearing:
Effective Date:

**Schedule I
General Annual Salary Structure**

		Min to Max 50% Increase		
		Min to Mid 25% Increase		
		Mid to Max 20% Increase		
DBM *		Minimum	Midpoint	Maximum
A11		\$ 31,411	\$ 39,264	\$ 47,116
A12		\$ 33,658	\$ 42,072	\$ 50,486
A13		\$ 35,904	\$ 44,880	\$ 53,856
B21		\$ 38,157	\$ 47,697	\$ 57,236
B22		\$ 40,404	\$ 50,505	\$ 60,606
B23		\$ 42,650	\$ 53,313	\$ 63,976
B24/B31		\$ 44,904	\$ 56,130	\$ 67,355
B25/B32		\$ 47,150	\$ 58,938	\$ 70,725
C41		\$ 51,650	\$ 64,562	\$ 77,475
C42		\$ 53,896	\$ 67,371	\$ 80,845
C43		\$ 56,143	\$ 70,179	\$ 84,215
C44/C51		\$ 58,396	\$ 72,995	\$ 87,594
C45/C52		\$ 60,643	\$ 75,804	\$ 90,964
D61		\$ 65,143	\$ 81,428	\$ 97,714
D62		\$ 67,389	\$ 84,236	\$101,084
D63		\$ 69,636	\$ 87,045	\$104,453
E81		\$ 78,635	\$ 98,294	\$117,953
E82		\$ 80,882	\$101,102	\$121,323
E83		\$ 83,128	\$103,910	\$124,692

*DBM: Decision Band Method of Classification

**Schedule II
General Per Hour Salary Structure**

2080	Hours	Min to Max 50% Increase		
Regular Employees		Min to Mid 25% Increase		
		Mid to Max 20% Increase		
DBM *		Minimum	Midpoint	Maximum
A11		\$ 15.10	\$ 18.88	\$ 22.65
A12		\$ 16.18	\$ 20.23	\$ 24.27
A13		\$ 17.26	\$ 21.58	\$ 25.89
B21		\$ 18.34	\$ 22.93	\$ 27.52
B22		\$ 19.43	\$ 24.28	\$ 29.14
B23		\$ 20.50	\$ 25.63	\$ 30.76
B24/B31		\$ 21.59	\$ 26.99	\$ 32.38
B25/B32		\$ 22.67	\$ 28.34	\$ 34.00
C41		\$ 24.83	\$ 31.04	\$ 37.25
C42		\$ 25.91	\$ 32.39	\$ 38.87
C43		\$ 26.99	\$ 33.74	\$ 40.49
C44/C51		\$ 28.08	\$ 35.09	\$ 42.11
C45/C52		\$ 29.16	\$ 36.44	\$ 43.73
D61		\$ 31.32	\$ 39.15	\$ 46.98
D62		\$ 32.40	\$ 40.50	\$ 48.60
D63		\$ 33.48	\$ 41.85	\$ 50.22
E81		\$ 37.81	\$ 47.26	\$ 56.71
E82		\$ 38.89	\$ 48.61	\$ 58.33
E83		\$ 39.97	\$ 49.96	\$ 59.95

*DBM: Decision Band Method of Classification

Schedule III

Fire Department Employees on Platoon System Per Hour Salary Structure

2764	Hours	Min to Max 50% Increase		
Fire Department Employee		Min to Mid 25% Increase		
			Mid to Max 20% Increase	
DBM *		Minimum	Midpoint	Maximum
A11		\$ 11.36	\$ 14.21	\$ 17.05
A12		\$ 12.18	\$ 15.22	\$ 18.27
A13		\$ 12.99	\$ 16.24	\$ 19.48
B21		\$ 13.80	\$ 17.26	\$ 20.71
B22		\$ 14.62	\$ 18.27	\$ 21.93
B23		\$ 15.43	\$ 19.29	\$ 23.15
B24/B31		\$ 16.25	\$ 20.31	\$ 24.37
B25/B32		\$ 17.06	\$ 21.32	\$ 25.59
C41		\$ 18.69	\$ 23.36	\$ 28.03
C42		\$ 19.50	\$ 24.37	\$ 29.25
C43		\$ 20.31	\$ 25.39	\$ 30.47
C44/C51		\$ 21.13	\$ 26.41	\$ 31.69
C45/C52		\$ 21.94	\$ 27.43	\$ 32.91
D61		\$ 23.57	\$ 29.46	\$ 35.35
D62		\$ 24.38	\$ 30.48	\$ 36.57
D63		\$ 25.19	\$ 31.49	\$ 37.79
E81		\$ 28.45	\$ 35.56	\$ 42.67
E82		\$ 29.26	\$ 36.58	\$ 43.89
E83		\$ 30.08	\$ 37.59	\$ 45.11

* DBM: Decision Band Method of Classification

City of Kodiak
 FY 2013 Compensation & Classification Implementation Options
 11-Apr-13
 Recommended

Option

	OPTION #1	OPTION #2	OPTION #3	OPTION #4	OPTION #5	OPTION #6	OPTION #7
	Increase to Min Only	Max Cap @ 105% Increase to Mid Point based on relative value with a cap on max increase	Increase based on 1% for each year of service in current position	Max Cap @ 108% Increase to Mid Point based on relative value with a cap on max increase	Max Cap @ 110% Increase to Mid Point based on relative value with a cap on max increase	Max Cap @ 115% Increase to Mid Point based on relative value with a cap on max increase	No Max Cap % Increase to Mid Point based on relative value in current salary structure
Departments	Current FY 2013 Salaries						
Executive	43,222	44,303	44,693	44,442	45,452	47,977	53,028
Clerks	105,539	105,548	105,539	107,063	108,073	114,669	121,750
Finance	316,285	330,854	335,081	333,454	337,110	345,954	365,207
IS Administration	128,586	131,800	134,166	131,800	130,557	133,340	136,688
Police	2,013,066	2,104,265	2,112,352	2,129,821	2,154,926	2,219,107	2,334,041
Fire	743,959	778,765	773,306	784,383	790,089	810,122	857,745
Public Works	568,651	595,849	605,544	600,134	604,429	626,762	659,001
Engineering	131,726	135,986	135,937	137,501	136,445	144,025	166,716
Parks & Recreation	152,074	169,012	156,341	174,893	178,797	180,817	180,817
Library	348,774	383,962	382,928	387,580	383,282	403,004	405,874
Cargo	128,294	133,940	135,282	134,145	135,103	138,076	139,244
Harbor	591,302	622,624	653,754	632,489	641,831	664,060	688,992
Shipyard	86,341	87,962	87,592	91,161	93,293	95,412	95,412
Water Utility	281,798	287,645	291,183	289,342	291,258	297,969	301,146
Sewer Utility	505,097	530,709	549,414	537,128	543,051	555,313	579,827
Total Annual Salaries	\$ 6,126,121	\$ 6,443,224	\$ 6,505,122	\$ 6,515,325	\$ 6,583,697	\$ 6,776,629	\$ 7,087,499
Increase from Current FY 2013 Salaries	\$ 58,136	\$ 317,103	\$ 379,002	\$ 389,205	\$ 457,577	\$ 650,506	\$ 941,379
% Increase from Current Salaries	0.95%	5.19%	6.19%	6.35%	7.47%	10.62%	15.37%
FICA							
PERS							
Total Fringe	\$ 4,447	\$ 24,258	\$ 28,994	\$ 29,774	\$ 35,005	\$ 49,764	\$ 72,015
	\$ 12,790	\$ 69,763	\$ 83,380	\$ 85,625	\$ 100,667	\$ 143,112	\$ 207,103
	\$ 17,237	\$ 94,021	\$ 112,374	\$ 115,399	\$ 135,671	\$ 192,876	\$ 279,119
Total Increase from FY 2013 Current	\$ 75,373	\$ 411,184	\$ 491,376	\$ 504,604	\$ 593,248	\$ 843,384	\$ 1,220,488


City of Kodiak
 FY 2013 Compensation & Classification Implementation Options
 11-Apr-13

	OPTION #1	OPTION #2	OPTION #3	Option #4	OPTION #5	OPTION #6	OPTION #7
	Increase to Min Only	Max Cap @ 105% Increase to Mid Point based on relative value with a cap on max increase	Increase based on 1% for each year of service in current position	Max Cap @ 108% Increase to Mid Point based on relative value with a cap on max increase	Max Cap @ 110% Increase to Mid Point based on relative value with a cap on max increase	Max Cap @ 115% Increase to Mid Point based on relative value with a cap on max increase	No Max Cap % Increase to Mid Point based on relative value in current salary structure
Departments	Current FY 2013 Salaries						
Executive	43,222	44,303	44,693	44,442	45,452	47,977	53,029
Clerks	92,851	105,548	105,539	107,063	108,073	114,669	121,750
Finance	316,285	330,854	335,081	333,454	337,110	345,954	365,207
IS Administration	128,586	131,800	134,166	131,800	130,557	133,340	138,698
Police	2,013,066	2,104,265	2,112,352	2,129,821	2,154,926	2,219,107	2,334,041
Fire	743,959	778,765	773,306	784,383	790,089	810,122	857,745
Public Works	567,590	595,849	605,544	600,134	604,429	626,762	659,001
Engineering	131,726	135,986	135,937	137,501	136,445	144,025	166,716
Parks & Recreation	152,074	169,012	158,341	174,883	178,797	180,817	180,817
Library	348,774	383,962	382,928	387,580	393,282	403,004	405,874
Cargo	128,294	133,940	135,292	134,145	135,103	138,076	139,244
Harbor	588,515	622,624	653,754	632,489	641,831	664,080	688,992
Shipyard	84,282	87,962	87,592	91,161	93,293	95,412	95,412
Water Utility	281,798	287,645	291,193	289,342	291,258	297,969	301,146
Sewer Utility	505,097	530,709	549,414	537,128	543,051	555,313	579,827
Total Annual Salaries	\$ 6,126,121	\$ 6,443,224	\$ 6,505,122	\$ 6,515,325	\$ 6,583,697	\$ 6,776,629	\$ 7,067,499
Increase from Current FY 2013 Salaries	\$ 58,136	\$ 317,103	\$ 379,002	\$ 389,205	\$ 457,577	\$ 650,508	\$ 941,379
% Increase from Current Salaries	0.95%	5.18%	6.19%	6.35%	7.47%	10.62%	15.37%
Fringe Benefits							
FICA 7.650%	\$ 4,447	\$ 24,258	\$ 28,994	\$ 29,774	\$ 35,005	\$ 49,764	\$ 72,015
PERS 22.000%	\$ 12,790	\$ 69,763	\$ 83,380	\$ 85,625	\$ 100,667	\$ 143,112	\$ 207,103
Total Fringe 29.650%	\$ 17,237	\$ 94,021	\$ 112,374	\$ 115,399	\$ 135,671	\$ 192,876	\$ 279,119
Total Increase from FY 2013 Current	\$ 75,373	\$ 411,124	\$ 491,376	\$ 504,604	\$ 593,248	\$ 843,384	\$ 1,220,498

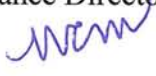
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MEMORANDUM TO COUNCIL

To: Mayor Branson and City Council Members

From: Aimée Kniaziowski, City Manager 

Thru: Mary Munk, Finance Director

Date: April 25, 2013 

Agenda Item: IV. b. Second Reading and Public Hearing, Ordinance No. 1308, Establishing Supplemental Appropriation No. 2 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. 2 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 \$246,422. 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 second budget amendment of FY2013. Staff recommends Council adopt Ordinance No. 1308 in the second reading after the public hearing.

PREVIOUS COUNCIL ACTION:

- June 21, 2012, Council adopted Ordinance No. 1298 for the FY2013 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.
- February 28, 2013, Council adopted Ordinance No. 1304 for the FY2013 supplemental No. 1 budget in the amount of \$42,487,704.
- April 11, 2013, passed Ordinance No. 1308 in the first reading.

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. 2 appropriation is requesting the addition of \$246,422 to the adopted and amended budget bringing the total amended budget to \$87,903,228 for FY2013.

The Supplemental No. 2 appropriation is requesting an increase in non-capital funds in the amount of \$165,922 and capital funds in the amount of \$80,500. Of the \$165,922 increase for non-capital funds, \$77,629 is for the implementation of the compensation and classification study for four pay periods. The cost to implement the new pay plan is estimated at \$504,604 and will be incorporated in the FY2014 budget. In January, the Council accepted the results and recommendations of a comprehensive compensation and classification study through Fox Lawson & Associates, the firm contracted to complete the study. The intent of the study was to conduct a classification and compensation study covering approximately 132 regular full and part-time employees within 64 approved job classifications to ensure positions were classified correctly and that wages were anchored to the current market at the 50th percentile. The City's current classification and compensation system was implemented in the late 1990s and last reviewed in 2003, and the City Council approved the new system concept at the January 24, 2013, meeting.

The remaining \$88,293 in non-capital funds is for adjustments not anticipated due to grant funds received, overtime incurred from turnover, and increases in professional fees. The capital project increase of \$80,500 is a result of the transfer from the General Fund to the General Capital Fund for the demolition of a building at 1118 Mission Road. This demolition was originally budgeted in the General Fund; however, it will not be completed before June 30, 2013. Moving the funds to the Capital Project Fund will allow the project to be completed within the next fiscal year.

ALTERNATIVES: N/A

FINANCIAL IMPLICATIONS: All expense appropriations requested in Supplemental No. 2 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 FY2013 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 adopt Ordinance No. 1308, Supplemental Appropriation No. 2 to the FY2013 budget, in the second reading after the public hearing.

CITY MANAGER'S COMMENTS: The City usually adopts at least one budget amendment each fiscal year to make necessary adjustments to cover changes or additions to projects and to account for

the receipt of additional revenues and increased operating expenses. At \$246,422, this supplemental represents some lesser changes to the total budget of \$87,903,228. The ordinance and attachments detail the sections of the City's operating and capital budget that require changes. The most important change is reflected in the \$77,629, which represents implementation of the new classification system and pay plan based on the Fox Lawson report from January. This project has been a long time in coming, and I am pleased that we have developed an affordable implementation plan that will benefit all employees and anchors the new wage scale to the 50th percentile of the current market. I recommend Council adopt Ordinance No. 1308 in the second reading after the public hearing.

ATTACHMENTS:

Attachment A: Ordinance No. 1308

Attachment B: Backup descriptions containing details and summaries by fund

PROPOSED MOTION:

Move to adopt Ordinance No. 1308.

**CITY OF KODIAK
ORDINANCE NUMBER 1308**

AN ORDINANCE OF THE COUNCIL OF THE CITY OF KODIAK ESTABLISHING SUPPLEMENTAL APPROPRIATION NO. 2 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 No. 2				
GENERAL FUND				
	Amended Budget	Supplemental #1	Supplemental #2	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	6,453	2,703,874
Charges for Services	1,612,193	6,000	4,000	1,622,193
Fines & Forfeitures	20,500	-	-	20,500
Licenses and Permits	68,000	-	-	68,000
Rental Income	155,236	-	25,000	180,236
Interfund Charges	854,316	-	-	854,316
Investment Income	45,000	-	-	45,000
Other Revenues	26,800	17,000	1,000	44,800
Use of Fund Balance	1,490,854	(1,068,575)	110,266	532,545
Transfers In	-	-	-	-
Total Amended Revenues	<u>\$ 17,025,745</u>	<u>\$ 202,500</u>	<u>\$ 146,719</u>	<u>\$ 17,374,964</u>
Planned Expenditures:				
Legislative	\$ 273,210	\$ -	\$ -	\$ 273,210
Legal	50,000	-	-	50,000
Executive	501,080	-	244	501,324
Emergency Preparedness	56,500	-	-	56,500
City Clerk	378,352	-	5,034	383,386
Finance	1,276,034	2,500	9,066	1,287,600
Police	6,030,142	90,000	45,428	6,165,570
Fire	1,834,910	6,000	8,063	1,848,973
Public Works	2,203,511	-	(49,009)	2,154,502
Engineering	243,400	-	1,151	244,551
Parks & Recreation	1,298,210	-	26,049	1,324,259
Library	858,950	1,000	14,193	874,143
Non-Departmental	696,400	6,000	6,000	708,400
Transfers	1,325,046	97,000	80,500	1,502,546
Total Amended Expenditures	<u>\$ 17,025,745</u>	<u>\$ 202,500</u>	<u>\$ 146,719</u>	<u>\$ 17,374,964</u>

SPECIAL REVENUE FUNDS

	Amended Budget	Supplemental #1	Supplemental #2	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	Supplemental #2	Revised Budget
Anticipated Revenues:				
300 General Capital Projects	\$ 269,000	\$ 481,360	\$ 80,500	\$ 830,860
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	\$ 80,500	\$ 48,466,652
Planned Expenditures:				
300 General Capital Projects	\$ 269,000	\$ 481,360	\$ 80,500	\$ 830,860
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	\$ 80,500	\$ 48,466,652

ENTERPRISE FUNDS

	Amended Budget	Supplemental #1	Supplemental #2	Revised Budget
Anticipated Revenues:				
Cargo Fund 500	\$ 1,087,747	\$ -	\$ 1,167	\$ 1,088,914
Harbor Fund 510	4,205,392	-	8,771	4,214,163
Boat Yard/Lift 512	1,295,438	-	1,372	1,296,810
Electric Fund 515	657,480	-	-	657,480
Water Fund 550	4,590,932	1,220,000	1,504	5,812,436
Sewer Fund 570	4,511,020	2,830,000	6,389	7,347,409
Trident Basin Fund 580	355,490	-	-	355,490
E-911 Services	74,800	-	-	74,800
Total Amended Revenues	\$ 16,778,299	\$ 4,050,000	\$ 19,203	\$ 20,847,502

Enterprise Funds Continued

Planned Expenditures:				
Cargo Fund 500	\$ 1,087,747	\$ -	\$ 1,167	\$ 1,088,914
Harbor Fund 510	4,205,392	-	8,771	4,214,163
Boat Yard/Lift 512	1,295,438	-	1,372	1,296,810
Electric Fund 515	657,480	-	-	657,480
Water Fund 550	4,590,932	1,220,000	1,504	5,812,436
Sewer Fund 570	4,511,020	2,830,000	6,389	7,347,409
Trident Basin Fund 580	355,490	-	-	355,490
E-911 Services	74,800	-	-	74,800
Total Amended Expenditures	\$ 16,778,299	\$ 4,050,000	\$ 19,203	\$ 20,847,502

INTERNAL SERVICE FUND				
	Amended Budget	Supplemental #1	Supplemental #2	Revised Budget
Anticipated Revenues:				
Self Insurance Fund	\$ 554,200	\$ 457,000	\$ -	\$ 1,011,200
Total Amended Revenues	\$ 554,200	\$ 457,000	\$ -	\$ 1,011,200
Planned Expenditures:				
Self Insurance Fund	\$ 554,200	\$ 457,000	\$ -	\$ 1,011,200
Total Amended Expenditures	\$ 554,200	\$ 457,000	\$ -	\$ 1,011,200
Total Revenues	\$ 45,169,102	\$ 42,487,704	\$ 246,422	\$ 87,903,228
Total Expenditures	\$ 45,169,102	\$ 42,487,704	\$ 246,422	\$ 87,903,228

Section 2: This ordinance shall be effective on the later to occur of (i) the date of its final passage, and (ii) the effective date of Ordinance 1307.

CITY OF KODIAK

MAYOR

ATTEST:

CITY CLERK

First Reading: April 11, 2013

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 3/31/2013	Difference	%
310.100 Property Taxes	770,000				770,000	679,898	90,102	88%
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	5,738,037	4,761,963	55%
310.900 Penalty & Interest	30,000				30,000	13,087	16,913	44%
320.000 License & Permits	68,000				68,000	72,158	(4,158)	106%
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	35,717	34,283	51%
330.140 Fuel Tax Sharing	7,000		75		7,075	7,075	-	100%
330.150 Alcohol Beverage Sharing	31,000				31,000	11,800	19,200	38%
330.160 Utility Revenue Sharing	38,100				38,100	-	38,100	0%
330.300 State Grant Capital	25,000		(10,000)		15,000	2,452	12,548	16%
330.305 State Grant - Operations	6,500		1,000	6,453	13,953	6,500	7,453	47%
								Library Grant \$2,953 AWE, Library SWAMC Innovation Center Grant \$3,500
340.100 Boarding of Prisoners	1,133,993				1,133,993	850,495	283,498	75%
340.110 State Trooper Comm Contract	120,000				120,000	39,375	80,625	33%
340.120 Other Police Services	20,000				20,000	7,706	12,294	39%
340.130 Police Protective Custody	2,000				2,000	1,776	224	89%
340.240 Borough Building Inspections	140,000				140,000	43,421	96,579	31%
340.300 Ambulance Services	40,000				40,000	32,225	7,775	81%
340.310 Fire Miscellaneous	1,000		6,000	3,000	10,000	10,000	-	100%
340.405 School Lifeguard Services	10,000			1,000	11,000	10,678	322	97%
340.405 Parks & Recreation Revenues	116,000				116,000	74,141	41,859	64%
340.520 Library Revenue	19,000				19,000	12,185	6,815	64%
340.545 Miscellaneous Service Charges	10,200				10,200	225	9,975	2%
350.100 Fines & Forfeits	20,500				20,500	14,298	6,202	70%
360.100 Interest on Investments	45,000				45,000	1,022	43,978	2%
363.100 Rents & Royalties	155,236			25,000	180,236	168,659	11,577	94%
375.600 Miscellaneous other	26,800		17,000	1,000	44,800	44,648	152	100%
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	48,806	7,240	87%
385.100 Approp. From Fund Balance	1,490,854		(1,068,575)	110,266	532,545	-	532,545	0%
390.780 Transfer In	-				-	-	-	-
TOTAL REVENUES	17,026,745	-	202,500	148,719	17,374,964	10,549,376	6,825,588	61%
EXPENDITURES:								
Legislative	273,210				273,210	131,300	141,910	48%
Legal	50,000				50,000	24,912	25,088	50%

Executive	501,080	244	501,324	187,311	314,013	37%	Comp Study \$244
Emergency Preparedness	56,500	-	56,500	19,128	37,372	34%	Comp Study \$1,700 Salary Adjustments
City Clerk - Clerk	251,062	3,300	254,362	140,876	113,487	55%	Comp Study \$1,134 Salary Adjustments
City Clerk - Records	127,290	1,734	129,024	65,572	63,452	51%	Comp Study \$4,066 Arbitrage Reports (2) \$4,000
Finance	1,276,034	9,066	1,287,600	780,285	507,315	61%	100.130.100.430.110 & Unanticipated vacancies \$1,000 100.130.100.450.120
Police	6,030,142	45,428	6,165,570	3,918,765	2,246,805	64%	Comp Study \$23,288 Additional expenses for new Police Station Construction not billed before project was closed 100.140.142.430.110, Police Canine Overtime \$9,000 100.140.148.410.140
Fire	1,834,910	8,063	1,848,973	1,111,720	737,253	60%	Comp Study \$8,063 Comp Study \$6,491 Move the demolition of building on 1118 Mission Road from Public Works to Project \$80,500
Public Works	2,203,511	(49,009)	2,154,502	1,177,865	976,637	55%	4035.100.160.100.430.110, Selfief Lane Fuel Cleanup \$25,000 100.160.162.450.310
Engineering	243,400	1,151	244,551	112,892	131,659	46%	Comp Study \$1,151
Parks & Recreation	1,298,210	26,049	1,324,259	702,622	621,637	53%	Comp Study \$4,549 Overtime \$4,500 100.170.100.410.140, Annual Leave Payoff \$5,000 100.170.100.410.170, Advertising \$1,000
Library	858,950	14,193	874,143	511,942	362,201	59%	100.170.100.450.120, Utilities \$5,000 100.170.100.455.100, Workers Comp \$2,000 100.170.172.420.200, Workers Comp \$4,000 100.170.173.420.200
Non-Departmental	696,400	6,000	708,400	553,039	155,361	78%	Comp Study \$7,740 Grant Funds to Equipment 100.180.100.470.125 Additional supplies expense \$2,000 100.190.100.450.310, Bank Services \$1,500
Transfers	1,325,046	80,500	1,502,546	1,526,276	(23,730)	102%	100.190.100.430.160, Professional Services \$500 100.190.185.430.110, Criminal Prosecution \$2,000 100.190.185.430.140
TOTAL EXPENDITURES	17,025,745	-	17,374,964	10,964,503	6,410,461	63%	Move the demolition of building on 1118 Mission Road from Public Works to Project \$80,500 4035.100.160.100.430.110,

Fund 251 Tourism Development

4031 Home Land Security	4,230	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	248,215	103,785	-	71%
4035 Demolition of Old KPD & 1118 Mission	20,000	-	15,000	80,500	10,607	9%
4036 Ice Rink Fire Damage Repair	-	-	410,000	310,245	99,755	76%
4037 Home Land Security & Emergency Management	-	-	11,360	737	10,623	8%
Expenditures:	269,000	3,446,730	481,360	80,500	2,871,924	1,405,666
						67%

Move the demolition of building on 1118 Mission Road from Public Works to Project \$80,500 4035.100.160.100.430.110

Fund 315 Vehicle Replacement Capital Fund

Revenue:						
Transfer from General Fund	-	21,850	66,844	88,694	70,606	18,088
Revenues:	-	21,850	66,844	88,694	70,606	18,088
						80%
Expenditures:						
4900 Vehicle Replacement Capital	21,850	66,844	88,694	-	88,694	0%
Expenditures:	21,850	66,844	88,694	88,694	88,694	0%

Fund 301 Street Improvement

Revenue:						
Slate Grants	-	-	-	-	-	-
Federal Grants	-	-	-	-	-	-
Interest on Investments	120,000	120,000	120,000	120,000	-	100%
Approp. From Fund Balance	621,000	621,000	-	641,000	-	0%
Transfer from General Fund	450,000	494,000	944,000	944,000	-	100%
Transfer from Water Fund 550	420,000	225,032	20,000	665,032	-	100%
Transfer from Sewer Fund 570	15,000	25,000	20,000	60,000	-	100%
Revenues:	885,000	1,485,032	60,000	2,430,032	1,789,032	641,000
						74%

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	86%
5028 Specs 2000	-	45,000	45,000	43,142	1,858	96%
5029 Mission Road Retaining Wall Repair	220,000	-	220,000	165,475	54,525	75%
5030 Preliminary Design of Snow Dump Storage Yard	70,000	-	70,000	9,710	60,290	14%
5031 Storm Drainage Repair on Sheikof	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	0%
5098 Transfers	-	-	-	-	-	-
Expenditures:	885,000	1,485,032	60,000	2,430,032	1,439,070	990,962
						59%

Fund 302 Building Improvement Fund

Revenue:						
Interest on Investments	1,000	1,000	1,000	1,000	1,000	0%
Slate Grants	6,900,000	6,900,000	6,900,000	3,161,813	3,738,187	54%
Local Funding - Pledges	750,000	-	750,000	750,000	750,000	100%
Local Funding Grant	500,000	-	500,000	500,000	500,000	100%

Other Local Funding	46,763	-	46,763	46,763	
In-Kind City Owned Land	650,000	-	650,000	650,000	
In-Kind Pre Development	85,185	-	85,185	85,185	
Transfer from General Fund	1,000,000	1,000,000	1,000,000	-	100%
Transfer from New Library Fund 255	5,424	5,424	5,424	-	100%
Transfer from Enhancement Fund	-	2,510,000	2,510,000	-	100%
Approp. From Fund Balance	-	-	-	-	-
Revenues:	2,031,948	10,416,424	12,448,372	7,253,611	58%

Expenditures:					
6012 New Library	2,031,948	10,416,424	12,448,372	3,799,054	31%
Expenditures:	2,031,948	10,416,424	12,448,372	3,799,054	31%

Fund 305 Water Capital					
Revenues:					
State Grants	1,300,000	5,404,452	7,124,452	4,413,895	62%
Federal Grants	-	768,000	768,000	768,000	100%
Approp. From Fund Balance	-	1,121,078	1,121,078	-	0%
ADEC Drinking Loans	1,443,500	2,763,185	2,763,185	2,374,801	86%
Transfer from Water Fund 550	98,000	349,000	1,792,500	1,792,500	0%
ADEC Clean Water Loans	341,930	341,930	341,930	341,930	0%
Transfer from Sewer Fund 570	463,500	98,000	561,500	561,500	100%
Transfer from Street Improvement Fund	-	78,000	78,000	78,000	100%
Transfer from Sewer Capital 306	-	-	-	-	-
Revenues:	3,207,000	10,923,645	14,550,645	8,196,196	56%

Expenditures:					
7020 UV Prefinal Design Secondary Water Treatment Facility	900,000	900,000	900,000	873,151	0%
7021 Phase II Downtown Comprehensive Water, Sewer, & Storm Drain	850,000	850,000	850,000	483,170	0%
7023 UV Water Treatment Facility Construction	-	7,720,645	7,720,645	5,655,597	0%
7024 Utility Rate Study	48,000	48,000	48,000	37,131	0%
7026 Aleutian Homes Water & Sewer Replacement Proj Phase V	2,227,000	260,000	2,487,000	279,701	0%
7028 Monashka Pump House Feasibility Study	425,000	225,000	1,070,000	177,944	0%
7030 Replace Chlorine Solution Storage Tank WWTP	-	120,000	120,000	-	0%
7031 Monashka Watershed Survey	-	250,000	250,000	-	0%
7032 Emergency Replacement Water Main on Rezanol	-	450,000	450,000	368,184	0%
7033 Pillar Creek Dam Spillway Repair Work	-	100,000	100,000	37,935	0%
7034 Periodic Dam Safety Inspections	45,000	-	45,000	360	0%
7035 Water leak Pavement Repairs from Winter Damage	510,000	-	510,000	165,983	0%
7099 Transfer	-	-	-	-	0%
Expenditures:	3,207,000	10,923,645	14,550,645	8,079,155	56%

Fund 306 Sewer Capital Fund					
Revenues:					
Charges for Sewer Sales (10%)	-	26,000	26,000	-	0%
Approp. From Fund Balance	4,000,000	1,895,000	1,895,000	-	0%
Alaska Clean Water Loan	200,000	(4,000,000)	-	-	0%
Transfer from Sewer fund 570	-	2,800,000	3,000,000	3,000,000	100%

Transfer from Water fund 550
 Transfer from Street Improvement Fund 301

	-	1,200,000	1,200,000	1,200,000	-	100%
Revenues:	-	15,000	15,000	15,000	-	100%
	4,200,000	1,936,000	6,136,000	4,216,000	1,921,000	69%

Expenditures:

- 7508 Lift Station Electric (5)
- 7509 Upgrade Lift Station #1
- 7510 Sludge Study & Composting
- 7512 Aerobion Basin Air Control System
- 7513 Inflow & Infiltration Repair materials
- 7514 Rehabilitate Press pump Station
- 7516 Replace Lift Station #1 & #2
- 7517 Bio Solid Management Project
- 7599 Transfer

	26,000	1,079	24,921	4%
	150,000	7,370	142,630	0%
	285,000	284,998	2	0%
	150,000	-	150,000	0%
	25,000	2,813	22,187	0%
	400,000	-	400,000	0%
	900,000	-	900,000	0%
	4,200,000	212,079	3,987,921	0%

Expenditures:

4,200,000	1,936,000	-	6,136,000	508,339	5,627,661	8%
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Fund 307 Cargo Development Fund

- Revenues:
- Slate Grants
- Slate Bond Issue
- Approp. From Fund Balance

	2,934,000	18,100,000	688,044	20,345,956	3%
	1,159,700	15,000,000	-	15,000,000	0%
	4,093,700	33,100,000	688,044	1,159,700	0%
				36,505,656	2%

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

	712,000	712,000	308,167	403,833	43%
	250,000	250,000	250,000	-	100%
	2,684,000	(364,000)	430,956	1,869,044	19%
	85,700	85,700	64,297	21,403	75%
	50,000	50,000	11,500	38,500	23%
	150,000	150,000	-	150,000	0%
	100,000	100,000	-	100,000	0%
	50,000	50,000	7,660	42,340	15%
	12,000	12,000	5,000	7,000	42%
	-	384,000	-	384,000	0%
	-	33,100,000	18,637	33,081,363	0%
	4,093,700	33,100,000	1,096,217	36,097,483	3%

Fund 308 Harbor Development

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

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

Expenditures:

- 8515 Harbor Security Camera System
- 8516 Float, Boat Launch, SPH
- 8517 Restrooms, Fisherman's Hall
- 8519 SPH Ladders
- 8520 SHH Repairs
- 8521 Channel Transient Float/ Bull Rails
- 8523 Oscar's Dock Fender Piling Replacement

	10,000	10,000	2,515	7,485	25%
	150,000	150,000	14,863	135,137	10%
	200,000	200,000	53	199,947	0%
	20,000	20,000	9,791	10,209	48%
	745,000	745,000	389,407	355,593	52%
	25,000	25,000	-	25,000	0%
	45,000	45,000	10,920	34,080	24%

8524 Water Front Harbor Planning	100,000		100,000	4,828	95,172	5%
9596 Transfers	-	-	-	-	-	0%
Expenditures:	1,295,000	-	1,295,000	432,377	862,623	33%

Fund 309 Parks & Rec Capital						
Revenue:						
State Grants	2,100,000	3,650,000	5,750,000	5,053,104	696,896	88%
Local Grants	500,000		500,000	555,376	(55,376)	111%
Approp. From Fund Balance	355,629		320,829	-	320,629	0%
Transfer from Enhancement Fund	500,000		500,000	500,000	-	
Transfer from General Fund	251,465		301,465	301,465	-	100%
Revenues:	15,000	3,707,094	7,372,094	6,409,945	962,149	87%

Expenditures:						
9001 Baranof Park Improvements (E&D)	15,000	3,350,000	7,015,000	5,104,051	1,910,949	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	7,372,094	5,366,676	2,005,418	73%

Fund 500 Cargo Terminal						
Revenue:						
PERS Relief	19,560		19,560	-	19,560	0%
Dockage Pier III	120,000		120,000	90,176	29,824	75%
Cruise Ship Revenues	125,000		125,000	72,583	52,417	58%
Pier III Lease	300,000		300,000	224,129	75,871	75%
Warf	450,000		450,000	335,625	114,375	75%
Interest on Investments	7,000		7,000	1,192	5,808	17%
Warehouse Rental	205,000		205,000	152,159	52,841	74%
Van Storage Rental	12,000		12,000	11,971	29	100%
Approp. From Retained Earnings	(150,813)		(149,646)	-	(149,646)	0% Comp Study \$1,167
Other	-		-	210	(210)	
Transfer	-		-	-	-	
Revenues:	1,087,747	-	1,088,914	888,045	200,869	82%

Expenditures:						
Cargo Terminal Administration	377,750		378,817	233,658	145,259	62% Comp Study \$1,167
Cargo Terminal Interfund Charges	173,270		173,270	173,270	-	100%
Cargo Terminal Warehouse	10,500		10,500	7,483	3,017	71%
Cargo Terminal Pier II	507,227		507,227	254,044	253,183	50%
Cargo Terminal Pier III	19,000		19,000	1,145	17,855	6%
Expenditures:	1,087,747	-	1,088,914	669,600	419,314	61%

Fund 810 Boat Harbor Fund						
Revenue:						
PERS Relief	81,900		81,900	-	81,900	0%
Dockage AMHS	80,000		80,000	39,060	40,940	49%
Exclusive Moorage	1,240,000		1,240,000	1,243,493	(3,493)	100%
Transient Moorage	500,000		500,000	399,030	100,970	80%
Harbormaster Service	5,000		5,000	14,117	(9,117)	282%
Gridiron Fees	15,000		15,000	9,218	5,782	61%
Pier/Dock Fees	160,000		160,000	236,057	(76,057)	148%
Used Oil Fees	10,000		10,000	6,418	3,582	64%

Waiting List Fees	3,000	3,000	2,000	1,000	67%
Trailer Parking Fees	33,000	33,000	25,861	7,139	78%
Bulk Oil Sales/Charges	60,000	60,000	38,086	21,914	63%
Gear Storage	45,000	45,000	65,650	(20,650)	146%
Parking Meters	7,000	7,000	7,914	(914)	113%
Launch Ramp Fees	20,000	20,000	6,717	13,284	34%
Interest on Investments	14,000	14,000	10,532	3,468	75%
Office Rent AMHS	16,500	16,500	10,406	6,094	63%
Other Revenues	7,300	7,300	4,706	2,594	64%
Harbor Services to Cargo	167,730	167,730	167,730	-	100%
Approp from Retained Earnings	1,739,962	1,748,733	-	1,748,733	0% Comp Study \$8,771
Transfer	-	8,771	-	-	-
Revenues:	4,205,392	4,214,163	2,286,993	1,927,170	54%
Expenditures:					
Boat Harbor Administration	3,210,014	3,218,785	1,921,595	1,297,200	60% Comp Study \$8,771
Boat Harbor Interfund	175,610	175,610	175,610	-	100%
Transfer to Boal Yard LIR	819,768	819,768	819,768	-	100%
Expenditures:	4,205,392	4,214,163	2,916,963	1,297,200	69%

Fund #12 Shipyard					
Revenues:					
PERS Relief	12,170	12,170	-	12,170	0%
Customer Fees	460,500	460,500	363,854	96,646	79%
Interest on Investments	1,000	1,000	63	937	6%
Other Revenue	2,000	2,000	2,263	(263)	113%
Approp from Retained Earnings	-	1,372	-	1,372	0% Comp Study \$1,372
Transfer	819,768	819,768	819,768	-	100%
Revenues:	1,295,438	1,298,810	1,185,948	110,862	91%
Expenditures:					
Yard Administration	1,136,088	1,137,460	671,941	465,519	59% Comp Study \$1,372
Boat Yard Interfund	159,350	159,350	159,350	-	100%
Expenditures:	1,295,438	1,296,810	831,291	465,519	64%

Fund #16 Harbor Electrical					
Revenues:					
Non-Meter Charge	25,000	25,000	8,152	16,848	33%
Customer Charge recurring	115,000	115,000	74,190	40,810	65%
Connect/Disconnect fee	7,000	7,000	5,580	1,420	80%
Energy Charge	530,000	530,000	411,992	118,008	78%
Record Fee	1,000	1,000	375	625	38%
HM Service	5,000	5,000	3,756	1,244	75%
Interest on Investments	1,000	1,000	135	865	13%
Approp from Retained Earnings	(26,520)	(26,520)	-	(26,520)	0%
Transfer	-	-	-	-	-
Revenues:	657,480	657,480	504,180	153,300	77%
Expenditures:					
Electric Utility Administration	565,260	565,260	317,339	247,921	56%
Electric Utility Interfund	92,220	92,220	92,220	-	100%
Expenditures:	657,480	657,480	409,559	247,921	62%

Fund #50 Water Utility					
Revenues:					
PERS Relief	46,900	46,900	-	46,900	0%

Water Sales Metered	1,390,000		1,390,000	986,949	403,051	71%
Water Sales City	1,139,900		1,139,900	839,445	300,455	74%
Water Sales Borough	741,170		741,170	566,418	174,752	76%
Water Service Connections	10,580		10,580	8,566	2,014	81%
Interest on Investments	10,000		10,000	1,311	8,689	13%
Other Revenues	24,500		24,500	27,903	(3,403)	114%
Approp From Retained Earnings	1,227,882	1,504	2,449,386	-	2,449,386	0% Comp Study \$1,504
Revenues:	4,590,932	1,504	5,812,436	2,430,691	3,381,845	42%

Expenditures:						
Water Utility Transfers	1,863,500	1,220,000	3,083,500	3,083,500	-	100%
Water Utility	2,347,843	1,504	2,349,347	1,294,046	1,055,301	55% Comp Study \$1,504
Water Treatment Plant	379,589		379,589	141,255	238,334	37%
Expenditures:	4,590,932	1,504	5,812,436	4,519,801	1,293,635	78%

Fund 870 Sewer Utility						
Revenues:						
PERS Relief	70,670		70,670	-	70,670	0%
Sewer Service Charges - City	2,229,260		2,229,260	1,547,004	682,256	69%
Sewer Service Charges - Outside	1,157,630		1,157,630	841,973	315,657	73%
Sewer Connections	6,300		6,300	11,465	(5,165)	182%
Septic Truck Discharge	42,800		42,800	45,035	(2,235)	105%
Lab Testing Fee	25,000		25,000	14,050	10,950	56%
Interest on Investments	10,000		10,000	2,540	7,460	25%
Approp From Retained Earnings	969,360	2,830,000	3,805,749	-	3,805,749	0% Comp Study \$6,389
Revenues:	4,511,020	6,389	7,347,409	2,452,067	4,895,342	34%

Expenditures:						
Sewer Utility Transfers	678,500	2,820,000	3,498,500	3,508,500	(10,000)	100%
Sewer Utility	662,371	64	662,435	425,513	236,922	64% Comp Study \$64
Wastewater Treatment Plant	3,170,149	10,000	3,186,474	1,693,990	1,492,485	53% Comp Study \$6,325
Expenditures:	4,511,020	6,389	7,347,409	5,628,003	1,719,406	77%

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	24,047	9,253	72%
Approp From Retained Earnings	309,590		309,590	-	309,590	0%
Transfer from Trident Basin Capital Fund	-		-	-	-	0%
Revenues:	355,490	-	355,490	24,047	331,443	7%
Expenditures:	355,490	-	355,490	199,300	156,190	56%

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	3,988	70,812	5%

Fund 780 Self-Insurance

Revenue:									
Interest on Investments	5,000			5,000		99	4,901		2%
Insurance Refund/Reserve	42,900			427,900		11,431	416,469		3%
Charges to General Fund	276,900	385,000		276,900		276,900	-		100%
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%
Charges to Water Utility	16,300			16,300		16,300	-		100%
Charges to Sewer Utility	37,500			37,500		37,500	-		100%
Charges to E-911	500			500		500	-		100%
Transfer In	-	47,000		47,000		47,000	-		100%
Approp Fund	-	25,000		25,000		-	25,000		0%
Revenues:	<u>554,200</u>	<u>457,000</u>	-	<u>1,011,200</u>		<u>564,829</u>	<u>446,371</u>		<u>56%</u>

Expenditures:

Insurance Expenses	554,200	457,000		1,011,200		907,567	103,633		90%
Expenditures:	<u>554,200</u>	<u>457,000</u>	-	<u>1,011,200</u>		<u>907,567</u>	<u>103,633</u>		<u>90%</u>

Non Capital Projects Revenue

Non Capital projects Expenses	34,561,154	-	4,709,500	165,922	39,436,576	21,468,964	18,079,082		54%
	34,561,154	-	4,709,500	165,922	39,436,576	27,172,653	12,263,923		69%
	-	-	-	-	-	(5,703,689)	5,815,159		

Capital Projects Revenue

Capital Projects Revenue	10,607,948	37,325,475	37,778,204	80,500	85,782,127	32,536,920	53,255,206		38%
Capital Projects Expenses	10,607,948	37,325,475	37,778,204	80,500	85,782,127	23,592,813	62,199,314		27%
	-	-	(0)	-	(0)	8,944,107	(8,944,107)		

Total Revenues

Total Revenues	45,169,102	37,325,475	42,487,704	246,422	125,228,703	54,005,884	71,334,289		43%
Total Expenses	45,169,102	37,325,475	42,487,704	246,422	125,228,703	50,765,466	74,463,237		41%
	-	-	(0)	-	(0)	3,240,418	(3,128,948)		

Total Non-Capital Projects for FY


Total Capital Projects for FY	34,561,154	-	4,709,500	165,922	39,436,576				
	10,607,948	-	37,778,204	80,500	48,466,652				
	\$ 45,169,102	\$ -	\$ 42,487,704	\$ 246,422	\$ 87,903,228				

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NEW BUSINESS

MEMORANDUM TO COUNCIL

To: Mayor Branson and City Councilmembers

From: Aimée Kniazowski, City Manager 

Date: April 25, 2013

Agenda Item: V. a. Resolution No. 2013–10, Authorizing The Issuance of a Permit to the Kodiak Chamber of Commerce for Use of Public Property in Conjunction With the Kodiak Crab Festival

SUMMARY: The Kodiak Chamber of Commerce is the local organization that manages the annual Kodiak Crab Festival, one of Kodiak’s premiere events. It promotes Kodiak, gives a boost to the local economy, and provides fundraising opportunities for many local organizations and non-profits. This year the festival will run from May 23 through May 27, 2013. As in past years, Council authorizes a permit for the activities associated with Kodiak Crab Festival by adoption of a resolution. Staff recommends Council allow the Kodiak Chamber of Commerce to conduct the 2013 Kodiak Crab Festival activities on public property by adopting Resolution No. 2013–10.

PREVIOUS COUNCIL ACTION: As provided for in the Kodiak City Code, Council periodically issues permits to non-profit organizations to conduct fundraising or other related activities on City property.

DISCUSSION: The Kodiak Chamber of Commerce has sponsored and managed the annual Kodiak Crab Festival for many years. This will be the 55th anniversary of the festival. Celebrations include a parade, a carnival, and booths that sell food and other goods. As a community festival, the event brings residents and visitors together to enjoy the special opportunities that Kodiak has to offer. The festival also provides an important fund-raising opportunity for many local nonprofit organizations and contributes to the local economy by drawing visitors to the community. The festival provides an outlet for family fun, gives a boost to the local economy, and allows local non-profit organizations to raise money. The festival will run from May 23 through May 27, 2013. Setup is scheduled to start at noon on Tuesday, May 21st and takedown will be completed by noon on Tuesday, May 28th.

Resolution No. 2013–10 authorizes a permit for this 55th Annual Kodiak Crab Festival, allowing the use of City property for the festival, including City parking lot and street closures. The resolution also authorizes the street closure and traffic control for the parade on Saturday, May 25, 2013, from 8:30 a.m. to noon on Powell Avenue between Rezanof Drive and Mill Bay Road for the marshalling of the parade, and for the parade, which will begin at the corner of Powell Street and Mill Bay Road, turning right onto Mill Bay Road to its intersection with Bartel Avenue and end along Bartel Avenue, which will be closed

for parade dispersal. This parade route has been used successfully for several years (note map of parade route in Attachment B).

ALTERNATIVES: There are two alternatives for Council to consider.

1. Adopt Resolution No. 2013–10. This is staff’s recommendation because it supports the Kodiak Chamber of Commerce and their efforts to sponsor and manage this important community event. It is also consistent with past practice and is allowed by City Code.
2. Choose not to approve Resolution No. 2013–10. This is not recommended.

LEGAL: KCC 5.04.050 allows the Council to issue permits to non-profit organizations to conduct activities on designated City-owned property through passage of a resolution. The attached Resolution No. 2013–10 complies with that requirement.

STAFF RECOMMENDATION: Staff recommends the Council adopt Resolution No. 2013–10, granting the Kodiak Chamber of Commerce a permit to conduct the 55th annual Kodiak Crab Festival and parade, providing they comply with applicable sections of KCC sections 5.04.050 and 5.04.060.

CITY MANAGER’S COMMENTS: The Chamber has sponsored and managed the Kodiak Crab Festival for many years. This is truly a unique event for locals and visitors alike. It provides many benefits and is a great excuse to have fun no matter the weather. The City has always supported this worthwhile event and appreciates the efforts of the Kodiak Chamber of Commerce for their ongoing sponsorship and management of the Kodiak Crab Festival. I recommend Council adopt Resolution No. 2013–10.

ATTACHMENTS:

Attachment A: Resolution No. 2013–10

Attachment B: Chamber of Commerce letter of request, dated February 1, 2013, and parade route map

PROPOSED MOTION:

Move to adopt Resolution No. 2013–10.

**CITY OF KODIAK
RESOLUTION NUMBER 2013-10**

A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK AUTHORIZING THE ISSUANCE OF A PERMIT TO THE KODIAK CHAMBER OF COMMERCE FOR USE OF PUBLIC PROPERTY IN CONJUNCTION WITH THE KODIAK CRAB FESTIVAL

WHEREAS, the Kodiak Chamber of Commerce is a local nonprofit organization that manages the Kodiak Crab Festival; and

WHEREAS, this is the 55th anniversary of the Kodiak Crab Festival, which has a proud tradition of family fun; and

WHEREAS, this year the Kodiak Crab Festival will be held May 23 through May 27, with carnival and booth setup commencing at noon on May 21, and takedown completed on May 28; and

WHEREAS, the Kodiak Crab Festival provides an important fund-raising opportunity for many organizations in Kodiak, and provides for community participation and involvement by Kodiak citizens of all ages; and

WHEREAS, the 2013 Kodiak Crab Festival will be an economic asset to our community as it enhances our local visitor industry.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska, that a permit be issued, with the permit fee waived, to the Kodiak Chamber of Commerce as provided in section 5.04.050(b) and (d) of the City Code for use of public property for 2013 Kodiak Crab Festival events on the condition that the Kodiak Chamber of Commerce agrees to comply with the stipulations set forth this section and section 5.04.060 of the City Code.

BE IT FURTHER RESOLVED that the Council hereby authorizes City street closure and traffic control for the Grand Parade on Saturday, May 25, 2013, from 8:30 a.m. to noon on Powell Avenue between Rezanof Drive and Mill Bay Road for the marshalling of the parade; and for the parade, which will begin at the corner of Powell Street and Mill Bay Road, turning right onto Mill Bay Road to its intersection with Bartel Avenue and end along Bartel Avenue, which will be closed for parade dispersal.

BE IT FURTHER RESOLVED that from May 21, 2013, through May 28, 2013, the Council hereby authorizes City parking lot closures in the east Harbormaster’s parking lot, extending to the end of the St. Paul Harbor spit.

CITY OF KODIAK

MAYOR

ATTEST:

CITY CLERK

Adopted:



KODIAK CHAMBER OF COMMERCE

100 E. Marine Way, Suite 300, Kodiak Alaska 99615 • (907) 486-5557 • Fax: (907) 486-7605
www.kodiak.org • Email: chamber@kodiak.org



February 1, 2013



CROWN SPONSORS



Kodiak City Mayor and City Council
710 Mill Bay Rd.
Kodiak, AK 99615

Dear Mayor Branson and Kodiak City Council,

The 2013 Kodiak Crab Festival will be held May 23rd through May 27th. The official slogan for this year's festival is "Powered by Nature" and the logo design was created by Sean Lawler and the poster winner is Adina Preston.

The Kodiak Crab Festival celebrates its 55th anniversary this year with a proud tradition of family fun spanning generations. This event enhances the visitor industry, thus making it an economic asset to our community. Additionally, the Kodiak Crab Festival provides a vital fundraising opportunity for local nonprofit organizations.

On behalf of the Kodiak Chamber of Commerce, I respectfully request the City Council to consider passing a resolution authorizing the City to issue a permit to the Kodiak Chamber of Commerce for use of public property and facilities in conjunction with the Kodiak Crab Festival. I am also requesting that the \$20.00 permit fee be waived. The parade route has been permanently changed to the one we've used successfully the past several years along Mill Bay Road. Attached please find a copy of the proposed parade route.

Booth setup is scheduled to begin at 12:00 (noon) on Tuesday, May 21nd and removed by 12:00 (noon) on Tuesday, May 28th.

Thank you for your support of this much-anticipated annual event. The wonderful tradition of Kodiak Crab Festival has carried on largely due to your assistance over the years. We at the Chamber welcome the Kodiak Crab Festival, marking 55 fun-filled years of this community-wide celebration!

Sincerely,


Summer Wood
Crab Festival Manager

Dedicated to Kodiak's Economic Future

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MEMORANDUM TO COUNCIL

To: Mayor Branson and City Councilmembers

From: Aimée Kniaziowski, City Manager 

Date: April 25, 2013

Agenda Item: V. b. **Resolution No. 2013–11, Authorizing The Issuance of a Permit to the Kodiak Chamber of Commerce for Use of City Property for a Community Market**

SUMMARY: The Kodiak Chamber of Commerce is requesting permission to host a community market on Saturdays at the spit during the summer months. Council regularly authorizes permits for non-profits to raise money or for activities on City owned property that benefit the community. The Chamber believes the market will benefit the downtown area by providing this additional activity. Staff recommends Council adopt Resolution 2013–11 if Council supports this proposal to allow the Kodiak Chamber of Commerce to conduct a community market on public property during the summer months.

PREVIOUS COUNCIL ACTION: As provided for in the Kodiak City Code, Council periodically issues permits to non-profit organizations to conduct fundraising or other related activities on City property. The Chamber made an initial presentation of the community market concept to Council at the February 26, 2013 work session.

DISCUSSION: The Kodiak Chamber of Commerce is proposing to coordinate and sponsor a community market to be held on Saturdays from 9 a.m. to 4 p.m. between the months of June and September. They believe the outdoor type market concept will draw locals and visitors to the downtown area and generate additional business activity. They identified a location on the St. Paul Harbor spit (see Attachment B) that is acceptable to the Harbor, Fire, and Police departments to ensure the location can support existing Harbor activity and other commercial and recreational traffic in the area as well as new market activity. The Chamber has also committed to working in cooperation with the Bear Town Market and the Farmer’s Market.

Resolution No. 2013–11 authorizes a permit for this proposed community market to be held on Saturdays between the hours of 9 a.m. and 4 p.m. from June through September.

ALTERNATIVES: Council may approve, amend, or chose not to adopt Resolution 2013–11. It is staff’s recommendation that Council adopt the resolution in support of the Kodiak Chamber of Commerce and their efforts to sponsor and manage a new downtown event in the hopes of drawing more people to walk and shop downtown. It is also consistent with past practice and is allowed by City Code.

LEGAL: KCC 5.04.050 allows the Council to issue permits to non-profit organizations to conduct activities on designated City-owned property through passage of a resolution. The attached Resolution No. 2013–11 complies with that requirement.

STAFF RECOMMENDATION: Staff recommends the Council adopt Resolution No. 2013–11 to grant the Chamber of Commerce a permit to hold summer Saturday markets providing they comply with applicable sections of KCC sections 5.04.050 and 5.04.060.

CITY MANAGER’S COMMENTS: The Chamber made their initial proposal to be permitted to operate a community market downtown on City property in February. Based on questions and discussion generated at the meeting, the Chamber revised their request. They also got input from the Harbor, Fire, and Police departments to ensure operability and safety of the proposed area. The Chamber also agreed to coordinate with the existing summer markets that are held in the area. I believe the Chamber is ready to implement a workable and new idea for summertime in downtown Kodiak. I support their proposal and recommend that Council adopt Resolution 2013–11.

ATTACHMENTS:

Attachment A: Resolution No. 2013–11

Attachment B: Chamber of Commerce letter of request, dated March 4, 2013 with attached site plan

PROPOSED MOTION:

Move to adopt Resolution No. 2013–11.

**CITY OF KODIAK
RESOLUTION NUMBER 2013-11**

A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK AUTHORIZING THE ISSUANCE OF A PERMIT TO KODIAK CHAMBER OF COMMERCE FOR USE OF CITY PROPERTY FOR A KODIAK SATURDAY MARKET

WHEREAS, the Kodiak Chamber of Commerce has requested authorization of a special events permit for a Kodiak Saturday Market held at the St. Paul Harbor Spit from June through September; and

WHEREAS, the Saturday Market will enhance local activities for visitors and draw local residents to the downtown core of our community; and

WHEREAS, the Chamber of Commerce will designate space for people to sell craft and farmer’s market items on Saturdays during the summer months.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska, that a permit be issued, with the permit fee waived, to the Kodiak Chamber of Commerce as provided in section 5.04.050 of the City Code for Kodiak Saturday Market events from June through September, 2013 on the condition that the Chamber of Commerce ensures compliance with the stipulations as set forth in Kodiak City Code Sections 5.04.050 and 5.04.060.

BE IT FURTHER RESOLVED that event sponsors shall coordinate all events with the Kodiak Harbor, Fire, and Police Departments in advance.

BE IT FURTHER RESOLVED that the Council authorizes any event schedule changes be coordinated through the City Manager.

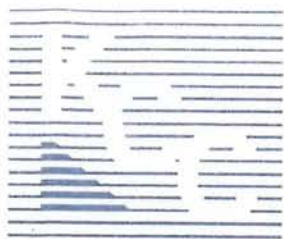
CITY OF KODIAK

MAYOR

ATTEST:

CITY CLERK

Adopted:



**KODIAK
CHAMBER
OF COMMERCE**

100 E. Marine Way, Suite 300, Kodiak Alaska 99615 • (907) 486-5557 • FAX: (907) 486-7605
www.kodiak.org • Email: chamber@kodiak.org

March 4, 2013

City Council
Aimee Kniazowski, City Manager
City of Kodiak
710 Mill Bay Road
Kodiak, AK 99615

Re: Kodiak Saturday Market

The Kodiak Chamber of Commerce respectfully requests the authorization of a special events permit that would allow the Kodiak Saturday Market to operate on the downtown spit area located in the highlighted area on the attached aerial photograph. Proposed hours of operation will be Saturday's from 9:00 a.m. to 4:00 p.m. during the months of June – September. The Chamber of Commerce has coordinated with harbor, police and fire departments to make sure the market location is acceptable for commercial and recreational traffic on the spit during the proposed hours of operation.

Having an outdoor market would enhance the "Kodiak" experience for visitors, and serve as a tool to draw local residents to the downtown core of our community. The market will generate commercial activity and serve as venue for entrepreneurial interests. The Chamber of Commerce is committed to running the event in a professional manner and will keep the area safe and clean. We will also work with the organizers of the Bear Town and the Farmers Markets to encourage their participation and suggestions; striving to coordinate as much cooperation as possible.

If you have any questions regarding this request, please contact the Kodiak Chamber of Commerce at 486-5557.

Yours in Economic Prosperity,

Trevor Brown
Executive Director


Dedicated to Kodiak's Economic Future



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MEMORANDUM TO COUNCIL

To: Mayor Branson and City Councilmembers

From: Aimée Kniaziowski, City Manager 

Date: April 25, 2013

Agenda Item: V. c. **Resolution No. 2013–12, Authorizing the Issuance of a Permit to the Kodiak Garden Club for Use of Public Property for its Annual Plant Sale**

SUMMARY: Resolution No. 2013–12 authorizes the issuance of a permit to the Kodiak Garden Club to use the covered area of the Baranof Park ice rink to hold its annual plant sale on June 1, 2013. Staff recommends Council adopt Resolution No. 2013–12.

PREVIOUS COUNCIL ACTION: Each year Council issues permits to non-profit organizations to allow them to conduct fundraising activities that benefit the community on City property.

DISCUSSION: The Kodiak Garden Club makes locally grown plants available to Kodiak gardeners through a plant sale each June. Besides the plants that are sold, the Garden Club provides educational materials to the public, including information on ways to identify and control invasive species, and they answer questions about gardening in Kodiak. The proceeds from the sale augment the small annual grant the club receives from the City to plant flowers and greenery at City facilities like the Baranof Museum, the Harbor, and the small grassy area at the “Y” intersection. Funds from this sale also help support a small grant program to the schools for related projects.

This year, the Garden Club has requested to use the covered area at the ice rink at Baranof Park to stage their sale. This spot works well as an indoor/outdoor space which accommodates unpredictable weather. The sale is planned for Saturday, June 1, 2013. The Garden Club is requesting permission to use the facility from 8 a.m. until the sale, which starts at 10 a.m., is over. The Garden Club ensures they will coordinate their activities with the Parks and Recreation Director and will provide clean up after the event. The resolution authorizes the use of the ice rink facility at Baranof Park for the plant sale from 8 a.m. through completion and cleanup, on June 1, 2013.

ALTERNATIVES:

1. Adopt Resolution No. 2013–12, which is staff’s recommendation.
2. Do not adopt Resolution No. 2013–12, which would require the Garden Club to find another suitable location for this fundraiser.

STAFF RECOMMENDATION: Staff recommends Council adopt Resolution No. 2013–12.

CITY MANAGER’S COMMENTS: The City and its residents both benefit from this annual plant sale. The Garden Club is an active and responsible non-profit that works to educate and beautify our

community. The way the Garden Club uses the proceeds from the sale benefits the community. I support the request and recommend that Council adopts Resolution No. 2013–12.

ATTACHMENTS:

Attachment A: Resolution No. 2013–12

Attachment B: Letter of request from the Kodiak Garden Club, dated April 8, 2013

PROPOSED MOTION:

Move to adopt Resolution No. 2013–12.

**CITY OF KODIAK
RESOLUTION NUMBER 2012-12**

A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK AUTHORIZING THE ISSUANCE OF A PERMIT TO THE KODIAK GARDEN CLUB FOR USE OF PUBLIC PROPERTY IN FOR ITS ANNUAL PLANT SALE

WHEREAS, for many years the Kodiak Garden Club has shared locally grown plants with Kodiak gardeners through a plant sale in June; and

WHEREAS, during the plant sale educational materials are distributed and questions answered about gardening in Kodiak, including methods to get rid of invasive weeds; and

WHEREAS, funds from the plant sale are used to make small grants to school groups working on growing projects; and

WHEREAS, funds from the sale are also used to supplement the small grant the Garden Club receives from the city for plantings throughout the city; and

WHEREAS, the Garden Club has requested use of the covered area at Baranof Park on Saturday, June 1, 2013, to stage the sale.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska, that a permit be issued, with the permit fee waived, to the Kodiak Garden Club as provided in section 5.04.050(b) and (d) of the City Code for use of public property for 2013 plant sale on the condition that the Garden Club agrees to comply with the stipulations set forth in this section and section 5.04.060 of the City Code.

BE IT FURTHER RESOLVED that event sponsors shall coordinate the event with the Kodiak Parks and Recreation Director.

CITY OF KODIAK

MAYOR

ATTEST:

CITY CLERK

Adopted:



Kodiak Garden Club
PO Box 8792
Kodiak, Alaska 99615
April 8, 2013

Dear Mayor Branson, and City Council Members:

For many years, the Kodiak Garden Club has shared locally grown plants with Kodiak gardeners through a plant sale in early June. During the sale, educational materials are distributed and questions answered about gardening in Kodiak. In addition, Blythe Brown of the Kodiak Soil and Water Conservation District distributes information about invasive weeds and other plants to attendees. Funds from this sale are used to make small grants for school groups working on growing projects and to supplement the small grant Garden Club receives from the city for work at Baranof Museum, the harbor area (especially the memorial area), and other areas around the city from year to year. This year the Garden Club would like to use the covered area at Baranof Park to stage the sale. This spot works very well as an indoor/outdoor space which adapts to Kodiak's unpredictable weather. The sale is planned for Saturday, June 1, starting at 10:00. However, we usually begin setting up about 8 am on that morning and so would need access to the space at that time. Garden Club members are very conscientious about clean up after the event and use tarps to protect the special flooring in the rink area. Questions about this request may be directed to Patty Holmes, 486-3074.

Thank you for your consideration of Kodiak Garden Club's request to use the covered area at Baranof Park for the Kodiak Garden Club Annual Plant Sale on June 1.

Sincerely,

Patricia Holmes, President
 Kodiak Garden Club

MEMORANDUM TO COUNCIL

To: Mayor Branson and City Councilmembers

From: Aimée Kniaziowski, City Manager 

Date: April 25, 2013

Agenda Item: V. d. **Resolution No. 2013–13, Authorizing the Issuance of a Permit to the Humane Society of Kodiak for Use of Public Property for its Annual Planted Basket Sale**

SUMMARY: Resolution No. 2013–13 authorizes the issuance of a permit to the Humane Society of Kodiak to use the covered area of the Baranof Park ice rink to hold its annual planted basket sale on June 8, 2013. Staff recommends Council adopt Resolution No. 2013–13.

PREVIOUS COUNCIL ACTION: Each year Council issues permits to non-profit organizations to allow them to conduct fundraising activities that benefit the community on City property.

DISCUSSION: The Humane Society of Kodiak will be holding its Fourth Annual Planted Basket Sale this June. The baskets are provided by the Humane Society from local sources and the plants donated by local growers or purchased from outside growers. The proceeds from the sale help the Humane Society provide animal food and supplies, medications, and veterinary care through the Kodiak Animal Shelter.

The Humane Society has requested use of the covered area at the ice rink at Baranof Park to stage their sale. This spot works well as an indoor/outdoor space, which accommodates unpredictable weather. The sale is planned for Saturday, June 8, 2013. The Humane Society is requesting permission to use the facility from 7 a.m. to 2 p.m. The Humane Society will coordinate their activities with the Parks and Recreation Director and will provide cleanup after the event. The resolution authorizes the use of the ice rink facility at Baranof Park for the planted basket sale on June 8, 2013.

ALTERNATIVES:

1. Adopt Resolution No. 2013–13, which is staff’s recommendation.
2. Do not adopt Resolution No. 2013–13, which would require the Humane Society to find another suitable location for this fundraiser.

STAFF RECOMMENDATION: Staff recommends Council adopt Resolution No. 2013–13.

CITY MANAGER’S COMMENTS: The City and its residents benefit from this annual planted basket sale. The Humane Society is an active and responsible non-profit that works to prevent animal cruelty, to reduce the abandoned pet population, and to promote proper animal care. Their hanging basket sale

supports their efforts and helps beautify our community. I support the request and recommend Council adopt Resolution No. 2013–13.

ATTACHMENTS:

Attachment A: Resolution No. 2013–13

Attachment B: Letter of request from the Humane Society of Kodiak, dated January 12, 2013

PROPOSED MOTION:

Move to adopt Resolution No. 2013–13.

**CITY OF KODIAK
RESOLUTION NUMBER 2013-13**

A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK AUTHORIZING THE ISSUANCE OF A PERMIT TO THE HUMANE SOCIETY OF KODIAK FOR USE OF PUBLIC PROPERTY FOR ITS ANNUAL PLANTED BASKET SALE

WHEREAS, for the last three years, the Kodiak Humane Society has held a fundraiser in June selling planted baskets; and

WHEREAS, funds from the sale are used to pay for animal food, supplies, and medications used at the Kodiak Animal Shelter, and to provide spay/neuter surgeries and other veterinary care; and

WHEREAS, the Humane Society of Kodiak has requested use of the covered area at Baranof Park on Saturday, June 8, 2013, to stage the sale.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska, that a permit be issued, with the permit fee waived, to the Kodiak Humane Society as provided in section 5.04.050(b) and (d) of the City Code for use of public property for its 2013 plant sale on the condition that the Humane Society agrees to comply with the stipulations set forth in this section and section 5.04.060 of the City Code.

BE IT FURTHER RESOLVED that event sponsors shall coordinate the event with the Kodiak Parks and Recreation Director.

CITY OF KODIAK

MAYOR

ATTEST:

CITY CLERK

Adopted:



Humane Society of Kodiak

"The Humane Society of Kodiak is committed to preventing animal cruelty, reducing the homeless and abandoned pet population, and promoting the proper care of animals."

P.O. Box 8783, Kodiak AK 99615

Phone: (907) 486-8077

www.kodiakanimalshelter.com

January 12, 2013

City of Kodiak
Kodiak, AK 99615

Re: Request to use Baranof Park for fundraiser

Dear Aimee Kniazowski and City Council members,

The Board of Directors of the Humane Society of Kodiak (HSK) would like permission to use the outdoor covered area and the indoor skating arena of Baranof Park Skating Rink on Saturday, June 8th from 7:00 a.m. -2:00 p.m. for our annual Planted Basket Sale fundraiser.

This is the 4th annual Planted Basket Sale and is one of the most important local fundraisers that we have each year, second only to the Hairball.


Approved as a 501 (c) 3 corporation in April of 1994, the Humane Society of Kodiak (HSK) is committed to preventing animal cruelty, reducing the abandoned pet population, and promoting the proper care of animals. Allowable expenses for use with contractual funding from the city does not cover expenses such as animal food and supplies, medication, veterinary care and spay/neuter procedures and therefore we must raise the money each year through fundraisers, donations and memberships to cover these costly procedures.

Please feel free to contact me for any other necessary information about this fundraiser. Thank you for your time and consideration of our request.

Respectfully,
Karen E. Yashin, President
Humane Society of Kodiak

MEMORANDUM TO COUNCIL

To: Mayor Branson and City Councilmembers

From: Aimée Kniazowski, City Manager 

Date: April 25, 2013

Agenda Item: V. e. **Resolution 2013–14, Authorizing Naming the New Library the Kodiak Public Library**

SUMMARY: Community members have requested and the City has explored naming the New Library building the Kodiak Public Library. Kodiak Public Library Association (KPLA) members, community members, and City officials have looked into the process. The key steps and intent of the City's facility naming policy have been met, and the City Council may authorize that the name of the New Library be the Kodiak Public Library by adopting Resolution No. 2013–14.

PREVIOUS COUNCIL ACTION:

- During the 1960s, the City Council made the decision to officially name the public library the A. Holmes Johnson Memorial Library in honor of Dr. Johnson.
- In April 1994, Council adopted Resolution No. 13–94, which outlined the Council's policy on naming public facilities.

DISCUSSION: The City's public library has a rich and interesting history (see Attachment C). It began as a library club in 1922. It now sits on land that was purchased in 1964 with a donation from the Rotary Club and a memorial fund started in honor of Dr. A. Holmes Johnson. The current facility was dedicated at the end of 1968 and, over time, expanded to its current size with two additions. However, the building outlived its useful life, and the City identified it as needing replacement in 2004. The plan to build a new library took shape when the Kodiak Public Library Association (KPLA) entered into an agreement with the City in 2008 to pursue support and funding for a new facility. The City and KPLA have been successful in raising the needed funds, and construction of the New Library is well underway.

As the library project began to take shape, community members requested the City to consider changing the name of the new facility to the Kodiak Public Library from the A. Holmes Johnson Memorial Library. KPLA members and the City discussed the idea with Dr. Bob Johnson and his family members. The Johnson family is in support of the name change and request that a display be placed in the new facility outlining the family's role in the development of the Kodiak library. The City and KPLA are collecting information from the family and other records that will be incorporated into the display, which will include timeline elements, photographs, and graphics. The City will hire an exhibit designer to develop the final display, which will be placed at a key location in the new facility.

The intent of the Council's 1994 naming policy is being met. The new facility is being named according to the preferred priorities listed in the policy, based on place and features. A professionally developed exhibit will be placed in the New Library identifying the library's history and the Johnson family's contribution to it. A memorial plaque will be moved from the current to the New Library. The Mayor is prepared to address the proposed change to the Council based on the community driven request and approval of the Johnsons. This action to name the new facility the Kodiak Public Library will be done by adopting Resolution No. 2013-14 if Council concurs. Staff proposes that the procedure to hold a 30-day public comment period prior to acting on the change be removed, because the request came directly from the public and project volunteers and is supported by the Johnson family.

ALTERNATIVES: Council may adopt Resolution No. 2013-14. Council may also decide not to adopt the resolution and carry the name of the existing facility, the A. Holmes Johnson Memorial Library, over to the new one.

STAFF RECOMMENDATION: Staff recommends Council authorize the New Library be named the Kodiak Public Library by adopting Resolution No. 2013-14 if they concur, because the action is based on community generated requests and the Johnson family's agreement with the proposed name.

CITY MANAGER'S COMMENTS: I support naming the new facility the Kodiak Public Library if the Council supports it. The request was generated by the community, approved by the Johnson family, and the process reflects the intent of the City's 19-year old naming policy. It is our intent to acknowledge the Johnson family's contribution to the development of library resources in Kodiak by including a professionally developed exhibit in the new building, along with the memorial plaque that will be moved from the existing facility.

ATTACHMENTS:

Attachment A: Resolution No. 2013-14

Attachment B: Resolution No. 13-94 City Council Naming Policy

Attachment C: History of Library Services in Kodiak

PROPOSED MOTION:

Move to adopt Resolution No. 2013-14.

**CITY OF KODIAK
RESOLUTION NUMBER 2013-14**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK AUTHORIZ-
ING THE NAMING OF THE NEW LIBRARY AS THE KODIAK PUBLIC LIBRARY**

WHEREAS, a new public library is being built and will open to the public this fall; and

WHEREAS, the existing public library is named the A. Holmes Johnson Memorial Library; and

WHEREAS, members of the public have requested the new library be named the Kodiak Public Library; and

WHEREAS, the Johnson family has been consulted and supports the naming of the new library; and

WHEREAS, the new library will have a display outlining the Johnson family’s role in the development of the Kodiak library; and

WHEREAS, Resolution No. 13-94 outlines a policy for naming City facilities, and naming the new library the Kodiak Public Library meets the intent of Resolution No. 13-94.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska, that the new Kodiak library shall be named the Kodiak Public Library.

BE IT FURTHER RESOLVED that the 30-day public comment period outlined in Resolution No. 13-94 is deemed unnecessary due to many meetings and discussions over the past 18 months and the public support for the name change that was generated from the grass-roots level.

CITY OF KODIAK

MAYOR

ATTEST:

CITY CLERK

Adopted:

**CITY OF KODIAK
RESOLUTION NUMBER 13-94**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK
ESTABLISHING A CITY PROPERTY OR FACILITY NAMING POLICY**

WHEREAS, a clear policy for naming City property or facilities can add meaning, significance, and uniformity by developing names that embody the values and heritage associated with the properties or facilities, and that of the community; and

WHEREAS, the selection of a name that is purposeful, suitable, and symbolic should be approached in a systematic and creative way; and

WHEREAS, an attempt shall be made to name properties in such a manner that the public can easily recognize, locate, and remember them,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska, that a City Property Naming Policy is hereby adopted for the benefit of the community, and shall be administered under the following criteria:

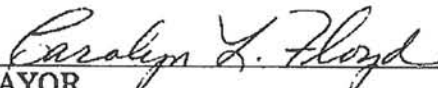
1. The naming of City property after individuals is discouraged; however, when it is appropriate to name a property or facility in honor of a deceased person, the following criteria will be used:
 - a. The honoree must have made a donation of at least fifty-one percent of the cost of the property or facility; or
 - b. The honoree must have made a significant contribution of at least ten years of service, which enhanced the quality of life of Kodiak residents and whose contribution is related to the property or facility being named; or
 - c. The honoree's death must have occurred at least two years prior to the date of selection; or
 - d. An honoree who has lost their life either in the line of duty or through an act of heroism may be selected.
2. A memorial or plaque may be authorized in lieu of naming the property or facility for an individual.
3. Names shall be selected in the following order of priority:
 - a. Places and features;
 - b. Historic sites;
 - c. Names of cultural significance; and
 - d. Descriptive names.

BE IT FURTHER RESOLVED that the following procedure will be established in administering this policy:

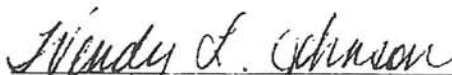
1. Action may be initiated by the Mayor or a quorum of the Council. If initiated by the Council, a proposal in letter format addressed to the Mayor will be prepared. Upon receipt of the Council's request, or upon the Mayor's decision to seek a name for a piece of property or a facility, the Mayor will designate the appropriate advisory board as a name-selection panel. If the property or facility does not appropriately fall within the realm of an advisory board, the Mayor may elect to appoint a five-member ad-hoc panel which may include one or more members of different advisory boards.
2. The naming panel will identify appropriate names for the property or facility and may consider those names submitted by the Mayor or the Council, or may propose an alternative, taking care not to overlook the contributions of women and minorities. Geographic, historic, and cultural influences will be given preference over names of individuals whenever possible in selecting names for a property or facility. Upon agreement by a quorum of the panel, a letter advising the Mayor shall be forwarded. The Mayor will make the panel's letter an attachment to a resolution for consideration by the Council. Memoranda as appropriate may be appended to the resolution to explain or amplify relevant information for the Council.
3. The Council will hold a 30-day public comment period prior to acting on the resolution, and shall ensure appropriate information dissemination to the public during this period.
4. Names may be changed pursuant to the preceding guidelines.

PASSED AND APPROVED this 14th day of April, 1994.

CITY OF KODIAK


MAYOR

ATTEST:


DEPUTY CITY CLERK

HISTORY OF LIBRARY SERVICES IN KODIAK
 - Barbara Rudio, March 2013

DATE	EVENT	WHERE FOUND
10/1922	Kodiak Library Club organized by Mrs. Z.T. Halferty; 3 offices established	Alaska Federation of Women's Clubs souvenir ed. 1924-26 (KPL RA 060AL)
2/1923	Kodiak Library Club reorganized; name changed to Kodiak Woman's Club; regular dues of \$5 per year used to purchase books to be the nucleus of a town library; a card index to record circulation; 40 volumes, marked by a book-plate designed by W.J. Erskine; books are first read and reviewed by club members	
1/17/1942 and later	Kodiak Library opens - actually a book store that also sold gifts & souvenirs; subsequent ads only mention the sale of books; in 4/15/1944 the business was sold and renamed the Frontier Book Shop where books could be checked out for a membership and a fee	KM p. 1 - this event mentioned because the photo keeps showing up without explanation that the "Library" was really a store; photo donated by Patty Holmes
11/3/1945	"Aid asked on library" - Army headquarters (Anchorage) offered to donate ca 2,500 books to be housed in the American Legion Building; organization meeting to be held 11/19/1945, open to all interested	KM p. 1
11/17/1945	"Library meeting" - Local organizations asked to attend to discuss ways and means to establish a public library in the Red Cross Center (owned by the American Legion); the building will be turned back to the Legion on 12/1/1945; plans will also be discussed concerning using the building as a community center	KM p. 1

11/24/1945	"Library discussed" - Meeting called to discuss establishing a public library in the former Red Cross Center; ca 1,000 books will be left in the center; about 20 attended, "including 4 ladies;" the Red Cross would leave \$2000 in fixtures and furniture in the building if the community could obtain the building from the Legion	KM p. 1
1/19/1946	"Posts filed" - Red Cross has donated furniture for the Legion owned building to be used as a community center; the City lease starts 2/1/1946; AHJ is president of the fund raising committee, later the board president	KM p. 1
3/9/1946	Center fund has \$8,000; almost 5,000 books have arrived through negotiations started by the Legion and Pat Wright & are waiting to be cataloged; seeking center director	KM p. 1
3/23/1946	Navy donates \$1000 to building fund; the charter of the center provides use of the public library & other facilities for servicemen	KM p. 1
5/4/1946	Kenneth Wade hired to direct the community center, to start 6/1	KM p. 1
6/8/1946	Wade arrived	KM p. 1
7/6/1946	Center sets dancing opening the Sunday before July 6; didn't mention the library	KM p. 1
7/13/1946	"Center" - Supplies have arrived to prepare library for use; large staff of volunteers has worked to get books ready for circulation; Marjorie Gunderson, library chairman, says books will be ready to circulate within 2 weeks; branch library has been set up at the hospital	KM p. 1 & 4


8/17/1946	<p>"Library to open" - library to open Mon.; hours M, Tu, W, F 7-9 PM, Su afternoons 2-4 PM; 4000 fiction & NF books have been made ready through the volunteer efforts of Kodiak residents under the direction of Margorie Gunderson and Sister Hilary; lists volunteers; \$1 fee charged for library cards, circ. period 2 weeks, overdue fees 5 cents per day; from notes at BM, original volunteers were trained by Sister St. Hilary, were members of the BPW (Business & Professional Women) club</p>	KM p. 1
8/24/1946	<p>Sunday hours changed to 3-5 PM; subsequent weekly schedules list the volunteers for each open day</p>	KM
10/19/1946	<p>"To skid sheds" - Walter Sipprell to supervise changes to the Community Center Building, announced by AHJ, board chair; 2 skid sheds at the center will be relocated to accommodate the library and a store room for Red Cross emergency supplies; the room which houses the library will be converted into a "living" room for adult use with music, periodicals, meetings, etc.</p>	KM p. 1
12/7/1946	<p>"Civic Center ordinance passed" - requires that a budget be drawn up, a fund drive conducted; if the deficit would be moderate, then the city would absorb the center and library; 11 person board to include 2 appointed by the city (AHJ & Walter Sipprell) and the others representing civic groups (included 4 churches)</p>	KM p. 1
1/11/1947	<p>"Library warm" - several hundred automatic catalog cards have arrived to speed up the cataloging task of more than 6000 books, under the direction of Sister Hilary; new stove is working; 1947 edition of Ency. Americana ordered</p>	KM p. 9
5/31/1947	<p>Library needs volunteers</p>	KM
8/25/1947	<p>Frontier Book shop closing sale at 1/2 price on all books; doesn't mention whether they were still circulating books</p>	KM

10/18/1947	In an ad for the finance campaign for the Comm. Ctr it said "At the Center is one of the finest small town libraries in the world; annual budget \$500	KM
2/15/1947	Library hours and volunteers listed; hours not changed	KM p. 4
4/3/1948	Library adds 400 new books donated by the Navy Library at Dutch Harbor; Marion Curtis is now the library chairman	KM p. 3
12/19/1953	"Kodiak Library is incorporated" - KPLA has received its non-profit group inc. papers; officers are Pres - AHJ, VP - Mrs. Patrick Lynch, 2 nd VP - Basil Clark, Treas - Mrs. Marshall Crutcher, Sec-Mrs. William Smith; Incorporation allows KPLA to receive matching territorial funds up to \$150 per year; USO recently donated books	KM inside page
1956	library moved to the former shop / domestic science building	undated notes by Frostie; KPL
12/8/1957	Kodiak Rotary Club purchased land from Norman Noble for \$10 for a library site	copy at BM
1960	Rotary Club, under pres. Ivor Schott, bought a lot for the library	undated notes by Frostie; KPL
9/14/1961	At a city council meeting AHJ, pres. of the library board, suggested in a letter that provision be made to pay a librarian \$6000 & start a building fund for a library and possible museum - the motion was tabled	KM / BM
8/1964	building fund started when AHJ died AHJ memorial gathered about \$9,000 and the Rotary donated proceeds from the sale of the original library lot; when the fun was \$30,000 the library board went to the City; original building estimate was \$160,000	undated notes by Frostie; KPL / BM
4/29/1966	Picture of the wood shop building that became the library after the skid shack	BM

	demolition of library (former shop)	unsigned, undated notes; BM
7/1967		
12/8/1968	5300 sq. ft. building dedicated; seating capacity 45; building site valued at \$59,000; the building cost of \$245,000 included \$30,000 in donations, \$1200,000 local taxes, & \$95,000 in LSCA (federal Library Services & Construction Act) funds; Don M. Fenner OD was the library board chairman; Lynn Saupe did etching on dedication program; museum folder includes a copy of the architectural drawing of the original building	KM / BM
12/6/1968 (?)	article on the dedication	KM / BM
6/3/1966	50 years ago article – Wilson Erskine took shop in the building later to become the library; it was located next to the old school approximately where the Harbor View Apts. are	KM / BM
Spring 1969	article about Frostie written by Lola Harvey	The Librarian BM
1970	fund raising started for a 1,900 sq. ft AV wing for a matching state grant; Rotary Club donated \$6,000 for equipment	undated notes by Frostie; KPL
12/10/1970	article on the 2-year library anniversary; photos of interior & exterior	KM
4/20/1971	article on the need for expansion – includes good exterior photo	KM / BM
6/28/1977	AV wing dedicated	KPL
1984	Children's wing	KM / KPL
7/10/1984 (?)	article about floor problems in the new children's area	
1993	Library car port remodeled for the Alaska Reference collection	
12/8/1993	Library celebrated 25 th anniversary	KW/ BM

MEMORANDUM TO COUNCIL

To: Mayor Branson and City Councilmembers

From: Aimée Kniaziowski, City Manager 

Thru: Marty Owen, Harbormaster

Date: April 25, 2013

Agenda Item: V. f. Authorization of Lease of the Office Space at 411 Marine Way

SUMMARY: The Department of Homeland Security (DHS) and the Transportation Security Agency (TSA) need office space in Kodiak for Transportation Identification Worker Credentials (TWIC) enrollment. Approximately 250 TWIC cards were issued to Kodiak workers in 2008 and require renewal. TSA's contractor, MorphoTrust USA, Inc., investigated several office spaces in Kodiak, and the facility that fully meets their need is the small (210 sq feet) office at 411 Marine Way adjacent to the downtown restrooms at the corner of Shelikof and Marine Way. This location has sufficient parking and meets Federal ADA requirements. It has been vacant many years and was previously used as the TWIC enrollment office in 2008. No building modifications are necessary. Staff recommends Council authorize a five-month lease of office space at 411 Marine Way to MorphoTrust with an option to extend the term of the lease.

PREVIOUS COUNCIL ACTION: The City allowed TSA's TWIC contractor to use the office on Marine Way in 2008 to process worker enrollment. MorphoTrust is now asking to rent the same space for a period of five months.

BACKGROUND: TWIC cards are required for employees who work on the waterfront around regulated vessels like cargo and cruise ships, fuel barges, and others that require a master's license, including charter boats. TWIC was implemented in 2008, and five years later several hundred cards, issued to Kodiak residents, will expire. Currently, the closest place to get a TWIC renewed is Anchorage, and the renewal process requires two visits to the TWIC office.

Recently, DHS and TSA agreed to open TWIC offices in rural places like Kodiak. This service will save Kodiak employers (City of Kodiak, Horizon Lines, fuel distributors, Sampson, etc.) thousands of dollars by eliminating the airfare, per diem, and wage costs associated with travel to Anchorage.

DISCUSSION: The facility at 411 Marine Way was authorized for use by DHS and TSA to process and issue TWIC cards in 2008. The TSA's contractor, MorphoTrust, contacted the Harbor office with a request to use the building to process TWIC cards. The facility is well-suited for this purpose. It is

conveniently located, has plenty of parking, and is ADA compliant. This federal contractor will provide a mandatory service locally, which will save employers money in travel expenses to send employees to Anchorage for the cards.

Hundreds of local TWIC holders are required to renew their cards in May 2013. Without renewal, City and other local employees would have to travel to Anchorage to have their cards reissued.

The initial five month lease is at \$850 per month. If the arrangement works out satisfactorily for both parties, the lease may be renewed at the City's discretion by written notice. Details are explained in Attachment A. MorphoTrust must occupy the facility by May 1st because they need to ship their equipment to Kodiak and have it set up on May 6th. They also need permission to have the phone service and internet connected on or before May 6th. MorphoTrust is contractually obligated to have a TWIC enrollment office operational by May 13, 2013, which will benefit the Kodiak community.

Kodiak office space generally rents for between \$1.50 and \$2 per square foot, plus utilities. Since it is not possible to bill separately for utility service in this building, MorphoTrust agreed to pay \$4 per square foot. It's a reasonable deal for both the contractor and the City. The rental rate was calculated as follows: 50 percent of the average monthly electric and fuel costs plus \$2 per square foot. MorphoTrust will pay their telephone and internet service separately.

ALTERNATIVES:

1. Authorize the lease with MorphoTrust, which is what staff recommends because it benefits local employers and employees to have a contractor available in Kodiak for the renewal and issuance of TWIC cards.
2. Do not authorize the lease, which is not recommended. Not having this service available locally would continue to cost employers a great deal to send their employees to Anchorage.

LEGAL: The City attorney advised that Council could approve the lease by motion if the Council found it to be in the best interest of the public. Since the contractor is performing a service for a government agency, the tenant is not subject to any other requirements of Kodiak City Code Chapter 18.20. He prepared the lease document.

STAFF RECOMMENDATION: Staff recommends Council authorize the lease agreement for office space at 411 Marine Way with MorphoTrust USA.

CITY MANAGER'S COMMENTS: It is a great benefit for employers in Kodiak to send their employees to a local contractor for renewal or newly issued TWIC cards. It will be good to have this facility occupied, as it has been vacant since KPD closed the police substation when the new police station was finished. I support staff's recommendation that Council approve the lease and authorize me to execute it on behalf of the City.

ATTACHMENTS:

Attachment A: Lease Agreement with Morpho Trust USA to lease City owned office space for TWIC card enrollment.

PROPOSED MOTION:

Move to declare it in the best interest of the public and authorize a five-month lease beginning May 1, 2013, between the City of Kodiak and MorphoTrust USA for the office space located at 411 Marine Way for the purpose of TWIC card enrollment and authorize the City Manager to execute the agreement on behalf of the City.

**AGREEMENT TO LEASE OFFICE SPACE
FOR TRANSPORTATION WORKER IDENTIFICATION
CREDENTIAL (TWIC) ENROLLMENT**

AGREEMENT is made and effective the date of last signature hereto, by and between the **City of Kodiak ("City")**, a municipal corporation organized under the constitution and laws of the State of Alaska, with offices at 710 Mill Bay Road, Room 216, Kodiak Alaska and **MorphoTrust USA, Inc. ("Tenant")**, with its principal office at 296 Concord Road, Suite 300, Billerica, MA 01821.

WHEREAS, the City owns real property and improvements at: 411 Marine Way, Kodiak, Alaska – south corner of Marine Way and Shelikof Street intersection ("**Property**").

WHEREAS the City determined that leasing space in the building located on the Property ("**Building**") for the purpose of Transportation Worker Identification Credential (TWIC) enrollment is in the best interest of the public.

WHEREAS the Tenant desires to lease certain office space of approximately **210 square feet at: 411 Marine Way, Kodiak, Alaska ("**Premises**")** for the purposes of enrolling individuals for Transportation Worker Identification Credentials.

NOW, THEREFORE, in consideration of the mutual promises herein, and other good and valuable consideration, the parties agree as follows:

1. Term and Termination.

A. City hereby leases the Premises to Tenant, and Tenant hereby leases the same from City, for a "Term" beginning **May 1, 2013, and ending on September 30, 2013**. City shall use its best efforts to deliver the Premises to Tenant for Tenant's possession as closely as possible to the beginning of the Term. If City is unable to deliver the Premises by such date, rent shall abate for the period of delay. Tenant shall make no other claim against City for any such delay.

B. Notwithstanding the terms of Section 1.A. of this Lease, either party may terminate this Lease at any time and without penalty after the initial five (5) months of the Term upon at least thirty (30) days prior written notice to the other party.

C. The City may, in its discretion, offer to extend the Term. The City shall give the Tenant written notice of an offer to extend the Term at least sixty (60) days before the expiration of the Term then in effect. Tenant may accept an offer to extend the Term by giving the City written notice of acceptance not later than thirty (30) days after the date of the City's notice of the offer to extend. If the Tenant accepts the City's offer to extend the Term, all of the terms and conditions of this Agreement shall remain in full force and effect during the extended Term.

2. Rent. Tenant shall pay rent to the City during the Term at the rate of \$850.00 per month. Each monthly payment shall be due in advance, on the first day of each calendar month.

3. Use. Tenant may use the Premises to provide fingerprinting services and TWIC enrollment

to Tenant's invitees and for general office use, and for no other purposes.

4. Insurance.

A. At all times during the Term and any extended Term, the City shall insure the Building (but not its contents) from all risk property perils at a value that the City deems sufficient.

B. At all times during the Term and any extended Term, the Tenant will carry and maintain at its expense commercial general liability insurance, including without limitation insurance against assumed or contractual liability under this Agreement, with respect to the Premises, to afford protection with limits of liability not less than \$1,000,000 combined single limit bodily injury and property damage, \$1,000,000 personal injury, and \$1,000,000 aggregate. The Tenant shall provide the City with a certificate of insurance and/or a copy of each policy for the coverage listed herein promptly upon commencement of the Tenant's obligation to procure the same. The company or companies writing any insurance which the Tenant is required to carry and maintain shall be licensed to do business in the State of Alaska and shall be rated no less than A-7 by AM Best rating service. Commercial general liability policies shall name the City as additional insured, contain a waiver of subrogation in favor of the City and shall also contain a provision by which the Tenant agrees to give ten (10) days' written notice to the City cancellation or material modification of such policy.

5. Utilities; Taxes; Common Area Maintenance.

A. The rent payable under Section 2 of this Lease includes the supplying of water, electricity, and heat to the Premises. Tenant shall be responsible for the cost of phone and internet service.

B. Except as provided in Section 9C of this lease, City shall pay all taxes, assessments, levies and other charges which may be assessed, levied, or imposed upon, or become a lien on, the Building, the Premises or the Property.

C. "Common Areas" shall mean those areas within the Property, including the Building's entrances, public lobbies, doors, windows, hallways, corridors, main elevators, freight elevators, loading docks, walkways, plazas, access ways, lavatories, roads, drives, public and fire stairways, sidewalks, exterior ramps, the parking facilities, and other areas not leased or held for lease within or contiguous to or serving the Property, but that are necessary or desirable for Tenant's full use and enjoyment of the Premises. City shall provide the following services with respect to Common Areas: maintain and repair the Common Areas in the condition and status as City deems consistent with those of other properties nearby with the same or similar character of the Property; provide security and fire protection; cleaning and removing of rubbish, dirt, debris, snow, and ice; planting, replanting, and replacing flowers and landscaping; the care and maintenance of artwork, maintaining lighting fixtures (including the costs of light bulbs and electric current) and such other services as City may reasonably determine are required for the proper maintenance of the Common Areas.

6. Signs. With City's prior written consent, Tenant shall have the right to place at the Premises,

at locations selected by Tenant and approved by City, signs permitted under applicable zoning ordinances. City may refuse consent to any proposed signage that is in City's reasonable opinion too large, deceptive, unattractive or otherwise inconsistent with or inappropriate for the Premises or use of the Building by any other tenant. City shall assist and cooperate with Tenant in obtaining any necessary permission from governmental authorities or adjoining building owners for Tenant to place or construct the foregoing signs. Tenant shall repair all damage to the Premises resulting from the removal of signs installed by Tenant.

7. **Parking.** During the Term of this Lease, Tenant and Tenant's invitees shall have the non-exclusive use in common with City, other tenants of the Building and their invitees of the Common Areas provided for non-reserved automobile parking, driveways, and footways, subject to rules and regulations for the use thereof as prescribed from time to time by City. City reserves the right to restrict parking by Tenant and Tenant's invitees to certain parking areas.

8. **Building Rules.** Tenant will comply with the rules of the Building specified by City from time to time and will cause all of its agents, employees and invitees to do so; all changes to such rules will be sent by City to Tenant in writing at least thirty (30) days prior to such changes taking effect.

9. **Alterations and Modifications.**

A. The Tenant shall be solely responsible for the cost of partitioning and otherwise improving space within the Building in order to make such space suitable for enrolling TWIC applicants. The plans for such improvements shall be subject to the advance written approval of the City throughout the Term of this Agreement.

B. The Tenant may not make any structural alterations to the Building without the prior written approval of the City, and such alterations shall be accomplished at the expense of the Tenant, unless the City agrees otherwise in writing.

C. The Tenant shall perform all alteration work promptly, efficiently, competently and in a good and workmanlike manner by duly qualified or licensed persons or entities, using first grade materials, without interference with or disruption to the operations of the Building. All such work shall comply with all applicable governmental codes, rules, regulations and ordinances. Tenant may not permit any mechanic's or materialman's lien for such alteration work to be recorded against the Property. If any such lien is recorded against the Property, Tenant shall cause the same to be removed; provided that Tenant may in good faith and at Tenant's own expense contest the validity of any such lien without subjecting the Property to foreclosure, and if Tenant has furnished the bond required in A.S. 34.35.072 (or any comparable statute hereafter enacted providing for a bond freeing the Property from the effect of such a lien claim). Tenant shall indemnify and save the City harmless from all liability for damages occasioned by any such lien, together with all costs and expenses (including attorneys' fees) incurred by the City in negotiating, settling, defending, or otherwise protecting against such lien and shall, in the event of a judgment of foreclosure of the lien, cause the same to be discharged and removed prior to any attempt at execution of such judgment.

10. **Damage and Destruction.** Subject to the terms of Section 4A of this Lease, if the Premises

or any part thereof or any appurtenance thereto is so damaged by fire, casualty or structural defects such that the same cannot be used by Tenant's for the purposes described in Section 3 of this Lease, then Tenant shall have the right within ninety (90) days following such damage to elect, by notice to City, to terminate this Lease as of the date of such damage. In the event of minor damage to any part of the Premises that does not render the Premises unusable for Tenant's purposes, City shall promptly repair such damage at City's expense and there shall be no abatement of rent. In making the repairs described in this Section, City shall not be liable for any delays resulting from strikes, governmental restrictions, inability to obtain necessary materials or labor or other matters which are beyond the reasonable control of City. Tenant shall be relieved from paying rental payments during any portion of the Term that the Premises are inoperable or unfit for occupancy or the uses specified in Section 3 of this Lease. For any such time periods that the Premises are inoperable or unfit for occupancy or Tenant's permitted uses, Tenant shall receive credit for future rent payments Tenant may have paid in advance. If no further rent payments are to be made, any such advance payments shall be refunded to Tenant. The provisions of this Section extend not only to the matters aforesaid, but also to any occurrence which is beyond Tenant's reasonable control and which renders the Premises inoperable or unfit for occupancy or use, in whole or in part, for Tenant's permitted uses.

11. Access to Tenant Equipment. City shall provide Tenant with a means to secure its property located at the Premises during any times a Tenant employee is not present (e.g., locked cabinet, secure room).

12. Compliance with Laws. City shall ensure that the Premises, the Building and Property are in compliance with all applicable environmental, health, or safety statutes, ordinances, orders, rules, standards, regulations or requirements. City shall also ensure that the Premises, Building and Common Areas are in compliance with all legal requirements of the Americans with Disabilities Act.

13. Default. If Tenant defaults at any time during the Term on the payment of rent when due under the terms of this Lease, and if said default shall continue for fifteen (15) days after written notice thereof shall have been given to Tenant by City, or if Tenant defaults on any of the other covenants, terms or conditions under this Lease, and such default shall continue for thirty (30) days after written notice thereof to Tenant by City without correction thereof, City may terminate this Lease immediately by written notice to Tenant thereof. In the event of such termination, if Tenant has not surrendered possession of the Premises, City may reenter the Premises. City shall have, in addition to the aforementioned remedy, any other right or remedy available to City on account of Tenant default, either in law or equity. In all such instances of Tenant default, City shall use commercially reasonable efforts to mitigate its damages.

14. Quiet Enjoyment. Subject to the terms and conditions of this Lease, so long as Tenant is not in default under this Lease, City covenants and agrees that Tenant is entitled to quiet enjoyment of the Premises during the Term.

15. Indemnification. Tenant shall indemnify, hold harmless and defend the City from and against any and all claims, actions, damages, liability and expense, including without limitation attorney's and other professional fees, in connection with death or injury to persons and damage to property arising from or out of Tenant's occupancy of the Premises, occasioned wholly or in part by

any act or omission of Tenant, its officers, agents, contractors, employees or invitees; however, this provision shall not apply to any claim to the extent the claim arises from the negligence or intentional act of the City or the City's officers, agents, contractors, or employees.

16. Notice. Any notice required or permitted under this Lease shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, or by nationally-recognized overnight courier, addressed as follows:

If to City: Kodiak City Manager, Attn: Aimee Kniazowski, 710 Mill Bay Road, Room 216, Kodiak, Alaska 99615, cc: Kodiak Harbormaster, Attn: Martin Owen, 403 Marine Way, Kodiak, Alaska 99615.

If to Tenant: MorphoTrust USA, Inc. Attn: Charles Carroll, 15 Century Boulevard, Suite 500, Nashville, TN 37214. cc: MorphoTrust USA, Inc., Attn: General Counsel, 1235 South Clark Street, Suite 700, Arlington, VA 22202

City and Tenant shall each have the right from time to time to change the addresses to which such notices are to be given under this Section by providing written notice thereof to the other party.

17. Waiver. No waiver of any default of City or Tenant hereunder shall be implied from any omission to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers by City or Tenant shall not be construed as a waiver of a subsequent breach of the same or any other covenant, term or condition.

18. Governing Law. This Agreement shall be governed, construed and interpreted by, through, and under the laws of the State of Alaska, without regard to conflicts of law rules.

IN WITNESS WHEREOF, the parties have executed this Lease as of the date of last signature hereto.

City of Kodiak, Alaska

MorphoTrust USA, Inc.

By: _____

By: _____

Typed Name: Aimee Kniazowski

Typed Name: Robert Eckel

Title: City Manager


Title: Chief Executive Officer

Date: _____

Date: _____

MEMORANDUM TO COUNCIL

To: Mayor Branson and City Councilmembers

From: Aimée Kniazowski, City Manager 

Thru: Mark Kozak, Public Works Director & Glenn Melvin PE, City Engineer 

Date: April 25, 2013

Agenda Item: V. g. **Authorization of Amendment No. 1 to the Professional Services Contract for Biosolid Consultation, Project No. 7517**

SUMMARY: The City has been working on a solution for both temporary and long-term disposal of biosolids for multiple years. A sludge disposal study was conducted in 2008 to evaluate potential options and later a pilot composting project was conducted in 2010 to verify the feasibility of composting the community's biosolids. The City has contracted with CH2MHill for professional engineering support throughout the process. This contract amendment will continue the current professional service agreement for continued support through final resolution of biosolid disposal. Staff recommends Council approve Amendment No. 1 to the existing professional services contract with CH2MHILL in the amount of \$30,000, with funds coming from the Biosolid Management Project, Project No. 7517.

PREVIOUS COUNCIL ACTION:

- January 2008, Council authorized a feasibility study to identify solutions for biosolids disposal.
- August 26, 2008, CH2MHill engineers presented a project update of the sludge disposal study to Council at a work session. A major part of the presentation centered on composting as the most cost effective disposal solution.
- October 23, 2008, Council approved a pilot composting test program.
- April 2010, the composting pilot project was finalized. Results showed the pilot project exceeded Class A composting standards set by the EPA.
- Summer 2010, follow up presentations were made to Council on the program results, disposal options, and progress toward a solution.
- January 2012, Quayanna Corp. Executive Director Peter Olson presented a proposal to contract with the City to compost biosolids to the Council.
- February 2012, Council approved an MOU with Quayanna to work together toward a final composting agreement.
- July 2012, Council authorized the City Manager to begin working on a contract with Quayanna for disposal of biosolids.
- October 25, 2012, Council approved a five-year composting agreement with Quayanna.
- December 13, 2012, Council authorized a contract with CH2MHill to provide biosolid consulting services to City staff in an amount not to exceed \$30,000.

APRIL 25, 2013

Agenda Item V. g. Memo Page 1 of 3

DISCUSSION: In 2008 the City contracted with CH2MHill to evaluate viable options for disposal of biosolids in some manner other than at the landfill due to their capacity and expansion issues. The City looked into disposal options that included incineration, cannibalism, and composting. Staff and Council came to the conclusion that composting was the most cost effective method for the City to dispose of biosolids. Initial cost estimates in 2007-2008 put a composting facility at \$2 million plus, cannibalism at \$3.5 to \$4 million, and incineration at over \$5 million. At the completion of the composting pilot project, the final report estimated a composting facility for the City at over \$4 million, plus operational cost on and annual basis of roughly \$200,000.

In the fall of 2008, Council approved a composting pilot project. In June 2009 the City started a small composting pilot project that used roughly 30 cubic yards of biosolids (roughly ½ week of production) mixed with wood chips. The results of the composting project produced high quality compost defined as exceeding EPA regulatory requirements for a Class A biosolid product.

Throughout this process CH2MHill has provided City staff with professional expertise, guidance, and technical support while working on various phases of the project.

The City received a substantial amount of negative comments about everything from the cost increase to rate payers, the location, or the hazardous nature of biosolids when the public process began during the application process for Quayanna Corp. The reaction required the City to bring additional expertise into the project to address misinformation that was presented publicly by opponents of composting.

It is important that the City responses are accurate and timely when responding to public concerns or questions. CH2MHill has been a part of the effort to manage and dispose of biosolids prior to the WWTP being upgraded in 2000. They are familiar with the various phases of work completed in this effort as well as having overseen the pilot composting project. It is important that the City have ongoing professional support in order to be responsive to public questions and to work toward an acceptable solution in a relatively short period of time.

ALTERNATIVES:

1. Approve the professional services contract amendment with CH2MHill as outlined which is staff's recommendation. The City needs professional support to address engineering and public concerns and ensures that issues are responded to in a timely and accurate manner.
2. Do not authorize this contract amendment, which is not recommended. Staff must have access to qualified experts to adequately address this process and project.

FINANCIAL IMPLICATIONS: This amendment to the existing professional service contract is based on a time and material agreement. Staff expects to need this continuing support until the appropriate composting solution is identified. There are adequate funds in the project budget, Biosolid Management Project, Project No. 7517, to enter this agreement.

LEGAL: N/A

STAFF RECOMMENDATION: Staff recommends Council authorize Amendment No. 1 to the existing professional services contract with CH2MHill with a not-to-exceed amount of \$30,000, with funds coming from the Sewer Capital Improvement Fund, Biosolids Management, Project No. 7517.

CITY MANAGER'S COMMENTS: Given the number of issues we have dealt with and expect to continue to deal with related to composting, biosolids, permits, and interaction with media and DEC, we definitely continue to need the expertise of CH2MHill to respond to issues correctly. I support staff recommendation that Council approve this contract amendment and authorize me to sign it on behalf of the City.

ATTACHMENTS:

Attachment A: CH2MHill Contract Amendment No. 1

Attachment B: CH2MHill Contract

PROPOSED MOTION:

Move to authorize Amendment No. 1 to the professional services contract with CH2MHill, for biosolids facility permitting and consultation services, with a not-to-exceed amount of \$30,000, with funds coming from the Sewer Capital Improvement Fund, Biosolids Management, Project No. 7517 and authorize the City Manager to execute the amendment.

**AMENDMENT NO. 1 to the
STANDARD AGREEMENT FOR PROFESSIONAL SERVICES
and TASK ORDER NO. 1**

The purpose of this attachment is to amend both the AGREEMENT between CH2M HILL ENGINEERS, INC., ("CH2M HILL"), and the City of Kodiak ("CLIENT"), for a PROJECT generally described as Various Engineering Services and Biosolids Facility Permitting On-Call Support and amend Task Order No. 1 under the AGREEMENT.

The purpose of this **Amendment No. 1** to the AGREEMENT and Task Order No. 1 is as follows:

SCOPE OF SERVICES

Additional permitting support to the City of Kodiak for the proposed compost facility, which may include email and/or phone communication, technical memorandums in support of the permitting process, or in-person support. This amendment also provides for assistance to the City of Kodiak for development of composting predesign and siting development.

Project Schedule

It is assumed that services will be completed by December 31, 2013.

COMPENSATION

Cost of Services

This Amendment No. 1 increases the AGREEMENT not-to-exceed total to \$60,000 and increases the Task Order No. 1 total budget to \$60,000. Services will be performed on a time and materials basis at the following rates:

<u>Labor Classification</u>	<u>2012</u>	<u>2013</u>
Engineer 7	\$225	\$232
Engineer 6	\$212	\$218
Engineer 5	\$200	\$206
Engineer 4	\$182	\$187
Engineer 3	\$160	\$165
Engineer 2	\$144	\$148
Engineer 1	\$124	\$128
Technician 5	\$149	\$153
Technician 4	\$139	\$143
Technician 3	\$129	\$133
Technician 2	\$113	\$116
Technician 1	\$93	\$96
Office	\$93	\$96

All expenses will be billed at 1.10 times actual cost.


This **Amendment No. 1** to the AGREEMENT and Task Order No. 1 will become a part of the referenced AGREEMENT when executed by both parties.

IN WITNESS WHEREOF, the parties execute below:

CLIENT:

Signature _____
 Name _____
 Title _____
 Date _____

CH2M HILL Engineers, INC.:

Signature 
 Name FLOYD J. DANES, P.E.
 Title VP & Senior Pm
 Date 4/16/13



STANDARD AGREEMENT FOR PROFESSIONAL SERVICES

CH2M HILL'S OFFICE ADDRESS: 949 E 36th Ave, Suite 500 Anchorage, AK 99508

CH2M HILL'S PROJECT NO.: _____

PROJECT NAME: Various Engineering Services and Biosolids Facility Permitting On-Call Support

CLIENT: City of Kodiak

CLIENT'S ADDRESS: 2410 Mill Bay Road Kodiak, AK 99615

CLIENT requests and authorizes CH2M HILL Engineers, INC. (hereinafter "CH2M HILL") to perform the following Services:

Scope of Services

Follow-on services to the Standard Agreement for Professional Services for Biosolids Facility Permitting Support between the City of Kodiak and CH2M HILL signed by the City on September 15, 2012. Services will be provided on an On-Call/Task Order basis. This Agreement is to not be limited to Professional Services only for Biosolids Facility Permitting Support. The City of Kodiak can and may issue task orders as needed for various projects.

Compensation

Compensation by CLIENT to CH2M HILL may be on a time and materials or lump sum basis, to be determined per Task Order, not to exceed a total of \$30,000.

Schedule

Period of performance completion is December 31, 2013.

Other Terms

None

Services covered by this AGREEMENT will be performed in accordance with the Provisions and any attachments or schedules. This AGREEMENT supersedes all prior agreements and understandings and may only be changed by written amendment executed by both parties.


CLIENT:

Signature

Name (printed)

Title

Date


AMIE KNIATOWSKI
CITY MANAGER
1/15/13


CH2M HILL Engineers, INC.:

Signature

Name (printed)

Title

Date


FLOYD J. DAMAN, P.E.
VP & Senior Project Manager
11/29/12

PROVISIONS

1. Authorization to Proceed

Execution of this AGREEMENT by CLIENT will be authorization for CH2M HILL to proceed with the Services, unless otherwise provided for in this AGREEMENT.

2. Cost Opinions

Any cost opinions or Project economic evaluations provided by CH2M HILL will be on a basis of experience and judgment, but, since CH2M HILL has no control over market conditions or bidding procedures, CH2M HILL cannot warrant that bids, ultimate construction cost, or Project economics will not vary from these opinions.

3. Standard of Care

The standard of care applicable to CH2M HILL's services will be the degree of skill and diligence normally employed by professional engineers or consultants performing the same or similar services at the time CH2M HILL's services are performed. CH2M HILL will re-perform any services not meeting this standard without additional compensation.

4. Termination

This AGREEMENT may be terminated for convenience on 30 days written notice or if either party fails substantially to perform through no fault of the other and does not commence correction of such nonperformance within 5 days of written notice and diligently complete the correction thereafter. On termination, CH2M HILL will be paid for all authorized work performed up to the termination date plus termination expenses, such as, but not limited to, reassignment of personnel, subcontract termination costs, and related closeout costs.

5. Payment to CH2M HILL

Monthly invoices will be issued by CH2M HILL for all Services performed under this AGREEMENT. CLIENT shall pay each invoice within 30 days. Interest at a rate of 1-1/2 percent per month will be charged on all past-due amounts.

In the event of a disputed billing, only that disputed portion will be withheld from payment, and the undisputed portion will be paid. CLIENT will exercise reasonableness in disputing any bill or portion thereof. No interest will accrue on any disputed portion of the billing until mutually resolved.

6. Limitation of Liability

CH2M HILL's liability for CLIENT's damages will, in the aggregate, not exceed \$100,000. This Provision takes precedence over any conflicting Provision of this AGREEMENT or any document incorporated into it or referenced by it. In no event shall CH2M HILL, its affiliated corporations, officers, employees, or any of its subcontractors be liable for any incidental, indirect, special, punitive, economic or consequential damages, including but not limited to loss of revenue or profits, suffered or incurred by CLIENT or any of its agents, including other contractors engaged at the project site, as a result of this Agreement or CH2M HILL's performance or non-performance of services pursuant to this Agreement.

Limitations of liability provided herein will apply whether CH2M HILL's liability arises under breach of contract or warranty; tort, including negligence; strict liability; statutory liability; or any other cause of action, and shall include CH2M HILL's officers, affiliated corporations, employees, and subcontractors.

7. Severability and Survival

If any of the provisions contained in this AGREEMENT are held illegal, invalid or unenforceable, the other provisions shall remain in full effect. Limitations of liability shall survive termination of this AGREEMENT for any cause.

8. No Third Party Beneficiaries

This AGREEMENT gives no rights or benefits to anyone other than CLIENT and CH2M HILL and has no third party beneficiaries except as provided in Provision 10.

9. Materials and Samples

Any items, substances, materials, or samples removed from the Project site for testing, analysis, or other evaluation will be returned to the Project site unless agreed to otherwise. CLIENT recognizes and agrees that CH2M HILL is acting as a bailee and at no time assumes title to said items, substances, materials, or samples. CLIENT recognizes that CH2M HILL assumes no risk and/or liability for a waste or hazardous waste site originated by other than CH2M HILL.

10. Assignments

Neither party shall have the power to or will assign any of the duties or rights or any claim arising out of or related to this AGREEMENT, whether arising in tort, contract or otherwise, without the written consent of the other party. Any unauthorized assignment is void and unenforceable.

11. Integration

This AGREEMENT incorporates all previous communications and negotiations and constitutes the entire agreement of the parties. If CLIENT issues a Purchase Order in conjunction with performance of the Services, general or standard terms and conditions on the Purchase Order do not apply to this AGREEMENT.

12. Force Majeure

If performance of the Services is affected by causes beyond CH2M HILL's reasonable control, project schedule and compensation shall be equitably adjusted.

13. Dispute Resolution

The parties will use their best efforts to resolve amicably any dispute, including use of alternative dispute resolution options.

14. Changes

CLIENT may make or approve changes within the general Scope of Services in this AGREEMENT. If such changes affect CH2M HILL's cost or time required for performance of the services, an equitable adjustment will be made through an amendment to this AGREEMENT.

TASK ORDER NO. 1

This attachment is to the AGREEMENT between CH2M HILL ENGINEERS, INC., ("CH2M HILL"), and the City of Kodiak ("CLIENT"), for a PROJECT generally described as Various Engineering Services and Biosolids Facility Permitting On-Call Support.

The purpose of this Task Order No. 1 is as follows:

SCOPE OF SERVICES

Permitting support to the City of Kodiak for the proposed compost facility, which may include email and/or phone communication, technical memorandums in support of the permitting process, or in-person support.

Project Schedule

It is assumed that services began November 1, 2012 and will be completed by December 31, 2013.

COMPENSATION

Cost of Services


CH2M HILL proposes to perform services under this Task Order No. 1 up to a total not-to-exceed Task Order budget of \$15,000 on a time and materials basis at the following rates:

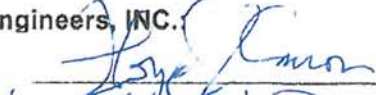
<u>Labor Classification</u>	<u>2012</u>	<u>2013</u>
Engineer 7	\$225	\$232
Engineer 6	\$212	\$218
Engineer 5	\$200	\$206
Engineer 4	\$182	\$187
Engineer 3	\$160	\$165
Engineer 2	\$144	\$148
Engineer 1	\$124	\$128
Technician 5	\$149	\$153
Technician 4	\$139	\$143
Technician 3	\$129	\$133
Technician 2	\$113	\$116
Technician 1	\$93	\$96
Office	\$93	\$96

All expenses will be billed at 1.10 times actual cost.

This Task Order No. 1 will become a part of the referenced AGREEMENT when executed by both parties.

IN WITNESS WHEREOF, the parties execute below:

CLIENT:
Signature 
Name AIMEE ANANDOWSKI
Title CITY MANAGER
Date 1/15/13

CH2M HILL Engineers, INC.
Signature 
Name Floyd J. Damron P.E.
Title L.P. & Senior Project Manager
Date 1/29/12