

City of Kodiak Special Council Meeting Agenda for January 7, 2014
7 p.m., at the Borough Conference Room, 710 Mill Bay Road (Room 121)

- I. Call to Order**
Roll Call

- II. Public Comments on Agenda Items Only**

- III. Executive Session**
 - a. Discussion of Horizon Lines Contract Negotiations.....1

- IV. Resolution No. 2014–01, Ratifying and Confirming the Extension of the Warehouse Lease Agreement, Terminal Operation Contract, and Preferential Use Agreement Between the City and Horizon Lines on a Month-To-Month Basis.....2**

- V. Adjournment**

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MEMORANDUM TO COUNCIL

To: Mayor Branson and City Councilmembers

From: Debra Marlar, City Clerk

Date: January 7, 2014

Agenda Item: **III. a. Discussion of Horizon Lines Contract Negotiations**

SUMMARY: The City Council will enter into executive session to review the draft Horizon Lines contracts.

MOTION:

Move to enter into executive session pursuant to AS 44.62.310(c)(1) to discuss matters, the immediate knowledge of which would clearly have an adverse effect upon the finances of the City, specifically the negotiation of new contracts with Horizon Lines.

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MEMORANDUM TO COUNCIL

To: Mayor Branson and City Councilmembers

From: Debra Marlar, City Clerk

Date: January 7, 2014

Agenda Item: IV. Resolution No. 2014–01, Ratifying and Confirming the Extension of the Warehouse Lease Agreement, Terminal Operation Contract, and Preferential Use Agreement Between the City and Horizon Lines on a Month-To-Month Basis

SUMMARY: The City of Kodiak and Horizon Lines are in the process of negotiating contract renewals for the Warehouse Lease Agreement, Terminal Operation Contract, and Preferential Use Agreement. The existing contracts expired December 31, 2013, and the City of Kodiak and Horizon Lines desire to extend the existing contracts on a month-to-month basis until new contracts have been negotiated and authorized by the City Council.

Resolution No. 2014–01, which was drafted by the City attorney, will authorize the Acting City Manager to extend the agreements on a month-to-month basis until new contracts have been authorized by the City Council.

ATTACHMENTS:

Attachment A: Resolution No. 2014–01

MOTION:

Move to adopt Resolution No. 2014–01.

**CITY OF KODIAK
RESOLUTION NUMBER 2014-01**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK
RATIFYING AND CONFIRMING THE EXTENSION OF THE WAREHOUSE
LEASE AGREEMENT, TERMINAL OPERATION CONTRACT AND PRE-
FERENTIAL USE AGREEMENT BETWEEN THE CITY AND HORIZON
LINES ON A MONTH-TO-MONTH BASIS**

WHEREAS, pursuant to Ordinances 1270, 1271 and 1272, respectively, the City and Horizon Lines entered into a Warehouse Lease Agreement, Terminal Operation Contract and Preferential Use Agreement (“Agreements”) dated as of January 1, 2010; and

WHEREAS, each of the Agreements expired by its terms on December 31, 2013; and

WHEREAS, negotiations between the City and Horizon Lines to renew the Agreements are in progress, but the parties have not yet agreed on all terms for the renewals; and

WHEREAS, allowing the Agreements to expire without renewals being in place would result in an unacceptable disruption of City Harbor operations; and

WHEREAS, pursuant to the authority to amend contracts in KCC 2.08.060(f), the Acting City Manager agreed to extend the term of each of the Agreements on a month-to-month basis, subject to Council ratification; and

WHEREAS, it is in the best interest of the City to continue the Agreements without interruption until renewal terms have been negotiated.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska:

Section 1. All actions taken by the Acting City Manager to extend the Agreements on a month-to-month basis commencing January 1, 2014, are hereby ratified and confirmed.

Section 2. The Acting City Manager and her designee, and any other officer of the City, each hereby is authorized to execute and deliver for and on behalf of the City any and all additional certificates, documents, opinions or other papers and perform all other acts as they may deem necessary or appropriate in order to implement and carry out the intent and purposes of this resolution.

Section 3. This resolution shall become effective upon passage and approval.

CITY OF KODIAK

MAYOR

ATTEST:

CITY CLERK

Adopted: