

**City of Kodiak Regular Council Meeting Agenda for January 8, 2015**  
**7:30 p.m., at 710 Mill Bay Road, Assembly Chambers (Room 232)**

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<b>I.</b>	<b>Call to Order/Roll Call</b>	
	Pledge of Allegiance/Invocation	
<b>II.</b>	<b>Previous Minutes</b>	
	Approval of Minutes of the December 11, 2014, Regular Council Meeting.....	1
<b>III.</b>	<b>Persons to Be Heard</b>	
a.	Proclamation: Stalking Awareness Month.....	8
b.	Public Comments (limited to 3 minutes) (486-3231)	
<b>IV.</b>	<b>Unfinished Business</b>	
a.	Second Reading and Public Hearing, Ordinance No. 1328, Authorizing a Contract With the Kodiak Historical Society to Operate the Baranov Museum.....	12
b.	Appointment to the City Position on the Prince William Sound Regional Citizens Advisory Council.....	28
<b>V.</b>	<b>New Business</b>	
a.	First Reading, Ordinance No. 1329, Authorizing the City to Enter Into an Amendment to the Preferential Use Agreement With Horizon Lines of Alaska, LLC.....	38
b.	First Reading, Ordinance No. 1330, Amending Ordinance No. 1323, Authorizing a Lease of a Communication Site in U.S. Survey 3945 on Pillar Mountain To NCWPCS MPL 31 – Year Sites Tower Holdings, LLC.....	60
c.	Resolution No. 2015–01, Accepting a State of Alaska Legislative Grant for E911 Updates.....	78
d.	Authorization of Change Order No. 1 (Second Amendment) to the Composting Contract With Quayanna Development Corporation.....	84
e.	Acceptance of FY2014 Comprehensive Annual Financial Report (Audit).....	98
f.	Advisory and Personnel Board Appointments and Planning and Zoning Commission Recommendation.....	100
<b>VI.</b>	<b>Staff Reports</b>	
a.	City Manager	
b.	City Clerk	
<b>VII.</b>	<b>Mayor’s Comments</b>	
<b>VIII.</b>	<b>Council Comments</b>	
<b>IX.</b>	<b>Audience Comments</b> (limited to 3 minutes) (486-3231)	
<b>X.</b>	<b>Adjournment</b>	

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<p><b>DRAFT</b></p>
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**MINUTES OF THE REGULAR COUNCIL MEETING  
OF THE CITY OF KODIAK  
HELD THURSDAY, DECEMBER 11, 2014  
IN THE BOROUGH ASSEMBLY CHAMBERS**

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

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

**II. PREVIOUS MINUTES**

Councilmember Whiddon MOVED to approve the minutes of the November 13, 2014, regular meeting as presented.

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

**III. PERSONS TO BE HEARD**

**a. Public Comments**

**Gretchen Saupe**, Senior Citizens Inc. Board member, thanked the Council for their support and gave an overview of senior programs. She said the Senior Citizens Inc. is the lead agency for the KATS bus. She said she appreciates the Council's support, and she encouraged individuals that would like to know more about the services to contact the Senior Center.

**John Glover**, President of the Kodiak Hockey League, stated the league is requesting the use of City property to fundraise, and he thanked the Council for their consideration.

**Tiffany Brunson**, Executive Director, Kodiak Historical Society and member of Kodiak Non-profit Network gave a brief update of the nonprofit entities and activities within the community. She said the nonprofits are social programs serving the community, and she thanked the Council for their support of the local nonprofit organizations.

**IV. UNFINISHED BUSINESS**

None

**V. NEW BUSINESS**

**a. First Reading, Ordinance No. 1328, Authorizing a Contract With the Kodiak Historical Society to Operate the Baranov Museum**

Deputy Mayor Saravia read Ordinance No. 1328 by title. The City of Kodiak has partially funded the Kodiak Historical Society (KHS) to operate the Baranov Museum for many years. The KHS requested that the City enter into an operating agreement or contract with them for the services. The City Manager worked with the KHS Executive Director over several months to develop a two-year agreement. Based on City Charter requirements and legal advice, the approval for a two-year operating agreement will be made by Council through the ordinance process.

Councilmember Haines MOVED to pass Ordinance No. 1328 in the first reading and advance it to second reading and public hearing at the next regular or special meeting.

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

**b. Resolution No. 2014–37, Issuing a Permit to Kodiak Hockey League to Sell Concessions for Hockey Games at Baranof Park**

Deputy Mayor Saravia read Resolution No. 2014–37 by title. Kodiak Hockey League is a newly formed non-profit organization that provides up to 150 Kodiak youth the opportunity to learn the game of hockey as well as sportsmanship, fair play, respect, and teamwork. KHL wants permission from the City to sell concessions in an effort to fundraise on City property to support its activities. Youth sport clubs like KHL do great work in the community and alleviate some of the burden on the City Parks and Recreation Department in administering those programs.

Councilmember Bishop MOVED to adopt Resolution No. 2014–37.

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

**c. Appointment to the City Position on the Prince William Sound Regional Citizens Advisory Council**

The City of Kodiak has a dedicated seat for a representative on the Prince William Sound Regional Citizens' Advisory Council (PWSRCAC). Jane Eisemann, who has served as the City's representative since 2001 has resigned her position, and another individual needs to be appointed to the City-designated seat. Ms. Eisemann's seat expires in May 2015. PWSRCAC staff has informed the City that the Council may recommend appointment through May 2015 or may recommend appointment through May 2017.

Councilmember Haines MOVED to appoint the City representative to the Prince William RCAC by a secret vote on paper ballot, provided that the first candidate to receive four affirmative votes be appointed for a term ending May 2017, and further provided that if no candidate receives four affirmative votes in the first ballot, a second-round ballot shall be cast, and if no candidate receives four affirmative votes in the second round, the vote shall be postponed to the January 8, 2015, meeting when the Mayor is present to break a tie.

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



Clerk Marlar initiated the first secret ballot and announced a tie vote.

Clerk Marlar initiated a second round ballot and announced another tie vote; she restated the vote will be postponed to the January 8, 2105, meeting when the Mayor is present to break a tie.

**d. Authorization to Purchase Vehicle for Public Works**

Each vehicle and piece of heavy equipment is evaluated by the City shop to determine its mechanical safety and condition prior to being recommended for replacement. By using a mechanical and structural evaluation process, the maintenance crew evaluates each piece first for safety issues and second for significant mechanical issues requiring major investment in repairs. In the FY2015 budget, Public Works budgeted for the replacement of an existing maintenance pickup for the water/distribution division. The existing pickup has been through a mechanical evaluation by the City maintenance shop and is recommended for replacement.

Councilmember Walker MOVED to award the Public Works vehicle bid to Kodiak Motors for a ½ ton 4x4 pickup truck in the amount of \$23,300, with funds coming from the Water Department, machinery and equipment account line item.

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

**e. Authorization of Professional Services Agreement With State Lobbyist**

The City Council selected Ray Gillespie of Gillespie & Associates to be the City's state lobbyist in 2011. The contract will expire on December 31, 2014. Ray Gillespie has requested to be retained by the City. In recognition of Mr. Gillespie's efforts of the past three years, the Manager recommended Council authorize a one-year contract in the amount of \$48,735, with a two-year contract extension option.

Councilmember Walker MOVED to authorize Contract No. 218110 from January 1, 2015, to December 31, 2015, with an option to renew for two additional years, with Gillespie and Associates for state lobbying services in the amount of \$48,735 plus expenses, with funds coming from the General Fund Legislative Professional Services account and authorize the City Manager to sign the contract for the City.

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

**f. Authorization of Professional Services Contract for Design and Bidding Services for Downtown Lift Stations Nos. 1 & 2 PN 11-06/7509.**

Beginning in 2011, staff started the evaluations of both lift stations 1 and 2. Based on their condition, staff did not feel either could wait until work began as part of the downtown master plan to replace utilities. A major failure of electric or leak within the dry well would be catastrophic. Both lift stations are below ground and consist of dry wells containing electrical controls, pumps and operation valves. The wet wells sit right next to the dry well and serve as the collection points to pump from. The dry wells are underground steel units that are entered from above

ground by permanent ladders inside. Through the evaluation work, corrosion study, and cost estimating, it was determined that both stations could be refurbished for considerably less than replacement and still provide many more years of service. The corrosion study indicated that there is significant life remaining in both stations and are good candidates for refurbishment.

Councilmember Bishop MOVED to authorize a professional services agreement with DOWL/HKM for design and bidding of the Downtown Lift Stations Nos. 1 & 2, Project No. 11-06/7509 in the amount of \$93,673, with funds coming from the Sewer Capital Improvement fund project number 7509 and authorize the City Manager to execute the documents on behalf of the City.

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

**g. Election of Deputy Mayor**

Under the provisions of City Charter Article II, Section 2, the City Council shall elect one of its members as Deputy Mayor no sooner than thirty days, nor more than sixty days, from the beginning of the newly-elected Councilmembers' terms. The Deputy Mayor serves a one-year term and acts as Mayor in the Mayor's absence. If a vacancy occurs in the office of Mayor, the Deputy Mayor serves until another Mayor is elected by the Council.

Councilmember Davidson MOVED to elect Terry Haines as Deputy Mayor for a one-year term.

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

**VI. STAFF REPORTS**

**a. City Manager**

Manager Kniazowski shared that Mayor Branson was awarded the Vic Fischer award at AML in November. She stated Trident has been in the news recently regarding the apartment evictions, and she was given an update on their work to relocate families during a recent meeting. She met with the Department of Transportation, and she indicated the Tustumena is currently docking at Pier I, and they have issued a press release that work at the dock is suspended until a modified permit is issued. She indicated that DEC will issue comments on the City composting permit application, and public notice and comments will be open until January 20 at 5 p.m. She gave a reminder that Michelle Drew, BDO, will be presenting the FY2014 audit in January, and DOWL will present on the downtown water and sewer master plan. She said the Monashka project is going well. She stated Planning and Zoning approved the Gibson Cove road right-of-way for placement of the flywheels. She referred to the Washington DC lobbyist report and gave a brief update on Pier III. She stated she will be on leave from December 20 until January 4, and she wished everyone a happy and safe holiday season.

**b. City Clerk**

City Clerk Marljar informed the public of the next scheduled Council work session and regular meeting.

**VII. MAYOR'S COMMENTS**

Mayor Branson was absent.

**VIII. COUNCIL COMMENTS**

Councilmember Walker thanked City workers, and he commented on all the special projects. He wished everyone a Merry Christmas and a safe holiday season.

Councilmember Bishop congratulated Mayor Branson on the Vic Fischer award and Terry Haines on becoming Deputy Mayor. He reminded everyone to be safe and not to drink and drive during the holiday season. He commented on the good work of CHARR and said that downtown drinking establishments will give out free taxi vouchers on New Year's Eve.

Councilmember Haines thanked the Council for electing him as Deputy Mayor; he said it is an honor and he enjoys working with them. He congratulated Mayor Branson on her award and thanked her for her public service. He commented he was pleased on the pump station and the work to refurbish it. He encouraged the public to view the size of the Tustumena replacement to ensure the smaller communities are served. He said he is excited for the DOWL presentation in January, and he feels it will aid the progress of the revitalization of downtown. He said he is glad the delegation made a three-year extension to the vessel discharge act, and he will continue to support a permanent solution and hopes that extensions are not necessary in the future.

Councilmember Whiddon congratulated Councilmember Haines on his election as Deputy Mayor. He said he was disappointed they were not able to appoint a Prince William Sound Regional Citizens Advisory Council seat during the meeting; however, it demonstrated the caliber of applicants. He said he was glad the kids are participating in hockey and complimented the abundance of opportunities on the island. He said Trident is an American company investing in the Kodiak community, and he hopes they are seen as a proactive company that worked to address a housing issue that was brought up by the processors a few years ago. He wished everyone happy holidays.

Councilmember Davidson said he attended AML, and was present when Mayor Branson received the Vic Fischer award, which he said was the highlight. He said the infrastructure in Kodiak is solid with electrical rates, water supply, docks, and kid activities, and he commended staff, Council, State elected officials, and the State. He said during AML there was discussion about the marijuana law, and he said governments are awaiting legislation to be set up to deal with sales and distribution. He said state revenue will be in a downturn and it will affect the road funding for Kodiak. He emphasized it will be a lean budgetary year. He wished everyone a Merry Christmas.

Councilmember Saravia congratulated Councilmember Haines and Mayor Branson. He thanked the public for their attendance at the meeting, and he wished everyone a happy and safe holiday season. He thanked the community for providing activities for the kids.

**IX. AUDIENCE COMMENTS**

None

**X. ADJOURNMENT**

Councilmember Davidson MOVED to adjourn the meeting.

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

The meeting adjourned at 8:33 p.m.

CITY OF KODIAK

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MAYOR

ATTEST:

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CITY CLERK

Minutes Approved:

## **PERSONS TO BE HEARD**

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## MEMORANDUM TO COUNCIL

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**Date:** January 8, 2015

**Agenda Item:** III. a. Proclamation: Stalking Awareness Month

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**SUMMARY:** This proclamation acknowledges staking as a serious crime and supports the efforts of victim service providers, police officers, prosecutors, national and community organizations, and private sector supporters for their efforts in assisting victims and promoting awareness about stalking.

**ATTACHMENTS:**

Attachment A: Proclamation: Stalking Awareness Month

# PROCLAMATION

## Declaring Stalking Awareness Month

WHEREAS, under the laws of all fifty states, the District of Columbia, and federal government, stalking is a crime; and

WHEREAS, 7.5 million people were stalked in one year in the United States, and the majority of victims are stalked by someone they know; and

WHEREAS, three in four women killed by an intimate partner had been stalked by that intimate partner; and

WHEREAS, many stalking victims are forced to protect themselves by relocating, changing their identities, changing jobs, and obtaining protection orders; and

WHEREAS, many stalkers use increasingly sophisticated devices, such as global positioning systems, cameras, and computer spyware to track their victims; and

WHEREAS, communities can better combat stalking by adopting multidisciplinary responses by teams of local agencies and organizations and by providing more and better victim services; and

WHEREAS, Kodiak Women's Resource and Crisis Center is joining forces with victim service providers, criminal justice officials, and concerned citizens throughout Kodiak Island and the United States to observe National Stalking Awareness Month.

NOW, THEREFORE, I, Pat Branson, Mayor of the City of Kodiak, do hereby proclaim January 2015, as:

### Stalking Awareness Month

in Kodiak and applaud the efforts of victim service providers, police officers, prosecutors, and others for assisting victims, promoting awareness to recognize the signs of stalking, acknowledging stalking as a serious crime; and urge those impacted not to be afraid to speak out or ask for help.

Dated this 8th day of January 2015.

City of Kodiak

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Pat Branson, Mayor

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# **UNFINISHED BUSINESS**

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## MEMORANDUM TO COUNCIL

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**To:** Mayor Branson and City Councilmembers

**From:** Aimée Kniaziowski, City Manager 

**Date:** January 8, 2015

**Agenda Item:** IV. a. **Second Reading and Public Hearing, Ordinance No. 1328, Authorizing a Contract With the Kodiak Historical Society to Operate the Baranov Museum**

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**SUMMARY:** The City of Kodiak has partially funded the Kodiak Historical Society (KHS) to operate the Baranov Museum for many years. The KHS requested that the City enter into an operating agreement or contract with them for the services. The City Manager worked with the KHS Executive Director over several months to develop a two-year agreement. Based on City Charter requirements and legal advice, the approval for a two-year operating agreement is made by Council through the ordinance process. Staff recommends Council pass Ordinance No. 1328 in the second reading following the public hearing.

**PREVIOUS COUNCIL ACTION:**

- Council has funded the Kodiak Historical Society to help cover operating costs of the Baranov Museum for many years through a line item in the Parks and Recreation portion of the City's operating budget
- KHS representatives made a presentation on the services provided and the requested FY2015-FY2016 funding to the Council at the March 25 work session in preparation for the final FY2015 budget and was present on May 10 at the special budget work session
- Council reviewed Ordinance No. 1328 and the proposed two year agreement at their December 9 work session
- Council passed Ordinance No. 1328 in the first reading at their December 11 regular meeting and indicated support to cover the cost for the fire suppression and alarm system costs per KHS's request

**DISCUSSION:** The City has provided funding to the Kodiak Historical Society to help cover operating costs of the Baranov Museum for many years. Each fiscal year the KHS makes a request for funding for that year, and the funding amount approved by Council is added to the Parks and Recreation's operating budget.

Last year, KHS asked that the City enter into a five-year contract with them to operate the museum, similar to the agreement the City has with the Kodiak Humane Society to operate the animal shelter. The agreement would lay out what each party is responsible for and commit the City to funding regular

increases at 3 percent per year. Staff and the KHS Executive Director worked toward development of an agreement that is shorter in length, is reasonable to both parties, and identifies the responsibilities of each party.

The recommended agreement is for two years with the specifically agreed upon funding levels for two years as supported by Council during the budget development process; \$90,000 for FY2015 and \$92,700 for FY2016. Based on discussions at the December 9 work session, Council expressed support to fund KHS's additional request to fund costs for the fire suppression and alarm system during the two years of the contract. The agreement indicates that the City will pay an amount not to exceed \$950 dollars per year for the cost of the fire suppression and alarm contract. Because the City has other agreements with this firm, staff will work with KHS and Grinnell to try to renegotiate the museum's agreement. In the meantime, KHS will manage and monitor the contract. The additional fire suppression and alarm costs will be included in the FY2015 supplemental budget amendment and will increase the Parks and Recreation operating budget by the additional \$950.

**ALTERNATIVES:** Council may adopt Ordinance No. 1328 in the second reading, which would authorize the agreement at the budgeted and previously agreed upon amounts of \$90,000 for FY2015 and \$92,700 for FY2016 and include a not-to-exceed amount of \$950 per year to cover the costs of the fire suppression and alarm system contract. Council may also postpone or amend the agreement to reflect a different FY2015-FY2016 funding allocation, neither of which is recommended.

**FINANCIAL IMPLICATIONS:** The current version of the FY2015 budget reflects an expenditure of \$90,000 for FY2015. The FY2015 amount is reflected in the General Fund, Parks and Recreation section of the budget and, the additional funds would come from the General Fund fund balance. The amount for FY2016 of \$92,700 would be added to the draft budget for Council to approve and would include the not-to-exceed amount of \$950 for fire suppression and alarm contract costs.

**LEGAL:** The City Attorney was consulted about the agreement and process and prepared the ordinance. He explained that the agreement requires approval through the adoption of an ordinance, per Section V-17 Contracts and Sales of the City Charter, because it is similar to a lease and deals with the disposal of interest in real property belonging to the City.

**STAFF RECOMMENDATION:** Staff recommends Council adopt Ordinance No. 1328 at this meeting following the public hearing. The two-year agreement ending on June 30, 2016, would formally recognize and permit the Kodiak Historical Society to provide museum services and collections to the community through the Baranov Museum with terms to be determined by Council for each of the two years, with funds coming from the General Fund, Parks and Recreation, Museum account.

**CITY MANAGER'S COMMENTS:** The City has provided annual funding amounts to the KHS for many years in order to help them operate the Baranov Museum. KHS requested a formal agreement with

the City, and I've worked with Tiffany Brunson on the development of the agreement (Attachment B) while the City Attorney fashioned the ordinance. If Council agrees to the terms of the agreement, they would adopt Ordinance No. 1328.

**ATTACHMENTS:**

Attachment A: Ordinance No. 1328

Attachment B: Proposed FY2015-2016 contract between the Historical Society of Kodiak and the City of Kodiak

Attachment C: Proposal documents from Kodiak Historical Society

**PROPOSED MOTION:**

Move to adopt Ordinance No. 1328.

**CITY OF KODIAK  
ORDINANCE NUMBER 1328**

**AN ORDINANCE OF THE COUNCIL OF THE CITY OF KODIAK  
AUTHORIZING A CONTRACT WITH THE KODIAK HISTORICAL SOCIETY TO  
OPERATE THE BARANOV MUSEUM**

WHEREAS, the City owns real property located at 101 E. Marine Way, Kodiak, Alaska, and the building located thereon known as the Baranov Museum (“Museum”); and

WHEREAS, the Kodiak Historical Society currently operates a historical museum at the Museum, consisting of a collection of artifacts, exhibits, photographs, documents and other items owned by the Kodiak Historical Society (“Collection”); and

WHEREAS, because of the Kodiak Historical Society’s experience operating the Museum and its ownership of the Collection, the Kodiak Historical Society is the only source for such services, and it is in the best interest of City and its residents that City contract with the Kodiak Historical Society for such services on a sole source basis under Kodiak City Code 3.12.070(d).

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

**Section 1:** Notwithstanding anything to the contrary in Kodiak City Code Chapter 18.20, the Council of the City of Kodiak hereby authorizes the Contract for Museum Services with the Kodiak Historical Society for a term commencing July 1, 2014, and ending June 30, 2016, for the operation of the Museum.

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

**Section 3:** The Contract for Museum Services authorized by this ordinance is subject to the requirements of City Charter Section V-17. Therefore, if one or more referendum petitions with signatures are properly filed within one month after the passage and publication of this ordinance, this ordinance shall not go into effect until the

petition or petitions are finally found to be illegal and/or insufficient, or, if any such petition is found legal and sufficient, until the ordinance is approved at an election by a majority of the qualified voters voting on the question. If no referendum petition with signatures is filed, this ordinance shall go into effect one month after its passage and publication.

CITY OF KODIAK

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MAYOR

ATTEST:

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CITY CLERK

First Reading: December 11, 2014  
Second Reading:  
Effective Date:

**CITY OF KODIAK  
CONTRACT NO. 218113  
MUSEUM SERVICES**

**CONTRACT FOR MUSEUM SERVICES** dated as of July 1, 2014 by and between the City of Kodiak, an Alaska municipal corporation (“City”), whose address is 710 Mill Bay Road, Kodiak Alaska, and the Kodiak Historical Society, an Alaska nonprofit corporation (“Contractor”), whose address is 101 E. Marine Way, Kodiak Alaska.

WHEREAS, City owns real property located at 101 E. Marine Way, Kodiak, Alaska, and the building located thereon known as the Baranov Museum (“Museum”); and

WHEREAS, Contractor currently operates a historical museum at the Museum, consisting of a collection of artifacts, exhibits, photographs, documents and other items owned by Contractor (“Collection”); and

WHEREAS, because of Contractor’s experience operating the Museum and its ownership of the Collection, Contractor is the only source for the services that it is to provide under this Contract, and it is in the best interest of City and its residents that City contract with Contractor for such services on a sole source basis under Kodiak City Code 3.12.070(d).

NOW, THEREFORE, for and in consideration of the premises, and the terms, covenants, conditions, and provisions contained herein, it is the parties agree as follows:

**ARTICLE I**

**Provision of Services, Term, Compensation**

**Section 1.1. Agreement to Provide Services.** Contractor shall operate the Museum and provide museum services for the City as described in Article II.

**Section 1.2. Term of Contract.** The term of this contract commences July 1, 2014, and expires June 30, 2016, provided that either party may terminate this contract upon thirty (30) days written notice to the other party.

**Section 1.3. Compensation.** City shall pay Contractor the following annual fees for the services that Contractor provides under this contract. The annual fee shall be payable to Contractor in advance in equal quarterly installments on the first days of July, October, January and April; provided that the first quarterly installment shall be due on the day following the effective date of City Council approval of this contract.

(a) For the period from July 1, 2014 through June 30, 2015: \$90,000, plus an amount not to exceed \$950.00 for fire suppression system costs.

(b) For the period from July 1, 2015 through June 30, 2016: \$92,700, plus an amount not to exceed \$950.00 for fire suppression system costs.

## ARTICLE II Scope of Services

**Section 2.1. Scope of Work in General.** Contractor shall provide museum operation services at the Museum, including without limitation collections care, management of Contractor's archives, exhibitions, educational programs, and building stewardship.

**Section 2.2. Specific Museum Management Duties.** Subject only to the limitations set forth in this Contract, Contractor shall have, and hereby agrees to undertake and assume, full and complete control and discretion in the management and operation of the Museum during the term of this contract, including without limitation the following:

(a) Employ, pay, supervise, and discharge all employees as deemed necessary by Contractor for the operation of the Museum;

(b) Adopt and implement all policies relating to the acquisition, accession, loan, care, storage, deaccession, and disposal of the Collection in accordance with the standards defined by the American Alliance of Museums;

(c) Adopt and implement the exhibition, interpretation, display and public access of the Collection in accordance with the standards defined by the American Alliance of Museums;

(d) Adopt and implement the historical, educational and research policies, programs and activities of the Museum;

(e) Properly maintain all Collection inventory records, accession records, condition assessment and conservation records, and exhibition records;

(f) Adopt and implement the budgetary and fiscal policies of the Museum, including the establishment of admission fees and other fees and charges for other program services;

(g) Keep and maintain the financial books and records of the Museum in accordance with generally accepted accounting principles;

(h) Adopt and implement the building and maintenance policies for the Museum;

(i) Adopt and implement the best practices for building stewardship of the Museum;

(j) Adopt and implement policies relating to the ancillary activities and services offered at the Museum; and

(k) Adopt and implement policies relating to the promotion and publicity of the Museum.

In performing its duties under this Section, Contractor shall exercise the same degree of care and skill exercised by nonprofit corporate owners and managers of similar local/regional history museums in the United States and shall comply in all material respects with all laws applicable to the conduct of its business and the use and operation of the Museum.

**Section 2.3 Public Museum.** Contractor shall operate the Museum as a facility open to the general public, subject to such reasonable rules and regulations as Contractor may promulgate in its discretion from time to time regarding matters that include without limitation admission fees; days and hours of operation; the safety of employees and the general public; the safety, protection and security of the Collection; the anonymity of donors who desire anonymity; and, to the extent required by law, the confidentiality of employee records and business records.

**Section 2.4. Collection.** Contractor shall have full responsibility for the maintenance, care, documentation and use of the Collection. The accession and deaccession of Collection items as



well as their management, care, documentation and use shall be governed by Contractor's Collection Management Policy and in accordance with standards defined by the American Alliance of Museums. The Collection will be used for exhibitions, research and public programs at the discretion of Contractor in accordance with its mission and in order to provide museum services to the City.

**Section 2.5. Contractor Employment Responsibilities.** All services required under this Contract shall be performed by Contractor or under its supervision. Contractor shall employ at its own expense all personnel required to perform Contractor's services under this Contract in a timely and proper manner. Such personnel shall not be considered contractors or employees of the City, and the City shall have no responsibility or liability whatsoever to any Contractor personnel, or for their acts or omissions.

**Section 2.6. Alterations and Improvements to Museum.** Contractor may make whatever nonstructural alterations or improvements to the Museum that it deems necessary or desirable in the best interests of the Museum. Contractor shall make no structural alterations or additions to the Museum or any associated City property without the written consent of the City. Unless otherwise provided in such written consent, any structural improvements or additions constructed by the Contractor shall become the City property upon substantial completion. All such nonstructural or structural alterations, improvements and additions, regardless of how funded, shall be part of the Museum real property and shall be subject to the terms of this Agreement.

**Section 2.7. Personal Property.** Contractor may furnish, install and maintain at the Museum any and all personal property which Contractor deems necessary or desirable in connection with the operation of the Museum. All tangible personal property acquired by City or Contractor and installed in or located at the Museum, regardless of how funded, shall be deemed to be subject to the terms of this Contract. All personal property installed in or located at the Museum shall be the property of Contractor. Contractor may alter, rehabilitate and improve such personal property in such manner, as it deems necessary or desirable in the best interests of the Museum.

**Section 2.8. No Liens.** In performing any work required or permitted under this contract, Contractor shall keep the Museum free of all liens, and hold the City harmless from liability for any such liens, including costs and attorney fees.

### **ARTICLE III Payment of Expenses**

**Section 3.1. In General.** Except as this Article provides otherwise, Contractor shall bear all costs and pay all expenses incurred in providing the services required under this contract.

**Section 3.2. Utilities.** City shall pay the costs of the following utility services provided to the Museum: fuel oil, heat, electricity, water and sewer. Contractor shall pay the costs of telecommunications utility services and, except as provided in the preceding sentence, any and all other utilities provided to Contractor at the Museum.

**Section 3.3. Repairs and Maintenance.**

- (a) Contractor shall provide at its expense the following at the Museum:
  - (1) Interior janitorial services
  - (2) Replacement of light bulbs and receptacles as needed
  - (3) Exhibit construction and maintenance
  - (4) Flower beds and plant box plantings and maintenance
  - (5) Fire alarm and suppression system annual inspections
  - (6) Boiler system annual inspections
- (b) City shall provide at its expense the following at the Museum:
  - (a) Maintenance of electrical, water and sewer utility facilities
  - (b) Snow removal from the parking lot and pedestrian walkways
  - (c) Lawn mowing and general landscaping
  - (d) Maintenance or replacement of sidewalk and parking lot pavement
  - (e) Structural building maintenance or replacements when funds are available

**ARTICLE IV  
Indemnification and Insurance**

**Section 4.1. Indemnification.** To the fullest extent permitted by law, Contractor agrees to defend, indemnify, and hold harmless City, its elected and appointed officials, employees, and volunteers against any and all liabilities, claims, demands, lawsuits, or losses, including costs and attorney fees incurred in defense thereof, arising out of or in any way connected or associated with this contract.

**Section 4.2. Insurance.**

(a) Contractor, at its expense, shall provide the following insurance coverages for its performance under this contract, and shall provide to City certificates of insurance and/or policies acceptable to City therefore at the time this contract is executed:

(1) Commercial General Liability Insurance. Contractor shall maintain Commercial General Liability Insurance with a minimum of \$1,000,000 per occurrence and/or aggregate combined single limit, personal injury, bodily injury, and property damage.

(2) Workers' Compensation Insurance. Contractor shall provide and maintain, for all employees of Contractor engaged in work under this contract, Workers' Compensation Insurance as required by AS 23.30.045 or any other applicable statutes or regulations. Contractor shall be responsible for Workers' Compensation Insurance for any subcontractor who directly or indirectly provides services under this Contract.

(b) Additional Insurance Requirements. Each policy of insurance that Contractor provides under this section shall:

(1) List the as additional insureds City, including all elected and appointed City officials, all City employees and volunteers, all City boards, commissions and/or authorities and their board members, employees, and volunteers, and waive subrogation in favor of the foregoing;

(2) Provide coverage that is primary to City and not contributing with any other insurance or similar protection available to City, whether other available coverage be primary, contributing, or excess;

(3) Require sixty (60) days written notice of cancellation non-renewal, reduction and/or material change addressed to: City Clerk, 710 Mill Bay Road, Room 220, Kodiak, AK 99615.

(c) Continuation of Coverage. If the above coverage expires during the term of this Contract, Contractor shall deliver renewal certificates and/or policies to City at least ten (10) days prior to the expiration date. Contractor shall not commence operations under this Contract until it has obtained the coverage required under the terms of this Contract. All coverage shall be with insurance carriers licensed and admitted to do business in the State of Alaska and acceptable to City. If Contractor fails to comply with the insurance requirements of this contract, City may terminate this contract on ten (10) days written notice. Contractor covenants to maintain all insurance policies required in this Contract for the period of time in which a person may commence a civil action as prescribed by the applicable statute of limitations. The coverage required by this Contract shall cover all claims arising in connection with Contractor's performance under this contract, whether or not asserted during the term of this contract and even though judicial proceedings may not be commenced until after this contract expires.

## **ARTICLE V Miscellaneous**

**Section 5.1. Independent Contractor.** Notwithstanding anything to the contrary contained herein, this contract shall not be deemed or construed to make the parties hereto partners or joint venturers, to render either party liable for any of the debts or obligations of the other, or to make either party the agent of the other or to bind or obligate the other in any manner to any third party. Without limiting the generality of the foregoing, the employees of Contractor are not City employees and are not entitled to any of the benefits City provides for its employees, including without limitation, health, life or disability insurance, sick or annual leave, or worker's compensation.

**Section 5.2. Authority of Signers.** Each individual executing this contract hereby represents and warrants that he or she has the capacity set forth on the signature pages hereof with full power and authority to bind the party on whose behalf he or she is executing this contract to the terms hereof.

**Section 5.3. Entire Agreement; Amendment.** This contract constitutes the entire agreement and understanding of the parties with respect to the subject matter hereof, and there are no other prior or contemporaneous written or oral agreements, undertakings, promises, warranties, or covenants with respect thereto not contained herein. This Agreement may be amended only by a written instrument executed by each of the parties hereto.

**Section 5.4. No Waiver.** No waiver of any condition or provision of this contract by any party shall be valid unless in writing signed by such party. No such waiver shall be deemed or construed as a waiver of any other or similar provision or of any future event, act, or default.

**Section 5.5. Severability.** If any provision of this contract is deemed unenforceable in whole or part, such provision shall be limited to the extent necessary to render the same valid or shall be deemed excised from this contract and replaced by a valid provision as close in meaning and intent as the excised provision as circumstances require, and this contract shall be construed as if said provision had been incorporated herein as so limited or as so replaced, as the case may be.

**Section 5.6. Assignment or Delegation.** Contractor may not assign its rights or delegate its duties under this contract, or any part of it, except with the prior written consent of City.

**Section 5.7. Governing Law.** This contract shall be governed by the laws of the State of Alaska and any suit or legal action hereunder shall be brought only in the courts of said State, in the Third Judicial District at Kodiak.

**Section 5.8. Notice.** Any notice required by this contract must be hand delivered or sent by first class mail to the appropriate party at the address set forth above the signatures below, or any other address which the party subsequently designates in writing.

IN WITNESS WHEREOF, the parties hereto have hereunder set their hands this \_\_\_\_ day of \_\_\_\_\_ 2015.

CITY OF KODIAK  
710 Mill Bay Road  
Kodiak, AK 99615

KODIAK HISTORICAL SOCIETY  
101 E Marine Way  
Kodiak, AK 99615

\_\_\_\_\_  
Aimée Kniazowski, City Manager

\_\_\_\_\_  
Michael Bach, President

Attest:

Witness:

\_\_\_\_\_  
Debra L. Marlar, City Clerk

\_\_\_\_\_



## KODIAK HISTORICAL SOCIETY

101 MARINE WAY, KODIAK, ALASKA 99615  
 (907) 486-5920 • [baranov@ak.net](mailto:baranov@ak.net)  
[www.baranovmuseum.org](http://www.baranovmuseum.org)

December 4, 2013

Aimee Kniazowski, City Manager  
 Mayor Pat Branson  
 City Council Members  
 City of Kodiak  
 P.O. Box 1397  
 Kodiak, Alaska 99615

Dear Ms. Kniazowski, Mayor Branson and Council Members,

The City of Kodiak and the Kodiak Historical Society have been in partnership to care for and operate the Baranov Museum since 1972, when the City accepted the ownership of the Russian American *magazin* from the Alaska Housing Authority. Together we have built a museum unlike anything else in the state of Alaska. The Museum, Alaska's oldest building, is also the only Alaskan structure that encompasses the history of both the Russian-American Company and the Alaska Commercial Company – two trading empires that shaped the development of Alaska for 150 years. The collections housed within are the authentic and tangible remnants of this remarkable history. We sincerely appreciate the City's ongoing stewardship. Though our partnership has functioned well to protect the *magazin* and the history of Kodiak, our agreement has never had a formal contract, leaving both our organizations and the building vulnerable.

The City of Kodiak owns our physical building and provides utilities as an in-kind contribution of \$16,400 for FY2013. The City of Kodiak currently provides \$77,500 to the Kodiak Historical Society to operate the Baranov Museum. The Kodiak Historical Society uses these funds to support its basic operating costs and provide cost share for federal, state and local grants to fund special projects.

The contribution from the City provides for less than 22% of our annual income with an additional 2% with the in kind utilities. With this money we provide the City with vital museum services including operation of the Baranov Museum five days a week in the winter and six days in the summer; care and preservation of an ever-increasing collection of artifacts, photographs, publications and documents significant to the history of our community; the provision of interpretive tours of the Baranov Museum to visiting groups including school children, historical researchers, independent travelers, delegations and other special guests, and to any group upon request; the provision of educational programming to the Kodiak community including research lectures, art exhibits and workshops and monthly children's art and educational activities; and creating new temporary exhibits, such as *Kodiak's Filipino Community Stories* ( October 2012 – May 2013) and *Found on Site: Objects From Within The Magazin* ( May 2013 - present) that offer new and dynamic learning opportunities.

The City's contribution provides less than 25% of our operating expenses. As a healthy nonprofit, we have diverse revenue streams. We can and do secure grant funds for expanding programs and special initiatives, but it is nearly impossible to fund basic operational needs through competitive grants.

The additional amount we ask from the city would raise the city contribution to nearly 30%. The funds would allow us to secure larger grants to offer more programs to the community, increase the accessibility of our collections and archives, renovate our exhibits and better preserve and share Kodiak's history. A built in 3% compounded increase would allow us to keep up with the increased cost of operations each year.

The partnership with the City of Kodiak allows us to care for our unique and irreplaceable building, the Russian American *magazin*. Consistent local government support is an important indicator that funding agencies look for when considering whether the Baranov Museum merits their financial investment. In just the past five years, the Society has raised \$665,000 through federal and state grants, state legislative requests and local fundraising solely for much needed restoration on the building, including restoration of the windows, full exterior paint, a new electrical system and fire suppression system. The Society is fully committed to the continued preservation of the Baranov Museum building and part of the museum services offered in the contract with the City are building stewardship, including applying for grants, legislative requests and local fundraising, identifying and managing the needs of the building, seeking expert recommendations on the best ways to protect this National Historic Landmark and providing administration services for any restoration project.

Government contributions to museums and other cultural institutions benefit more than just historic buildings and objects. Museums rank among the top three family vacation destinations and businesses factor access to cultural resources into their decisions to relocate. Supporting cultural and heritage institutions supports the economic well being of communities; governments that support the arts see a return on their investment on average of over \$7 in taxes for every \$1 the government appropriates. The Society uses the contribution of the City as cost share for grants in addition to its own funds. Last year, as an example, the Society received \$50,000 in grants, each of which required a 1:1 cost share. Much of those funds are expended locally through paying local businesses or staff, funneling that money back into our local economy.

The relationship between the City of Kodiak and the Kodiak Historical Society is not unusual. According to a 2009 survey, at least five other cities in Alaska own the building housing the local museum while a nonprofit corporation owns the collections and operates the museum: Sitka, Wasilla, Haines, Cordova and Unalaska. All of these museums are funded by the city at or above 50%. Prior to 2004, the City of Kodiak funded the Baranov Museum at 35% or \$92,000. Costs of nearly every service provided by the Society continue to increase, but a return to 2004 funding levels would allow the Society to expand and improve the museum services it currently provides.

Through the Baranov Museum, The Kodiak Historical Society creates opportunities for the public to explore the cultural history of Kodiak Island and neighboring communities. Our collections are catalysts in the learning process and the museum is a learning place where knowledge is discovered, shared and exchanged. The City of Kodiak is instrumental in the operation of the Baranov Museum. A contract between the City and the Society would protect both organizations and solidify our forty year partnership.

Most sincerely,

Tiffany Brunson  
Executive Director, Kodiak Historical Society

KODIAK HISTORICAL SOCIETY -- OPERATING BUDGET		
<b>REVENUE</b>		<b>FY15</b>
		<b>Budget Draft</b>
<b>Grants</b>		
City Grant	\$	90,000.00
Borough Grant	\$	9,000.00
City Inkind Grant	\$	16,000.00
Museums Alaska/Rasmuson	\$	2,820.00
Spouses Association of Kodiak	\$	500.00
Other Grants	\$	2,000.00
<b>Total Grants</b>	<b>\$</b>	<b>120,320.00</b>
<b>Contributed Income</b>		
Donations	\$	17,000.00
Foundations	\$	5,000.00
<b>Total Contributed</b>	<b>\$</b>	<b>22,000.00</b>
<b>Earned Income</b>		
Membership	\$	4,000.00
Admissions	\$	16,000.00
Education Programs	\$	1,000.00
Fundraising	\$	8,500.00
Archival Revenue	\$	200.00
Store Sales	\$	80,000.00
<b>Tot Earned Inc</b>	<b>\$</b>	<b>109,700.00</b>
<b>TOT. REVENUE</b>	<b>\$</b>	<b>252,020.00</b>

<b>EXPENDITURES</b>	<b>FY15</b>	
	<b>Budget Draft</b>	
Wages/Benefits	\$ 195,000.00	
Store Goods Cost	\$ 35,000.00	
In-Kind Utilities	\$ 16,000.00	
Finanical Services	\$ 7,500.00	
Exhibits	\$ 500.00	
Collections Care	\$ 4,320.00	
Acquisitions	\$ 5,000.00	
Equipment	\$ 500.00	
Marketing & Promotions	\$ 6,500.00	
Ed. Program supplies	\$ 1,500.00	
Supplies	\$ 3,000.00	
Communications	\$ 7,000.00	
Travel/Education	\$ 6,000.00	
Printing/Graphic Design	\$ 3,000.00	
Repairs/Maintence	\$ 2,500.00	
Insurance	\$ 2,200.00	
Meetings/Catering	\$ 1,000.00	
Fundraising	\$ 1,500.00	
Dues/Subscrip	\$ 1,500.00	
<b>TOT. EXPENDS.</b>	<b>299,520.00</b>	
<b>NET PROCEEDS</b>	<b>(47,500.00)</b>	
Non-Operating Income		
Interest Earned		
Realized Gains/Losses		
Unrealized Gains/Losses		
Other Miscellaneous		
Total Non-Operating		



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## MEMORANDUM TO COUNCIL

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**To:** Mayor Branson and City Councilmembers

**From:** Aimée Kniaziowski, City Manager  
Debra Marlar, City Clerk *DM*

**Date:** January 8, 2015

**Agenda Item:** IV. b. Appointment to the City Position on the Prince William Sound Regional Citizens Advisory Council

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**SUMMARY:** The City of Kodiak has a dedicated seat for a representative on the Prince William Sound Regional Citizens' Advisory Council (PWSRCAC). Jane Eisemann, who has served as the City's representative since 2001 has resigned her position, and another individual needs to be appointed to the City-designated seat. Ms. Eisemann's vacant seat expires in May 2015. PWSRCAC staff has informed the City that the Council may recommend appointment through May 2015 or may recommend appointment through May 2017. At the December 11, 2014, regular meeting the Council moved to approve the seat through May 2017. At that same meeting, the Council's motion to elect the position via secret ballot resulted in a tie vote; thereby, moving the issue to this meeting for the Mayor to break the tie.

**PREVIOUS COUNCIL ACTION:** The City of Kodiak has appointed a representative to the PWSRCAC since it was established in the early 1990s. Jane Eisemann has served in the position since January 25, 2001. At the December 11, 2014, meeting the Council voted, via secret ballot, to appoint either Trenton Dodson or Wayne Donaldson. The vote resulted in a tie, and the appointment was postponed to the January 8, 2015, meeting for the Mayor to break the tie vote.

**BACKGROUND:** The Prince William Sound Regional Citizens' Advisory Council's mission is to promote environmentally safe operation of the Alyeska Pipeline marine terminal in Valdez and the oil tankers that use it. The City's representative on the PWSRCAC has the opportunity to influence decisions having profound implications for oil transportation safety in Alaska and the State's oil spill prevention and response capabilities. PWSRCAC is seeking an appointee who understands Kodiak's needs, concerns, and perspectives; has a basic familiarity with oil spill transportation issues; has a schedule flexible enough to allow for travel; is committed to the PWSRCAC's mission; and seeks opportunities to foster cooperative relationships with citizens, industry, and regulatory agencies.

**DISCUSSION:** The City Clerk advertised the vacant position in the newspaper and via Public Service Announcements. Two applications were received. At the December 9 work session, the Council interviewed applicants and reviewed applications for the vacant position. At the December 11 regular meeting a tie vote by secret ballot occurred, and the vote was postponed to this meeting for the Mayor to break the tie vote.

**ALTERNATIVES:**

- 1) Appoint a City representative to the PWSRCAC. This is recommended to ensure the City continues to be represented on the Advisory Council.
- 2) Do not make an appointment, which is not recommended.

**CITY MANAGER'S COMMENTS:** I recommend an appointment be made to the PWSRCAC at this meeting. Kodiak has been well served through the representation of Jane Eisemann for the past 13 years. There is interest in serving on this board to guarantee Kodiak representation and encourage Council to select a candidate to fill that seat through May 2017.

**ATTACHMENTS:**

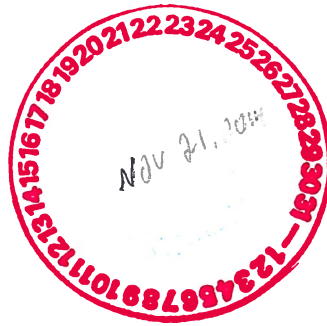
- Attachment A: Letters of interest and qualifications
- Attachment B: Resignation letter from Jane Eisemann
- Attachment C: PWSRCAC email regarding term of appointee

*Clerk's Note: The following motion is already on the floor, and the Mayor will cast her vote to break the tie vote from the December 11, 2014, meeting.*

*Move to appoint the City representative to the Prince William RCAC by a secret vote on paper ballot, provided that the first candidate to receive four affirmative votes be appointed for a term ending May 2017, and further provided that if no candidate receives four affirmative votes in the first ballot, a second-round ballot shall be cast, and if no candidate receives four affirmative votes in the second round, the vote shall be postponed to the January 8, 2015, meeting when the Mayor is present to break a tie.*

**TRENTEN T. DODSON**

P.O. Box 8320  
Kodiak AK 99615



mobile: 586.219.3793  
work: 907-486-6555  
e-mail: kraa.dodson@gci.net

November 21, 2014

Honorable Pat Branson, Mayor  
Kodiak City Council  
701 Mill Bay Road, Room 216  
Kodiak, AK 99615

RE: Consideration as a City of Kodiak’s representative for the Prince William Sound RCAC

Mayor Branson and City Council members,

I am writing this letter to express my interest in serving as the City of Kodiak’s representative on the Prince William Sound Regional Citizen’s Advisory Council’s (Prince William Sound RCAC) board of directors. You will find I am very familiar with the RCAC’s operations and its role in oil spill prevention and environmental protection.

Currently, I am a public member of the Cook Inlet Regional Citizen’s Advisory Council’s (Cook Inlet RCAC) Environmental Monitoring Committee (EMC) and in the past, I have served as member of the EMC, Protocol Committee, and Executive Committee as a Cook Inlet RCAC board member representing the commercial fishing interest groups. Additionally, I was employed by Cook Inlet RCAC as the Director of Public Outreach here I provided outreach and education on Council research projects and oil spill prevention efforts to federal, state, and local governments as well as at national conferences.

I feel that my past Cook Inlet RCAC experience and my background in science and biology - Cook Inlet Aquaculture Association (CIAA) from 2001 to 2007 - will afford me the opportunity to make a positive contribution to the Prince William Sound RCAC. My position current position with the Kodiak Regional Aquaculture Association (KRAA) will also bring an understanding of the importance of Kodiak’s salmon resource to our economy and our need to protect that resource. For further information, I have included my resume.

Thank you for your consideration,

Trenten T. Dodson

- Cc/ Randall Bishop
- Charles Davidson
- Terry Haines
- Gabriel Saravia
- Richard Walker
- John Whiddon

## TRENTEN T. DODSON

P.O. Box 8320  
Kodiak AK 99615

*mobile:* 586.219.3793  
*work:* 907-486-6555  
*e-mail:* kraa.dodson@gci.net

- EMPLOYMENT**
- Kodiak Regional Aquaculture Association (Kodiak, AK)      December 2012-Present  
**Production and Operations Manager**  
Project Management: Responsible for overseeing, all aspects hatchery operations and field investigations of salmon on Kodiak & Afognak Islands. Develop new projects to increase salmon production.  
Outreach: Present research findings to state and local governments and community organizations; Write, design and manage newsletter, annual report and other publications; Maintain website and social media
- Trenten Dodson – Sole Proprietor (Soldotna, AK)      October 2007-2012  
**Independent Design Contractor**  
Write and design newsletters, annual reports, and informational brochures; Coordinate printing services for client
- Waddell & Reed (Kenai, AK)      June 2011-August 2012  
**Financial Advisor**  
Worked with clients to find proper investment strategies through detailed financial planning; Sold mutual funds, life and health insurance, and stocks and bonds
- Cook Inlet Regional Citizens Advisory Council (Kenai, AK) October 2007-May 2011  
**Director of Public Outreach**  
Media contact and spokesperson; Wrote press releases; Provided outreach and education on Council research projects and oil spill prevention efforts to federal, state, and local governments as well as at national conferences; Provided assistance with grant applications; Wrote, designed and managed newsletter, annual report and other publications; Maintained website and relations with US Coast Guard
- Cook Inlet Aquaculture Association (Kenai, AK)      May 2001-September 2007  
**Senior Biologist**  
Conducted hatchery evaluation and research projects, analyzed fisheries data, managed budgets and grants; Wrote reports; Procured federal and state permits, oversaw logistics of 12 field camps; Coordinated commercial fishing and fish processing efforts for cost recovery program; Maintained warehouse and procured supplies and materials
- EDUCATION**
- Wabash College (Crawfordsville, IN)      1993-1998  
Bachelor of Arts  
Biology, Psychology
- Northern Michigan University (Marquette, MI)      2000  
Post Baccalaureate Biology Courses
- AWARDS**
- Kenai Rotary Club – Rotarian of the Year 2010-2011  
Kenai River Brown Bears – Volunteer of the Year 2011-2012  
Waddell & Reed Superstar Award – Bronze Level

**TRENTEN T. DODSON**

P.O. Box 8320  
Kodiak AK 99615

*mobile: 586.219.3793*  
*work: 907-486-6555*  
*e-mail: kraa.dodson@gci.net*

**COMMUNITY  
INVOLVEMENT**

Cook Inlet RCAC Environmental Monitoring Committee (Public Member)	March 2013-Present
Kodiak Maritime Museum Board Member, Secretary	January 2013-Present
Peninsula Oilers - Alaska Baseball League (Kenai, AK) Public Address Announcer	June 2012-July 2012
Alaska Challenger Learning Center (Kenai, AK) Helicopter Underwater Egress Training Safety Diver	March 2012-July 2012
United Way of the Kenai Peninsula Allocation Committee	2010-2012
Kenai Peninsula Youth Foundation Kenai River Brown Bears Junior A Hockey	2009-2012
Junior Achievement of the Kenai Peninsula Board Member	2009-2012
Kenai Chamber of Commerce Ambassador, Scholarship Committee	2008-2012
Kenai Watershed Forum Volunteer, Endowment Committee	2001-2012
Rotary Club of Kenai Scholarship Chair President Secretary	2008-2012 2010-2012 2011-2012 2009-2011
Cook Inlet RCAC Board of Directors (Commercial Fishing Representative) Environmental Monitoring Committee Executive Committee Protocol Committee (Vice-Chair)	2006-2007
Cook Inlet Salmon Branding Board Member, Secretary	2003-2005

**Wayne K. Donaldson**  
**Box 3312 (1516 Baranof Street)**  
**Kodiak, AK 99615**  
**Cell Phone: 907-654-7350**  
**Home Phone: 907-486-8882**  
**Email: wkdonaldson1@gmail.com**



Letter of interest for City of Kodiak representative to Prince William Sound Regional Citizens' Advisory Council.

I've lived in the oil spill region since 1985 and was a resident of Cordova at the time of the *Exxon Valdez* tanker grounding. In 1989, while working for the Alaska Department of Fish and Game (ADF&G), I conducted oil spill damage assessment projects on fishery resources along with managing commercial shellfish resources in Prince William Sound (PWS). From 1991 – 1994 I managed the PWS salmon and herring stocks, and in 1995, transferred to Kodiak and supervised management of commercial salmon and herring fisheries and later shellfish and groundfish fisheries.

In December 2004, the M/V *Selendang Ayu* ran aground off Unalaska Island, and in December 2012 the drilling vessel *Kulluk* grounded on the east side of Kodiak. My involvement with each grounding was to manage fisheries for zero tolerance for product contamination and avoidance of fishing gear interactions.

Board members of the Prince William Sound Regional Citizens' Advisory Council promote environmental safety in the transportation of oil and I would welcome the opportunity to contribute to this independent advisory group. I am knowledgeable of the commercial fisheries and geography of this region, and have previous experience serving on volunteer boards. I believe I could represent the City of Kodiak in this capacity.

**EDUCATION**            University of Alaska  
Fairbanks, Alaska  
Bachelor Science, Biology – May 1980

**EMPLOYMENT**        State of Alaska  
Department of Fish and Game  
Kodiak, Alaska  
1999 – present: Regional Shellfish/Groundfish Management Biologist  
1995 – 1999: Regional Salmon/Herring Management Biologist

State of Alaska  
Department of Fish and Game  
Cordova, Alaska  
1991 – 1994: Salmon/Herring Area Management Biologist  
1985 – 1990: Shellfish Area management Biologist

**VOLUNTEER**            University of Alaska Fairbanks  
Alumni Association Board of Directors  
2011 – 2017

St. Mary's Parish, Kodiak  
Finance Council member  
2012 - present

## Professional References

Nick Sagalkin  
Regional Supervisor  
Alaska Department of Fish & Game  
Kodiak, Alaska  
Nick.Sagalkin@Alaska.gov  
907-486-1801

Doug Pengilly  
Regional Research Biologist  
Alaska Department of Fish & Game  
Kodiak, Alaska  
Doug.Pengilly@Alaska.gov  
907-486-1865

Heath Hilyard  
President  
University of Alaska Fairbanks Alumni Association  
HeathEdward@gmail.com  
907-244-4909

## ADDITIONAL INFORMATION

- ADF&G advisor to Alaska Board of Fisheries for the Bering Sea Crab Rationalization Task Force.
- ADF&G advisor to the Bering Sea/Aleutian Islands Crab Observer Oversight Task Force.
- Member of the North Pacific Fishery Management Council's Crab Plan Team, 1999 – present.
- Member of the North Pacific Fishery Management Council's Steller sea lion RPA committee, 2001, 2004.
- Member of the State's Subsistence Policy Advisory Group, 1997-1998. Explore options for dual and comanagement of subsistence hunting and fishing.
- Department of Fish & Game, Commercial Fisheries Division, Fisheries Management Award, 1995, and Director's Meritorious Service Award, 2009.



October 17<sup>th</sup>, 2014



Dear Mayor Branson and Kodiak City Councilmen,

The following 'announcement' is bitter sweet. I will be resigning from Kodiak City Representative Position on the Prince William Sound Regional Citizens Advisory Council. I have just this week signed a contract with ALYESKA to be the new Fishing Vessel Spill Response Coordinator for the Kodiak Fleet. When I applied for the position back in August I knew that if I was awarded the contract I would have to resign, but felt that this position would be rewarding and keep me involved with the mission of the RCAC. The good news is I can still participate as a volunteer on committees.

My tenure on the board has been beyond rewarding, and I look back on the last 13 years with gratitude. I have made lifetime friends among staff, committee volunteers and board members of the PWSRCAC and feel that I was (and will continue to be) a part of a process that makes a difference, with people that I am proud to be associated with. I don't think the PWSRCAC is a NOBLE '**EXPERIMENT**' any longer. Perhaps it should read Noble **SUCCESSFUL** experiment. That's not to say that there won't be another disaster – but because of the council and its work – the chances are far less and if a spill event occurs, the outcome will be less devastating.

So with that said -

The bitter: - I will miss sitting at the table representing the City of Kodiak.  
The sweet: - I am still involved with the mission of the PWSRCAC in my new position, and hope I can be at the table when recommendations are being made to make the response vessel program even more robust.

Respectfully,

*Jane Eisemann*  
Jane Eisemann

**Marlar, Debra**

---

**From:** Matlock, Lisa M. [lisa.matlock@pwsrcac.org]  
**Sent:** Wednesday, December 03, 2014 11:23 AM  
**To:** Marlar, Debra  
**Cc:** Rothchild, Stephen; Swanson, Mark A; Schantz, Donna; Fleming, Jennifer; Eisemann, Jane  
**Subject:** RE: Kodiak Board Seat Transition

Hi Debra,

We realized that I had not answered the second half of your email about the board seat term. I apologize for missing that.

All Prince William Sound RCAC board seats are filled on a two-year basis, usually starting in May. Officially, the City of Kodiak seat would normally expire May of 2015. However, if it is easier for the city to fill the seat for the completion of the current term and for the next term, you can add language to your new official representative’s letter that explains this. Here is a sample, but you can alter it to fit your needs as long as the term of the seat is clear to the board so they can vote appropriately when asked to seat the new City of Kodiak representative in January.

“The City of Kodiak would like to have its representative, \_\_ \_\_, join the Prince William Sound RCAC board not only through the current term which expires in May of 2015, but to extend through the next term which will expire in May of 2017”.

Please let me know if you have any questions about this.

Lisa

*Lisa Matlock*

Outreach Coordinator  
Prince William Sound Regional Citizens’ Advisory Council  
3709 Spenard Road, Suite 100 | Anchorage, Alaska 99503 | 907.273.6235  
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**From:** Marlar, Debra [mailto:dmarlar@city.kodiak.ak.us]  
**Sent:** Thursday, November 13, 2014 10:02 AM

# **NEW BUSINESS**

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## MEMORANDUM TO COUNCIL

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**To:** Mayor Branson and City Councilmembers

**From:** Lon White, Acting City Manager for Horizon Lines Agreements

**Date:** January 8, 2015



**Agenda Item:** V. a. **First Reading, Ordinance No. 1329, Authorizing the City to Enter Into an Amendment to the Preferential Use Agreement With Horizon Lines of Alaska, LLC**

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**SUMMARY:** Ordinance No. 1329 authorizes amendment of the Preferential Use Agreement between the City of Kodiak and Horizon Lines of Alaska, LLC, previously approved by Council on October 23, 2014. Section VIII-A of the agreement is amended to allow for Horizon Lines to have a lien on the New Crane securing general corporate financing obligations of the company. The change does not affect the financial terms of the agreement and are recommended by the City Attorney and staff.

**PREVIOUS COUNCIL ACTION:**

- March 2010 – the Council authorized the previous agreements with Horizon Lines by Ordinance Nos. 1270, 1271, and 1272.
- January 7, 2014, – the Council adopted Resolution No. 2014–01 that authorized the extension of those agreements on a month-to-month basis.
- January – August 2014 – the Council provided direction to the City’s negotiating team about negotiating new agreements with Horizon Lines, and the team reported to the Council on the progress of those negotiations.
- September 25, 2014, – the Council passed Ordinance No. 1326 in the first reading and advanced to second reading and public hearing.
- October 23, 2014, – the Council adopted Ordinance No.1326.

**BACKGROUND:** On October 23, 2014, the Council adopted Ordinance No. 1326 in the second reading. No public comments were received, and the contracts were forwarded to Horizon Lines for signature. On or about December 10, 2014, Horizon Lines notified the City that Horizon Lines could not sign the Preferential Use Agreement (PUA) as written, because of language in section VIII-A stating “Horizon Lines may not permit any lien to be filed or recorded against the New Crane”. In fact, the New Crane, as well as other assets of Horizon lines, is subject to a lien securing general corporate financing obligations for Horizon Lines.

**DISCUSSION:** After consultation with the City Attorney Tom Klinkner, it was determined it is in the City’s best interest to amend the PUA, Section VIII-A to allow for Horizon Lines to have the existing lien on the New Crane. The original terms of PUA section VIII-A were intended to address liens that applied only to the New Crane. Horizon Lines could default on an obligation that was secured by such a

lien without affecting its operations beyond the loss of the New Crane through lien foreclosure. In contrast, foreclosure of a lien securing Horizon Lines' general corporate financing obligations could effectively put Horizon Lines out of business. Regardless of the presence of such a lien, the City is subject to the risk that Horizon Lines could go out of business. Thus, the City does not incur any significant additional risk in permitting such a lien. The recommended changes do not impact the financial terms of the agreement, and the City maintains the right to purchase the New Crane under the terms of the contract.

**ALTERNATIVES:**

- 1) Pass Ordinance No. 1329 in the first reading authorizing the amendment of the PUA as drafted. This is staff's recommendation.
- 2) Council could choose to renegotiate the agreement or reject it entirely and continue to use the month-to-month agreements or tariff rates. This may affect the City's ability to maintain a viable operation at Pier II and Pier III and is not recommended by staff.

**FINANCIAL IMPLICATIONS:** Amendment to the Preferential Use Agreement will not impact the financial terms of the agreement and continues to give the City the right to purchase the New Crane if Horizon Lines ceases operation in Kodiak or offers to sell the crane to a third party.

**LEGAL:** The City Attorney drafted Ordinance No. 1329 and the recommended changes to section VIII-A of the PUA.

**STAFF RECOMMENDATION:** Staff recommends City Council approve this ordinance in order to maintain the agreements with Horizon Lines of Alaska, LLC, and to ensure uninterrupted freight service to and from City-owned Port facilities.

**ACTING CITY MANAGER'S COMMENTS:** As Acting City Manager for this agreement and the lead for the City negotiating team, I recommend the City Council pass Ordinance No. 1329 in the first reading.

**ATTACHMENTS:**

- Attachment A: Ordinance No. 1329
- Attachment B: Amended Preferential Use Agreement
- Attachment C: Ordinance No. 1326

**PROPOSED MOTION:**

Move to pass Ordinance No. 1329 in the first reading and advance to second reading and public hearing at the next regular or special Council meeting.

**CITY OF KODIAK  
ORDINANCE NUMBER 1329**

**AN ORDINANCE OF THE COUNCIL OF THE CITY OF KODIAK AUTHORIZING THE CITY TO ENTER INTO AN AMENDMENT TO THE PREFERENTIAL USE AGREEMENT WITH HORIZON LINES OF ALASKA, LLC**

WHEREAS, City Charter Article V-17 requires that any contract which by its terms will not be fully executed within five years and which cannot be terminated by the City upon not more than one month’s notice without penalty, and the sale or lease of any City property, real or personal, or the sale or other disposal of any interest therein, the value of which property, lease, or interest is more than \$30,000, shall be made only by ordinance; and

WHEREAS, by Ordinance Number 1326, the City authorized a ten-year Preferential Use Agreement (“PUA”) to provide Horizon Lines of Alaska, LLC preferential berthing rights at the Port of Kodiak Pier III Terminal; and

WHEREAS, the terms of the PUA provide for Horizon Lines of Alaska, LLC to provide a new 100-foot gauge container crane (“New Crane”) on the new Pier III; and

WHEREAS, it is necessary to amend the terms of the PUA to reflect that the New Crane may be subject to a lien securing the general corporate financing obligations of Horizon Lines, LLC.

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

**Section 1:** The Council of the City of Kodiak hereby authorizes the amendment of the Preferential Use Agreement with Horizon Lines of Alaska, LLC to provide that the New Crane may be subject to a lien securing the general corporate financing obligations of Horizon Lines, LLC.

**Section 2:** The agreement amended by this ordinance is subject to the requirements of City Charter Section V-17. Therefore, if one or more referendum petitions with signatures are properly filed within one month after the passage and publication of this ordinance, this ordinance shall not go into effect until the petition or petitions are finally found to be illegal and/or insufficient, or, if any such petition is found legal and sufficient, until the ordinance is approved at election by a majority of the qualified voters voting on the question. If no referendum petition with signatures is filed, this ordinance shall go into effect one month after its passage and publication.

CITY OF KODIAK

\_\_\_\_\_  
MAYOR

ATTEST:

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CITY CLERK

First Reading:  
Second Reading:  
Effective Date:

**PORT OF KODIAK  
PREFERENTIAL USE AGREEMENT  
(Pier III)  
City of Kodiak and Horizon Lines of Alaska, LLC  
City Contract 217720**

This Preferential Use Agreement (“Agreement”) is made and entered into as of \_\_\_\_\_ 1, 2014, between the City of Kodiak, an Alaska municipal corporation (“City”), and Horizon Lines of Alaska, LLC (“Horizon Lines”), a limited liability company organized under the laws of the state of Delaware.

WHEREAS, Horizon Lines and the City have entered into a Terminal Operation Contract and a Warehouse Lease Agreement, both dated \_\_\_\_\_ 1, 2014, which together with this Agreement provide for Operator’s use and occupancy of facilities at Port of Kodiak Piers II and III.

WHEREAS, Horizon Lines has agreed herein to install a 100 foot gauge crane for use on Pier III and to make a minimum number of container vessel calls at Pier III annually, and leases all storage areas, marshalling yard and buildings at the Pier III Terminal, and it is therefore appropriate that the City grant Horizon Lines the preferential use of the Pier III Terminal as provided herein.

NOW, THEREFORE, in consideration of the premises, and the terms, covenants, conditions, and agreements contained herein and further stated in the Terminal Operation Contract and the Warehouse Lease Agreement, Horizon Lines and the City hereby agree as follows:

**I. DESCRIPTION OF PREMISES**

The premises that are the subject of this Agreement consist of the terminal and adjacent property at Pier III as further described below (“Premises”).

- A. At the commencement of this Agreement, the Premises consists of 4.46 acres for freight operations; a container terminal pier, 490 feet by 64 feet with an overall length of 880 feet, bollard to bollard; and a 30-ton Paceco container crane (“Old Crane”); as depicted in Exhibit A to this Agreement.
- B. The City presently is preparing to construct a new Pier III dock structure, consisting of a new 330-ft. long, 110-ft wide dock structure extending eastward from the existing Pier III, plus associated backland terminal area, which should be substantially complete on or about June 30, 2015, as depicted in Exhibit A to this Agreement. Upon its substantial completion, the new Pier III will become part of the Premises. As further described below, Horizon Lines will provide, at its own expense, a 100-foot gauge container crane (“New Crane”) on the new Pier III to replace the Old Crane on the existing Pier III. Horizon Lines will own the New Crane, and the New Crane will not be part of the Premises.

**II. USE OF PREMISES; PREFERENTIAL BERTHING**

- A. The City hereby grants Horizon Lines the right to use and occupy the Premises in connection with its transportation business and related activities during the term of this Agreement.



- B.** Horizon Lines vessels calling to load and discharge containerized cargo on a scheduled basis shall be entitled to preferential berthing rights at Pier III in accordance with the terms and conditions set forth in this Agreement.
1. Preferential Berthing and Old Crane Use Rights.
    - a. Horizon Lines shall have the preferential right to use the Pier III dock, berth and Old Crane for purposes of mooring, docking, and loading or discharging cargo on or from Horizon Lines' vessels, including ships, barges, or other watercraft which are owned, operated, or chartered by or for Horizon Lines or any affiliated or related company, or which are used in connection with any of Horizon Lines' freight operations, or a vessel owned or operated by an entity with which Horizon Lines has a connecting carrier, consortium, or rationalization agreement, if, and to the extent that, said vessel is carrying cargo on Horizon Lines' behalf. Horizon Lines' preferential right to use the Old Crane terminates upon the earlier to occur of (i) one year after the date on which the New Crane becomes operational, and (ii) the date when removal of the Old Crane has been completed.
    - b. The preferential right of use provided by this paragraph is defined to mean that Horizon Lines shall be accorded the right, after furnishing a vessel schedule, to berth a vessel and utilize the Old Crane in preference to any other user immediately upon the vessel's arrival in Kodiak harbor, provided that (a) the vessel arrives during a period of twelve (12) hours before or after the arrival time designated in a vessel schedule on file with the City Harbormaster (which schedule may be changed from time-to-time upon ten (10) days' written notice), or (b) the vessel arrives at an arrival time designated at least eight (8) hours in advance by radio or other message from Horizon Lines to the City Harbormaster.
    - c. The preferential right provided herein shall apply whether or not the Pier III dock, berth and Old Crane are being used by any other vessel, and any such other vessel, barge or craft occupying the berth at the time of arrival of Horizon Lines' vessel during a preferential berthing period shall be removed immediately from the berth at no cost to Horizon Lines.
    - d. Horizon Lines shall make a reasonable effort to vacate the berth within six (6) hours after working cargo; provided however, should weather conditions prevent the vessel from leaving safely, an extension may be granted by the City Harbormaster.
    - e. Horizon Lines agrees that during the term of this Agreement its Kodiak representative, upon request, will furnish the City Harbormaster with information as to the position, estimated time of arrival in Kodiak, and estimated port time of any vessel due to arrive in Kodiak which will claim preferential berthing rights under this Agreement.

2. Preferential Use of Storage, Marshaling Areas, and Facilities Other than the Dock, Berth and Old Crane. Horizon Lines shall have a continuing preferential right to use and occupy the storage, marshaling areas, parking areas, and all improvements included in the Pier III Terminal other than the dock, berth and Old Crane for its freight operations, including without limitation the operations of loading, unloading, working, parking, and storage of cargo, vans, chassis, trucks, and other equipment; provided that the City reserves from this grant of preferential right the use of access ways shown on Exhibit A for the transit of cargo from non-Horizon Lines vessels between Pier III and public rights-of-way. "Preferential right" as used in this paragraph is defined to mean that Horizon Lines' use and occupancy of the Premises shall have first priority over any use and occupancy of the Premises by others which interferes with Horizon Lines' operation, at no cost to Horizon Lines other than as elsewhere set forth in this Agreement.
3. Reservation of Secondary Rights. The City specifically reserves to itself and for non-Horizon Lines vessels secondary rights to use and occupy the Pier III Terminal, or portions thereof, subject to the priorities of use accorded to Horizon Lines under this Agreement. The City agrees that it will issue tariffs governing the rates, charges, and conditions for the secondary use of the Pier III Terminal by others, and shall assess reasonable rates and charges to secondary users of the facility.
4. Berthing of Horizon Lines Barges. In addition to preferential berthing for loading and unloading cargo as provided above, barges owned, chartered, or operated by Horizon Lines shall be allowed to berth at Pier III while not engaged in cargo operations, unless the City Harbormaster requests their removal to allow the use of Pier III by other vessels. In such event, the City Harbormaster will notify the tug captain as early as possible of the time the barge must clear the pier.

### **III. OPERATION AND MAINTENANCE OF CRANES.**

#### **A. Operation, Maintenance and Removal of Old Crane.**

1. Horizon Lines shall provide competent and qualified operators for the Old Crane who shall be available on a 24-hour basis during the time that it is operational, to provide crane services to vessels utilizing the Pier III Terminal. Horizon Lines shall be responsible for all costs of operating and maintaining the Old Crane.
2. Third parties requiring use of the Old Crane shall request such services through Horizon Lines. Third parties shall be charged for the use of the Old Crane at the rate of \$1,000.00 per hour, with a minimum of one hour for equipment warm-up plus a minimum of one hour for equipment usage. Horizon Lines shall retain \$850.00 per hour of this amount and shall remit the balance of \$150.00 per hour to the City.
3. Within one year after the New Crane becomes operational, Horizon Lines shall be responsible for all costs of decommissioning, removing and disposing of the Old Crane. At time that demolition of the Old Crane is to commence, the City shall

transfer title to the Old Crane to Horizon Lines or to a third party designated by Horizon Lines for this purpose, and Horizon Lines may retain any proceeds from the salvage, scrapping or sale of the Old Crane.

**B. Installation, Operation and Maintenance of New Crane.**

1. Commencing upon the later to occur of (i) determination by the City or its representative that the new Pier III is substantially complete under the terms of the contract for its construction (“Substantial Completion”), and (ii) Kodiak Electric Association completion of the power line extension to Pier III and the flywheels needed for the operation of the New Crane, and continuing thereafter for the duration of this Agreement, the City grants Horizon Lines an easement to install, operate and maintain the New Crane on the crane rails located on the new Pier III. The City may not grant any other entities the right to use the crane rails without Horizon Lines’ consent, but the City may grant to other entities the right to cross the easement or to install equipment or fixtures or other improvements in the easement that do not interfere with Horizon Lines’ use of the easement. The City shall install on Pier III in time for the commencement of operation of the New Crane a 12.47kva isolation transformer for the protection of the New Crane. Upon the installation of the transformer, Horizon Lines shall reimburse the City’s actual cost of acquiring and installing the transformer, which is estimated to be approximately \$60,000.
2. Horizon Lines shall maintain sole authority for and control of the New Crane. Horizon Lines shall provide competent and qualified operators for the New Crane who shall be available on a 24-hour basis commencing upon the New Crane becoming operational and continuing thereafter for the duration of this Agreement, to provide crane services to all vessels utilizing the Pier III Terminal, and may allow its use for other purposes at its discretion. Horizon Lines shall be responsible for all costs of installing, operating and maintaining the New Crane.
3. Horizon Lines shall charge third parties an hourly rate for the use of the New Crane based on comparable rates in the marketplace, with a minimum time requirement not greater than two hours. Horizon Lines shall retain the entire amount of such charges.

**IV. PAYMENTS**

**A.** Horizon Lines shall pay to the City wharfage fees at the rates shown in the following table. Transhipped/transloaded cargo shall be subject to a single-move, one-time wharfage charge at the same rate.

<u>Year</u>	<u>Rate per Ton</u>	<u>Year</u>	<u>Rate per Ton</u>
2014	\$3.45	2019	\$4.60
2015	3.45	2020	4.72
2016	3.45	2021	4.83

2017	3.80	2022	4.96
2018	4.17	2023	5.08

**B.** All Horizon Lines vessels (as described in Section II.B.1.a) shall pay dockage fees at the rates shown in the following table.

<u>Year</u>	<u>Rate per Foot</u>	<u>Year</u>	<u>Rate per Foot</u>
2014	\$1.62	2019	\$2.27
2015	1.62	2020	2.50
2016	1.70	2021	2.75
2017	1.87	2022	3.05
2018	2.06	2023	3.64

**C.** Horizon Lines shall submit to the City within ten days of the end of each month a statement detailing the vessel dockage and cargo tonnage handled during the previous month.

**D.** Horizon Lines shall pay the City for use of the facilities depicted on Exhibit “A,” including the Old Crane until its replacement, and in addition to wharfage, dockage, and other fees or charges elsewhere specified in this Agreement, the monthly payments due on the first day of each month as shown in the table below.

<u>Year</u>	<u>Monthly Payment</u>	<u>Year</u>	<u>Monthly Payment</u>
2014	\$23,352.92	2019	\$26,906.25
2015	23,352.92	2020	27,578.91
2016	23,352.92	2021	28,268.38
2017	24,750.00	2022	28,975.09
2018	26,250.00	2023	29,699.47

**E.** Amounts payable by Horizon Lines for facilities or services under this Agreement supersede any charges for the same facilities or services under the Tariff for the Port of Kodiak Cargo Terminal. Nothing in this Agreement reduces or modifies the liability of Horizon Lines for fees or charges for other facilities or services set out in the Tariff for the Port of Kodiak Cargo Terminal.

**F.** All amounts due under this Agreement that are not paid within thirty days of the date of invoice thereafter shall bear interest at the rate of 12% per annum for as long as the delinquency continues.

**V. TERM OF AGREEMENT**

- A. Initial Term. The term of his Agreement shall commence on \_\_\_\_\_ 1, 2014, and shall continue in full force and effect until midnight \_\_\_\_\_, 2024, unless earlier terminated pursuant to this section.
- B. Renewal Terms. This Agreement may be renewed for two consecutive additional five-year periods (each a “Renewal Term”), by mutual agreement of the parties. At least ninety (90) days’ prior to the expiration of the term then in effect, Horizon Lines shall provide written notice to the City of its desire to renew or not renew this Agreement for the next succeeding Renewal Term. The City will then reply to Horizon Lines within fifteen (15) days whether it wishes to renew this Agreement. If both parties agree to renew this Agreement, they shall then enter good faith negotiations to address any modifications to this Agreement requested by either party. The failure of the parties to agree upon a renewal of this Agreement shall cause this Agreement to terminate at the end of the current term.
- C. The City may declare a default hereunder and terminate this Agreement, in addition to exercising any other available remedy, upon the occurrence of any of the following:
1. The failure of Horizon Lines to pay any sum of money due under this Agreement within ten (10) days after the due date.
  2. The failure of Horizon Lines to perform or observe any covenant or condition of this Agreement, other than a default in the payment of money described in Section V.C.1, which is not cured within thirty (30) days after notice thereof from the City to Horizon Lines, unless the default is of a kind that may be cured, but not within such thirty (30)-day period, in which case no default shall be declared so long as Horizon Lines shall commence the curing of the default within such thirty (30) day period and thereafter shall diligently and continuously prosecute the curing of same.
  3. The commencement of a case under any chapter of the federal Bankruptcy Code by or against Horizon Lines, or the filing of a voluntary or involuntary petition proposing the adjudication of Horizon Lines as bankrupt or insolvent, or the reorganization of Horizon Lines, or an arrangement by Horizon Lines with its creditors, unless the petition is filed or case commenced by a party other than Horizon Lines and is withdrawn or dismissed within ninety (90) days after the date of its filing.
  4. The admission in writing by Horizon Lines of its inability to pay its debts when due; the appointment of a receiver or trustee for the business or property of Horizon Lines, unless such appointment shall be vacated within ten (10) days after its entry; Horizon Lines making an assignment for the benefit of creditors; or the voluntary or involuntary dissolution of Horizon Lines.
  5. If Horizon Lines is in default under either the Warehouse Lease Agreement or the Terminal Operation Contract.
- D. The City may terminate this Agreement on one hundred eighty (180) days’ notice to Horizon Lines if Horizon Lines makes (i) fewer than forty-five (45) container vessel calls

at the City in any period of twelve (12) consecutive months, or (ii) no Horizon Lines vessel calls at Pier III for a period of ninety (90) or more consecutive days.

**VI. USE OF PREMISES**

- A. Horizon Lines shall not use the Premises or any facilities for any unlawful purposes.
- B. Horizon Lines shall use the Pier III Terminal area solely for freight transportation purposes.
- C. Horizon Lines is entitled to quiet enjoyment of the Premises provided that Horizon Lines does not breach the terms of this Agreement.

**VII. MAINTENANCE AND REPAIR OF PREMISES**

- A. The City shall maintain and repair, at its own expense, the utilities (water, sewer or septic system, storm drainage, and electrical except items stated in Paragraph VII.B), common roadbeds and pier structures (less mooring capstans). In no event shall the City be obligated to repair or otherwise mitigate or respond to damages resulting from Horizon Lines' use of the pier and pavement pursuant to this Agreement; except that the City shall be obligated to repair or otherwise attempt to mitigate or respond to damages resulting from an act or omission by the City or a third party. The City shall insure that other users of Pier III, if any, keep it clean and orderly.
- B. Horizon Lines shall, at its own expense, provide all routine preventive maintenance, repairs, and replacements to the structures, including: marine department building, maintenance facility building, container cranes, crane medium voltage 12.47KVA electrical system and associated equipment, crane rails, cable trench, heat trace system, overhead lights, electric pedestals, van back stack area, and electric capstan mooring units.
- C. Asphalt: Horizon Lines will maintain and repair all asphalt pavement in good condition. Horizon Lines will provide all snow removal and de-icing of the Pier III Terminal. Horizon Lines shall keep the Premises clean, orderly, and free of rubbish. If Horizon Lines fails to adequately remove snow, ice, or debris, the City may furnish the necessary equipment and manpower to provide this service in which event Horizon Lines shall promptly pay the City's billings for such services.
- D. Horizon Lines shall provide the City Harbormaster a semi-annual maintenance and repair report on any single incident of damage or repair over ten thousand dollars (\$10,000).
- E. Within thirty (30) days after each anniversary of the date of this Agreement, Horizon Lines and the City agree to inspect the Premises and prepare a report describing the condition of the Premises and specifying any items in need of repair. The party responsible for those repairs shall start those repairs within thirty (30) days after the report is prepared and shall promptly complete them.
- F. If, at any time during the term of this Agreement, the Premises are damaged or destroyed by fire or other casualty, due to any cause other than an act or omission solely of Horizon Lines, the City may elect to either (i) at its expense, repair, rebuild, replace and restore the Premises to a condition comparable to that which existed immediately prior to the fire or other casualty, or (ii) terminate this Agreement. In the event the City elects to repair,

rebuild, replace or restore the Premises, payments under this Agreement shall be abated in proportion to the extent that the Premises are not usable by Horizon Lines during the time the unusable areas remain unrepaired or unrestored.

- G. The City shall maintain a depth of approximately minus 38 feet MLLW in the berthing area.
- H. Horizon Lines shall make no alterations, additions, or improvements to the Pier III Terminal without the prior written approval of the City. At the expiration of this Agreement, or any renewal thereof, any such improvements shall become the property of the City.
- I. Horizon Lines acknowledges having inspected or having been given a full opportunity to inspect the Premises and hereby accepts them in their present condition, and shall at the termination of this Agreement surrender said Premises in as good a condition and repair to the City, reasonable wear and tear excepted.
- J. Notwithstanding any other provision of this Agreement:
  - 1. Commencing upon the earlier to occur of (i) one (1) year after the date on which the New Crane becomes operational, and (ii) the date when removal of the Old Crane has been completed, neither party shall have any obligation to maintain, repair or restore the old Pier III.
  - 2. On and after the date of Substantial Completion of the new Pier III, Horizon Lines may continue to use the old Pier III at its own risk, subject to load limits that the City may impose from time to time, and subject to J.3 of this paragraph.
  - 3. At any time after the earlier to occur of (i) one (1) year after the date on which the New Crane becomes operational, and (ii) the date when removal of the Old Crane has been completed, the City may determine in its sole discretion to:
    - a. Discontinue permission to use the old Pier III, or
    - b. Decommission, demolish and remove the old Pier III.

### VIII. ADDITIONAL TERMS REGARDING THE NEW CRANE.

- A. Covenant against Liens. Horizon Lines may not permit any lien other than a lien securing the general corporate financing obligations of Horizon Lines, including without limitation ~~a lien to secure financing or~~ a mechanic's or materialman's lien, to be filed or recorded against the New Crane. The Operator 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 lien to be discharged and removed prior to any attempt at execution of such judgment. If any lien other than a lien securing the general corporate financing obligations of Horizon Lines is filed or recorded against the New Crane, Horizon Lines shall cause the lien to be removed; provided that Horizon Lines may in good faith and at Horizon Lines' own expense contest the validity of any mechanic's or materialman's lien without subjecting the New Crane to foreclosure, if Horizon Lines has furnished the bond required in AS 34.35.072 (or any comparable

statute hereafter enacted providing for a bond freeing the New Crane from the effect of such a lien claim).

**B. Option to Purchase.**

1. Upon occurrence of any of the following events, the City shall have the option to purchase the New Crane as provided below: (i) the City terminates this Contract upon a default by Horizon Lines as provided in Section V; or (ii) Horizon Lines ceases to operate at Pier III under the terms of this Agreement.
2. The City shall exercise the option to purchase by giving Horizon Lines written notice not less than ninety 90 days before the purchase date. The City shall, at its own expense, retain an independent appraiser, who shall determine the fair market value of the New Crane at its location on Pier III. The City shall complete such appraisal and deliver a copy of the appraisal report to Horizon Lines with its notice exercising the option to purchase.
3. The appraiser's determination of the fair market value of the New Crane under (2) of this paragraph shall constitute a final binding determination of the fair market value and the option purchase price for the New Crane, unless Horizon Lines gives written notice to the City of its objection to the appraiser's determination within thirty (30) days after receiving the appraiser's report, and Horizon Lines shall then engage a second independent appraiser at Horizon Lines' expense to make a second appraisal of the fair market value in accordance with (2) of this paragraph.
4. If the second appraisal determines a fair market value that varies from that determined by the first appraisal by no more than twenty percent (20%), then the option purchase price shall be the average of the fair market values determined by the appraisals. If the second appraisal determines a fair market value that varies from the first appraisal by more than twenty percent (20%), then, unless the City and Horizon Lines agree on an option purchase price themselves, the option purchase price shall be determined by arbitration by a single arbitrator under the rules of the American Arbitration Association.

**C. Right of First Refusal.** The City is hereby given a right of first refusal to purchase the New Crane on the following terms and conditions:

1. Horizon Lines may accept an offer to purchase the New Crane only if it is made subject to the City's right of first refusal herein. Upon acceptance of an offer to purchase the New Crane from a third party (the "Purchase Offer"), Horizon Lines will present a copy of the offer and acceptance to the City by written notice at the address set forth in Section XIX. The City will then have ninety (90) days to either agree to purchase the New Crane on the same terms and conditions set forth in the Purchase Offer or decline to exercise its right of first refusal. The City shall give written notice of its decision to exercise or decline to exercise its right of first refusal to Horizon Lines at the address set forth in Section XIX no later than ninety (90) days after being presented with a copy of the Purchase Offer.



2. If the City does not exercise its right of first refusal, Horizon Lines may then sell the New Crane to the third party, or any assignee/nominee of said third party, on the same terms and conditions set forth in the Purchase Offer. If the New Crane sells to the third party, or any assignee/nominee of said third party, on the same terms and conditions set forth in the Purchase Offer, then any interest of the City in and to the New Crane shall cease and be of no further force and effect.
3. If the New Crane is not sold to the third party, or the third party's assignee/nominee, on the terms and conditions in the Purchase Offer, then the City will continue to have the right of first refusal to purchase the New Crane under the procedures outlined above in this paragraph.

## **IX. INDEMNITY**

- A. Horizon Lines shall indemnify and hold harmless the City and its elected and appointed officials, employees, agents, and servants from any and all losses, expenses, damages, demands, and claims by any person in connection with or rising out of any injury (including death) to persons or in connection with damage to property or the natural environment, sustained in whole or in part as a result of Horizon Lines' use and operation of the Old Crane or New Crane, its occupancy and maintenance of the Premises, and/or exercise of its rights under this Agreement or Horizon Lines' breach of this Agreement. Horizon Lines shall defend all suits and actions brought against the City and any of its elected or appointed officials, employees, agents or servants from any such injury or damage and shall pay all damages, costs, and expenses, including attorney's fees incurred in connection with the suits or actions. The only exception to this indemnity provision shall be for claims resulting from the negligence, gross negligence, or willful misconduct of the City or its employees, agents, or servants, and for claims resulting from an act or omission of a third party, with respect to which Horizon Lines' obligations under this paragraph shall be limited to that portion of any such claim not attributable to the City and not attributable to a third party.
- B. This indemnity provision specifically includes all environmental damage that may result from Horizon Lines' operations under this Agreement and any penalties or fines which may be assessed in connection therewith.
- C. Claims arising in whole or in part out of any incident or event occurring during the term of this Agreement or any extension or renewal of it shall be covered by the provisions of this section IX even though they may not have been asserted or discovered until after the expiration of said term.

## **X. UTILITIES**

- A. During the term of this Agreement, except as provided in paragraph B of this section, Horizon Lines shall pay the providers directly for all utility bills and accounts for utility services used or consumed by Horizon Lines on or in connection with the Premises, including all operating costs for the Old Crane.
- B. The City shall provide water and septic tank pump-out service, or sewer service if available, to the Premises at no charge to Horizon Lines.

C. Horizon Lines shall be responsible for obtaining its own janitorial services for the facilities associated with the Pier III Terminal.

## **XI. INSURANCE**

A. Horizon Lines shall procure and maintain at its sole expense, and shall keep in full force and effect throughout the term of this Agreement, the following policies of insurance:

1. Commercial General Liability Insurance, \$5,000,000 combined single limit per occurrence for bodily injury and property damage claims arising from all operations related to this Lease. The general aggregate limit shall be \$5,000,000.
2. Commercial Automobile Liability Insurance, \$5,000,000 combined single limit per accident for bodily injury and property damage.
3. Worker's Compensation and Employers Liability. Worker's Compensation shall be statutory as required by the State of Alaska. Employers Liability shall be endorsed to the following minimum limits and contain USL&H coverage endorsement, if applicable: (i) bodily injury by accident--\$1,000,000 each accident; and (ii) bodily injury by disease--\$1,000,000 each employee, \$1,000,000 policy limit.

B. Other Insurance Provisions. The policies are to contain, or be endorsed to contain, the following provisions:

1. Commercial General Liability and Automobile Liability
  - a. City, its officers, officials, employees and volunteers are to be covered as additional insureds. The coverage shall contain no special limitation on the scope of protection afforded to City, its officers, officials, employees and volunteers.
  - b. Horizon Lines' insurance coverage shall be primary insurance as respects City, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by City, its officers, officials, employees and volunteers shall be excess of Horizon Lines' insurance and shall not contribute to it.
  - c. Horizon Lines' insurer shall agree to waive all rights of subrogation against City, its officers, officials, employees and volunteers for losses arising from work performed by Horizon Lines for City.
2. Worker's Compensation and Employer's Liability. Horizon Lines' insurer shall agree to waive all rights of subrogation against City, its officers, officials, employees and volunteers for losses arising from work performed by Horizon Lines for City.
3. All Insurance. Each insurance policy required by this Agreement shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice has been given by the Insurer to City by certified mail, return receipt requested.

- C. Acceptability of Insurers. Insurance is to be placed with insurers qualified to do business in Alaska having a Best's rating of no less than A-: VII.
- D. Verification of Coverage. Horizon Lines shall furnish City with approved certificates of insurance and with certified copies of all endorsements effecting coverage required by this Section. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates are to be on forms which meet industry standard. City reserves the right to require complete, certified copies of all required insurance policies at any time.

## **XII. RIGHT OF INSPECTION**

- A. The City shall have the right to inspect the Premises without prior notice to ensure compliance with the terms of this Agreement.
- B. The City shall have the right to audit Horizon Lines' records and to require Horizon Lines to prepare summaries or reports from its records to determine compliance with the payment terms of this Agreement.

## **XIII. TAXES**

- A. In addition to the fees and charges provided in this Agreement, Horizon Lines shall pay when due all taxes and other charges which are levied at any time during the term of this Agreement upon the leasehold interest and any improvements on the Premises. If the City receives a notice of assessment from any taxing jurisdiction claiming that the City or Horizon Lines is liable for any tax or charge for which Horizon Lines has agreed to make payment under this paragraph, the City shall notify Horizon Lines in writing no later than thirty (30) days after receipt of the claim. If the City fails to provide Horizon Lines such notice, Horizon Lines shall have no obligation to pay the tax or charge.
- B. If Horizon Lines has a reasonable basis to contest, protest, or appeal (the "Appeal") the imposition or amount of any tax or charge, Horizon Lines, at its own expense, may prosecute the Appeal, in which case the City shall cooperate fully with Horizon Lines including, but not limited to, providing documentation and other information as required for Horizon Lines to settle or sustain the Appeal. If Horizon Lines prosecutes the Appeal, and if, but only if, such proceedings suspend enforcement and collection of the tax or charge, and no part of the Premises or any interest therein is or will be in danger of being sold or forfeited, Horizon Lines shall have no obligation to pay the tax or charge until the taxing jurisdiction's decision that the City or Horizon Lines is liable for the tax or charge becomes final. If any of the Premises is subjected to a lien which is not discharged within thirty (30) days after Horizon Lines receives notice of such lien, Horizon Lines shall deposit with the City cash, a sufficient corporate surety bond or other security satisfactory to the City in an amount adequate to provide for the discharge of the lien plus any interest, costs, attorneys' fees or other charges that could accrue as a result of such contest.

## **XIV. ASSIGNMENT**

The parties stipulate and agree that the services rendered under this Agreement are of such a nature that the rights and duties of Horizon Lines hereunder shall not be assignable without the prior written consent of the City, which consent shall not be unreasonably

withheld, except to an entity that is owned solely by or that is an affiliate of Horizon Lines, after thirty (30) days' prior notice to the City. Horizon Lines shall include in such notice a statement of any legal requirement for confidentiality regarding the notice or the related transaction, with which the City shall comply. Should the City consent to an assignment Horizon Lines shall nevertheless remain liable for the performance of all of its obligations under this Agreement and the acceptance by the City directly from an assignee of any payments or other performance due under this Agreement shall not be construed as a waiver of Horizon Lines' continuing liability. A change of control of Horizon Lines other than from the parent entity of Horizon Lines to an affiliate shall constitute an assignment for purposes of this provision.

**XV. COMPLIANCE WITH FEDERAL, STATE, AND LOCAL LAWS**

At all times during the term of this Agreement, Horizon Lines shall conduct operations in accordance with all applicable federal, state, and local laws and ordinances.

**XVI. SEVERABILITY**

If any part, term or provision of this Agreement is declared null or unenforceable by a court or other tribunal of competent jurisdiction, the validity and enforceability of the rest of this Agreement shall not be affected.

**XVII. WAIVERS**

No waiver by Horizon Lines or the City of any covenant or condition of this Agreement shall be construed as a waiver of any other covenant or condition, nor shall the waiver of one breach be considered as a waiver of any other breach.

**XVIII. SURRENDER**

- A. Horizon Lines agrees not to encumber the Premises at any time during the term of this Agreement. Horizon Lines agrees that the Premises shall not be subject to any liens, charges or encumbrances and agrees that at the expiration of the term of this Agreement it will deliver to the City or its designee, the Premises in good condition (ordinary wear and tear excepted) and without liens, charges, or encumbrances.
- B. Unless required for the performance by Horizon Lines of its obligations hereunder, Horizon Lines shall have the right at any time during the Term to remove from the Premises all its equipment, removable fixtures and other personal property, and all property of third persons for which Horizon Lines is responsible, and on or before the expiration or earlier termination of this Agreement it shall remove all of the same from the Premises, repairing all damage caused by any removal; provided, however, that, except with respect to the New Crane, if Horizon Lines shall fail to remove all such property within forty-five (45) days after the expiration or earlier termination of this Agreement, the City may remove such property to a public warehouse for deposit or may retain the same in its own possession and in either event may sell the same at public auction; provided, further, that the City shall have given Horizon Lines ten (10) days' notice of the City's intent to sell such property at public auction, the proceeds of which shall be applied: first to the expenses of removal, including repair required thereby, and of storage and sale; second, to any sums owed by Horizon Lines to the City, with any balance remaining to be paid to Horizon Lines; if the expenses of such removal, repair,

storage, and sale shall exceed the proceeds of sale, Horizon Lines shall pay such excess to the City upon demand. Without limiting any other term or provisions of this Agreement, Horizon Lines shall indemnify and hold harmless the City, its officers, agents, employees, and contractors from all claims of third persons arising out of the City's removal and disposition of property pursuant to this Section, including claims for conversion, claims for loss of or damage to property, claims for injury to persons (including death), and claims for any other damages, consequential or otherwise, excluding only claims based on the City's sole negligence.

**XIX. MODIFICATIONS AND NOTICES**

- A. No modification of this Agreement shall be effective unless agreed to by Horizon Lines and the City in writing. No modification of one provision of this Agreement shall be considered a waiver, breach or cancellation of any other provision.
- B. All notices required to be given under this Agreement shall be in writing, and shall be effective on the date of receipt and shall be mailed to the parties at the following addresses:

Horizon Lines of Alaska, LLC 1717 Tidewater Road Anchorage, Alaska 99501 Attn: _____	City Manager City of Kodiak 710 Mill Bay Road Kodiak, Alaska 99615
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Any notice or document delivered by facsimile transmission to a facsimile machine at which the recipient routinely receives such transmissions shall be effective upon the date of receipt of the complete and fully legible document (so long as the original is also mailed in accordance with this paragraph) unless the transmission occurred outside of the usual business hours of the recipient, in which event the document shall be deemed to have been received on the next business day.

**XX. ANTI-DISCRIMINATION**

During the performance of this Agreement, Horizon Lines agrees:

- A. In connection with its performance under this Agreement including construction, maintenance, and operation of or on the Premises, Horizon Lines will not discriminate against any employee or applicant for employment because of age, race, color, ancestry, religion, sex, or national origin.
- B. Horizon Lines and its employees shall not discriminate, by segregation or otherwise, against any person on the basis of race, color, ancestry, religion, sex, or nationality by curtailing or refusing to furnish accommodations, facilities, services, or use privileges offered to the public generally.
- C. Horizon Lines shall include and require compliance with the above nondiscrimination provisions in any subletting or subcontract made with respect to construction or maintenance operations under this Agreement.

**XXI. ALASKA LAW**

The parties agree that this Agreement was entered into in the State of Alaska, that Alaska law will govern its interpretation and application, and that venue of any suit or other action arising out of this Agreement shall be in Alaska.

**XXII. BINDING ON SUCCESSORS AND ASSIGNS**

All provisions of this Agreement shall inure to the benefit of and be binding on the parties, their successors, and permitted assigns.

**XXIII. COMPLETE AGREEMENT**

This Agreement, including Exhibit A hereto, and the Terminal Operation Contract and Warehouse Lease Agreement, both dated \_\_\_\_\_, 2014, between Horizon Lines and the City, constitute the final agreement between the parties. They are the complete and exclusive expression of the parties' agreement on the matters contained in this Agreement. All prior and contemporaneous oral and written negotiations and agreements between the parties on the matters contained in this Agreement are expressly merged into and superseded by the aforementioned agreements.

IN WITNESS WHEREOF, the parties have signed this Agreement on the date or dates indicated beneath the signature of their respective officers or agents.

City of Kodiak

Horizon Lines of Alaska, LLC

\_\_\_\_\_  
Acting City Manager

Date

\_\_\_\_\_  
Kenneth Gill  
Director of Operations

Date

ATTEST:

ATTEST:

\_\_\_\_\_  
Debra L. Marlar  
City Clerk

Date

\_\_\_\_\_  
Richard Kniazowski  
Terminal Manager

Date

**CITY OF KODIAK  
ORDINANCE NUMBER 1326**

**AN ORDINANCE OF THE COUNCIL OF THE CITY OF KODIAK AUTHORIZING THE CITY TO ENTER INTO A PREFERENTIAL USE AGREEMENT, A TERMINAL OPERATION CONTRACT, AND A WAREHOUSE LEASE AGREEMENT WITH HORIZON LINES OF ALASKA, LLC**

WHEREAS, City Charter Article V-17 requires that any contract which by its terms will not be fully executed within five years and which cannot be terminated by the City upon not more than one month's notice without penalty, and the sale or lease of any City property, real or personal, or the sale or other disposal of any interest therein, the value of which property, lease, or interest is more than \$30,000, shall be made only by ordinance; and

WHEREAS, the City of Kodiak and Horizon Lines of Alaska, LLC have renegotiated a ten-year Preferential Use Agreement to provide Horizon Lines of Alaska, LLC preferential berthing rights at the Port of Kodiak Pier III Terminal, a ten-year Terminal Operation Contract for Horizon Lines of Alaska, LLC to provide services for the Port of Kodiak at Piers II and III, and a five-year Warehouse Lease Agreement of the City property located at 727 Shelikof Street, Kodiak, Alaska, situated within U.S. Survey 2537B, commonly known as the Pier II Warehouse; and

WHEREAS, the terms of the Preferential Use Agreement, the Terminal Operation Contract and the Warehouse Lease Agreement are intended to complement one another; and

WHEREAS, City Code Section 18.20.230 requires that the subleasing of any property leased from the City must be approved by the Council and subject to the terms and conditions of the original lease; and

WHEREAS, Horizon Lines of Alaska, LLC will continue to sublease space in the Pier II Warehouse to American President Lines, Ltd. (APL) and Amak Towing Company, Inc. (Amak Towing); and

WHEREAS, there have been presented to this meeting the forms of the Preferential Use Agreement, the Terminal Operation Contract and the Warehouse Lease Agreement, and it appears that these documents, which now are before this meeting, are in appropriate form and are appropriate instruments for the purposes intended.

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

**Section 1:** The Council of the City of Kodiak hereby authorizes the Preferential Use Agreement with Horizon Lines of Alaska, LLC, which is attached hereto and incorporated by reference according to the terms, covenants, conditions, and agreements contained in the Agreement and further stated in the Terminal Operation Contract and the Warehouse Lease Agreement.

**Section 2:** The Council of the City of Kodiak hereby authorizes the Terminal Operation Contract with Horizon Lines, LLC, which is attached hereto and incorporated by reference according to the terms, covenants, conditions, and agreements contained in the Contract and further stated in the Warehouse Lease Agreement and the Preferential Use Agreement.

**Section 3:** Notwithstanding anything to the contrary in Kodiak City Code Chapter 18.20, the Council of the City of Kodiak hereby authorizes the Warehouse Lease Agreement with Horizon Lines of Alaska, LLC of the property located at 727 Shelikof Street, Kodiak, Alaska, situated within U.S. Survey 2537B, more commonly known as the Pier II Warehouse, which is attached hereto and incorporated by reference according to the terms, covenants, conditions, and agreements contained in the Agreement and further stated in the Preferential Use Agreement and the Terminal Operation Contract.

**Section 4:** The Council of the City of Kodiak hereby authorizes Horizon Lines of Alaska, LLC to sublease space in the Pier II Warehouse to APL and Amak Towing.

**Section 5:** The agreements authorized by this ordinance are subject to the requirements of City Charter Section V-17. Therefore, if one or more referendum petitions with signatures are properly filed within one month after the passage and publication of this ordinance, this ordinance shall not go into effect until the petition or petitions are finally found to be illegal and/or insufficient, or, if any such petition is found legal and sufficient, until the ordinance is approved at election by a majority of the qualified voters voting on the question. If no referendum petition with signatures is filed, this ordinance shall go into effect one month after its passage and publication.



ATTEST:

*Michelle Sherwood-Hels*  
for CITY CLERK

CITY OF KODIAK

*Pat Mau*  
MAYOR

First Reading: September 25, 2014

Second Reading: October 23, 2014

Effective Date: November 29, 2014



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## MEMORANDUM TO COUNCIL

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**To:** Mayor Branson and City Councilmembers

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

**Date:** January 8, 2015

**Agenda Item:** V. b. First Reading, Ordinance No. 1330, Amending Ordinance No. 1323, Authorizing a Lease of a Communication Site in U.S. Survey 3945 on Pillar Mountain To NCWPCS MPL 31 – Year Sites Tower Holdings, LLC

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**SUMMARY:** The City has issued a lease for the Pillar Mountain Communication Site No. 11 with AT&T and affiliates since 2010. The current lease for Site No. 11 with CCATT, LLC, expired in December. Its successor, NCWPCS MPL 31- Year Sites Tower Holdings, LLC, through Crown Castle, requested the lease be renewed. The Council renewed the lease via Ordinance No. 1323 at the September 11, 2014, regular meeting. The company requested additional changes to the lease after the ordinance was approved by Council, so staff worked with them and the City Attorney to review and incorporate changes acceptable to both parties. This action requires Council to amend the original ordinance and lease to reflect the changes by approving the revisions through Ordinance No. 1330.

The lease requires approval by ordinance due to the value of the lease, the termination clause, and the five-year duration of the lease. Staff recommends Council pass Ordinance No. 1330 in the first reading and advance to the second reading and public hearing at the next regular or special Council meeting.

**PREVIOUS COUNCIL ACTION:**

- Council entered a lease for Pillar Mountain Site No.11 with AT&T on January 1, 2010.
- Council authorized a sublet of the Pillar Mountain Site No. 11 from AT&T to CCATT, LLC on January 16, 2014.
- Council renewed the lease for Pillar Mountain Site No. 11 with NCWPCS MPL-31 Year Sites Tower Holdings, LLC via Ordinance No. 1323 on September 11, 2014.

**DISCUSSION:** The Pillar Mountain Communications Site No. 11 is used to support AT&T's communication services in Kodiak. The five-year lease between the City and the AT&T cell tower management company, Crown Castle (CCATT), for that site expired at the end of 2014. The City received a letter from CCATT in July requesting a renewal of the lease. The letter included several proposed provisions that were not acceptable to the City, so City staff requested help from the City Attorney to research the offer and develop more standard communication lease language. The Council approved the lease in September 2014. When the lease was sent to the Lessee for signatures, the Lessee

requested additional changes to the lease. The requested changes were sent to the City Attorney for further review, and he wrote Ordinance No. 1330 to accomplish the additional requested changes to the lease.

The new lease (Attachment B) is between the City and CCATT LLC's successor, NCWPCS MPL 31 – Year Sites Tower Holdings LLC. It is for a five-year term from January 1, 2015, through December 31, 2019, with a 12-month cancellation clause. The lease allows two five-year term extension if the Lessee provides the required written notice of intent and is not in default with lease terms. The first year's annual payment is \$13,577 with a 2.5 percent annual rate increase each year thereafter.

The lease requires Council approval by ordinance (Attachment A) due to the value and terms of the lease per the City's Charter, Article V-17. Therefore, staff requests Council approve the lease by passing Ordinance No. 1330 in the first reading and advance to second reading at the next regular or special Council meeting.

**ALTERNATIVES:**

- 1) Pass Ordinance No. 1330 in the first reading and advance to second reading and public hearing at the next regular or special Council meeting, which is staff's recommendation, because it will provide income to the City and allow the site to continue to be used as a communications site for the community.
- 2) Do not pass Ordinance No.1330, which is not recommended, because it would result in a loss of revenue and would affect communications in Kodiak.

**FINANCIAL IMPLICATIONS:** There is a financial benefit each year of the lease through receipt of lease payments into the General Fund starting at \$13,577 per year with a 2.5 percent increase in rent payments each subsequent year of the lease. The successor to CCATT, LLC, NCWPCS MPL 31 – Year Sites Tower Holdings, LLC, will be responsible for site management, maintenance, insurance, and rental payments.

**LEGAL:** The City Attorney worked with staff to develop the amended lease and drafted the attached ordinance to meet the requirements of the City Charter, Article V-17.

**STAFF RECOMMENDATION:** Staff recommends Council pass Ordinance No. 1330 in the first reading and advance to second reading at the next regular or special Council meeting.

**MANAGER'S COMMENTS:** I support the renewal of the amended lease for the Pillar Mountain Communications Site No. 11 with CCATT, LLC's successor, NCWPCS MPL 31 – Year Sites Tower Holdings, LLC. This will provide some income for the General Fund, and the site will continue to provide a communications service to the community of Kodiak. I recommend Council pass Ordinance

No. 1330 in the first reading and advance to second reading and public hearing at the next regular or special Council meeting.

**ATTACHMENTS:**

Attachment A: Ordinance No. 1330

Attachment B: Revised Lease for Pillar Mountain Communications Site No.11

Attachment C: Email Requesting Additional Changes to Lease

Attachment D: Ordinance No. 1323

Attachment E: Letter from Crown Castle requesting renewal, dated July 2, 2014

**PROPOSED MOTION:**

Move to pass Ordinance No. 1330 in the first reading and advance to second reading and public hearing at the next regular or special Council meeting.

**CITY OF KODIAK  
ORDINANCE NUMBER 1330**

**AN ORDINANCE OF THE COUNCIL OF THE CITY OF KODIAK AMENDING  
ORDINANCE NUMBER 1323 AUTHORIZING A LEASE OF A COMMUNICATION  
SITE IN U.S. SURVEY 3945 ON PILLAR MOUNTAIN TO NCWPCS MPL 31 – YEAR  
SITES TOWER HOLDINGS, LLC**

WHEREAS, the City owns property on Pillar Mountain known as Pillar Mountain Communication Site No. 11 that it has leased to New Cingular Wireless PCS, LLC (“New Cingular”), for a communications site; and

WHEREAS, the City approved the assignment of the lease by New Cingular to CCATT, LLC (“CCATT”) by Resolution No. 2014–05 on January 16, 2014; and

WHEREAS, the lease to CCATT expired on December 31, 2014; and

WHEREAS, NCWPCS MPL 31 – Year Sites Tower Holdings, LLC, a Delaware limited liability company (“NCWPCS”), is the successor to CCATT, and the City Council by Ordinance Number 1323, adopted September 11, 2014, authorized a new Lease Agreement – Pillar Mountain Communications Site No. 11 ("Lease") between the City and NCWPCS for Pillar Mountain Communication Site No. 11 for a five-year term commencing January 1, 2015; and

WHEREAS, after the adoption of Ordinance Number 1323, NCWPCS proposed additional changes to the terms of the Lease; and

WHEREAS, the purpose of this ordinance is to amend Ordinance Number 1323 to approve the amended Lease that now is before this meeting.

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

**Section 1:** Ordinance Number 1323 is amended by deleting all references therein to the Lease originally authorized by that ordinance, and substituting for each such reference a reference to the amended Lease that now is before this meeting.

**Section 2:** The Lease authorized by Ordinance Number 1323 as amended by this ordinance is subject to the requirements of City Charter Section V-17. Therefore, if one or more referendum petitions with signatures are properly filed within one month after the passage and publication of this ordinance, this ordinance shall not go into effect until the petition or petitions are finally found to be illegal and/or insufficient, or, if any such petition is found legal and sufficient, until the ordinance is approved at an election by a majority of the qualified voters voting on the question. If no referendum petition with signatures is filed, this ordinance shall go into effect one month after its passage and publication.

CITY OF KODIAK

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MAYOR

ATTEST:

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CITY CLERK

First Reading:  
Second Reading:  
Effective Date:

LEASE AGREEMENT

PILLAR MOUNTAIN COMMUNICATION SITE NO. 11  
NCWPCS MPL 31 – YEAR SITES  
TOWER HOLDINGS, LLC

LEASE made as of the 1st day of January 2015, by and between the CITY OF KODIAK, an Alaska municipal corporation ("Lessor"), and NCWPCS MPL 31 – YEAR SITES TOWER HOLDINGS LLC, a Delaware limited liability company ("Lessee"):

1. **Leased Premises.** Upon the terms and conditions set forth herein and subject to the prompt payment and performance by Lessee of each and every sum and other obligation hereinafter referred to, Lessor does hereby lease, let, and demise to Lessee, and Lessee does hereby lease from Lessor the following described premises within U.S. Survey 3945 in the Kodiak Recording District, Third Judicial District, State of Alaska, more particularly described as follows:

Commencing at a brass cap monument set in a gun turret, "U.S. Army Corp of Engineers Alkod Rm 2;"  
Thence N 51° 20' 30" E 2433.41' to the true point of beginning;  
Thence S 88° 17' 08" E, 80.00 feet;  
Thence S 01° 42' 52" W, 40.00 feet;  
Thence N 88° 17' 08" W, 80.00 feet;  
Thence N 01° 42' 52" E, 40.00 feet to the true point of beginning;  
Containing 3200.0 square feet more or less

These leased premises are hereinafter referred to as the "Site."

2. **Term.**

A. This Lease shall continue in effect for a period of (5) five years from January 1, 2015, through December 31, 2019 ("Term"), ~~provided, however, that either party shall have the right to cancel this Lease upon [six (6) months'] [one (1) year's] written notice in advance of the date of such cancellation, such notice to be by certified mail sent to the usual mailing address of the party to be notified.~~

~~B. Lessee has the option to extend the Term for one (1) additional five (5) year period ("Extended Term"), provided that:~~

~~(1) Lessee gives Lessor written notice of its exercise of the option not more than one (1) year and not less than one hundred twenty (120) days before the last day of the initial Term.~~

~~(2) At the time Lessee exercises the option, and at all times thereafter until the Extended Term commences, Lessee is not materially in default of any term or condition of this Lease.~~

~~Lessee's failure to exercise the option to extend the Term in strict compliance with all the requirements in this section renders that option null and void.~~

B. Lessee shall have the right to terminate this Lease upon twelve (12) months' written notice:

Pillar Mt. Communication Site. No. 11  
December 31, 2019  
City Contract No. 216603  
NCWPCS MPL 31 – Year Sites Tower Holdings LLC  
Lessee Site Name: Pillar Mountain  
Lessee Business Unit #: 857449

(1) if the approval of any agency, board, court, or other governmental authority necessary for the construction, operation or modification of the technology or site configuration of Lessee’s facility on the Site is denied by the public agency authorized to issue such approval, or, if Lessee determines, in its reasonable discretion, the cost of obtaining such approval is commercially unfeasible; or,

(2) a required permit or approval is issued, but subsequently revoked, canceled or not renewed, through no act, omission or fault of Lessee; or,

(3) if Lessee determines, in its sole discretion, that the Site is not appropriate for its operations due to technological, engineering or economic reasons.

C. Lessor shall have the right to terminate this Lease upon twelve (12) months’ written notice to Lessee in the event Lessor determines in good faith that the Site is needed by Lessor for public purposes.

D. Lessee has the option to extend the Term for two (2) additional five (5) year periods (each an “Extended Term”), provided that:

(1) Lessee gives Lessor written notice of its exercise of the option not more than one (1) year and not less than one hundred twenty (120) days before the last day of the initial Term; and

(2) At the time Lessee exercises the option, and at all times thereafter until the Extended Term commences, Lessee is not materially in default of any term or condition of this Lease.

Lessee’s failure to exercise the option to extend the Term in strict compliance with all the requirements in this section renders that option null and void.

**3. Rental.** A. Lessee agrees to pay as and for rent in equal monthly installments which fall due on the first of each calendar month the annual sum of Thirteen Thousand Five Hundred Seventy Seven and 00/100 Dollars (\$13,577) for the first year of the Lease Term and according to the following schedule for the remaining four years of the Term.

<u>Year</u>	<u>Rental</u>
2	102.5% of Year 1
3	105.0% of Year 1
4	107.5% of Year 1
5	110.0% of Year 1

B. If Lessee exercises its option in Section 2(~~B~~D) to extend the Term of this Lease, the annual rent in the first year of the Extended Term shall be 102.5% of the annual rent in the fifth year of the initial Term, and the annual rent in subsequent years of the Extended Term shall be determined by the formula that is provided for determining the annual rent in the initial Term.

C. If a monthly installment is not paid by the fifth of the month in which it becomes due, a penalty of Thirty and 00/100 Dollars (\$30) will be added to the rental amount; and, in addition,



simple interest shall accrue and be added to the rental amount at the rate of twelve percent (12%) per annum from the due date until paid.

**4. Conditions of Lease.** The Site shall be used solely as a ~~communications~~ site for a ~~cellular telephone system~~ wireless communication facility. The Site will house a 100' self-supporting radio tower, a 10' x 20' communications equipment shelter, ~~and~~ propane powered backup generator, and related utilities, cables and ancillary equipment.

**5. Improvements.** Lessor shall have the right to make additions, alterations, or improvements to the Site ~~which~~ that will not impede Lessee's access to or use of the Site. Lessee shall have the right to erect or construct a suitable building and/or associated structures as provided in Section 4. Any improvements constructed by Lessee shall be consistent with the limited use of the Site authorized by this Lease and shall be constructed at Lessee's expense. Upon termination of this Lease, such improvements shall become the property of Lessor or, at Lessee's option, shall be removed by Lessee at its sole expense. Lessee shall permit Lessor, at Lessor's expense, to connect the equipment shelter for Lessor's public safety communications system to the backup power supply in ~~the communications~~ an equipment shelter ~~that~~ designated by the Lessee that Lessee has constructed on the Site. Notwithstanding anything in Section 6 to the contrary, Lessor shall be solely responsible for maintaining the connection, and Lessee shall provide Lessor with reasonable access to ~~Lessee's communications~~ the equipment shelter for that purpose.

**6. Maintenance.** Except as otherwise specifically provided herein, Lessee shall, at all times and at its sole expense, keep and maintain the Site and its improvements in good repair, and in neat, orderly, and slightly condition. Lessee shall not cause or permit any litter, debris, or refuse to be accumulated or stored upon the Site and shall promptly remove all such materials without cost to Lessor.

**7. Indemnity.** Lessee shall defend, indemnify, and hold Lessor, its officers, agents, and employees harmless against any and all actions, suits, proceedings, claims, loss, liens, costs, expense, and liability of every kind and nature whatsoever arising from injury to or death of persons or loss of or damage to property, including property owned by the Lessor, caused by or incurred as a result of Lessee's use and occupancy of the Site under this Lease, including, but not limited to, attorney's fees reasonably incurred for defense thereof. This provision shall not apply to claims, actions, damages, losses, or proceedings caused solely by the negligence of officers, agents, or employees of Lessor.

**8. Insurance.**

~~A.~~ Lessee shall procure and maintain at its sole expense, and shall keep in full force and effect throughout the Term of this Lease, the following policies of insurance:

(1) Commercial General Liability Insurance, \$1,000,000 combined single limit per occurrence for bodily injury and property damage claims arising from all operations related to this Lease. The general aggregate limit shall be \$2,000,000.

(2) Commercial Automobile Liability Insurance, \$1,000,000 combined single limit per accident for bodily injury and property damage.

(3) Worker's Compensation and Employers Liability. Worker's Compensation shall be statutory as required by the State of Alaska. Employer's Liability shall be endorsed to the following minimum limits and contain USL&H coverage endorsement, if applicable: bodily injury by accident--\$1,000,000 each accident; and bodily injury by disease--\$1,000,000 each employee, \$1,000,000 policy limit.

B. Other Insurance Provisions. The policies shall contain, or be endorsed to contain, the following provisions:

(1) Commercial General Liability and Automobile Liability

(i) Lessor, its officers, officials, employees and volunteers are to be covered as additional insureds. The coverage shall contain no special limitation on the scope of protection afforded to Lessor, its officers, officials, employees and volunteers.

(ii) Lessee's insurance coverage shall be primary insurance as respects Lessor, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by Lessor, its officers, officials, employees and volunteers shall be excess of Lessee's insurance and shall not contribute to it.

(iii) Lessee's insurer shall agree to waive all rights of subrogation against Lessor, its officers, officials, employees and volunteers for losses arising from work performed by Lessee or any sublessee for Lessor.

(2) Worker's Compensation and Employer's Liability. Lessee's insurer shall agree to waive all rights of subrogation against Lessor, its officers, officials, employees and volunteers for losses arising from work performed by Lessee or any sublessee for Lessor.

(3) All Insurance. Each insurance policy required by this Lease shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after 30 days' prior written notice for nonpayment of premium or fraud on the part of Lessee, ~~or 60 days prior written notice for any other reason,~~ has been given to by the insurer ~~to by~~ Lessor by certified mail, return receipt requested. This requirement shall not apply to cancellation of insurance due to non-payment of premium, in which event Lessee shall provide such notice to Lessor in accordance with the notice requirements of Section 15 of this Lease.

C. Acceptability of Insurers. Insurance is to be placed with insurers with a Best's rating of no less than A-: VII.

D. Verification of Coverage. Lessee shall furnish Lessor with approved certificates of insurance and with certified copies of all endorsements effecting coverage required by this section. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates are to be on forms which meet industry standard. Lessor reserves the right to require complete, certified copies of all required insurance policies, at any time.

## **9. Environmental.**

A. For purposes of this section:

(1) Environmental Requirement shall mean any law, regulation, or legal

requirement relating to health, safety, or the environment, now in effect or hereinafter enacted, including but not limited to the Comprehensive Environmental Response Compensation and Liability Act (CERCLA), the Toxic Substances Control Act (TSCA), the Federal Insecticide Fungicide and Rodenticide Act (FIFRA), the Resource Conservation and Recovery Act (RCRA), the Clean Air Act (CAA) and the Clean Water Act (CWA), the Occupational Safety and Health Act (OSHA) and all similar state and local laws, rules, regulations, and guidance, now in existence or hereinafter enacted, as each such law, rule, or regulation may be amended from time to time.

(2) Environmental Hazard shall mean Hazardous Materials (as defined hereinafter), or the storage, handling, production, disposal, treatment, or release thereof.

(3) Hazardous Material shall mean

(i) any hazardous waste, any extremely hazardous waste, or any restricted hazardous waste, or words of similar import, as defined in the Resource Conservation and Recovery Act (42 USC §6901 *et seq.*)

(ii) any hazardous substances as defined in the Comprehensive Environmental Response, Compensation and Liability Act (42 USC §9601 *et seq.*)

(iii) any toxic substances as defined in the Toxic Substances Control Act (15 USC §2601 *et seq.*)

(iv) any pollutant as defined in the Clean Water Act (33 USC §1251 *et seq.*)

(v) gasoline, petroleum, or other hydrocarbon products or by-products

(vi) asbestos

(vii) any other materials, substances, or wastes subject to environmental regulation under any applicable federal, state, or local law, regulation, or ordinance now or hereafter in effect

(4) Environmental Liabilities shall mean any liability, penalties, fines, forfeitures, demands, damages, losses, claims, causes of action, suits, judgments, and costs and expenses incidental thereto (including cost of defense, settlement, reasonable attorneys' fees, reasonable consultant fees, and reasonable expert fees), arising from or based on environmental contamination or the threat of environmental contamination, or noncompliance, or violation of, any Environmental Requirement and shall include, but not be limited to, liability arising from

(i) any governmental action, order, directive, administrative proceeding, or ruling

(ii) personal or bodily injuries (including death) or damages to any property (including loss of use) or natural resources

(iii) clean-up, remediation, investigation, monitoring, or other response action

(5) Environmental Release shall mean any release, spill, leak, discharge, injection, disposal, or emission of any Hazardous materials into the environment.

B. At all times during the term of the Lease, Lessee shall conduct its activities at the Site, and shall ensure that any invitee of Lessee conducts its activities at the Site in strict compliance with all applicable Environmental Requirements.

C. Notwithstanding any other provision of this Lease, Lessee agrees to indemnify and hold harmless Lessor, Lessor's successors and assigns, and Lessor's present and future officers, directors, employees, and agents, (collectively "Lessor Indemnitees") from and against any and all Environmental Liabilities which Lessor or any or all of the Lessor Indemnitees may hereafter suffer, incur, be responsible for, or disburse as a result of any Environmental Hazard at the Site to the extent caused by or attributable to Lessee or Lessee's activities, or by any invitee of Lessee or by the activities of any invitee of Lessee.

D. Notwithstanding any other provision of the Lease, Lessor agrees to indemnify and hold harmless Lessee, Lessee's successors and assigns, and Lessee's present and future officers, directors, employees and agents (collectively "Lessee Indemnitees") from and against any and all Environmental Liabilities which Lessee or any of the Lessee Indemnitees may hereafter suffer, incur, be responsible for, or disburse as a result of any Environmental Hazard at the Site to the extent caused by or attributable to Lessor or Lessor's activities, or by any invitee of Lessor or by the activities of any invitee of Lessor.

E. The provisions of this section shall survive termination of this Lease.

**10. Utility Charges and Taxes.** All utility charges shall be borne and paid for by Lessee, together with all personal or real property taxes or assessments that may be levied against the Lessee by reasons of its occupancy of the Site or its rights hereunder.

**11. Operation of Equipment.** In installing, operating, or maintaining any equipment on the Site and in its general management of the Site, Lessee will act in accordance with applicable laws and regulations and so as not to cause interference with any other radio or television transmitting or receiving equipment whether located on the Site or not. Lessee will at all times protect from interference all frequencies assigned to Lessor whether or not such frequencies are in use. Before altering, replacing or adding any transmission equipment at the Site, Lessee shall, at Lessee's sole expense, arrange for an inter-modulation analysis so as to verify that no unacceptable signal interference will result from the alteration, replacement or addition. Lessee shall provide Lessor with a copy of the inter-modulation analysis. Lessee will not do, attempt, or permit any acts in connection with this Lease, which could be construed as a violation of law.

**12. Condition of Site.** Lessee takes the Site in its present condition and Lessor shall have no responsibility for its condition, or for any damage suffered by Lessee or any other person due to such conditions.

**13. Assignment and Subleasing.**

A. Except as provided in this section, Lessee may not sublease the Site, either in whole or in any portion, without first obtaining the written approval of the City Council, [which consent shall not be unreasonably withheld, conditioned or delayed](#). Lessee may not assign, mortgage, pledge, or otherwise encumber all or any portion of this Lease or the Site without first obtaining the written approval of the City Council, [which consent shall not be unreasonably withheld](#).

conditioned or delayed. Any assignment, pledge, or encumbrance approved by the Council shall be subject to all terms and provisions of this Lease. Any assignment, pledge, or encumbrance executed without the proper approval of the Council shall be void and of no force and effect.

B. Notwithstanding the provisions of subsection A of this section, Lessor authorizes Lessee to sublease to ~~Port Graham Development Corporation a~~ The Alaska Wireless Network, LLC aka ACS Wireless, Inc. under the following conditions:

- (1) Approval of the subleases does not release Lessee from any of its obligations under this Lease.
- (2) The sublessees agree to comply with all terms of this Lease regarding the use of the Site, insurance, and environmental requirements.
- (3) The insurance provided by Lessee must cover the activities of the sublessees.
- (4) Lessee shall remit to Lessor 30% of any revenues collected monthly.

C. Notwithstanding the provisions of subsection A of this ~~section~~ Section 13, Lessee will have the right to assign, sell, or transfer its interest under this Lease without the approval or consent of Lessor, to Lessee's parent or member company or any affiliate or subsidiary of, or partner in, Lessee or its parent or member company or to any entity which acquires all or substantially all of Lessee's assets in the market defined by the Federal Communications Commission in which the Site is located by reason of a merger, acquisition, or other business reorganization. Upon notification to Lessor of such assignment, transfer, or sale, Lessee will be relieved of all future performance, liabilities, and obligations under this Lease.

**14. Default and Re-Entry.** If Lessee fails to cure any default of the conditions of this Lease within thirty (30) days after written notice thereof by Lessor, or in the event insolvency proceedings should be instituted by or against Lessee, then Lessor may terminate the Lease as of such date and re-enter the Site and remove all property therefrom and Lessee shall remain liable for the payment of rental to the extent provided by law. If Lessor fails to cure any default of the conditions of this Lease within thirty (30) days after written notice thereof by Lessee, then Lessee may terminate the Lease as of such date and remove all property therefrom, and Lessor shall remain liable to Lessee to extent provided by this Lease and applicable law.

**15. Notices.** All notices, requests, demands and communications hereunder will be given by first class certified or registered mail, return receipt requested, or by a nationally recognized overnight courier, postage prepaid, to be effective when properly sent and received, refused or returned undelivered. Notices will be addressed to the parties as follows:

If to LESSOR:

If to LESSEE:

City of Kodiak  
Attn: City Clerk  
710 Mill Bay Road  
Kodiak, Alaska 99615

NCWPCS MPL 31 – YEAR SITES  
TOWER HOLDINGS LLC  
c/o Crown Castle USA Inc.  
E. Blake Hawk, General Counsel  
Attn: Legal Department  
2000 Corporate Drive  
Canonsburg, PA 15317

16. Consideration. Lessee will pay to Lessor a one-time amount of Ten Thousand and 00/100 Dollars (\$10,000.00) for the full execution of this Lease (the “Conditional Signing Bonus”). Lessee will pay to Lessor the Conditional Signing Bonus within sixty (60) days of Lessor’s execution of this Lease. In the event that this Lease (and any applicable memorandum) is not fully executed by both Lessor and Lessee for any reason, Lessee shall have no obligation to pay the Conditional Signing Bonus to Lessor.

**1617. Applicable Law.** Lessee shall, at all times, in its use and occupancy of the Site and in the conduct of its operations thereon, comply with all applicable federal, state, and local laws, ordinances, and regulations.

IN WITNESS WHEREOF, the parties have executed this Lease as of the date first written above.

CITY OF KODIAK  
710 Mill Bay Road  
Kodiak, Alaska 99615

NCWPCS MPL 31 – YEAR SITES  
TOWER HOLDINGS, ~~LLC, by and~~  
through a Delaware limited liability company

\_\_\_\_\_  
Aimée Kniazowski, City Manager

By: CCATT LLC, ~~its attorney in~~  
~~fact~~ a Delaware limited liability company  
Its: Attorney-in-Fact.

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Attest:

\_\_\_\_\_  
Debra L. Marlar, City Clerk

**Marlar, Debra**

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**To:** Marlar, Debra  
**Subject:** Crown Castle's AT&T Site located on Pillar Mountain Road (Site 857449)

From: Erickson, Tamara [<mailto:Tamara.Erickson@crowncastle.com>]  
Sent: Wednesday, October 01, 2014 10:38 AM  
To: Marlar, Debra  
Subject: RE: Crown Castle's AT&T Site located on Pillar Mountain Road (Site 857449)

Hi Debbie,

I attached our proposed redlines for your review. Below is a summary of some of our proposed changes. Please let me know if you have any questions. Thank you!

- 1) Section 2B and 2C - We clarified each party's ability to terminate the lease to protect our mutual interest in this site and the revenue.
- 2) Section 2D - We would like to add an additional renewal term to ensure that this site is secure for the long-term interests of our customers.
- 3) Section 13A - It is important that we add language stating that the City's consent shall not be unreasonably withheld, conditioned or delayed.
- 4) Section 13B - Port Graham Development Corporation is not currently a tenant on this site.
- 5) Section 16 - We added a one-time payment of \$10,000.00 as consideration for extending our agreement and agreeing to our proposed changes.

TAMARA ERICKSON  
Government Site Specialist  
T: (206) 336-7386 | M: (602) 692-9026

CROWN CASTLE  
1100 Dexter Avenue North, Suite 250, Seattle, WA 98109  
CrownCastle.com<<http://www.crowncastle.com/>>



**CITY OF KODIAK  
ORDINANCE NUMBER 1323**

**AN ORDINANCE OF THE COUNCIL OF THE CITY OF KODIAK  
AUTHORIZING A LEASE OF A COMMUNICATION SITE IN U.S. SURVEY 3945 ON  
PILLAR MOUNTAIN TO NCWPCS MPL 31 – YEAR SITES TOWER HOLDINGS, LLC**

WHEREAS, the City owns property on Pillar Mountain known as Pillar Mountain Communication Site No. 11 that it has leased to New Cingular Wireless PCS, LLC (“New Cingular”), for a communications site; and

WHEREAS, the City approved the assignment of the lease by New Cingular to CCATT, LLC (“CCATT”) by Resolution No. 2014–05 on January 16, 2014; and

WHEREAS, the lease to CCATT will expire on December 31, 2014; and

WHEREAS, NCWPCS MPL 31 – Year Sites Tower Holdings, LLC, a Delaware limited liability company (“NCWPCS”), is the successor to CCATT, and NCWPCS has requested that the City Council authorize the Lease Agreement – Pillar Mountain Communications Site No. 11 (“Lease”) that now is before this meeting; and

WHEREAS, it is in the best interest of the City that the Lease be authorized.

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

**Section 1:** Notwithstanding anything to the contrary in Kodiak City Code Chapter 18.20, the Council of the City of Kodiak hereby authorizes the Lease with NCWPCS for a term commencing January 1, 2015, and ending December 31, 2019, of the communications site described in the Lease, located on U.S. Survey 3945 on Pillar Mountain in the City of Kodiak.

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



**Section 3:** The Lease authorized by this ordinance is subject to the requirements of City Charter Section V-17. Therefore, if one or more referendum petitions with signatures are properly filed within one month after the passage and publication of this ordinance, this ordinance shall not go into effect until the petition or petitions are finally found to be illegal and/or insufficient, or, if any such petition is found legal and sufficient, until the ordinance is approved at an election by a majority of the qualified voters voting on the question. If no referendum petition with signatures is filed, this ordinance shall go into effect one month after its passage and publication.



ATTEST:

*Merelle Whimorel-Nelson*

CITY CLERK

CITY OF KODIAK

*Pat O'Neil*

MAYOR

First Reading: August 28, 2014  
Second Reading: September 11, 2014  
Effective Date: October 17, 2014

July 2, 2014

Debra Marlar  
City of Kodiak  
710 Mill Bay Road, Room 216/217  
Kodiak, AK 99615

RE: Business Unit #: 857449  
Site Location: Pillar Mountain Road

Dear Ms. Marlar:

Thank you for taking the time to consider renewing our existing Lease Agreement. As a company, we desire to operate our towers well into the future and we are highly focused on managing our sites to their fullest potential. The proposals outlined below will allow the City of Kodiak to capitalize on the lucrative opportunities presently available.

Lease Extension (bonus payment)

- 1) Our lease agreement is expiring on 12/31/2014. We would like our new agreement to have an initial term of 5 years with 2 renewal terms of 5 years each, for a final lease expiration date of 2029. We can add language stating that prior to the commencement of each renewal term; the City has the option to obtain an independent valuation of the leased premises to determine an appropriate rental rate. The appraisal shall be made by a professional independent real estate appraiser selected by the City, at Crown Castle's sole cost and expense, not to exceed \$3,000.00. However, the rental rate increase shall not increase more than 5% of the rental rate for the previous year.
- 2) We have competitors active in your area who may approach you to purchase our Lease Agreement. We would like to add a provision stating that you need to let us know if you are approached by a competitor, and Crown Castle has the ability to match their offer.
- 3) Both the City and Crown Castle have the ability to terminate our agreement with 6 months' notice; however, it would take at least a year for us to find a relocation site. Therefore, we would like to modify our termination language to state that both parties can terminate with 1 year's notice.
- 4) As consideration for extending the agreement and agreeing to the terms outlined above, we would like to offer a \$5,000.00 bonus payment upon execution of our lease renewal document.

Lease Extension (pre-payment)

- 1) Same as 1-3 above.
- 2) We can offer pre-paid rent for up to 5 years. If we pre-pay the next 5 years up front, we can give you \$64,000.00, and then after the 5 years (2019) we will start to make the monthly rent payments at the same amount as if all of the scheduled rent escalations had occurred. During this time, we will continue to send you the separate monthly revenue share payments.

Perpetual Easement

- 1) We are proposing to acquire a perpetual easement for \$250,000.00. We can also give you part of that amount up front and then continue to send you monthly payments for the next 10 years.

There are several ways we can put together an agreement that will maximize the City's financial income, and ensure the continued success of the Site. Please let me know if you have any questions or concerns. I am confident that we can reach a mutually beneficial agreement that supports the City's interests and allows us to continue to serve the community.

Please contact me at (206) 336-7386. I look forward to hearing from you.

Sincerely,





Tamara Erickson  
Government Site Specialist

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## MEMORANDUM TO COUNCIL

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**To:** Mayor Branson and City Councilmembers  
**From:** Aimée Kniaziowski, City Manager   
**Thru:** Ronda Wallace, Chief of Police   
**Date:** January 8, 2015

**Agenda Item:** V. c. **Resolution No. 2015–01, Accepting a State of Alaska Legislative Grant for E911 Updates**

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**SUMMARY:** The State of Alaska approved re-appropriation of funds in the amount of \$381,472 from the Department of Transportation and Public Facilities to Department of Commerce, Community, and Economic Development for a new FY2015 Designated Legislative Grant per AS 37.05.315 (Grants to Municipalities) for the purpose of E911 equipment replacement. Staff recommends Council formally accept the grant funds by adopting Resolution No. 2015–01.

**PREVIOUS COUNCIL ACTION:**

- October 25, 2012, Council adopted Resolution No. 2012–33 for the FY2014 State Capital Improvements Program List, which included requesting funds to replace KPD’s archaic E911 system.
- January 24, 2013, Council adopted Resolution No. 2013–02 rescinding Resolution No. 2012–33 and adopting a revised FY2014 State Capital Improvements Program List, which again included requesting funds to replace KPD’s archaic E911 system.

**DISCUSSION:** The City of Kodiak completed its new public safety building in 2010. One of the important aspects of the new facility is to continue to provide area-wide dispatch services and enhanced 911 (E911) service to the Kodiak area, including areas outside the City’s corporate boundaries. The City completed a study in 2009, which advised replacement of the system. The study indicated basic upgrades, with future expansion capabilities, would cost at least \$350,000. The current system is experiencing unexpected failures, and replacement parts and service/maintenance agreements are no longer available due to the age of the system.

As stated above, in 2009 the City hired Dr. Henry Richter as a consultant to supply technical assistance in replacing our E911 system. Although Dr. Richter provided a very detailed and comprehensive RFP, it is, nonetheless, nearing six years old and will need to either be updated or have a new RFP drafted. Dr. Richter is no longer in business, and the City will have to embark on obtaining the services of a new consultant.

The Kodiak Police Department operates the only public safety answering point (PSAP) in the Kodiak archipelago. The responsibilities are broad, and the work goes on twenty-four hours a day. First

responder response for the City and the Borough begins and ends at the PSAP. Dispatch operations are a key part of the Kodiak Police Department's Mission, which include providing emergency dispatch services for the Alaska State Troopers, by contract, when their Fairbanks communications are down.

When the PSAP receives a 911 call from outside the corporate city limits, which would require a State Trooper response, the PSAP will connect with the Fairbanks dispatch center. Although the call has been connected, the PSAP cannot terminate the call on our end without disconnecting the caller from the Fairbanks dispatch center. Therefore, it is imperative the City accepts the grant so the PSAP can be replaced with a new Next Generation 911 system (NG911). The current E911 system located in the PSAP cannot be upgraded or repaired if failure occurred due to the age of the system.

In today's E911 environment, the public can primarily make only emergency voice calls and Teletype calls (by hearing-impaired persons). Only minimal data is delivered with these calls, such as Automatic Number Identification (ANI), subscriber name and Automatic Location Identification (ALI), when available.

The vision of the Next Generation 911 system is to enable the public to make voice, text, or video calls from any communications device via Internet Protocol based networks. The 911 center of the future will also be able to receive data from devices such as Advanced Automatic Collision Notification systems, medical alert systems, and a variety of other "sensors." The infrastructure envisioned by NG911 will support transfer of emergency calls to other PSAP's, including any accompanying data.

Currently in Alaska, there are three other municipalities and/or Boroughs with PSAP's that are NG911 capable. Those are Soldotna, the Mat-Su Valley, and Fairbanks.

**ALTERNATIVES:**

- 1) Authorize the adoption of this resolution, in which case staff will proceed hiring a new consultant to update or create a new RFP to replace the current E911 system at the KPD PSAP. This is the recommendation staff makes to Council.
- 2) Do not authorize this resolution. The KPD PSAP is archaic, and ultimately, the system will fail. This would have a negative impact on KPD PSAP operations and affect service delivery and the public safety.

**FINANCIAL IMPLICATIONS:** The grant, for \$381,472, will be used to reimburse costs of replacing KPD's current E911 system with a new, NG911 system, capable of answering 911 calls, accepting text messages and photos.

**LEGAL:** N/A

**STAFF RECOMMENDATION:** Staff recommends Council adopt Resolution No. 2015-01 to accept the Department of Commerce, Community, and Economic Development grant award for \$381,472. This grant would reimburse the cost of replacing KPD's archaic E911 system with a new NG911 system.

**CITY MANAGER’S COMMENTS:** I am very pleased and appreciative that the City received a legislative grant for the replacement or upgrades to our E911 system during the legislative session. We make formal acceptance of these grants by resolution, and I support Chief Wallace’s recommendation to accept the funds so we can update the RFP and begin the process of providing dependable E911 service to the region.

**ATTACHMENTS:**

Attachment A: Resolution No. 2015–01

Attachment B: State of Alaska Department of Commerce, Community, and Economic  
Development grant award notification for FY2015

**PROPOSED MOTION:**

Move to adopt Resolution No. 2015–01.



**CITY OF KODIAK  
RESOLUTION NUMBER 2015-01**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK ACCEPTING  
A LEGISLATIVE GRANT FOR E911 UPGRADES**

WHEREAS, the Kodiak Police Department’s Public Safety Answering Point is one of the most critical pieces of Kodiak’s safety response capabilities; and

WHEREAS, the Public Safety Answering Point continues to provide area-wide dispatch services and E911 service to the Kodiak area, including areas outside the City’s corporate boundaries; and

WHEREAS, the existing E911 equipment is old and outdated; and

WHEREAS, the system continues to experience unexpected failures with replacement parts and service/maintenance agreements no longer available due to the age of the system; and

WHEREAS, the City of Kodiak identified the upgrades and/or replacement of the E911 system as both a state and federal priority since 2010; and

WHEREAS, the City of Kodiak actively lobbied for state and federal funding assistance for replacement/upgrades for this important public safety system; and

WHEREAS, the Alaska State Legislature approved an FY2015 reappropriation of funds for this project in the amount of \$381,472; and

WHEREAS, the City of Kodiak will use these funds to update the RFP for planning and replacement of the existing E911 system to maintain a viable Public Safety Answering Point for the Kodiak area.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska, that an Alaska State Legislature FY2015 Legislative Grant in the amount of \$381,472 is hereby accepted, and the City Manager is authorized to execute the grant agreement and related documents.

CITY OF KODIAK

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

Adopted:



THE STATE  
of **ALASKA**  
GOVERNOR SEAN PARNELL

Department of Commerce, Community,  
and Economic Development

DIVISION OF COMMUNITY AND REGIONAL AFFAIRS

550 West Seventh Avenue, Suite 1640  
Anchorage, Alaska 99501  
Main: 907.269.4252  
Fax: 907.269.4066

Attachment B

August 28, 2014

Resent 9/10/14

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

RE: FY 2015 Reappropriation

Dear Ms. Kniazowski:

The Governor and Legislature have approved reappropriation of funds from Department of transportation and Public Facilities to Department of Commerce, Community, and Economic Development for a new FY 2015 Designated Legislative Grant per AS 37.05.315 (Grants to Municipalities) for the purpose of E911 equipment replacement.

Once the funds are available for the new appropriation a grant agreement will be able to be executed. In order to prepare for this we ask that you provide the following information within 30 days:

- A scope of work for this project which includes a brief project description, proposed timeline and budget narrative.
- Completed Signatory Authority Form.

Upon receipt of the requested information and the availability of funds, I will prepare and send the grant agreement for signature.

Congratulations on this grant award. I look forward to working with you to ensure the success of this project. Please contact me if you have any questions.

Sincerely,

A handwritten signature in blue ink that reads "Rachel Spicer".

Rachel Spicer  
Grants Administrator II

Enclosures



# DESIGNATED LEGISLATIVE GRANT SIGNATORY AUTHORITY FORM

Department of Commerce, Community, and Economic Development, Division of Community and Regional Affairs

Please clearly print, submit ORIGINAL form, and submit an updated form annually or whenever changes are made to the information below.

Grantee Name:	Date:
Regular Election Held (if applicable):	Telephone Number:
Grantee Contact Name:	Fax Number:
Address:	E-mail Address:
City, State, Zip Code:	Federal Tax ID #:

**The following Grantee Employees/Officers are authorized to sign Grant Agreements and any Amendments:**

Printed Name:	Printed Name:
Title:	Title:
Signature:	Signature:

**The following Grantee Employees/Officers are authorized to sign Grant Financial/Progress Reports and Advance Requests:**

Printed Name:	Printed Name:
Title:	Title:
Signature:	Signature:

This signatory authority is conveyed by \_\_\_\_\_, the Chief  
(Name)

Administrator of \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_  
(Grantee Name)

Please indicate your preferred method of submitting financial/progress reports:

Monthly Reporting

Quarterly Reporting

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name/Title

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## MEMORANDUM TO COUNCIL

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**To:** Mayor Branson and City Councilmembers  
**From:** Aimée Kniaziowski, City Manager *AK*  
**Thru:** Mark Kozak, Public Works Director *MK*  
**Date:** January 8, 2015

**Agenda Item: V. d. Authorization of Change Order No. 1 (Second Amendment) to the Composting Contract With Quayanna Development Corporation**

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**SUMMARY:** Council approved the original contract agreement with Quayanna Development Corporation (QDC) for composting of biosolids at Middle Bay on October 25, 2012, for a period of five years. Amendment No.1 was signed on December 14, 2012, which addressed delays in permitting of the Middle Bay site and allowed a Class B composting process be moved to a small piece of land on tip of the current Kodiak Island Borough Landfill site. Amendment No. 2, executed by Change Order No. 1, is being presented to Council. This change order provides for a one-time lump sum payment of \$87,370 to compensate QDC for increased cost going back to October 2013 and also provides for an additional monthly amount of \$8,275.33 due to changed conditions. The increases approved by this change order will be effective January 1, 2015, and continue until the new permitted Class A compost facility is operational.

**PREVIOUS COUNCIL ACTION:**

- February 2012 an MOU was signed between the City and QDC to establish the goal of working toward a mutual agreement for the purpose of bio-solid disposal and composting
- City Council approved a five-year contract with QDC at its October 25, 2012, meeting
- Council authorized Amendment No. 1 to the QDC contract at the December 14, 2014, meeting

**BACKGROUND:** Beginning in 2007, City staff had multiple meetings with the Borough about biosolid disposal at the landfill. The City undertook evaluating disposal options, including composting as an option. As part of the decision process, the City did a pilot test project to verify that composting would work in Kodiak. The pilot project showed good results, and this information was presented to the City Council.

The Borough notified the City in writing in June 2012 that as of December 15 of that year, they could no longer accept biosolids for disposal at the landfill. Their decision was based on the lack of filling space between bales and the start of their new landfill expansion project.

Staff began discussions with QDC about the possibility of a public/private partnership to compost biosolids, and by October 2012 a signed five-year agreement was in place. QDC submitted a permit application to ADEC in October 2012 to operate a Class A composting facility at a site in Middle Bay

JANUARY 8, 2015  
Agenda Item V.d. Memo Page 1 of 4

on property controlled by QDC. ADEC started the public advertising notice for QDC's permit in November 2012. Public opposition to the Middle Bay site and permit required ADEC to extend the comment period well beyond the shut-off notice the Borough had given the City.

Staff worked with the USCG and the Borough to find available options. The USCG granted the City a temporary permit to stockpile biosolids from the WWTP on USCG land. This permit was issued in the first week of December 2012, which included ADEC approval of the City's temporary stockpiling plan. During the same time period the Borough staff worked on options to allow the City to compost Class B biosolids within the landfill footprint, and the Borough Assembly approved the agreement between the City and the Borough in late December 2012. ADEC approved the operations plan for composting Class B by the end of December 2012, and beginning the first of January 2013, QDC started composting the weekly biosolid deliveries at the City's allowed location on top of the active landfill.

**DISCUSSION:** QDC has been making Class B compost at the landfill since January 2013. This has been an extremely challenging endeavor because of the site location, lack of room, and lack of utilities available on site and the unusually wet weather conditions.

QDC met with City staff in October 2013 regarding the need for additional fees paid by the City due to changed conditions that affected the outcome of the composting operation. This was based upon the intended site at Middle Bay versus the current location and its difficult conditions. The City Manager asked for a breakdown of costs so the request could be analyzed prior to Council presentation. QDC prepared a memo and spreadsheet that showed the cost overruns, equipment purchase required, and amount of funds requested based on the very difficult change in conditions. Staff arranged for QDC to make the request for the negotiated funding increase to the City Council.

At the December 9, 2014, City Council work session, QDC presented the request by addressing challenges at the location and the conditions the crew was struggling with, primarily caused by the weather. Operating under these conditions created significant increases in operating cost. The primary cost increase has been the purchase of additional equipment needed to operate completely outside in the weather rather than under cover. Being outside also increased the amount of labor needed to continually uncover and recover piles each time the weather changed.

The compromise that QDC proposed was for compensation for the increased equipment required and some additional labor cost. They put a proposal together that started in October 2013 through the end of December 2014 to be paid as a lump sum amount of \$87,370. They requested an additional sum of \$8,275.88 be added to each month's regular payment until composting is started in the new permitted facility.

Staff understood from the discussion at the work session on December 9 that Council understood the challenges and supported the request. The City Manager and staff had a discussion with the City

Attorney. The Attorney recommended an amendment to the existing contract and not a new contract due to legally binding language in the contract. The Attorney recommended the change be executed under KCC 2.08.060 (f). With this guidance, staff prepared the change order and documents were signed on December 12, 2014.

**ALTERNATIVES:** Since beginning the temporary operation of compost to Class B at the landfill, this whole project has struggled with the operating conditions and lack of room to correct operational issues. The only options staff sees is to compensate the contractor for the additional cost and continue moving forward with the new facility as soon as possible. Staff evaluated many options and the cost of each option was higher than the present rate with QDC. QDC has been a steady partner with the City, and the Council recognized that and supported the requested increase presented here.

**FINANCIAL IMPLICATIONS:** The cost of this contract is covered in the annual WWTP budget in the biosolid disposal line item. Additional funds will be transferred from the Sewer Utilities fund balance in the supplemental budget to cover this cost increase.

**LEGAL:** The City Attorney was consulted about the best options to accommodate QDC's request. Based on the City Council's support at the work session, he recommended an amendment to the existing contract with the amendment executed by a change order, per KCC 2.08/060 (f) which allows the City Manager the ability to approve change orders under such circumstances. The Attorney also prepared the amendment.

**STAFF RECOMMENDATION:** Staff recommends that Council authorize Change Order No. 1 to the composting contract per the attached documents.

**CITY MANAGER'S COMMENTS:** I support QDC's request for increased fees, because they have satisfied me that the additional funds are needed. They have been required to purchase equipment that was not planned for earlier, and they have encountered constraints and difficult working conditions requiring more man hours. Peter Olsen made his presentation to Council in December and convinced them of the immediacy of his needs and the reasonableness of his request. Following Peter's presentation, I consulted with our attorney who recommended amending the existing contract and approving the change by change order, per KCC 2.08.060(f), which I did.

**ATTACHMENTS:**

- Attachment A: Change Order No. 1 with QDC's proposal.
- Attachment B: Amendment No. 2 to QDC contract
- Attachment C: Breakdown of QDC costs

**PROPOSED MOTION:**

Move to authorize Change Order No. 1 (Second Amendment) to the composting contract with Quayanna Development Corporation with required funding to be transferred from the Sewer Utility fund balance to the WWTP biosolid disposal line item with FY2015 Supplemental Budget Amendment No. 1.

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Agenda Item V.d. Memo Page 4 of 4



CITY OF KODIAK  
CHANGE ORDER

ATTACHMENT: A

CHANGE ORDER NO.: 1

DATE: December 12, 2014

NAME OF PROJECT: Composting Agreement between City of Kodiak and Quayanna Development Corporation

CONTRACT NO.: 205796

CONTRACTOR: Quayanna Development Corporation (QDC)

Changes are hereby made to the CONTRACT DOCUMENTS:

1. Per 6.0 of the Composting Agreement between the City of Kodiak and Quayanna Development Corporation dated October 30, 2012, First Amendment to Composting Agreement and Second Amendment to Composting Agreement (attachment A).

Justification: Attachment B, QDC letter dated November 6, 2014.

Original CONTRACT PRICE: \_\_\_\_\_ \$332,250.00/annual or \$27,687.60/monthly

The CONTRACT PRICE due to this CHANGE ORDER will increase: \$87,370.00/lump sum for compensation 2013 and 2014.

Additional monthly payment of \$8,275.88 for Total Monthly Payment of \$35,963.38 continuing through the end of the month in which QDC commences composting operations at the permitted City Composting Facility.

Requested by City Engineer *[Signature]*

Approved by Department Head *[Signature]*

Ordered by City Manager *[Signature]*

Accepted by Contractor *[Signature]*

**SECOND AMENDMENT TO  
COMPOSTING AGREEMENT**

THIS SECOND AMENDMENT TO COMPOSTING AGREEMENT (this "Amendment") is entered into as of December 15, 2014, by and between the City of Kodiak, an Alaska municipal corporation (the "City") and Quayanna Development Corporation, an Alaska corporation ("QDC")

WHEREAS, the parties entered into a Composting Agreement as of October 30, 2012, (the "Agreement"); and

WHEREAS, the parties previously amended the Agreement to provide for the relocation of the composting facility to the Borough landfill; and

WHEREAS, QDC has encountered unforeseen additional costs in operating the composting facility at Borough landfill location, and the parties agree that it would be appropriate and in their mutual interest to adjust the compensation to QDC under the Agreement accordingly.

NOW, THEREFORE, in consideration of the foregoing Recitals (which are incorporated herein by this reference), the mutual covenants and conditions hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and QDC hereby agree as follows:

**1. Contract Price.** Section 4.4 is added to the Agreement as follows:

4.4 In addition to the compensation that is payable to QDC under Sections 4.1 through 4.3, the City shall pay QDC (i) the sum of eighty seven thousand three hundred seventy dollars (\$87,370) on or before December 31, 2014, and (ii) the sum of eight thousand two hundred seventy five and 88/100 dollars (\$8,275.88) on the first day of each month commencing January 1, 2015 and continuing through the end of the month in which QDC commences composting operations at the permitted City composting facility.

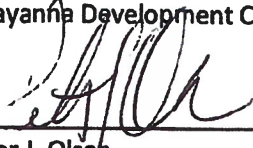
**2. Affirmation of Agreement.** Except as expressly amended herein, all terms and conditions of the Agreement as originally executed and previously amended shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto set their hands as set forth below.

City of Kodiak

By:   
Aimée Kniazowski  
City Manager

Quayanna Development Corporation

By:   
Peter J. Olsen,  
Executive Director



**FIRST AMENDMENT TO  
COMPOSTING AGREEMENT**

THIS FIRST AMENDMENT TO COMPOSTING AGREEMENT (this "Amendment") is entered into as of December 14, 2012, by and between the City of Kodiak, an Alaska municipal corporation (the "City") and Quayanna Development Corporation, an Alaska corporation ("QDC")

WHEREAS, the parties entered into a Composting Agreement as of October 30, 2012 (the "Agreement"); and

WHEREAS, the parties intended that QDC would commence composting operations under the Agreement on or about December 15, 2012; and

WHEREAS, delays in permitting require the parties to establish a temporary solution for composting bio-solids from the City's wastewater treatment facility.

NOW, THEREFORE, in consideration of the foregoing Recitals (which are incorporated herein by this reference), the mutual covenants and conditions hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Purchaser and Seller hereby agree as follows:

1. **Definition of "Borough."** Section 1.0 is amended by adding the following definition, "Borough" means the Kodiak Island Borough, an Alaska municipal corporation.

2. **Definition of "Operational Plan."** The definition of "Operational Plan" in Section 1.0 is amended to read, "Operational Plan" means either (i) for composting at the Borough landfill, the amended operating permit for the Borough landfill and the agreement between the City and Borough regarding the composting of Bio-solids at the Borough landfill; or (ii) for composting at any other Site, the plan approved by ADEC under which QDC will receive and compost Bio-solids at the Site. Upon ADEC approval of the plan, it shall be attached to this Agreement and incorporated by reference herein.

3. **Definition of "Site."** The definition of "Site" in Section 1.0 is amended to read, "Site" means real property located either (i) at the Borough landfill that the Borough has designated for use as a site for the composting of Bio-solids under this Agreement; or (ii) within approximately 25 road miles of the City's wastewater treatment facility, and designated by QDC from time to time and approved by ADEC and other regulatory authorities for the composting of Bio-solids under this Agreement.

4. **Time for Performance.** Section 2.1 is amended by changing the date, "December 15, 2012" everywhere that it appears to "September 15, 2013."

5. **Termination.** Section 8.1 is amended to read, "This Agreement may be terminated with at least 60 days written notice by either party."

6. **Affirmation of Agreement.** Except as expressly amended herein, all terms and conditions of the Agreement as originally executed shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto set their hands as set forth below.

City of Kodjak

By:

Aimée Kniazowski  
City Manager

Quayanna Development Corporation

By:

Peter J. Olsen,  
Executive Director



*Quayanna Development Corporation*

11801 Middle Bay Drive  
 Kodiak, Alaska 99615  
 TEL : (907) 487-2291  
 CELL : (907) 317-0083  
 e-mail : [plarc@alaska.net](mailto:plarc@alaska.net)

November 6, 2014

Ms. Aimee Kniaziowski, City Manager  
 City of Kodiak  
 710 Mill Bay Road, Room 219  
 Kodiak, Alaska 99615

RE: Composting Services Interim Rate Adjustment Proposal

Dear Ms. Kniaziowski:

Thank you for meeting with me to address the composting rate disparity QDC has demonstrated to exist with the City of Kodiak. In previous meetings and communications over the past year QDC has presented the City with our experienced higher costs and lost revenues that are a direct result of the City's decision to move the composting operation from the proposed Middle Bay site to the Kodiak Island Borough landfill.

As we have made very clear in our meetings on this subject, QDC must see these items addressed as soon as possible. QDC has also expressed our desire to find a solution that is agreeable to both the City and ourselves without undue administrative burden.

Here is a synopsis of the costs QDC has incurred in order to meet the added demands of operating the composting project at the Kodiak Island Borough Landfill:

	Through 2014
Equipment 2013 and 2014	\$ 66,370.40
Wages Overage 2013 and 2014	\$ 21,000.00
Preempted Compost Sales	\$ 63,375.00
<b>TOTAL through October 14</b>	<b>\$ 150,745.40</b>

]

	Monthly Costs	
Equipment	\$	8,275.88
Wages	\$	875.00
Preempted Compost Sales	\$	4,875.00
TOTAL	\$	14,025.88

The equipment costs shown are those QDC has purchased in addition to those we had projected to be necessary if the composting facility were to have been operated at the Middle Bay Site. The assumed additional wages paid shown is a conservative estimate of the additional wages QDC has paid to employees as a result of additional labor required to collect wood and for the extra handling of compost due to the lack of facilities at the landfill. The pre-empted compost sales is an estimate of the lost revenue due to our inability to sell compost produced since October of 2013.

QDC proposes a compromise where the City pays QDC for the added equipment costs and labor described in the above table until the new composting facility is operational. QDC will then forgo the lost revenues from anticipated compost sales while at the landfill.

Total compensation due QDC under this offer is therefore:

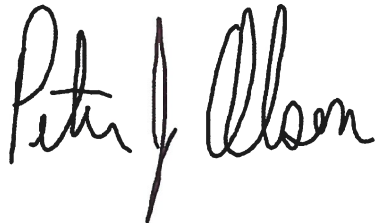
<i>Added Equipment Costs in 2013 and 2014</i>	<i>\$66,370</i>
<i>Added Labor Costs in 2013 and 2014</i>	<i>\$21,000</i>
<i>Total Compensation for 2013 and 2014</i>	<i>\$87,370</i>

*In addition, the monthly added equipment costs of \$8,275.88 will be added to the existing contract rate on a monthly basis until the new composting facility is operational.*

Please advise of your thoughts in regards to this proposal.

Sincerely,

QUAYANNA DEVELOPMENT CORPORATION



Peter J. Olsen, Executive Director

**Kniazowski, Aimee**

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**From:** Peter J. Olsen [plarc@alaska.net]  
**Sent:** Wednesday, December 10, 2014 4:57 PM  
**To:** Kniazowski, Aimee  
**Subject:** Compost Interim Rate Adjustment  
**Attachments:** Compost Cost Overruns.xls; Interim Compensation Proposal Letter to City of Kodiak November 2014.pdf

**Categories:** Council Agenda Items

Hi Aimee:

As we discussed, attached is my spreadsheet with the supporting data that I used in the November 6, 2014 letter to you regarding the Interim Rate Adjustment for composting services.

The three pieces of equipment purchased were a 908H2 and IT14G2 loader, and a Rayco Horizontal Grinder. The 908H2 loader was purchased in 2013 with 5 payments of \$1,786 in 2013 and 12 payments in 2014. The IT14G2 loader was purchased in 2014 and we incurred 6 payments this year of \$3,559. The Rayco horizontal grinder was also purchased in 2014 and we incurred 5 payments of \$2,930.88 for that piece of equipment. The spreadsheet calculates the sum of these payments to equal \$66,370.40 through 2014, and monthly payment total of \$8,275.88.

The Wages calculation uses an assumed loaded hourly wage of \$35/hr and 25 hours per month. 12 months in 2013 and 2014 at this rate totals \$21,000.

Adding the equipment payments through 2014 (\$66,370.40) and the wages (\$21,000) equals the \$87,370.40 onetime payment amount. The sum of monthly equipment payments totaling \$8,275.88 will be the amount added to the current composting monthly rate until the new facility is operational.

Please let me know if you have any thoughts or questions.

*Peter J. Olsen, Executive Director*



Quayanna Development Corporation

[www.quayanna.com](http://www.quayanna.com)

[plarc@alaska.net](mailto:plarc@alaska.net)

Added Equipment	Payment	# Payments 2013	Total Amount	# Payments 2014	Total Amount	2015 Payments	Total Payments
Cat 908H2 Loader	\$ 1,786.00	5	\$ 8,930.00	12	\$ 21,432.00	12	\$ 21,432.00
Cat IT14G2 Loader	\$ 3,559.00	-	\$ -	6	\$ 21,354.00	12	\$ 42,708.00
Rayco Grinder	\$ 2,930.88	-	\$ -	5	\$ 14,654.40	12	\$ 35,170.56

Monthly Payments \$ 8,275.88 \$ 8,930.00 \$ 57,440.40 \$ 99,310.56

Added Labor	Cost/hr	Hrs/month	2013 Months	2013 Wages	2014 Months	2014 Wages
Wages	\$ 35.00	25	12	\$ 10,500.00	12	\$ 10,500.00

	Through 2014
Equipment 2013 and 2014	\$ 66,370.40
Wages 2013 and 2014	\$ 21,000.00
<b>TOTAL through 2014</b>	<b>\$ 87,370.40</b>

	Monthly Costs
Equipment	\$ 8,275.88

Pre-empted Revenue	Monthly Pre-empted Revenue	# Months lost 2013	Total Amount 2013	# Months lost 2014	Total Amount 2014
Pre-empted Compost Sales	\$ 4,875.00	3	\$ 14,625.00	10	\$ 48,750.00

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## MEMORANDUM TO COUNCIL

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**To:** Mayor Branson and City Councilmembers

**From:** Aimée Kniazowski, City Manager 

**Thru:** Karl Swanson, Interim Finance Director

**Date:** January 8, 2015

**Agenda Item:** V. e. **Acceptance of the FY2014 Comprehensive Annual Financial Report (Audit)**

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**SUMMARY:** Each year the City Council retains a qualified accounting firm to perform an annual audit of the City's financial records and accounting practices. The City Charter and the City Code require the Council to accept the comprehensive annual financial report. Council typically accepts the report and results of the audit by motion. Staff recommends Council approve the results of the financial statement audit for Fiscal Year 2014 in accordance with KCC 3.24.020 and accept the Fiscal Year 2014 Comprehensive Annual Financial Report.

**PREVIOUS COUNCIL ACTION:** The Fiscal Year 2014 budget was adopted by the City Council on June 13, 2013, via Ordinance No. 1309. The annual audit expense was budgeted in the General Fund, Finance Administration Department, Professional Services. The budget amount for the Fiscal Year 2014 audit was \$46,120. On March 28, 2013, the Council approved the professional services agreement with Mikunda Cottrell & Co. at a fee of \$46,120 for fiscal year 2013, \$48,426 for fiscal year 2014, and \$50,363 for fiscal year 2015, plus out of pocket expenses. Mikunda Cottrell and Co. has since changed their name to BDO.

**DISCUSSION:** Article V, Section 21 of the City Charter requires an annual audit of the accounting and financial records of the City by independent certified public accountants. This charter section requires the auditor to examine all funds of the City in accordance with generally accepted auditing standards and the standards set forth in the Government Accountability Office's Government Auditing Standards. In addition, the auditor must conduct the compliance examinations required by the Single Audit Act Amendments of 1996, the related U.S. Office of Management and Budget's Circular A-133, and the State of Alaska Audit Guide and Compliance Supplement for State Single Audits. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of grants.

The City of Kodiak solicited the services of qualified firms of certified public accountants to audit its financial statements for the fiscal years ending June 30, 2013, 2014, and 2015, with the option to audit the City's financial statements for two subsequent fiscal years. The City contracted with BDO (formerly



Mikunda, Cottrell, & Co.) for auditing services. The fees for services, not including travel expenses, will be \$46,120 for 2013, \$48,426 for 2014, and \$50,363 for 2015.

The auditors from BDO worked with City staff during the summer and into the fall of 2014 to review records, run their tests, and complete the audit documents. As in past years, staff recommends Council review and then approve the final FY2014 audited comprehensive financial report by motion at this meeting.

**ALTERNATIVES:** N/A

**FINANCIAL IMPLICATIONS:** Compliance with Kodiak City Code Section 3.24.020 is required. It states that “upon council’s acceptance of the annual financial report, necessary budgetary/accounting entries shall be recorded in the succeeding fiscal year for all outstanding encumbrances and incurred obligations, as disclosed in the prior fiscal year’s annual financial report.”

**LEGAL:** N/A

**STAFF RECOMMENDATION:** Staff recommends that the City Council accept the Fiscal Year 2014 audited comprehensive annual financial report by motion.

**CITY MANAGER’S COMMENTS:** The annual audit is a financial requirement of the City. Staff prepared for and worked closely with the auditors as they gathered information during the summer and fall to prepare the final report. Council will have had the presentation at the January 6 work session, and I recommend that Council accept the FY2014 audited comprehensive financial report by motion at this meeting. I am pleased with the outcome of the audit. I want to thank Interim Finance Director Karl Swanson and the Finance Department staff for their work during the audit and for their ongoing professionalism and attention to detail.

**NOTE:**

The Mayor and City Council members were issued copies of the Fiscal Year 2014 Comprehensive Financial Annual Report (CAFR). These reports should be brought to the 1/6 work session and the 1/8 regular meetings for review and discussion.

**PROPOSED MOTION:**

Move to accept the City’s Fiscal Year 2014 audited Comprehensive Annual Financial Report.

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## MEMORANDUM TO COUNCIL

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**To:** Mayor Branson and City Councilmembers

**From:** Debra Marlar, City Clerk 

**Date:** January 8, 2015

**Agenda Item:** V. f. Advisory and Personnel Board Appointments and Planning and Zoning Commission Recommendation

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**SUMMARY:** Several seats expired on various City advisory boards at the end of December. Except for the Personnel Board, whose members are appointed by the Council, and the Employee Advisory Board, whose members are elected by City employees, members of advisory boards are appointed by the Mayor and confirmed by the Council. Additionally, the Council makes a recommendation to the Borough Mayor for appointment to City designated seats on the Planning and Zoning Commission.

At Tuesday's work session, Mayor Branson and Councilmembers interviewed applicants and reviewed applications.

No applications were submitted for open seats on the Building Code Board of Appeals or the alternate seat on the Parks and Recreation Advisory Board. One application was received for the one open position on the Personnel Board. Seven applications were received for the three regular and two alternate seats on the Port and Harbors Advisory Board. Two applications were submitted for the City designated seat on the Planning and Zoning Commission.

**BACKGROUND:** Advisory board members are appointed at the end of each year when terms expire and throughout the year as necessary.

*{Mayor Branson will make her appointments to the Port and Harbors Advisory Board.}*

**Port and Harbors Advisory Board** *No City residency requirement.*

3 regular seats ending December 31, 2017 (three-year terms)

2 alternate seats ending December 31, 2016 (one-year terms)

1 ex-officio student seat (no applicant)

Applicant(s):

Ed Cross Jr. (alternate, incumbent, City resident)

Dennis Eggers (City resident)

Raymond May (non City resident)

Patrick O'Donnell (non City resident)

Marty Owen (City resident)

Stormy Stutes (incumbent, non City resident)

Nick Szabo (incumbent, City resident)

*{The Council will appoint the Personnel Board members by motion.}*

**Personnel Board** *All members must be City residents.*

1 regular seat with term ending December 31, 2016 (two-year term)

Applicant:

Pat Szabo (incumbent, City resident)

**Planning and Zoning Commission** *Three of the seven seats on the Planning and Zoning Commission are designated as City seats. One seat expired December 31, 2015. Alaska Statute 29.40.020 provides that an appointment to the Planning and Zoning Commission is made by the Borough Mayor for a three-year term from a list of recommendations submitted by the Council. Historically, the Council has submitted the names of one or more applicants for recommendation of appointment. If the Council has had a preference of who is appointed, this list contained only those name(s).*

1 City seat with term ending December 31, 2017 (three-year term)

Applicants:

Alan Schmitt (incumbent), City resident

Kyle Crow, City resident

**ATTACHMENTS:**

Attachment A: Port and Harbors Advisory Board Current Member List, Applications, and 2014 meeting attendance

Attachment B: Personnel Board Current Member List and Application

Attachment C: Planning and Zoning Member List and Applications

**PROPOSED MOTION:**

Move to appoint Pat Szabo to the Personnel Board for a term ending December 31, 2016, recommend \_\_\_\_\_ for appointment to the three-year City seat on the Planning and Zoning Commission; and confirm the Mayoral advisory board appointments to the Port and Harbors Advisory Board as stated.



## Office of the City Clerk

710 Mill Bay Road, Room 216, Kodiak, Alaska 99615

### PORT AND HARBORS ADVISORY BOARD

Seven regular seats, two alternates, and one student seat

Effective January 1, 2014

TERM	BOARDMEMBER	HOME	WORK	FAX	MAILING ADDRESS
2014	Anne Kalcic boatlift@alaska.com	486-5824	486-5824	486-5824	P.O. Box 2085
2014	Stormy Stutes stutes@gci.net	486-8757	942-2121	486-8709	2230 Monashka Way
2014	Nick Szabo herschel@gci.net	486-3853	486-3853	486-3853	P.O. Box 1633
2015	Tim Abena timabena@aol.com	486-3290	360 957-3200	486-3290	3103 Mill Bay Road
2015	Oliver Holm chicken@gci.net	486-6957	486-6957	N/A	P.O. Box 8749
2016	Ralph (Skip) Bolton skip2@gci.net	486-4099	317-8660	486-2030	P.O. Box 2852
2016	David Jentry dwjentry@gci.net	486-5205	486-5205	486-5243	P.O. Box 3128
2014 Alternate 1	Stosh Anderson stosh_a@hotmail.com	486-3673	654-3674	N/A	P.O. Box 310
2014 Alternate 2	Ed Cross Jr. Juniorcross20@gmail.com	N/A	208 866-7429	N/A	525 Maple
Student (ex-officio)	VACANT				

Regular terms expire December 31 (three-year terms)

Alternate terms expire December 31 (one-year terms)

Student term expires May 31 (one-year term)

#### Legislation

Resolution Number 49–81  
Resolution Number 44–86  
Resolution Number 54–87  
Resolution Number 05–94  
Resolution Number 98–32

**[Clerk’s Note: The alternates do not make motions or vote unless regular member(s) are absent.]**

#### Appointments

11/03/87	12/14/87	10/27/88
12/12/88	10/12/89	01/11/90
02/22/90	12/14/90	01/09/92
03/12/92	01/14/93	01/27/94
02/10/94	09/22/94	12/22/94
10/05/95	12/14/95	12/12/96
12/11/97	12/10/98	02/10/00
02/22/01	05/24/01	12/13/01
09/12/02	01/23/03	01/22/04
01/13/05	12/15/05	12/14/06
12/13/07	02/12/09	12/11/09
12/9/10	12/8/11	12/13/12
12/12/13		





City Clerk's Office  
 710 Mill Bay Road, Rm. 216  
 Kodiak, AK 99615  
 (907) 486-8636 / (907) 486-8600 (fax)



**ADVISORY BOARD APPLICATION**

Dennis Eggers  
 NAME

481-3710 539-2111  
 HOME TELEPHONE WORK TELEPHONE

\_\_\_\_\_  
 FAX

Dennis Eggers  
 EMAIL

1222 Selief Ln #38  
 RESIDENCE (STREET) ADDRESS

PO Box 9007  
 MAILING ADDRESS

20 yrs  
 LENGTH OF RESIDENCE IN KODIAK

25 yrs  
 LENGTH OF RESIDENCE IN ALASKA

Are you a registered voter in the City of Kodiak?  
 Do you own property in the City of Kodiak?

Yes  No   
 Yes  No

On which boards are you interested in serving?  
 (List in order of preference)

Ports & Harbors Advisory  
Alternate

List your areas of expertise and education that would benefit the boards for which you are applying.

Commercial Fisherman  
Kodiak 20 yrs.

Eagle Scout

Community Activities: \_\_\_\_\_

Commercial Fishing

Professional Activities: \_\_\_\_\_

Commercial Fisherman

Dennis Eggers  
 Signature

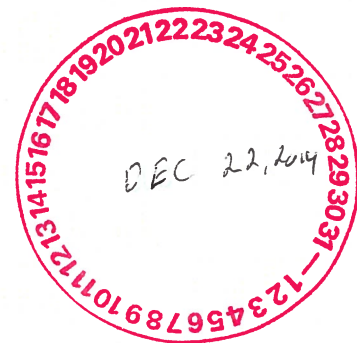
12-19-14  
 Date

Return application to City Clerk, 710 Mill Bay Road, Rm. 216, Kodiak, AK 99615  
 Fax: 486-8600





City Clerk's Office  
 710 Mill Bay Road, Rm. 216  
 Kodiak, AK 99615  
 (907) 486-8636 / (907) 486-8600 (fax)



**ADVISORY BOARD APPLICATION**

Raymond May  
 NAME

(907) 486-5710 (907) 539-2501 \_\_\_\_\_  
 HOME TELEPHONE WORK TELEPHONE FAX

RaymondMay@GCI.Ne  
 EMAIL

4043 Woodland Dr.  
 RESIDENCE (STREET) ADDRESS

P.O. Box 8985, Kodiak AK 99615  
 MAILING ADDRESS

17 yrs  
 LENGTH OF RESIDENCE IN KODIAK

35 yrs  
 LENGTH OF RESIDENCE IN ALASKA

Are you a registered voter in the City of Kodiak?  
 Do you own property in the City of Kodiak?

Yes  No  *Registered in KIB*  
 Yes  No

On which boards are you interested in serving?  
 (List in order of preference)

Ports & Harbors

List your areas of expertise and education that would benefit the boards for which you are applying.

Community Activities:

KRAA Board of Directors

Professional Activities:

Commercial fisherman  
 Business owner

[Signature]  
 Signature

12/21/14  
 Date

Return application to City Clerk, 710 Mill Bay Road, Rm. 216, Kodiak, AK 99615  
 Fax: 486-8600



**City Clerk's Office**  
 710 Mill Bay Road, Rm 216  
 Kodiak, AK 99615  
 (907) 486-8636 \* (907) 486-8600 (fax)



**Advisory Board Application Form**

PATRICK O'CONNELL  
 NAME

907 486 2683 HOME TELEPHONE      907 539 5296 WORK TELEPHONE      \_\_\_\_\_ FAX      patrick@fisheries.com EMAIL

1353 MOUNTAIN VIEW DRIVE  
 RESIDENCE (STREET) ADDRESS

PO BOX 3075 MAILING ADDRESS      **KODIAK, AK 99615**

20 YEARS  
 LENGTH OF RESIDENCE IN KODIAK

20 YEARS  
 LENGTH OF RESIDENCE IN ALASKA

**Are you a registered voter in the City of Kodiak?**       Yes  No  
**Do you own property in the City of Kodiak?**       Yes  No

**On which boards are you interested in serving? (Please list in order of preference)**      **Please list your areas of expertise and education that would benefit the boards for which you are applying.**

PORT AND HARBORS ADVISORY BOARD.  
 \_\_\_\_\_  
 \_\_\_\_\_

OWNER OF 86' TRAWLER  
COMMERCIAL FISHED OUT OF HODDICKY 24 YEARS  
USE OF ALL DOCKS & TRAWEL LIFT  
BEEN A FISHERMAN ALL MY LIFE

**Community Activities:** \_\_\_\_\_  
MEMBER OF ADVISORY PANEL NPFMC.  
BOARD OF DIRECTORS A.W.T.A.  
CENTRAL GOA. POLLUCK NONGRAIN  
KODIAK FISHERY ADVISORY COMMITTEE (ALTERNATE)  
ADFG KODIAK ADVISORY COMMITTEE (ALTERNATE)

**Professional Activities:** \_\_\_\_\_  
SERVED AS VICE PRESIDENT A.W.T.A.  
ALASKA WHITEFISH TRAWLERS ASSOCIATION 2008-2010

[Signature]  
 SIGNATURE

12-7-2014  
 DATE

Return application to City Clerk, 710 Mill Bay Road, Room 216, Kodiak, AK 99615  
 Fax: 486-8600

Revised: June 2009





City Clerk's Office  
 710 Mill Bay Road, Rm. 216  
 Kodiak, AK 99615  
 (907) 486-8636 / (907) 486-8600 (fax)



**ADVISORY BOARD APPLICATION**

MARTY OWEX

NAME

907-486-5079

HOME TELEPHONE

907-654-8150

WORK TELEPHONE

cell

FAX

KODIAKOWEX@GMAIL.COM

EMAIL

1223 KOUSKOV, ST

RESIDENCE (STREET) ADDRESS

KODIAK, AK 99615

MAILING ADDRESS

20 YRST  
 LENGTH OF RESIDENCE IN KODIAK

SAME  
 LENGTH OF RESIDENCE IN ALASKA

Are you a registered voter in the City of Kodiak?  
 Do you own property in the City of Kodiak?

Yes [] No [ ]  
 Yes [] No [ ]

On which boards are you interested in serving?  
 (List in order of preference)

PORT & HARBOR ADVISORY

List your areas of expertise and education that would benefit the boards for which you are applying.

19 YRS KODIAK HARBOR MASTER

23 YRS CORPS OF ENGINEERS

BA ECONOMICS

MBA BUSINESS

VESSEL OWNER \*42FT

Community Activities: ROTARY '95-'14

KODIAK MARITIME MUSEUM '97-'14

RED CROSS '96-2005

AUDUBON SOCIETY 2000-14

ST PARKS ADVISORY BOARD 6 YRS

AK HBRMSTR ASSN - LIFE MBR

Professional Activities: \_\_\_\_\_

AK ASSN OF HARBOR MASTERS

PAC. COAST ASSN OF HBRMSTRS

Marty Owex  
 Signature

12-11-14  
 Date

Return application to City Clerk, 710 Mill Bay Road, Rm. 216, Kodiak, AK 99615  
 Fax: 486-8600



City Clerk's Office  
 710 Mill Bay Road, Rm. 216  
 Kodiak, AK 99615  
 (907) 486-8636 / (907) 486-8600 (fax)



**ADVISORY BOARD APPLICATION**

Stormy Stutes  
 NAME

907 486 8757 907 942-2121  
 HOME TELEPHONE WORK TELEPHONE

907 486 8709  
 FAX

stutes@gci.net  
 EMAIL

2230 Monashka Way  
 RESIDENCE (STREET) ADDRESS

same  
 MAILING ADDRESS

42 years  
 LENGTH OF RESIDENCE IN KODIAK

60 yrs.  
 LENGTH OF RESIDENCE IN ALASKA

Are you a registered voter in the City of Kodiak?  
 Do you own property in the City of Kodiak?

Yes  No  KIB  
 Yes  No

On which boards are you interested in serving?  
 (List in order of preference)  
Ports and Harbor

List your areas of expertise and education that would benefit the boards for which you are applying.  
Fished out of Kodiak since 1972, Retired 37 yr skipper of 90' trawler/ crabber/ longliner, Owner of 34' pleasure boat in harbor

Community Activities: president of Pioneers of Alaska in Kodiak (minus igloo 18).

Professional Activities: Instrumental in seeing the project to have marine traplift in Kodiak

Stormy Stutes  
 Signature

2 Dec 2014  
 Date

Return application to City Clerk, 710 Mill Bay Road, Rm. 216, Kodiak, AK 99615  
 Fax: 486-8600



City Clerk's Office  
 710 Mill Bay Road, Rm 220  
 Kodiak, AK 99615  
 (907) 486-8636 \* (907) 486-8600 (fax)



Advisory Board Application Form

NICK SZABO  
 NAME

486-3853 HOME TELEPHONE    486-3853 WORK TELEPHONE    654-3853 FAX CELL    henschel@kci.net EMAIL

1819 RELIEF LANE  
 RESIDENCE (STREET) ADDRESS

PO Box 1633 MAILING ADDRESS    KODIAK, AK 99615

48 1/2 YEARS LENGTH OF RESIDENCE IN KODIAK    49 YEARS LENGTH OF RESIDENCE IN ALASKA

Are you a registered voter in the City of Kodiak?  Yes  NO  
 Do you own property in the City of Kodiak?  Yes  No

On which boards are you interested in serving? (Please list in order of preference) .    Please list your areas of expertise and education that would benefit the boards for which you are applying.

PORT AND HARBOUR ADVISORY BOARD    FISHINGMAN IN KODIAK SINCE 1966  
PROPERTY OWNER IN KODIAK SINCE 1972  
BOAT OWNER IN KODIAK 1983-2005 AND 2013-PRESENT  
USCG 160 TON MASTER LICENSE  
PORT AND HARBOUR ADVISORY BOARD 1995-PRESENT

Community Activities: KODIAK ELKS CLUB    Professional Activities: \_\_\_\_\_  
KODIAK LIONS CLUB    KODIAK RESIDENT PORT AGENT FOR CRUISE SHIPS,  
KODIAK SOLID WASTE ADVISORY BOARD    CARGO SHIPS AND TANKERS.  
KODIAK ISLAND SEARCH AND RESCUE    ALASKA MARINE SAFETY EDUCATION ASSOCIATION  
ALASKA SEARCH AND RESCUE ASSOCIATION    KODIAK CHAMBER OF COMMERCE  
ALASKA MARINE CONSERVATION COUNCIL

Nick Szabo SIGNATURE    11/30/2014 DATE

Return application to City Clerk, 710 Mill Bay Road, Room 220, Kodiak, AK 99615  
 Fax: 486-8600

**PHAB ATTENDANCE SHEET**  
2014

MEMBER	VSL OWNER	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
		3	CX	NA	22	NA	NA	NA	NA	17	NA	NA	19
Time Abena	YES	A			A					P			A
Anne Kalcic	YES	A			A					A			A
Stormy Stutes	YES	P			A					A			P
Nick Szabo	YES	P			P					P			P
Oliver Holm	YES	P			A					P			P
Dave Jentry	YES	P			P					P			P
Ralph Skip Bolton	YES	P			P					P			P
*Stosh Anderson	YES	P			P					P			P
*Junior Cross	NO	P			P					A			A

UPDATE:

\*ALTERNATES

KEY CODE:

N/A NO MEETING:      P PRESENT      A ABSENT





## Office of the City Clerk

710 Mill Bay Road, Room 216, Kodiak, Alaska 99615

### PERSONNEL BOARD

Three seats

TERM	BOARDMEMBER	HOME	WORK	FAX	MAILING ADDRESS
2014	Pat Szabo pszabo@gci.net	486-3853			PO Box 1949
2015	Curtis Law curt@kodiak.org	486-7636	486-4700	486-5541	P.O. Box 42
2015	Patricia Olsen olsen99615@hotmail.com	486-6752	481-2200		P.O. Box 1014

Regular terms expire December 31 (two-year terms)

#### Legislation

Established by City Charter  
Duties listed in City Code 2.08.180

#### Appointments

12/13/84	12/27/84	12/19/85
01/08/87	02/12/87	02/26/87
10/08/87	12/14/87	04/14/88
07/14/88	12/12/88	01/11/90
02/22/90	12/14/90	01/14/93
12/22/94	12/14/95	12/12/96
09/30/97	12/11/97	12/10/98
02/10/00	12/13/01	12/13/07
12/11/08	09/24/09	12/9/10
12/8/11	12/13/12	12/12/13





**KODIAK ISLAND BOROUGH**

**PLANNING AND ZONING COMMISSION**

NAME	TERM	HOME PHONE	WORK PHONE	CELL PHONE	EMAIL
Scott Arndt (B) PO Box 76 Kodiak, AK 99615	2015	481-3745	486-3745 FAX 481-3333	512-2765 414-791- 3745	<a href="mailto:sla3745@yahoo.com">sla3745@yahoo.com</a>
Kathy Drabek (C) 220 Mill Bay Road Kodiak, AK 99615	2015		486-4449	654-4905	<a href="mailto:kathy.drabek@kibplanning.org">kathy.drabek@kibplanning.org</a>
Patricia Olsen (C) PO Box 1014 Kodiak, AK 99615	2016	486-6752	654-4780	654-4780	<a href="mailto:patricia.olsen@kibplanning.org">patricia.olsen@kibplanning.org</a>
Maria Painter (B) 3901 Woodland Dr. Kodiak, AK 99615	2015			942-2560	<a href="mailto:maria.painter@kibplanning.org">maria.painter@kibplanning.org</a>
Jennifer Richcreek (B) PO Box 8992 Kodiak, AK 99615	2017		486-7704	942-7046	<a href="mailto:jennifer.richcreek@kibplanning.org">jennifer.richcreek@kibplanning.org</a>
Alan Schmitt (C) 3295 Woody Way Loop Kodiak, AK 99615	2017	486-5314			<a href="mailto:alan.schmitt@kibplanning.org">alan.schmitt@kibplanning.org</a>
Jay Baldwin (B) 3343 Eider St Kodiak, AK 99615	2016		512-2055		<a href="mailto:Jay.baldwin@kibplanning.org">Jay.baldwin@kibplanning.org</a>

B=Borough Seat  
C=City Seat

**This commission is governed by Kodiak Island Borough Code 2.105**

**STAFF:**

CDD DIRECTOR, BOB PEDERSON	486-9360	<a href="mailto:bpederson@kodiakak.us">bpederson@kodiakak.us</a>
ASSOCIATE PLANNER, MARTIN LYDICK	486-9361	<a href="mailto:mlydick@kodiakak.us">mlydick@kodiakak.us</a>
ASSISTANT PLANNER, JACK MAKER	486-9362	<a href="mailto:jmaker@kodiakak.us">jmaker@kodiakak.us</a>
CODE ENFORCEMENT OFFICER, NEIL HORN	486-9364	<a href="mailto:nhorn@kodiakak.us">nhorn@kodiakak.us</a>
CDD SECRETARY, SHEILA SMITH	486-9363	<a href="mailto:ssmith@kodiakak.us">ssmith@kodiakak.us</a>

**COMMUNITY DEVELOPMENT DEPARTMENT**  
710 MILL BAY ROAD  
ROOM 205  
KODIAK, AK 99615

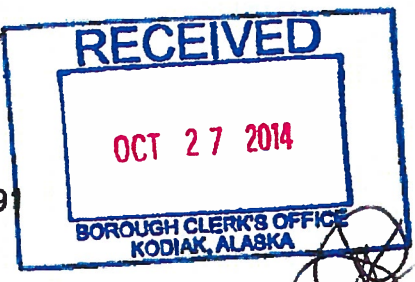
Revision Date: 12/05/2014  
Revised by: AM





RECEIVED  
DEC 2014  
City Clerk's Office  
City of Kodiak

**KODIAK ISLAND BOROUGH**  
**OFFICE OF THE BOROUGH CLERK**  
710 Mill Bay Road, Room 101  
Kodiak, AK 99615  
Phone: (907) 486-9310 Fax: (907) 486-9391  
njavier@kodiakak.us



**APPLICATION FOR APPOINTMENT TO BOARDS, COMMITTEES, AND COMMISSIONS**

Board/Committee/Commission: P+Z (CITY SEAT)

Designated seat or group representation (if applicable): \_\_\_\_\_

Please be aware that the information given on your application is made available to the public. Staff will require the use of a mailing address, email address, and contact phone number to provide board and meeting information.

Name: ALAN L. SCHMITT Daytime Phone: 486-5314  
Residence Address: 3295 WOODY WAY LOOP Evening Phone: 486-5314  
Mailing Address: SAME Cell Phone: \_\_\_\_\_  
Email Address: SCHMITT@GCI.NET Fax Number: \_\_\_\_\_  
Length of Residence in Kodiak: 32+ YEARS Registered to vote in Kodiak?  Yes  No

Please provide one of the following: Date of Birth 11/24/53 Last 4 digits of SSN# \_\_\_\_\_

Employer/Occupation: RETIRED

Organizations you belong to or participate in: P+Z; HOSPICE OF KODIAK; MARIAN CENTER, INC; ROTARY

Explain your main reason for applying: I WOULD LIKE TO SEE THE CODE UPDATE APPROVED AND IMPLEMENTED - AND ASSIST IN THE PROCESS

What background, experience, or expertise will you bring to the board/committee/commission membership?  
4 YEARS OF SERVICE ON P+Z

Are you available for regular meetings? YES Pursuant to KIBC 2.100.070 (A.6) Other than by expiration of the members term, the assembly shall declare a seat vacant when a member misses three consecutively held regular meetings and is not excused.

Signature of Applicant: AL. L. SCHMITT Date: 10/26/14

A resume or letter of interest may be attached, but is not required. This application will be kept on file for one year. Please be aware that there may be an application deadline. Application deadlines, if applicable, are available on the Borough website at [www.kodiakak.us](http://www.kodiakak.us) or in the Notice of Vacancy announcements advertised in the Kodiak Daily Mirror.

- STAFF USE ONLY -		
Registered voter of the Borough: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Appointment Letter: _____	Date Received: (date stamp below)
Applicant's Residence: Borough ( ) City <input checked="" type="checkbox"/>	Roster: _____	10/27/14
Date of Appointment: _____	Oath of Office: _____	
Term Expires on: _____	APOC POFD Statement: Attached ( ) On File ( )	





City Clerk's Office  
 710 Mill Bay Road, Rm. 216  
 Kodiak, AK 99615  
 (907) 486-8636 / (907) 486-8600 (fax)



**ADVISORY BOARD APPLICATION**

Kyle Crow  
 NAME

(907) 738-9283 N/A  
 HOME TELEPHONE WORK TELEPHONE

\_\_\_\_\_  
 FAX

kylecrow@yahoo.com  
 EMAIL

410 Rezanof Dr. West  
 RESIDENCE (STREET) ADDRESS

Same  
 MAILING ADDRESS

22 years  
 LENGTH OF RESIDENCE IN KODIAK

40 years  
 LENGTH OF RESIDENCE IN ALASKA

Are you a registered voter in the City of Kodiak?  
 Do you own property in the City of Kodiak?

Yes  No [ ]  
 Yes  No [ ]

On which boards are you interested in serving?  
 (List in order of preference)

City of Kodiak Rep for Kodiak  
Island Borough Planning & Zoning  
Commission

List your areas of expertise and education that would  
 benefit the boards for which you are applying.

extensive experience, education &  
training in a wide range of  
regulations, industry standards  
associated with industrial &  
construction activities (see attached)

Community Activities: citizen participation

Professional Activities: Recently retired

in code review & interested in  
city & Borough Government  
activities, Support of Public  
Library, occasional college student  
retired & able to contribute time  
& experience.

Kyle Crow  
 Signature

12/19/2014  
 Date

Return application to City Clerk, 710 Mill Bay Road, Rm. 216, Kodiak, AK 99615  
 Fax: 486-8600



I became intimately familiar with the unit's equipment, operations, and processes that had the potential to impact the environment and worked with personnel and managers to seek ways to reduce the unit's regulatory burdens and potential for environmental mishaps.

Vigorously worked with individuals, divisions, and shops to find non-hazardous alternatives for commonly used chemicals and to maintain minimum required inventories of hazardous materials and promote the reuse and/or recycling of excess materials in lieu of disposal.

I managed the underground and above ground storage tank program, Pollution Prevention (P2), NEPA, EPCRA, NPDES, CERCLA, TSCA, CWA, CAA, Coastal Zone Management, Presidential Directives (EMS, FEC, etc.) and others.

I frequently communicated with: workers, shop leaders, department heads, command staff; local, state and federal officials; contractors, manufacturer's representatives, and professional and technical personnel from environmental consulting firms; Corps of Engineers, and Naval Facilities Engineering Command, to exchange information, coordinate work efforts, ensure compliance with laws and regulations, assess planning activities, discuss proposed projects and plans, and negotiate environmental approvals for Coast Guard and unit activities. I represented the Coast Guard at public meetings and hearings and resolved matters that were sometimes controversial.

I was selected as an "accomplished performer" to participate in the USCG Environmental Management Program workshop held in Newport News, Va Sept 2009, to identify job requirements for all USCG Unit Environmental Program Coordinators.

I supervised one full time military environmental protection assistant (E6).

(Contact Supervisor: Yes, Supervisor's Name Fritz Miller, Supervisor's Phone: 907-487-5320 x 249)

**US Bureau of Reclamation  
Willows, California US**

**7/2006 - 4/2008**

**Job Title: Construction Representative**

I inspected and managed multi-million dollar civil construction, repair, and improvement projects to ensure contract compliance and project success. I reviewed draft contract specifications and drawings to ensure accuracy and provided corrections and recommendations where necessary. I reviewed contract submittals, such as rebar and concrete lift drawings, and proposals for mechanical, electrical, and structural materials and systems, to ensure they met contract requirements. I developed written responses as required. I inspected work to ensure contract compliance, and documented the daily, weekly, and monthly activity of contractors. I developed and distributed detailed reports showing the progress of work. I interacted with contractors, Government officials from different agencies, engineers, biologists, archaeologist's, and others to plan and coordinate work activities and ensure project success. I took measurements and performed calculations to determine quantities required or used, such as: pounds of rebar; earth and rock materials; cubic yards of concrete; etc.. I evaluated contractors submitted pay requests and invoices and recommend payments. I worked on projects in Colorado, California, and Oregon, including: The construction of the outlet tunnel gate chamber and power plant at the Ridges Basin Dam; The overhaul of station and service hydroelectric generators at Shasta Dam; Security upgrades at Shasta, Trinity, and Keswick Dams; the construction of new fish ladders and stream bulkheads at Coleman Fish Hatchery; the construction of a new pumping plant at San Louis National Wildlife Refuge; the construction of a new Pumping Plant at Chiloquin, near Klamath Falls, OR. (Contact Supervisor: Yes, Supervisor's Name: Randy Wyatt, Supervisor's Phone: 530-934-7066)

**US Coast Guard  
Kodiak, Alaska US**

**5/1992 - 6/2006  
Grade Level: WG10**

**Job Title: Industrial Inspector/Plants Manager**

Working under a military Civil Engineer, I managed contractor performed Industrial Operations, which included: Central Heating Plant (with four 800 HP Industrial Boilers); Waste Water Treatment Plant (2 MGD production capacity); Water Treatment Plant and Distribution System (1.5 MGD treatment capacity); Used-Oil/Ballast-Water Treatment Facility (5K gallon-per-day process capacity); Aviation Fuel Facility (avg yr issues 4,179,017); Marine Fuel Terminal (avg yr transfers- 7,567,141); Bulk Fuel Storage Facility (5,040,000 gallons capacity); Gas Free Services. I developed Performance Work Statements (contract specifications) and Government Cost Estimates for these and other services. I evaluated and monitored these diverse, complex, and highly regulated contractor performed industrial operations and services, to determine needs, and ensure compliance with environmental and safety regulations, industry standards, and contract specifications. I documented performance, and recommend penalties and corrective actions as necessary to ensure compliance. I accomplished long range project planning, developed schedules, and established milestones and deadlines for completion. I tracked and monitored the progress of repairs to ensure they were performed on schedule and within price thresholds. I planned, coordinated, directed, managed, and supervised the accomplishment of maintenance, repair, and construction work related to these operations and services, including: pipefitting, welding, mechanical, carpentry, electrical, electronic, painting, and grounds work. I evaluated the scheduled preventive maintenance needs of these facilities and systems, and developed preventive maintenance schedules and plans. I prepared minimum stocking levels for critical spares. I advised the Contracting Officer and other officials, on the contractor's ability to meet schedules and budgets and provided them with information concerning changes in work methods, standards and facilities. I investigated and studied problems and developed solutions, or recommend necessary corrective actions when required. I developed and provided detailed written instructions and plans. I established and fostered a good working climate. I coordinated work with third party contractors. I often supervised and managed the simultaneous conduct of multiple projects, services and operations that competed for limited manpower and equipment resources, and routinely considered and weighed a complex variety of factors, options, and priorities; then coordinated, scheduled and directed the work to ensure maximum efficiency. During the first seven years in this position, I also managed and supervised all contractor performed HAZMAT, HAZWOPER, and Spill Response Operations; and Underground Storage Tank Tightness Testing. I provided backup management and supervision for all BOSS Contractor performed heavy equipment and vehicle maintenance work and served as the Acting Facilities Maintenance Branch (FMB) Chief.

**Klukwan Inc.  
Haines, Alaska US**

**11/1990 - 3/1992**

**Job Title: Heavy Equipment Operator/Logger**

I operated and maintained heavy and light construction machinery to build roads and bridges, and log steep mountainous terrain in Southeast Alaska. I primarily operated large tracked backhoes to "pioneer" new roads and skid trails (Cat 232, 235, 245), but also operated graders, loaders and dozers to clear stumps and construct roads to subgrade. On occasion, I assisted factory mechanics to accomplish repairs. I also cleared and developed personal property and built a house (Homesteaded). I occasionally supervised other Heavy Equipment Operators during the repair and maintenance of roads.

**City & Borough of Juneau  
Juneau, Alaska US**

**3/1988 - 8/1990**

**Job Title: Heavy Equipment Operator**

I operated and maintained a variety of heavy and light construction machinery and equipment to construct, maintain, and repair: roads, bridges, streets, and drainages, street signs, and grounds for the City and Borough of

Juneau. I operated the following equipment: graders, loaders, dump trucks, street sweepers, plows and sanders, roller/compactors, augers, and hand and power tools.

**US Army – Civilian  
Haines, Alaska US**

**4/1983 - 3/1988**

**Maintenance Mechanic/Manager**

I managed and supervised the maintenance and repair of a 12.6 million gallon Army Bulk Petroleum Storage Facility and Marine Terminal in Haines, Alaska. This Facility included several Industrial buildings and shops, a large marine wharf, several bulk fuel storage tanks, heavy and light mobile equipment and machinery, two-five unit housing complexes, and utilities. I planned, scheduled, directed, monitored, and supervised the performance of maintenance, repairs, and construction work, including: petroleum system maintenance, construction and repairs; structural construction and repairs; civil construction; painting and corrosion control; and other work. I developed a comprehensive computer based preventative maintenance (PM) Program, by: surveying facilities and compiling lists of equipment and components; locating manufacturers literature, recommendations and instructions; consulting with technical representatives, and; reviewing standards, to provide a maintenance schedule with accompanying task requirements. I developed work schedules, scopes of work, budgets, and cost estimates for labor and materials. I developed budgets for materials and supplies, determined what were needed, and placed orders. I inventoried stocks and re-ordered replacements when necessary. I directed, coordinated and inspected several significant construction and repair contracts (often occurring simultaneously), and accomplished this work independently and without direct supervision (my Headquarters was located several hundred miles distant). These contracts included: Fuel Tank cleaning, inspection, and minor corrosion repairs. Fuel Tank interior/exterior coating. Water Tank, interior coating (vinyl), and exterior spray on foam insulation system. The near white preparation, and high tech coating of a large steel and concrete Industrial Marine Wharf, to Mean Low Tide (with tides to 20', this was a challenge). Installation of state-of-art computerized fire alarm system. Painting of steel and wooden structures. Chemical cleaning of industrial boilers. The overhaul and modification of earthen containment dikes, and installation of impermeable liners.

**US Army – Civilian  
Delta Junction, Alaska US**

**4/1979 - 3/1983**

**Crane & Equipment Operator, 5716**

I operated and maintained cranes, and a wide variety of other heavy construction machinery and equipment, including: graders, loaders, dozers, scrapers, sweepers, brush-hogs, and drills to support the Army's Cold Regions Testing and Northern Warfare Training Center. Operating Cranes, I assisted C-130 engine changes at remote assault airfields; lifted and set heavy, irregular and bulky materials and equipment, including: buildings, fuel tanks, heavy equipment (dozers, scraper pans, etc.); Lifted and maneuvered man baskets (to dismantle a nuclear reactor housing). Operating Dozers, I built and maintained roads, live fire ranges; built fire breaks and fought fires; stockpiled earthen materials; cleared trees and stumps; removed snow and ice; ripped hardpan; built and maintained landfills; and performed other work. Operating motor-graders, I built, repaired and maintained roads, accomplished snow removal, performed finish grading; cut ditches and sloped shoulders. Operating backhoes, I excavated trenches, exposed utilities, demolished buildings, and performed other work. I instructed and supervised military equipment operators in the safe and efficient operation of motor graders, scrapers, dozers, loaders, cranes, and back hoes, and other heavy and light construction machinery and equipment.

**Inlet Marine, VECO, ACV  
Multiple Alaska, Alaska US**

**11/1977 - 4/1979**

**Operator, mechanic, welder, roustabout**

I performed welding and mechanical repairs to barges (freight and fuel), landing craft, and oceangoing tugs. This work was performed in dry dock, or on the beach (Anchorage, Tyonek, & Prince William Sound, Alaska). I

operated a crane from a barge to load, stack and unload scrap metal, equipment, logs, and freight, and performed various marine salvage operations to repair and recover storm-damaged barges. I accomplished welding repairs inside of cargo fuel compartments on a Fuel Barge. I overhauled and replaced the bunker fuel system on board a 100' landing craft. I performed extensive gas cutting and electric arc-welding repairs to beached, storm damaged barges, including: removing large sections of steel plate, and numerous support steel beams and ribs, and replacing these with new materials. I operated a crane with clamshell attachment to excavate earth during construction of the Trans-Alaska Pipeline, performing this work at Keystone Canyon, and Thompson Pass, North of Valdez. I installed electric thermostats to control steam heat in all buildings at the remote Air Force Early Warning Station, Tatalina, Alaska. I also repaired several steam pipeline support brackets and expansion joints located within utilidor. I performed oilfield roustabout work in Prudhoe Bay to move a drilling rig.

**Lindeman Construction, AlSCO Heiber,  
Northern Cal, California US**

**3/1975 - 5/1977**

**Student, Operator, Pipe Fitter, Pump Mech**

When not attending college, I worked as a pipe fitter and pump mechanic, and operated dozers and cranes. Using ox/act gas cutting torches and electric arc-welders, I fabricated steel piping manifolds and systems in the shop (sized from 6"-24"), transported these pieces to the field, and assembled them. I installed and repaired; agricultural, industrial, and residential pumps and water supply systems. I production welded aluminum irrigation pipe assemblies. I operated D-8 bulldozers to push and stockpile wood chips and bark at a large saw mill and pulp plant. I operated a crane to: drive sheet piling; muck marinas, excavate ponds, reservoirs and irrigation channels; and erect bridges.

**EDUCATION**

University of Alaska

Kodiak and Ketchikan, Alaska US  
Some College Coursework Completed  
7 Semester Hours  
Major: art, biology, math, engineering  
Relevant Coursework, Licensures and Certifications:  
Arctic Engineering, Biology, Math for Industry, Boiler Technician, Watercolor  
Painting, Water and Waste Water Treatment

Shasta College

Redding, California US  
Some College Coursework Completed  
19 Semester Hours  
Major: General  
Relevant Coursework, Licensures and Certifications:  
Math, History, English, Art, Science

**JOB RELATED TRAINING**

(Including) McCoy RCRA Seminar April 2010; McCoy RCRA Seminar June 2008; EPA Region X Stormwater Workshop Jan 2009, USCG Hazwoper Train the Trainer Aug 2008; USCG Environmental Unit Coordinator Sept 2008; Hazmat Coordinators Seminar August 2009. Ongoing - EPA Web Academy courses and seminars. U.S. Army Mgt and Logistics College Ft. Lee, VA: Contracting Officers Technical Representative 1998 US Coast Guard Leadership and Management Institute At Kodiak Leadership and Management School USBR Willows USFS COTR/COR 10-06 USBR Concrete School Denver Tech Cent Concrete and Concrete Repair 3 Day 8-06 USBR Records Mgt USBR Safety & Health Standards 7-06 5-06 AWWA Conference and Seminars Anchorage, AK SCADA, Stormwater Mgt, and others AIA Principal - Green Building Services USCG ISC Kodiak US Green Building Council LEED® certification requirements 9/16/05 NFPA Petaluma, CA Shore Confined Space Entry & Safety 9/9/05 NPI Kodiak, Ak Source Selection 9/1/05 FEMA On-line National Incident Command System IS-700



Incident Command System IS-800 6-05 Dr. Joe Listurbek Building Science Corporation Kodiak, AK Moisture Control Workshop 8-04 Training Technology Inc. (TTI) Las Vegas NV Corrosion Control Techniques 10/03 Means Estimating Kodiak, AK Facilities Cost Estimating Seminar 9/03 MILPAC Kodiak, AK Environmental Compliance Refresher Workshop, in accordance with EPA 40 CFR 265.16, 262.34, and DOT 49 CFR 172.704 12 Y 5/03 A/E Ketchikan AK Oracle project management software 4/02 In House ISC Kodiak Waste Accumulation Area Operator 3/01 D-17 DRAT ISC Kodiak Hazwoper refresher 2/01 US Air Force Sheppard AFB TX Fuel QC Journeyman 10/00 MILPAC ISC Kodiak Environmental Compliance 7/00 CG In-house ISC Kodiak Respirator Update 5/00 Fed Acquisition Institute On Line COTR Update 5/00 CG In-house ISC Kodiak Excel 8 Y 4/00 AWWA Fairbanks, AK Water and Waste Water Technology 3/00 D17 DRAT ISC Kodiak Hazwoper refresher 9/99 Velcon Anchorage, AK Fuel Handling Seminar 8/99 CG HQ ISC Kodiak Road show Permit Required Confined Space Entry Sup 5/99 Water Assoc Fairbanks, AK Drinking Water Regs Update - Disinfection 3/99 USCG Office of Environmental Health ISC Kodiak Road show Unit Safety Coordinator 2/99 Alaska Dept. of Env Compliance ISC Kodiak Road show Above Ground Storage Tank Workshop 9/98 USCG Office of Environmental Health ISC Kodiak Road show Permit Required confined Space 9/98 USCG Office of Environmental Health ISC Kodiak Road show Environmental Compliance Workshop 8/98 EHS International ISC Kodiak Road show Hazwoper 7/98 ISC Kodiak IRM ISC Kodiak Excel 7/98 ISC Kodiak IRM ISC Kodiak MS Word 5/98 ISC Kodiak IRM ISC Kodiak MS Windows NT 4/98 ISC Kodiak Industrial Hygienist ISC Kodiak Respiratory protection 2/98 USCG Office of Environmental Health ISC Kodiak Asbestos Abatement Supervisor 9/97 ITT Sacramento, CA Programmable Logic Controllers 6/97 USCG Office of Environmental Health ISC Kodiak Road show Hazwoper refresher 6/97 EZ3 ISC Kodiak Road show Underground Storage Tank Tightness Testing 6/97 University of Alaska Technology Course Kodiak, AK Electricity for Water and Waste Water Systems Ops 5/97 Velcon and Gammon Tech Anchorage, AK Fuel Systems Design and Maint 2/97 CG Training Center Yorktown, VA Service Contract Admin 10/96 USCG Pac Strike Team ISC Kodiak Road show Incident Command System (ICS) 200-300 6/96 University of Alaska Kodiak Navigating Internet 6/96 University of Alaska Kodiak Hazwoper refresher 5/96 University of California, Sacramento Correspondence Course Kodiak Water Treatment Plant Operation 2/96 University of Alaska Kodiak Arctic Engineering 2/96 CG HQ ISC Kodiak Road show Quality Management 8/95 Ntl Water Assoc Anchorage, AK Elect Controls; Distribution Tech; Math; Chlorination and disinfection; Corrosion Control 6/95 Independent Liquid Terminals Assoc. Houston TX Training Employees; Problems and Solutions; Leak Prevention; Managing Terminal Problems; ISO 9000; Oily ISC Kodiak 3/95 Ft Sill Oklahoma ISC Kodiak Road show Storage Tank Mgt /95 USCG Office of Environmental Health ISC Kodiak Road show Hazwoper Supervisor 5/95 USCG Office of Environmental Health ISC Kodiak Road show Hazwoper 1/95 NAV SUPSALV ISC Kodiak Road show Oil Spill Response 24 Y 10/94 SIAC Kodiak Road show Regulatory Sampling Procedures 10/94 University of Alaska Ketchikan Power Boiler Operations and Maintenance 9/94 CG MLCPAC ISC Kodiak Road show Hazwaste Mgt 5/94 NEI Fluid Technology Anchorage, AK Fuel Systems Design and Maint 3/94 NFPA New Orleans, LA Shipyard Competent Person 3/94 CG Contractor Kodiak Road show EPA/AHERA Asbestos Competent Person 11/93 OSHA Kodiak Road show Construction Safety 8 Y 10/93 CG MLCPAC ISC Kodiak Road show HAZWOPER 8/93 University of Texas Huston TX Petroleum Measurement 1/93 USCG Office of Environmental Health ISC Kodiak Road show EPA/AHERA Asbestos Abatement Worker 1981 Red Cross Haines, AK Emergency Trauma Technician 1981 Army Corps of Engineers Dallas TX Paint Inspection

**REFERENCES**

**I will be happy to provide additional references if needed. I've lived in Kodiak for about 20 years total and am known to many people here.**

<b>Name</b>	<b>Prof/ Pers</b>	<b>Occupation-Position</b>	<b>e-mail and phone number</b>
Mike Williams	Pers	Journeyman Lineman KEA	(907) 654-7754 Reucut4u@gci.com
Cecil Rainey	Pers	Commercial Fisherman	(907) 512-7250
Norm Wooten	Both	Past President National School Board	(907) 539-1419
John Miller	Both	Civil Engineer/Construction Manager	(907) 654-3044

**ADDITIONAL INFORMATION**

Sept 2009 selected by MLCLANT as one of eight USCG Environmental "Accomplished Performers" , to serve on a panel and identify job requirements for Unit Environmental Coordinators. Proven track-record of industrial facility and construction management, with a thorough knowledge of environmental and safety regulations. Able to prepare accurate, itemized cost estimates and scopes of work and specifications for construction and repair projects, and industrial operations. Successful supervisory experience. Proven track record of safely and successfully managing and supervising multiple, diverse, and technically complex projects and operations, simultaneously. Proven track record of effectively enhancing operations, facilities, systems, and worker proficiency. Recognized expert in petroleum operations, facilities and systems. Valuable experience and knowledge in haz-waste, emergency response, and confined space work. Expert in the use of the PC's and numerous standard software programs. Able to accurately type approximately 50-60 words per minute. Effective communicator and leader, with a record of establishing and maintaining good working relationships with subordinates, coworkers, contractors and officials. Prior Journeyman level experience in the following areas and trades: Pipefitting; plumbing; pump repair and installation; Crane and heavy equipment operation; Industrial maintenance, troubleshooting and repair; Quality Assurance. COTR for Waste Water Plant of the Year, State of Alaska 1995, 1996, 1999 & Water Plant of the Year, State of Alaska, 1998, 1999, 2000, 2001. Have received cash and time off performance awards almost every year of Government Service. Consistently rated superior performer. Meritorious or Distinguished performance every year from 1992-1999, distinguished performance 96-99, highest ratings possible since 1999. Selected for the position of D-17 Contingency Response Coordinator. Selected as Planner Estimator for ISC Ketchikan, 2003. Numerous letters of commendation and appreciation. Selected by CEU Juneau and ISC FE to participate in 2001 LORSTA engineering evaluations, as member of four person team (per direction of Commander D-17). Selected to represent Civilian Workforce at ISC Change-of Command Ceremonies.