

**City of Kodiak Regular Council Meeting Agenda for April 28, 2016**  
**7:30 p.m., at 710 Mill Bay Road, Assembly Chambers (Room 232)**

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<b>I. Call to Order/Roll Call</b>	
Invocation/Pledge of Allegiance	
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<b>III. Persons to Be Heard</b>	
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<b>X. Executive Session</b>	
a. Unionization of the Workforce.....	93
<b>XI. 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, APRIL 14, 2016  
IN THE BOROUGH ASSEMBLY CHAMBERS**

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

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

Salvation Army Sergeant Major Dave Blacketer gave the invocation and the Pledge of Allegiance was recited.

**II. PREVIOUS MINUTES**

Councilmember Bishop MOVED to approve the minutes of the March 17, 2016, special meeting as presented.

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

**III. PERSONS TO BE HEARD**

**a. Proclamation: Declaring Month of the Military Child**

Councilmember Bishop read the proclamation, which encourages all citizens to show appreciation and understanding to the military children in our communities and recognize their commitment, courage, sacrifice, and continued resilience.

Josh Vogan, Aviation Maintenance Technician Chief, Tabitha Vogan, and their sons Hunter and Parker came forward to accept the proclamation. Velma Vining, USCG Kodiak Child Development Services Specialist and Ombudsman Coordinator shared that Tabitha is Ombudsman for the Air Station at Kodiak and stated she appreciates the services they both provide. She said the National Guard is also in Kodiak and stated there are many military children in Kodiak to be celebrated this month.

**b. Proclamation: Declaring Week of the Young Child**

Councilmember Arboleda read the proclamation, which encourages all citizens to work to make a good investment in early childhood education.

Amanda Sandford, from the KANA Infant Learning Program, and on behalf of the Kodiak Early Childhood Coalition, accepted the proclamation. She expressed her appreciation for supporting the youngest learners. Velma Vining thanked the Mayor and Council and provided information on the Annual Kodiak Children's Fair on April 16 and a free dinner and train-

ing at St. Paul Lutheran's Hall. Velma stated the week of the young child focuses on early literacy programs, thanking teachers, and ensuring there are policies that support children's early learning.

**c. Public Comments**

**Lt. Genevieve Rich**, a reservist, said she was representing the USCG at the Kodiak Subarea Committee Meeting to be held May 24, 2016. The agenda topics for the meeting include: Unified Oil Spill Contingency Planning; Upcoming Kodiak Subarea Committee Activities; Alaska Regional Response Team priorities and Dispersant Pre-Authorization zones; Introduction to local spill response representatives; oil spill drills and exercises and briefs on Coast Guard, EPA, and ADEC incident response processes and policies.

**IV. UNFINISHED BUSINESS**

**a. Second Reading and Public Hearing, Ordinance No. 1344, Repealing Kodiak City Code 12.08.030, Obstructions; Amending Kodiak City Code 12.12.030, Outdoor Dining Permit/Encroachment Permit Required; and Enacting Kodiak City Code Chapter 12.18, Encroachment Permits, Regarding the Permission of Encroachments on City Sidewalks and Other City Property**

Mayor Branson read Ordinance No. 1344 by title. The Kodiak City Code has a brief reference to encroachment permits; however, there is no mention of a means to issue them. The City has issued encroachment permits for many years, and the City's Schedule of Fees, Charges, and Tariffs includes an encroachment permit fee. There has been an increase in public requests for such permits, and the City Attorney recommended that Title 12 be amended to better provide for issuance.

Councilmember Arboleda MOVED to adopt Ordinance No. 1344.

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

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

**b. Second Reading and Public Hearing, Ordinance No. 1345, Enacting Kodiak City Code 3.16.015, Definitions, Kodiak City Code 3.16.025, Investment Committee, and Kodiak City Code 3.16.027, Investment Manager; And Amending Kodiak City Code 3.16.020, Treasury Management, and Kodiak City Code 3.16.030, Permissible Investments; to Provide for an Investment Committee to Oversee Investments of City Funds, Professional Management of the Investments and Related Matters**

Mayor Branson read Ordinance No. 1345 by title. The City recently adopted Resolution No. 2016-09 to form an investment committee to enhance and improve the management of City financial assets. Ordinance No. 1345 will amend Kodiak City Code Chapter 3.16 Investment and Collateralization of Public Funds and change the authority of investing City funds from the Finance Director to the Investment Committee.

Councilmember Davidson MOVED to adopt Ordinance No. 1345

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

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

**c. Second Reading and Public Hearing, Ordinance No. 1346, Authorizing a Lease Between the City of Kodiak and United States Department of Transportation, Federal Aviation Administration Alaska Region for Pillar Mountain Communication Lease Site No. 12, Described as a Parcel of Land Within U.S. Survey 3945**

Mayor Branson read Ordinance No. 1346 by title. The City of Kodiak has leased Communication Site No. 12 on Pillar Mountain to the Federal Aviation Administration (FAA) since 2004. The most recent lease will expire in June, and the FAA wishes to continue to lease the site. Due to the terms, the lease must be approved by ordinance.

Councilmember Bishop MOVED to adopt Ordinance No. 1346.

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

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

**V. NEW BUSINESS**

**a. First Reading, Ordinance No. 1347, Rescinding Ordinance No. 1314 and Authorizing Amendment of Lease No. 211696 Between the City of Kodiak and ACS of the Northland, LLC, for Pillar Mountain Communications Site No. 10**

Mayor Branson read Ordinance No. 1347 by title. Council adopted Ordinance No. 1314 on January 23, 2014, which authorized Lease Agreement No. 211696, a five-year communication site lease with ACS of the Northland LLC. The lease was not signed by ACS as they requested changes to Section 8, the insurance requirement, which amends the Lease Agreement to reflect ACS has the option to self insure.

Councilmember Walker MOVED to pass Ordinance No. 1347 in the first reading and advance to second reading and public hearing at the next regular or special Council meeting.

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

**b. Authorization of Emergency Repairs to Pier II Cleats**

The City Manager used emergency authority KCC 2.08.060(f) to authorize repairs to Pier II on March 18, 2016. Two cleats at Pier II were damaged by the State Ferry TUSTUMENA. Requests for quotes to perform the repairs were solicited to qualified local vendors. Brechan Construction LLC was the low bidder at \$17,500.

Councilmember Walker MOVED to authorize emergency repairs to Pier II cleats from Brechan Construction LLC in the amount of \$17,500 with funds from the Harbor Enterprise Fund and authorize the City Manager to execute the documents on behalf of the City.

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

**c. Recommendation of Appointment of City Applicant to the Planning and Zoning Commission**

Three of the seven seats on the Planning and Zoning Commission are designated as City seats. Kyle Crow was recommended for appointment to a City seat for a term ending December 2016, by the City Council at their regular meeting on June 11, 2015. The Kodiak Borough Mayor made the appointment on July 2, 2015. Mr. Crow resigned from the Planning and Zoning Commission, and the Council needs to recommend an applicant for appointment. At Tuesday's work session, Deputy Mayor Walker and Councilmembers interviewed an applicant for the vacant City seat on the Planning and Zoning Commission.

Councilmember Davidson MOVED to recommend Don Gates for appointment to the vacant City seat on the Planning and Zoning Commission for a term ending December 2016.

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

*{Clerk's Note: Mr. Gates subsequently withdrew his application.}*

**d. Appointment of City Councilmembers to the Kodiak Island Borough Marijuana Task Force**

The Assembly of the Kodiak Island Borough passed Resolution FY2016-31 establishing a Marijuana Task Force to consider the issues surrounding the legalization of marijuana and advise the Assembly and administration of their findings. The eleven-member Task Force includes two members of the Kodiak City Council, which shall be appointed by the Council.

Councilmember Walker MOVED to appoint Councilmembers Randy Bishop and Laura Arboleda to the vacant City seats on the Kodiak Island Borough Marijuana Task Force.

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

**VI. STAFF REPORTS**

**a. City Manager**

Deputy City Manager Mike Tvenge stated there was no City Manager staff report.

**b. City Clerk**

City Clerk Marlar shared that she and Manager Kniaziowski attended a government social media training, and a social media policy that establishes best practices will be created and Facebook and Twitter accounts for the City will be created, which will include one for Emergency Management. She informed the public of the next scheduled Council work session and regular meeting.

**VII. MAYOR'S COMMENTS**

Mayor Branson thanked Deputy Manager Tvenge for filling in for Manager Kniaziowski during the meeting and thanked Deputy Mayor Walker for presiding over the work session in her absence. She thanked Councilmembers Arboleda and Bishop for volunteering for the Marijuana Task Force. She said she briefly spoke with Senator Murkowski while she was in town for Comfish, and she met with Senator Dan Sullivan on various funding issues. She said she became aware of STIP applications for roads and pedestrian pathways and has forwarded this information to Manager Kniaziowski. Mayor Branson met with Governor Walker and the First Lady in Juneau. She said the Senate Finance Committee had provided updates and the increase to PERS for this year had been eliminated, and the discussion on revenue sharing is still occurring. She said she anticipates a special session. She said there will be space in the Harbor where the United Fisherman Marketing Association previously leased space. She asked that a presentation be given to Council on plans for this available space. She said she hopes the plan will include new bathrooms in the Harbor offices and involve the removal of the problematic bathrooms downtown.

**VIII. COUNCIL COMMENTS**

Councilmember Walker said he enjoyed the visits with Senator Dan Sullivan and shared Senator Sullivan was involved in good committees in Washington DC. He said the Armed Service Committee is one that is working to support Alaskans, and there was also discussion on growing the USCG as a support unit for the Arctic mission and focusing on the priorities of global warming. He said he was pleased to hear the support from Senator Sullivan for village Mayors on development and EPA issues.

Councilmember Davidson said the Juneau trip went well and he met with the Governor and delegation. He said that City attorney Holly Wells gave a good overview of the Marijuana Legislation, and he was pleased with Councilmembers Arboleda and Bishop for volunteering to represent the City Council on the Marijuana Task Force. He said he is anxious to receive an update on revenue sharing and he expects some deductions in local funding.

Councilmember Arboleda said she appreciated Bruce Schactler's work on the beautiful garbage cans and his presentation at the work session. She said she appreciates being appointed to the Marijuana Task Force.

Councilmember Saravia said he missed Mayor Branson in her absence. He thanked Councilmembers Arboleda and Bishop for serving on the Marijuana Task Force and said he appreciates the citizens that volunteer for committees.

Councilmember Bishop thanked Artic Care and the organizations that helped facilitate the free medical services for citizens in Kodiak.

**IX. AUDIENCE COMMENTS**

None

**X. EXECUTIVE SESSION**

**a. Discussion of City Manager’s Employment Agreement**

Councilmember Davidson MOVED to enter into executive session as authorized by Kodiak City Code Section 2.04.100(b)(2) to discuss the City Manager’s employment agreement.

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

Council entered into executive session at 8:07 p.m.

Mayor Branson reconvened the regular meeting at 8:52 p.m.

**XI. POTENTIAL ACTION FOLLOWING EXECUTIVE SESSION**

**a. Authorization of City Manager’s Employment Agreement**

This action will authorize the City Manager’s employment agreement by extending it for one year, from May 1, 2016, through April 30, 2017.

Councilmember Walker MOVED to authorize the City Manager’s employment agreement, Record No. 222297, through April 2017 and include a 2.38% increase to her existing salary.

**XII. ADJOURNMENT**

Councilmember Davidson MOVED to adjourn the meeting.

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

The meeting adjourned at 8:53 p.m.

CITY OF KODIAK

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MAYOR

ATTEST:

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CITY CLERK

Minutes Approved:

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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 Kniazowski, City Manager  
**Thru:** Mike Tvenge, Deputy City Manager *MT*  
**Date:** April 28, 2016

**Agenda Item: IV.a. Second Reading and Public Hearing, Ordinance No. 1347 Rescinding Ordinance No. 1314 and Authorizing Amendment of Lease No. 211696 Between the City of Kodiak and ACS of the Northland, LLC for Pillar Mountain Communications Site No. 10**

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**SUMMARY:** Council adopted Ordinance No. 1314 (Attachment B) on January 23, 2014, which authorized Lease Agreement No. 211696 a five year communication site lease with ACS of the Northland LLC. The lease was not signed by ACS as they requested changes to Section 8, the insurance requirement. Staff recommends rescinding Ordinance No. 1314 and adopting Ordinance No. 1347 (Attachment A) and amend the Lease Agreement (Attachment C) to reflect ACS has the option to self insure following second reading and public hearing.

**PREVIOUS COUNCIL ACTION:**

- On January 23, 2014, City Council adopted Ordinance No. 1314, authorizing a communication site lease to ACS of the Northland LLC.
- On April 14, 2016, Council passed Ordinance No. 1347 in the first reading advanced to second reading and public hearing at the next regular or special Council meeting.
- On April 26, 2016, Council reviewed the ordinance and documents pertaining to this lease.

**BACKGROUND:** Lease Agreement No. 211696 for Pillar Mountain Site No. 10 was returned by ACS without signature on May 29, 2014. Gayle Doty Manager of ACS Real Estate Program requested minor changes to the agreement with the most notable change allowing for ACS to meet the insurance requirement through self insurance and not procure an additional policy.

**DISCUSSION:** ACS of the Northland LLC dba Alaska Communications System (ACS) continues to operate from this location, Site No. 10 without a lease agreement in place; however they are current with rental payments. By amending the lease agreement allowing ACS of the Northland LLC to substitute self insurance for a separate specific insurance policy, we can move forward with this lease and close the loop on a two year delay. This site is a microwave relay station for customers in Chiniak, Alaska.

**ALTERNATIVES:**

- 1) Adopt Ordinance No. 1347 after the public hearing, which is recommended by staff.

- 2) Delay or not adopt Ordinance No. 1347, which leaves the lease agreement in the current status, unofficial, which is not recommended.

**FINANCIAL IMPLICATIONS:** As stated earlier, rental payments are current for this site and a signed lease would ratify the agreement terms.

**LEGAL:** Legal counsel has been included in this amendment discussion and has concluded that ACS would likely have sufficient assets to cover a claim of \$1,000,000, which is the lease requirement. Additional language in the lease, Section 7 provides indemnity for the City as a condition of the Lessee's use of the site under this lease. KCC 18.20.235 only requires such insurance coverage as the City deems appropriate, and therefore it is certainly possible to decide that self insurance is appropriate for this lease. If Council so chooses, the City could ask ACS for a corporate guarantee. ACS would guarantee on behalf of the smaller company, ACS of the Northland LLC.

**STAFF RECOMMENDATION:** The request by ACS is reasonable and qualifies under KCC 18.20.235. Therefore, staff recommends rescinding Ordinance No. 1314; amending Lease Agreement No. 211696 to reflect language changes to Section 8 Insurance, allowing ACS the option to substitute self insurance for a specific policy.

**CITY MANAGER'S COMMENTS:** The terms and conditions of this lease were reviewed by Boyd, Chandler & Falconer LLP. Staff consulted and worked with this law firm because Tom Klinkner and Birch Horton and Bittner represent ACS, which created a legal conflict. Brooks Chandler was comfortable with the self insurance provision requested by ACS of the Northland, LLC. I agree with that decision and am comfortable knowing the City is included in the indemnification clause. It's in the City's best interest to adopt the ordinance to renew the lease. Therefore, I recommend Council adopt Ordinance No. 1347, after public hearing.

**ATTACHMENTS:**

- Attachment A: Ordinance No.1347
- Attachment B: Ordinance No.1314
- Attachment C: Pillar Mountain Lease Site No. 10

**PROPOSED MOTION:**

Move to adopt Ordinance No. 1347.

**CITY OF KODIAK  
ORDINANCE NUMBER 1347**

**AN ORDINANCE OF THE COUNCIL OF THE CITY OF KODIAK RESCINDING  
ORDINANCE NO. 1314 AND AUTHORIZING AMENDMENT OF LEASE NO. 211696  
BETWEEN THE CITY OF KODIAK AND ACS OF THE NORTHLAND, LLC, FOR  
PILLAR MOUNTAIN COMMUNICATIONS SITE NO. 10**

WHEREAS, the City owns property on Pillar Mountain known as Pillar Mountain Communications Site No. 10 that it has leased to ACS of the Northland, LLC dba Alaska Communications Systems (ACS) as a microwave antenna site for several years; and

WHEREAS, the Council adopted Ordinance No. 1314 on January 23, 2014, which authorized Pillar Mountain Communication Site No. 10 Lease Agreement No. 211696 with ACS for five years through December 31, 2018; and

WHEREAS ACS desires to amend lease Section 8 Insurance to reflect ACS is self-insured for commercial and automobile liability; and

WHEREAS the City's attorney advised that this lease amendment is authorized by City Code but would require a new ordinance adopted by the City Council; and

WHEREAS, it is in the best interest of the City to amend the lease with ACS to allow ACS to continue to occupy the Property.

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

**Section 1:** Ordinance No. 1314 is rescinded.

**Section 2:** Notwithstanding anything to the contrary in Kodiak City Code Chapter 18.20, the Council of the City of Kodiak hereby authorizes amendment of the Lease, which is attached and incorporated by reference, with ACS for a term of five years, January 1, 2014, through December 31, 2018, for the communications site described in the Lease, located on an unsubdivided portion of U.S. Survey 2538 A, Tract B on Pillar Mountain in the City of Kodiak.

**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.

CITY OF KODIAK

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MAYOR

ATTEST:

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CITY CLERK

First Reading: April 14, 2016

Second Reading:

Effective Date:

**CITY OF KODIAK  
ORDINANCE NUMBER 1314**

**AN ORDINANCE OF THE COUNCIL OF THE CITY OF KODIAK AUTHORIZING LEASE NO. 211696 BETWEEN THE CITY OF KODIAK AND ACS OF THE NORTHLAND, INC., FOR PILLAR MOUNTAIN COMMUNICATIONS SITE NO. 10**

WHEREAS, the City owns property on Pillar Mountain known as Pillar Mountain Communications Site No. 10 that it has leased to Alaska Communications Systems, as a microwave antenna site for several years; and

WHEREAS, ACS of the Northland, Inc. dba Alaska Communications Systems (ACS), desires to continue leasing the communications site, and has requested that the City Council authorize the Pillar Mountain Communication Site No. 10 Lease Agreement No. 211696 ("Lease"); and

WHEREAS, it is in the best interest of the City to authorize a lease with ACS that allows for ACS to continue to occupy the Property.

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, which is attached and incorporated by reference, with ACS for a term of five years, January 1, 2014, through December 31, 2018, for the communications site described in the Lease, located on an unsubdivided portion of U.S. Survey 2538 A, Tract B on Pillar Mountain in the City of Kodiak.

**Section 2:** 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.

CITY OF KODIAK

  
MAYOR

ATTEST:

  
DEPUTY CITY CLERK



First Reading: January 16, 2014  
Second Reading: January 23, 2014  
Effective Date: February 29, 2013

*14 DM*

**LEASE AGREEMENT NO. 211696**  
**PILLAR MOUNTAIN LEASE SITE NO. 10**  
**ACS OF THE NORTHLAND, INC-LLC**

THIS LEASE made this 1st day of January 2014, by and between the **City of Kodiak**, an Alaska municipal corporation, herein referred to as "Lessor," and **ACS of the Northland, Inc-LLC dba Alaska Communications System (ACS)**, herein referred to as "Lessee," provides as follows:

**1. Leased Premises.** Upon the terms and conditions herein set forth and subject to the prompt payment and performance by Lessee of each and every sum and other obligation hereinafter referred to, the Lessor does hereby lease, let, and demise to the Lessee, and the Lessee does hereby lease from the Lessor the following described premises:

A portion of land within U.S. Survey 2538A, Tract "B" described as follows:

Commencing at Corner 1, USS Survey 2538, identical with Corner 6, USS 3945 and Corner 11, USS 2537A. THENCE N 36°03'57" W a distance of 353.78 feet along a line common with USS 2538 and USS 3945 to THE TRUE POINT OF BEGINNING.

1. THENCE N 36°03'57" W a distance of 125.00 feet along said line;
2. THENCE S 86°42'47" E a distance of 72.46 feet;
3. THENCE along a tangent curve to the left, central angle 26°30'40", radius 190.00 feet, curve length of 87.91 feet;
4. THENCE S 23°13'28" E a distance of 41.77 feet;
5. THENCE S 53°56'03" W a distance of 125.00 feet to THE TRUE POINT OF BEGINNING

Containing 9,919 square feet.

A copy of said plat of survey is attached hereto and made a part of this Lease. These leased premises are hereinafter referred to as the "Site."

**2. Term.** This Lease shall continue in effect for a period of five (5) years from January 1, 2014 through December 31, 2018, provided, however, that either party shall have the right to cancel this Lease upon ninety (90) days 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.

**3. Rental.** Lessee agrees to pay as and for rent the sum of FIVE HUNDRED SEVENTEEN DOLLARS (\$517.00) per month in monthly installments which fall due on the first of each calendar month for the first year of the Lease term and according to the following schedule for the remaining four years.

YEAR	RENTAL
2	102.5% of Year 1
3	105.0% of Year 1
4	107.5% of Year 1
5	110.0% of Year 1

**4. Conditions of Lease.** The Site shall be used solely as a telephone microwave relay station to customers located in Chiniak, Alaska.



**5. Improvements.** Lessor shall have the right to make additions, alterations, or improvements to the Site, which will not impede Lessee's access to or use of the Site. 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 sole cost and expense. Upon termination of this Lease, such improvements shall become the property of Lessor or, at Lessor's option, will be removed by Lessee at its sole expense.

**6. Maintenance.** Except as otherwise specifically provided herein, the Lessee shall, at all times and at its sole expense, keep and maintain the Site 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, including, but not limited to, attorney's fees reasonably incurred for response or defense of 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 premises under this Lease. 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.** Lessee shall further procure and maintain at its sole expense, and keep in full force and effect, policies of public and property damage liability in the amount of ONE MILLION DOLLARS (\$1,000,000) for death or bodily injury, or loss sustained by any one person in any one occurrence, such insurance can be met through self insurance. Lessor and its officers and employees shall be named as insureds in all such policies, ~~which shall include a clause requiring~~ at least thirty (30) days advance written notice to Lessor ~~by the carrier~~ before any cancellation or non-renewal during the term of this lease. The Lessee shall provide the Lessor with proof of such insurance pursuant to this paragraph prior to the effective date of this Lease and this Lease shall not become effective until and unless such proof is made. Unless otherwise expressly agreed to in writing by the Lessor, all insurance coverage required to be obtained under this paragraph shall be placed with a carrier licensed to do business in the State of Alaska. ~~No insurance coverage required by this Lease shall be obtained pursuant to a "claims made" policy unless, at the time such insurance is procured a "tail" policy covering all insured risks is also obtained.~~

## **9. Environment**

For purposes of this section:

(a) "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.

Pillar Mt. No. 10 ACS- 12/31/18

Lease No. 211696

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

(c) "Hazardous Material" shall mean: (1) 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.).

(2) Any hazardous substances as defined in the Comprehensive Environmental Response, Compensation and Liability Act (42 USC §9601 et seq.);

(3) Any toxic substances as defined in the Toxic Substances Control Act (15 USC §2601 et seq.).

(4) Any pollutant as defined in the Clean Water Act (33 USC §1251 et seq.).

(5) Gasoline, petroleum or other hydrocarbon products or by-products.

(6) Asbestos.

(7) 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

(d) "Environmental Liabilities" shall mean any liability, penalties, fines, forfeitures, demands, damages, losses, claims, causes of action, suits, judgements, 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:

(1) Any governmental action, order, directive, administrative proceeding, or ruling.

(2) Personal or bodily injuries (including death) or damages to any property (including loss of use) or natural resources.

(3) Clean-up, remediation, investigation, monitoring, or other response action.

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

(f) 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.

(g) 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, air, 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.

(h) Notwithstanding any other provision of the Lease, Lessor agrees to indemnity 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.

(i) The provisions of Section 8 shall survive termination of the 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 premises 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, the 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. Specifically, the Lessee will install all equipment in accordance with industry standards. The Lessee shall at all times protect from interference all frequencies assigned to the Lessor whether or not such frequencies are in use. The Lessee will not do, attempt, or permit any acts in connection with this Lease, which could be construed as a violation of law. The Lessee will review the Federal Communications Commission's Guidelines for Human Exposure to Radiofrequency Emissions ("Guidelines") and Federal Communications Commission OET Bulletin 65, current edition, Evaluating Compliance with FCC Guidelines for Human Exposure to Radiofrequency Electromagnetic Fields on a regular basis. The Lessee will post all proper warnings in plain public view and take all reasonable steps to warn the public of a possible hazard of exposure to radiofrequency emissions.

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

**13. Assignment and Subleasing.** Lessee shall not sublease lands or any part thereof leased from the Lessor without prior written permission signed by the city manager and approved by the council. Subleases shall be in writing and be subject to the terms and conditions of the original 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 Lessee shall remain liable for the payment of rental to the extent provided by law.

**15. 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 executed this instrument the day and month first above written.

| CITY OF KODIAK

ACS OF THE NORTHLAND, ~~INC.~~ LLC

\_\_\_\_\_  
Aimée Kniaziowski, City Manager

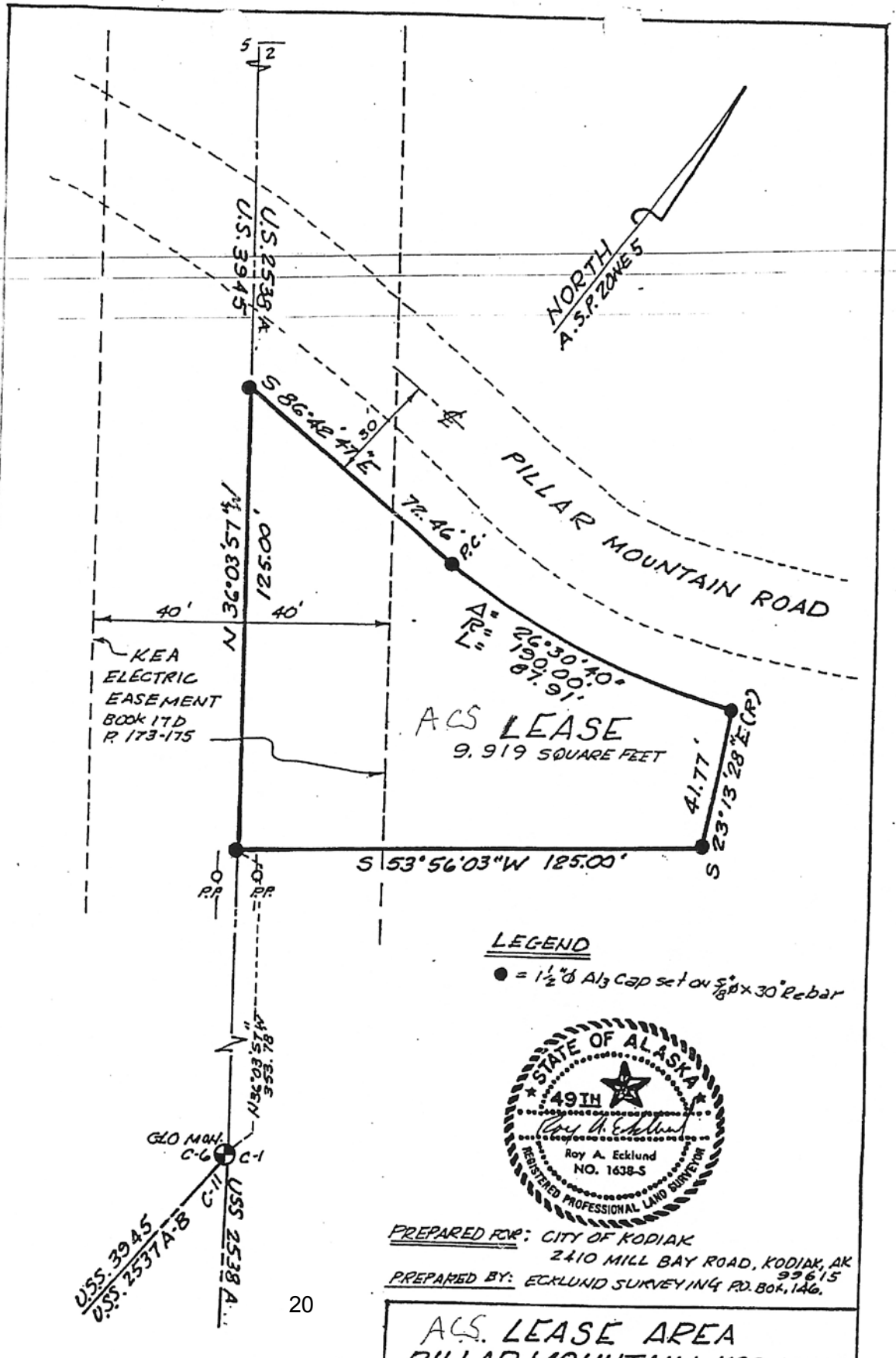
\_\_\_\_\_  
Name  
Title

Attest:

Witness:

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

\_\_\_\_\_



ACS LEASE AREA  
PILLAR MOUNTAIN, KODIAK, AK

# **NEW BUSINESS**

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## MEMORANDUM TO COUNCIL

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**To:** Mayor Branson and City Councilmembers

**From:** Aimée Kniaziowski, City Manager

**Thru:** Mike Tvenge, Deputy City Manager 

**Date:** April 28, 2016

**Agenda Item:** V. a. **Resolution No. 2016–12, Authorizing the Issuance of a Permit to the Kodiak Chamber of Commerce for Use of Public Property in Conjunction With the Kodiak Crab Festival**

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**SUMMARY:** The Kodiak Chamber of Commerce is the local organization that manages the annual Kodiak Crab Festival, one of Kodiak’s premiere events. It promotes Kodiak, gives a boost to the local economy, and provides fundraising opportunities for many local organizations and non-profits. This year the festival will run from May 25 through May 31, 2016. As in past years, Council authorizes a permit for the activities associated with Kodiak Crab Festival by adoption of a resolution. Staff recommends Council allow the Kodiak Chamber of Commerce to conduct the 2016 Kodiak Crab Festival activities on public property by adopting Resolution No. 2016–12.

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

**DISCUSSION:** The Kodiak Chamber of Commerce has sponsored and managed the annual Kodiak Crab Festival for many years. This will be the 58th anniversary of the festival. Celebrations include a parade, a carnival with different types of activities, and booths that sell food and other goods. As a community festival, the event brings residents and visitors together to enjoy the special opportunities that Kodiak has to offer. The festival also provides an important fund-raising opportunity for many local nonprofit organizations and contributes to the local economy by drawing visitors to the community. The festival will run from May 25 through May 31, 2016. Setup is scheduled to start at noon on Tuesday, May 24 and takedown will be completed by noon on Tuesday, May 31.

Resolution No. 2016–12 authorizes a permit for this 58th Annual Kodiak Crab Festival, allowing the use of City property for the festival, including City parking lot and street closures. The resolution also authorizes the street closure and traffic control for the parade on Saturday, May 28, 2016, from 8 a.m. to noon on Powell Avenue between Rezanof Drive and Mill Bay Road for the marshalling of the parade, and for the parade, which will begin at the corner of Powell Street and Mill Bay Road, turning right onto

Mill Bay Road to its intersection with Bartel Avenue and end along Bartel Avenue, which will be closed for parade dispersal. This parade route has been used successfully for several years (Attachment B).

**ALTERNATIVES:** There are two alternatives for Council to consider.

- 1) Adopt Resolution No. 2016–12. This is staff’s recommendation, because it supports the Kodiak Chamber of Commerce and their efforts to sponsor and manage this important community event. It is also consistent with past practice and is allowed by City Code.
- 2) Choose not to approve Resolution No. 2016–12. This is not recommended.

**LEGAL:** KCC 5.04.050 allows the Council to issue permits to non-profit organizations to conduct activities on designated City-owned property through passage of a resolution. Resolution No. 2016–12 complies with that requirement.

**STAFF RECOMMENDATION:** Staff recommends the Council adopt Resolution No. 2016–12, granting the Kodiak Chamber of Commerce a permit to conduct the 58th annual Kodiak Crab Festival and parade, providing they comply with applicable sections of KCC sections 5.04.050 and 5.04.060.

**CITY MANAGER’S COMMENTS:** The Chamber has sponsored and managed the Kodiak Crab Festival for many years. This is truly a unique event for locals and visitors alike. It provides many benefits and is a great excuse to have fun no matter the weather. The City has always supported this worthwhile event and appreciates the efforts of the Kodiak Chamber of Commerce for their ongoing sponsorship and management of the Kodiak Crab Festival. I recommend Council adopt Resolution No. 2016–12.

**ATTACHMENTS:**

Attachment A: Resolution No. 2016–12

Attachment B: Chamber of Commerce letter of request, dated March 24, 2016, and parade route map

**PROPOSED MOTION:**

Move to adopt Resolution No. 2016–12.



**CITY OF KODIAK  
RESOLUTION NUMBER 2016-12**

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

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

WHEREAS, this is the 58th anniversary of the Kodiak Crab Festival, which has a proud tradition of family fun; and

WHEREAS, this year the Kodiak Crab Festival will be held May 26 through May 30, with carnival and booth setup commencing at noon on May 24, and takedown completed by 5 p.m. on May 31; and

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

WHEREAS, the 2016 Kodiak Crab Festival will be an economic asset to our community as it enhances our local visitor industry.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska, that a permit be issued, with the permit fee waived, to the Kodiak Chamber of Commerce as provided in section 5.04.050(b) and (d) of the City Code for use of public property for 2016 Kodiak Crab Festival events on the condition that the Kodiak Chamber of Commerce agrees to comply with the stipulations set forth this section and section 5.04.060 of the City Code.

BE IT FURTHER RESOLVED that the Council hereby authorizes City street closure and traffic control for the Grand Parade on Saturday, May 28, 2016, from 8 a.m. to noon on Powell Avenue between Rezanof Drive and Mill Bay Road for the marshalling of the parade; and for the parade, which will begin at the corner of Powell Street and Mill Bay Road, turning right onto Mill Bay Road to its intersection with Bartel Avenue and end along Bartel Avenue, which will be closed for parade dispersal.

BE IT FURTHER RESOLVED that from May 24, 2016, through May 31, 2016, the Council hereby authorizes City parking lot closures in the east Harbormaster's parking lot, extending to the end of the St. Paul Harbor spit.

CITY OF KODIAK

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MAYOR

ATTEST:

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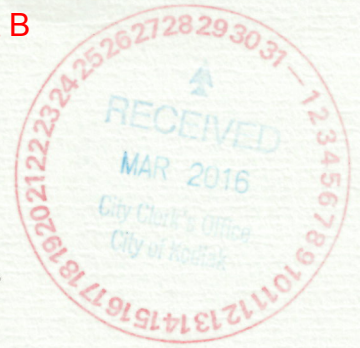
CITY CLERK

Adopted:  
24





907-486-5557 • fax: 907-486-7605 • kodiakchamber.org • chamber@kodiak.org  
100 East Marine Way, Ste 300 Kodiak, Alaska 99615



CROWN SPONSORS

March 24, 2016

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



Dear Mayor Branson and Kodiak City Council,

The 2016 Kodiak Crab Festival will be held May 26<sup>th</sup> through May 30<sup>th</sup>. The official slogan for this year's festival is "Hot Crab, Cool People" and the logo design was created by Sami Ali and the poster winner is Mary Ruskovich.



The Kodiak Crab Festival celebrates its 58<sup>th</sup> anniversary this year with a proud tradition of family fun spanning generations. This event enhances the visitor industry, thus making it an economic asset to our community. Additionally, the Kodiak Crab Festival provides a vital fundraising opportunity for local nonprofit organizations.



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

Booth setup is scheduled to begin at 12:00 (noon) on Tuesday, May 24<sup>th</sup> and removed by 5:00 pm on Tuesday, May 31<sup>st</sup>.

Thank you for your support of this much-anticipated annual event. The wonderful tradition of Kodiak Crab Festival has carried on largely due to your assistance over the years. We at the Chamber welcome the Kodiak Crab Festival, marking 58 fun-filled years of this community-wide celebration!

Sincerely,

Stephanie DeLaGarza  
Crab Festival Manager





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**MEMORANDUM TO COUNCIL**

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**To:** Mayor Branson and City Councilmember's

**From:** Aimée Kniazowski, City Manager

**Through:** Mike Tvenge, Deputy City Manager and Corey Gronn, Parks and Recreation Director

**Date:** April 28, 2016 <sup>MT</sup>

**Agenda Item:** V. b. **Resolution No. 2016-13, Authorizing the Issuance of a Permit to the Kodiak Garden Club for Use of Public Property for Its Annual Plant Sale**

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**SUMMARY:** Resolution No. 2016-13 authorizes the issuance of a permit to the Kodiak Garden Club to use the covered area of the Baranof Park ice rink to hold its annual plant sale on June 4, 2016. Staff recommends Council adopt Resolution No. 2016-13.

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

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

This year, the Garden Club has requested to use the covered area at the ice rink at Baranof Park to stage their sale. This spot works well as an indoor/outdoor space, which accommodates unpredictable weather. The sale is planned for Saturday, June 4, 2016. The Garden Club is requesting permission to use the facility from 8 a.m. until the sale, which starts at 10 a.m., is over. The Garden Club ensures they will coordinate their activities with the Parks and Recreation Director and will provide clean up after the event. The resolution authorizes the use of the ice rink facility at Baranof Park for the plant sale from 8 a.m. through completion and cleanup, on June 4, 2016.

**ALTERNATIVES:**

1. Adopt Resolution No. 2016-13, which is staff's recommendation.
2. Do not adopt Resolution No. 2016-13, which would require the Garden Club to find another suitable location for this fundraiser.

**STAFF RECOMMENDATION:** Staff recommends Council adopt Resolution No. 2016-13.

**CITY MANAGER'S COMMENTS:** The City and its residents both benefit from this annual plant sale. The Garden Club is an active and responsible non-profit that works to educate and beautify our community. The way the Garden Club uses the proceeds from the sale benefits the community. I support the request and recommend that Council adopt Resolution No. 2016-13.

**ATTACHMENTS:**

Attachment A: Resolution No. 2016-13

Attachment B: Letter of request from the Kodiak Garden Club, dated March 17, 2016

**PROPOSED MOTION:**

Move to adopt Resolution No. 2016-13.



**CITY OF KODIAK  
RESOLUTION NUMBER 2016-13**

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

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

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

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

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

WHEREAS, the Garden Club has requested use of the covered area at Baranof Park on Saturday, June 4, 2016, to stage the sale.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska, that a permit be issued, with the permit fee waived, to the Kodiak Garden Club as provided in section 5.04.050(b) and (d) of the City Code for use of public property for 2016 plant sale on the condition that the Garden Club agrees to comply with the stipulations set forth in this section and section 5.04.060 of the City Code.

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

CITY OF KODIAK

\_\_\_\_\_  
MAYOR

ATTEST:

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

Adopted:



**Kodiak Garden Club  
PO Box 8792  
Kodiak, Alaska 99615  
March 17, 2016**

Kodiak Parks Director, Cory Gronn:

For many years, the Kodiak Garden Club has shared locally grown plants with Kodiak gardeners through a plant sale in early June. During the sale, educational materials are distributed and questions answered about gardening in Kodiak. In addition, Blythe Brown of the Kodiak Soil and Water Conservation District distributes information about invasive weeds and other plants to attendees. Funds from this sale are used to make small grants for school groups working on growing projects and to supplement the small grant Garden Club receives from the city for work at Baranof Museum, the harbor area (especially the memorial area), and other areas around the city from year to year. This year the Garden Club would like to use the covered area at Baranof Park to stage the sale. This spot works very well as an indoor/outdoor space which adapts to Kodiak's unpredictable weather. The sale is planned for Saturday, June 4, starting at 10:00. However, we usually begin setting up about 8 am on that morning and so would need access to the space at that time. Garden Club members are very conscientious about clean up after the event and use tarps to protect the special flooring in the rink area. Questions about this request may be directed to Patty Holmes, 486-3074.

Thank you for your consideration of Kodiak Garden Club's request to use the covered area at Baranof Park for the Kodiak Garden Club Annual Plant Sale on June 4.

Sincerely,

Patricia Holmes, President  
Kodiak Garden Club

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## MEMORANDUM TO COUNCIL

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**To:** Mayor Branson and City Councilmembers

**From:** Aimée Kniazowski, City Manager

**Thru:** Mike Tvenge, Deputy City Manager and Corey Gronn, Parks and Recreation Director

**Date:** April 28, 2016 

**Agenda Item:** V. c. **Resolution No. 2016–14, Authorizing the Issuance of a Permit to Hope Community Resources for the Use of Public Property for Its Walk and Roll Community Walk Fundraiser**

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**SUMMARY:** Hope Community Resources is a non-profit that is funded by grants and community donations. Hope Community Resources wants to offer its annual walk and roll community walking fundraiser on May 7 at the Baranof Track. Hope Community Resources will set up a tent to offer snacks and drinks to participants and will be accepting donations. Staff recommends Council approve this use by adopting Resolution 2016–14.

**PREVIOUS COUNCIL ACTION:** The City Council routinely issues permits to non-profit and other community organizations to allow them to conduct fundraising activities that benefit the community on public property.

**DISCUSSION:** Hope Community Resources is a non-profit that utilizes park facilities often and is very cooperative and always coordinates their activities to avoid any conflicts with the Parks and Recreation department. Hope Community Resources offers this community walk annually and has requested to bring this to Baranof Park on May 7, 2016, from 8 a.m. – 1 p.m.

City staff supports Hope Community Resources and their efforts to raise funds through community activities and recommends that Council adopt the resolution to authorize the use of the Baranof Park track.

**ALTERNATIVES:**

- 1) Adopt Resolution 2016–14, which is staff’s recommendation, because the community supports the event with great turnouts each year, and Council routinely offers permits to non-profits requesting use of City property.
- 2) Do not adopt the resolution, which is not recommended, because it is inconsistent with past actions to non-profit fundraising events and would impact their opportunity to raise money for their operations.

**FINANCIAL IMPLICATIONS:** There are no financial implications involved in allowing this permitted use.



**STAFF RECOMMENDATION:** Staff recommends Council approve Hope Community Resources' request by adopting Resolution No. 2016-14.

**DEPUTY CITY MANAGER'S COMMENTS:** This request to use the track at Baranof Park, provides a safe route for this event which has a 40 year history. I commend organizations that continue to support the community and recommend granting Hope Community Resources use of the Baranof track.

**ATTACHMENTS:**

Attachment A: Resolution 2016-14.

Attachment B: Letter from Corrie Davis, dated March 25, 2016

**PROPOSED MOTION:**

Move to adopt Resolution No. 2016-14.

**CITY OF KODIAK  
RESOLUTION NUMBER 2016-14**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK AUTHORIZING THE ISSUANCE OF A PERMIT TO HOPE COMMUNITY RESOURCES FOR THE USE OF PUBLIC PROPERTY FOR ITS WALK AND ROLL COMMUNITY WALK FUNDRAISER**

WHEREAS, the Hope Community Resources is a non-profit that is funded by grants and community donations; and

WHEREAS, Hope Community Resources is sponsoring a walk for the Kodiak community to raise funds for operations; and

WHEREAS, Community Resources has requested use of the Baranof Park track on Saturday, May 7, 2016, and will charge a fee and/or request donations; and

WHEREAS, Kodiak City Code Section 5.04.010 prohibits business activities on City property, and Kodiak City Code Section 5.04.060 requires a permit for community festivities.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska, that a permit be issued, with the permit fee waived, to Hope Community Resources as provided in section 5.04.050(b) and (d) of the City Code for use of public property for its 2016 Walk and Roll fundraiser on the condition that Hope Community Resources agrees to comply with the stipulations set forth in this section and section 5.04.060 of the City Code.

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

CITY OF KODIAK

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MAYOR

ATTEST:

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CITY CLERK

Adopted:



3/25/2016

**Regional Centers**

**South Central Region**  
540 W. International Airport Rd.  
Anchorage, AK 99518-1110  
(907) 561-5335  
1-800-478-0078  
Fax: (907) 564-7429

**Mat-Su Valley Region**  
851 E. Westpoint Drive, Suite 306  
Wasilla, AK 99654  
(907) 357-3750  
Fax: (907) 357-3751

**Dillingham/Bristol Bay Region**  
P.O. Box 715  
Dillingham, AK 99576-0715  
1-800-478-2117  
Fax: (907) 842-5007

**Kodiak/Aleutian Region**  
1623 Mill Bay Road  
Kodiak, AK 99615-6235  
(907) 486-5011  
Fax: (907) 486-5019

**Seward/Resurrection Bay Region**  
P.O. Box 1933  
Seward, AK 99664  
(907) 224-2063  
Fax: (907) 224-8225

**Juneau/Southeast Region**  
9109 Mendenhall Mall Rd., Ste. 5D  
Juneau, AK 99801  
(907) 463-3602  
Fax: (907) 463-3605

**Barrow/North Slope Region**  
P.O. Box 2123  
Barrow, AK 99723  
(907) 852-3151  
Fax: (907) 852-2855

**Soldotna/Kenai Peninsula Region**  
43335 Kalifornsky Beach Rd., Ste. 27  
Soldotna, AK 99669  
(907) 260-9469  
Fax: (907) 260-9435

[www.hopealaska.org](http://www.hopealaska.org)

Stephen P. Lesko  
Executive Director

Roy T. Scheller  
Deputy Executive Director

Corey Gronn  
410 Cedar St.  
Kodiak, AK 99615

Dear Mr. Gronn,

Hope Community Resources is a nonprofit organization that provides supports and services to people who experience disabilities. We are funded in part by grant and community donations. One of our annual fundraisers is our Walk and Roll community walk.

Walk and Roll has been held the first Saturday in May for the past 40 years. Due to the nature of our business, we have very specific route regulations. Last year our walk route conflicted with the city's triathlon, which is also held on the first Saturday in May.

We are requesting a nonprofit permit to use the Baranof track to hold our fundraiser. We would like to set up a sign in tent and have snacks available for participants. Our event would run from 8:00 am- 1:00pm. Please consider our proposal and let us know your decision so we can finalize our plans.

Sincerely,

Corrie Davis  
Director of Community Support Services  
Kodiak, Alaska  
512-2501  
[codavis@hopealaska.org](mailto:codavis@hopealaska.org)

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## MEMORANDUM TO COUNCIL

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**To:** Mayor Branson and City Councilmembers

**From:** Aimée Kniazowski, City Manager

**Thru:** Mike Tvenge, Deputy City Manager; Ronda Wallace, Chief of Police; Jim Mullican, Fire Chief; and Lon White, Harbormaster

**Date:** April 28, 2016 *WA*

**Agenda Item:** V. d. **Resolution No. 2016–15, Authorizing the Issuance of a Permit to Alaska Whitefish Trawlers Association for the Use of Public Property in Conjunction With the Groundfish Festival and Fundraiser**

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**SUMMARY:** The North Pacific Fisheries Management Council will meet in Kodiak June 6-14, 2016. Resolution No. 2016–15 will permit Alaska Whitefish Trawlers Association, in conjunction with the Alaska Groundfish Data Bank, to close and use City streets for its one-time Groundfish parade and to use City property in the vicinity of Oscar’s Dock for festival and fundraiser activities. Street closures for the parade will take place on Saturday June 11, 2016, from 4:30 p.m. to 5:30 p.m., for Shelikof Street at Jack Hinkle Way, Shelikof Street to Marine Way, and Marine Way to Oscar’s Dock.

**PREVIOUS COUNCIL ACTION:** None

**DISCUSSION:** Alaska Whitefish Trawlers Association, a nonprofit organization, in conjunction with AGDB, is sponsoring the event to celebrate/promote the groundfish industry in Kodiak. AGDB, in operation since the 1980s, is a member organization that includes the majority of the Kodiak-based trawl catcher vessels and shore side processors that participate in the North Pacific groundfish fisheries.

The North Pacific Fisheries Management Council, which is responsible for the management of Alaska’s federal fisheries, meets in Kodiak about every three (3) years and will meet in Kodiak June 6-14, 2016. The North Pacific Fisheries Management Council is currently considering a regulatory package, which will alter the management structure of the Gulf’s shore side trawl fishery. The industry would like to showcase/celebrate their groundfish fishery, and how important it is to Kodiak. This will be a one-time celebration of the groundfish fisheries, which are important to Kodiak’s economy and labor force. The organizers will coordinate the event with the City Manager, Kodiak Police Department, Fire Department, and Harbormaster.

**ALTERNATIVES:**

- 1) Adopt Resolution No. 2016–15, which is staff’s recommendation.
- 2) Do not adopt No. 2016–15, which would result in cancellation festival and parade.

**FINANCIAL IMPLICATIONS:** N/A

**LEGAL: N/A**

**STAFF RECOMMENDATION:** Staff recommends that Council adopt Resolution No. 2016–15.

**DEPUTY CITY MANAGER’S COMMENTS:** This request is meant to promote the groundfish industry in Kodiak with parade and festivities. We know the importance fishing brings to this community, and I support a permit to allow the Alaska Whitefish Trawlers Association their day of celebration.

**ATTACHMENTS:**

Attachment A: Resolution No. 2016–15

Attachment B: Request letter and parade route map

Attachment C: Authorized area map for festival activities

**PROPOSED MOTION:**

Move to adopt Resolution No. 2016–15.

**CITY OF KODIAK  
RESOLUTION NUMBER 2016-15**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK AUTHORIZING THE ISSUANCE OF A PERMIT TO ALASKA WHITEFISH TRAWLERS ASSOCIATION FOR THE USE OF PUBLIC PROPERTY IN CONJUNCTION WITH THE GROUND FISH FESTIVAL AND FUNDRAISER**

WHEREAS, the North Pacific Fisheries Management Council will hold meetings in Kodiak June 6-14, 2016; and

WHEREAS, the Alaska Whitefish Trawlers Association, a local nonprofit organization, seeks to host a Groundfish Festival in association with Alaska Groundfish Data Bank while the North Pacific Fisheries Management Council is in Kodiak; and

WHEREAS, the festival will be a one-time celebration of the groundfish fisheries, which are important to Kodiak's economy and labor force.

WHEREAS, the Groundfish Festival will begin with a parade from Jack Hinkel Way to Oscar's Dock and the festival will be held in the vicinity of Oscar's Dock on Saturday, June 11, 2016, and is open to the Kodiak community to celebrate/promote the Groundfish industry in Kodiak; and

WHEREAS, the Groundfish Festival will include ethnic food, a barbeque, games, and fundraising to benefit local Kodiak seafood related non-profit organizations.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska, that a permit be issued, with the permit fee waived, to Alaska Whitefish Trawlers Association as provided in section 5.04.050(b) and (d) of the City Code for use of public property in the vicinity of Oscar's Dock for its Groundfish Festival on the condition that Alaska Whitefish Trawlers Association agrees to comply with the stipulations set forth this section and section 5.04.060 of the City Code.

BE IT FURTHER RESOLVED that the Council hereby authorizes City street closure and traffic control for the festival parade on Saturday, June 11, 2016, from 4:30 p.m. to 5:30 p.m. for Shelikof Street at Jack Hinkle Way, Shelikof Street to Marine Way, and Marine Way to Oscar's Dock.

BE IT FURTHER RESOLVED that the event sponsors will coordinate the event with the Harbormaster, Fire Chief, and Chief of Police.

CITY OF KODIAK

\_\_\_\_\_  
MAYOR

ATTEST:

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

Adopted:  
38



## Alaska Whitefish Trawlers Association

P.O. Box 991  
Kodiak, AK  
99615  
[aktrawlers@gmail.com](mailto:aktrawlers@gmail.com)  
[alaskawhitefishtrawlers.org](http://alaskawhitefishtrawlers.org)

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Aimée Kniazowski  
Kodiak City Manager  
710 Mill Bay Road, Room 114  
Kodiak, Alaska 99615  
[akniazowski@city.kodiak.ak.us](mailto:akniazowski@city.kodiak.ak.us)

April 19, 2016

Re: Groundfish Festival June 11

Dear Ms. Kniazowski (Aimée):

As you know, the North Pacific Fisheries Management Council (Council) will be meeting in Kodiak June 6-14. We (Alaska Whitefish Trawlers Association in association with Alaska Groundfish Data Bank) would like to host a large fete (Groundfish Festival) for the Council family, Kodiak fishermen, Kodiak processors, secondary seafood businesses and their families. The event will be open to the overall Kodiak community, occur on June 11, and celebrate/promote the groundfish industry in Kodiak. We think the spit/Oscar's dock would be the perfect place for this event and were hoping you could help facilitate permission through the City/City Council process as necessary. It's our understanding the City Council would need to pass a resolution authorizing the City to issue a permit for use of this public city property.

The groundfish celebration event ideas discussed thus far include a Fil-Am ethnic feed, Barbeque, and games for both kids and adults. We are hoping to do some fundraising as well with the goal of benefiting some of the local Kodiak seafood related non-profits. We appreciate your help in getting this organized! Don't hesitate to contact me if you need more information.

Sincerely,

A handwritten signature in black ink that reads "Robert L. Krueger". The signature is written in a cursive, flowing style.

Robert L. Krueger, President  
Alaska Whitefish Trawlers Association.





**Groundfish Festival Parade route**  
June 11, 2016  
Start from Ocean Beauty  
bunkhouse parking lot at 4:45 pm

**Groundfish Festival**  
June 11, 2016  
5 - 8 pm  
St. Paul Spit (Oscar's Dock)

Ocean Beauty Seafoods



**BASIS OF COORDINATES**  
 A BRASS CAP MONUMENT LOCATED AT THE P.I. OF MARINE WAY AS SHOWN, HAVING COORDINATES OF N 1397.201 31 FEET AND E 811.366 92 FEET. COORDINATES ARE ALASKA STATE PLANE ZONE 5 AND WERE DERIVED BY FIELD TRAVERSE FROM U.S. ARMY, CORPS OF ENGINEERS CONTROL POINTS "JOB 104" AND "JOB 125".

**BASIS OF BEARINGS**  
 A LINE BETWEEN THE BRASS CAP MONUMENT DESCRIBED ABOVE AND A BRASS CAP MONUMENT IN THE FLAG POLE BASE IN FRONT OF THE HARBORMASTER'S OFFICE WHICH BEARS N38°44'50"W 690.94 FEET.

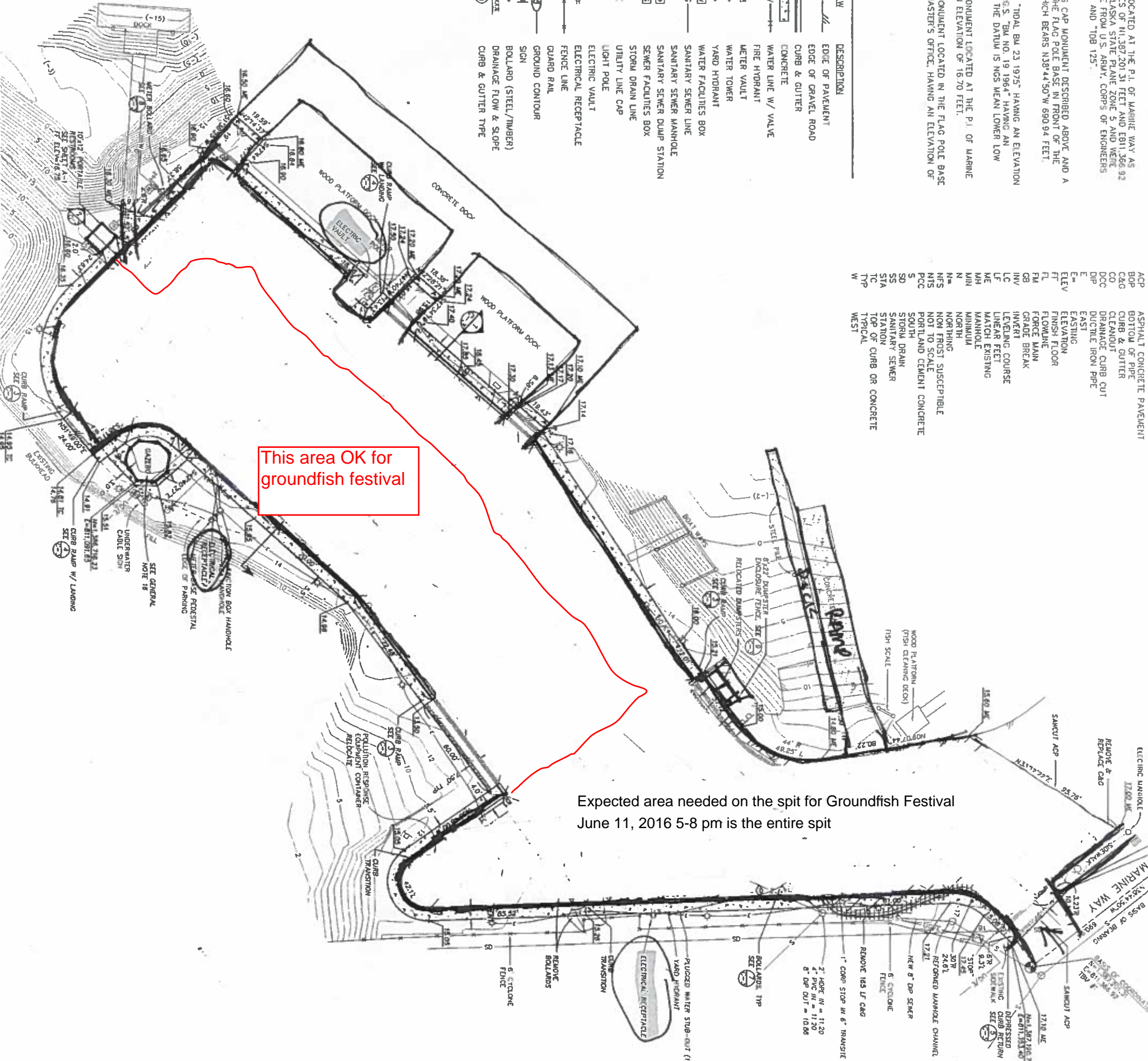
**BASIS OF ELEVATIONS**  
 ELEVATIONS ARE BASED ON "TIDAL BM 23 1975" HAVING AN ELEVATION OF 18.67 FEET AND U.S.C. & G.S. "BM NO. 19 1964" HAVING AN ELEVATION OF 14.01 FEET. THE DATUM IS NGS MEAN LOWER LOW WATER = 0.00 FEET.

BM #1 IS A BRASS CAP MONUMENT LOCATED AT THE P.I. OF MARINE WAY AS SHOWN, HAVING AN ELEVATION OF 16.70 FEET.

BM #2 IS A BRASS CAP MONUMENT LOCATED IN THE FLAG POLE BASE IN FRONT OF THE HARBORMASTER'S OFFICE, HAVING AN ELEVATION OF 18.91 FEET.

LEGEND	EXISTING	NEW	DESCRIPTION
	---	---	EDGE OF PAVEMENT
	---	---	EDGE OF GRAVEL ROAD
	---	---	CURB & GUTTER
	---	---	CONCRETE
	---	---	WATER LINE W/ VALVE
	---	---	FIRE HYDRANT
	---	---	METER VAULT
	---	---	WATER TOWER
	---	---	YARD HYDRANT
	---	---	WATER FACILITIES BOX
	---	---	SANITARY SEWER LINE
	---	---	SANITARY SEWER MANHOLE
	---	---	SANITARY SEWER DUMP STATION
	---	---	SEWER FACILITIES BOX
	---	---	STORM DRAIN LINE
	---	---	UTILITY LINE CAP
	---	---	LIGHT POLE
	---	---	ELECTRIC VAULT
	---	---	ELECTRICAL RECEPTACLE
	---	---	FENCE LINE
	---	---	GUARD RAIL
	---	---	GROUND CONTOUR
	---	---	SIGN
	---	---	BOLLARD (STEEL/TIMBER)
	---	---	DRAINAGE FLOW & SLOPE
	---	---	CURB & GUTTER TYPE

ACP	ASPHALT CONCRETE PAVEMENT
BOP	BOTTOM OF PIPE
C&G	CURB & GUTTER
CO	CLEANOUT
DC	DRAINAGE CURB CUT
DIP	DUCTILE IRON PIPE
E	EAST
E-ELEV	EASTING ELEVATION
FT	FINISH FLOOR
FL	FLOWLINE
FM	FORCE MAIN
GB	GRADE BREAK
INV	INVERT
LC	LEVELING COURSE
LF	LINEAR FEEL
ME	MATCH EXISTING
MH	MANHOLE
MIN	MINIMUM
N	NORTH
N-N	NORTHING
NFS	NON FROST SUSCEPTIBLE
NITS	NOT TO SCALE
PCC	PORTLAND CEMENT CONCRETE
S	SOUTH
SD	STORM DRAIN
SS	SANITARY SEWER
STA	STATION
TC	TOP OF CURB OR CONCRETE TYPICAL
W	WEST



This area OK for groundfish festival

Expected area needed on the spit for Groundfish Festival June 11, 2016 5-8 pm is the entire spit

SHEET INDEX	NO.	TITLE
	C-1	SITE GRADING & DRAINAGE
	C-2	SANITARY SEWER
	C-3	SITE SECTIONS & DETAILS
	C-4	DETAILS
	A-1	PORTABLE TOILET FACILITY
	E-1	LIGHTING/POWER PLAN
	E-2	LIGHTING/POWER DETAILS

(half scale) 1" = 60'



**GENERAL NOTES**

1. ALL CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE 1992 CITY OF KODIAK STANDARD CONSTRUCTION SPECIFICATIONS AS CURRENTLY AMENDED.
2. EXISTING GROUND CONTOURS BASED ON ENCLAND SURVEYING TOPOGRAPHIC SURVEY PERFORMED APRIL 1998. CONTRACTOR SHALL VERIFY SITE CONDITIONS. LOCATIONS OF EXISTING UTILITIES ARE APPROXIMATE ONLY. THE CONTRACTOR SHALL VERIFY LOCATIONS BY OBTAINING UTILITY LOCATES PRIOR TO BEGINNING CONSTRUCTION. EXERCISE CAUTION DURING EXCAVATION.
3. VERIFY HORIZONTAL AND VERTICAL LOCATIONS OF ALL UTILITIES ENCOUNTERED DURING CONSTRUCTION. RECORD LOCATIONS AND CHANGES TO UTILITIES IN SURVEY NOTES AND ON AS BUILT DRAWINGS.
4. VERIFY INVERTS AND LOCATIONS OF ALL UTILITY CONNECTION POINTS PRIOR TO INSTALLING PIPE. REPORT DISCREPANCIES FROM PLANS IMMEDIATELY TO OWNER'S REPRESENTATIVE.
5. ADJUST ALL EXISTING MANHOLES AND VALVE BOXES, WITHIN THE LIMITS OF CONSTRUCTION, TO 1/4" BELOW FINISH GRADE.
6. PAVEMENT CROSS HATCHES SHALL BE 45° STRIPES, 4" WIDE WHITE PAINT, SPACED 2' ON CENTER.
7. CROSSWALK STRIPING SHALL BE 2' WIDE, WHITE PAINT.
8. ELEVATIONS SHOWN ARE TO PIPE INVERT, FLOW LINE, OR FINISH PAVEMENT SURFACE UNLESS NOTED OTHERWISE.
9. DIMENSIONS SHOWN ARE TO EDGE OF PAVEMENT, GRADE BREAK, EDGE OF CONCRETE, BACK OF CURB, OR FACE OF SIDEWALK UNLESS NOTED OTHERWISE.
10. ALL CURB RADII ARE MEASURED AT THE BACK OF CURB, EDGE OF CONCRETE, OR FACE OF SIDEWALK.
11. RESTORE ALL DISTURBED PROPERTY OUTSIDE OF WORK LIMITS TO ORIGINAL CONDITIONS.
12. THE CONTRACTOR SHALL FOLLOW ALL CITY OF KODIAK REGULATIONS FOR NOISE, HOURS OF OPERATIONS AND DUST CONTROL.
13. REMOVAL OF GOATS AND VEHICLES LOCATED ON THE SPIT WILL BE THE RESPONSIBILITY OF THE CITY AND WILL BE ACCOMPLISHED PRIOR TO THE START OF CONSTRUCTION. THE CITY WILL ENFORCE NO PARKING ON THE SPIT DURING CONSTRUCTION. VEHICLE ACCESS TO OSCAR'S DOCK MUST BE MAINTAINED DURING CONSTRUCTION EXCEPT FOR A 12 HOUR PERIOD DURING PAVING OPERATIONS. THE CLOSURE OF ACCESS TO THE DOCK MUST BE COORDINATED AT LEAST 48 HOURS IN ADVANCE WITH THE HARBORMASTER'S OFFICE. ACCESS TO THE CONCRETE BOAT RAMP AND THE GRAVEL BOAT RAMP MAY BE CLOSED WHILE THE CONTRACTOR IS WORKING BUT MUST BE AVAILABLE WHEN THE CONTRACTOR IS NOT WORKING.
14. FOR SIDEWALK PERIMETER LIGHTING, SEE SHEET S-1.
15. GAZEBO SHALL BE 24' OCTAGON ARCH PAVILION WOOD GAZEBO PER SPECIFICATIONS.

REVISIONS



CITY OF KODIAK - ST. PAUL SPIT IMPROVEMENTS PROJECT  
 PARKING LOT PAVING & DRAINAGE



NO.	DATE	DESCRIPTION

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## MEMORANDUM TO COUNCIL

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**To:** Mayor Branson and City Councilmembers  
**From:** Aimée Kniaziowski, City Manager  
**Thru:** Mike Tvenge, Deputy City Manager and Mark Kozak, Public Works Director  
**Date:** April 28, 2016 <sup>MA</sup>

**Agenda Item:** V. e. Authorization of Purchase of FY2016 Sodium Chloride

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**SUMMARY:** For many years the Public Works Department has ordered deicing salt to mix with ¼ inch rock chips for winter deicing and traction control on City streets and parking lots. Because of the extremely mild winters, we did not bid or purchase deicing salt until now. In FY2015 we bid for 275 tons, the same quantity as the previous three years. The FY2016 budget included the funds to purchase the normal amount of deicing salt. With the extremely mild winter, we only used a portion of the salt we had on hand. Staff requested quotes from both of the previous year's bidders for a quantity of deicing salt not to exceed \$25,000, which is the maximum amount allowed without a 30-day bidding period (KCC 3.12.040). Both companies submitted a quote, and staff recommends Council approve the purchase of 75 tons in the amount of \$24,966 from Round Butte Products.

**PREVIOUS COUNCIL ACTION:** The Public Works Department bids for the City's winter sodium chloride supplies each spring. Typically, the City Council approves the salt bid award in the late spring prior to the start of the new fiscal year.

**BACKGROUND:** In 1997 the Council approved the building of a salt storage building at the Public Works yard. This allowed the City to mix the salt with ¼ inch rock chips and store the mixture for winter use. The salt and chips are mixed in a rough 50/50 mixture based on volume. By mixing, Public Works staff has been able to reduce the amount of salt used in the winter resulting in cost savings for winter deicing. Public Works has made further cost reductions by distributing the mix at stop signs, on hills, and at intersections rather than along the entire length of a street or road. However, using the mixture of salt and chips increases maintenance costs for street sweeping and storm drainage cleaning in the spring. Public Works continues to monitor the cost effectiveness of the 50/50 mixture to ensure overall savings. Because the amount of pavement the City is responsible for has increased, the amount of funds expended on deicing and traction control has seen a corresponding increase.

**DISCUSSION:** After evaluating the quantity of salt/chip mixture in storage and the stock of remaining salt on hand, if we purchase up to \$25,000 worth of salt now, we would not issue a bid for road salt in FY 2017.

In FY2013 the bid price was \$321.50/ton, in FY2014 the cost was \$329.77/ton, and again in FY2015 the cost was \$329.77/ton.

**ALTERNATIVES:**

- 1) Authorize the purchase of road salt to the lowest quoted price, Round Butte Products, which is the recommended option.
- 2) Do not authorize the award of the purchase, which is not recommended, because if we purchase the salt now we would not need to bid it for FY2017 and can, therefore, reduce the streets supply budget accordingly.

**FINANCIAL IMPLICATIONS:** The annual supply of road salt is budgeted in the Public Works Department Street supplies account. This request is based on the maximum dollar value that we can purchase without bidding. Because of the long delivery time, we chose minimum quotes rather than bid so we could still use FY2016 funds. With this additional supply, we do not anticipate having to make any additional purchases of road salt for next winter unless it is particularly harsh.

**STAFF RECOMMENDATION:** Staff recommends Council authorize the purchase of winter deicing salt to Round Butte Products as the lowest quoted delivered price in the amount of \$24,966.00 with funds coming from the General Fund, Public Works Department, Street Supplies Account.

**CITY MANAGER'S COMMENTS:** The Public Works staff continues their efforts to control costs associated with the purchase and use of road salt. Although the cost of road salt increased a bit from the last purchase, I wasn't surprised, since commodities continue to increase in price. I support staff's recommendation that Council award the FY2016 sodium chloride bid to Round Butte Products as they provided the lowest responsive quote.

**ATTACHMENTS:**

- Attachment A: Round Butte Products proposal
- Attachment B: Brenntag Pacific Inc. proposal

**PROPOSED MOTION:**

Move to authorize purchase of sodium chloride from Round Butte Products in the amount of \$24,966 with funds coming from the FY2016 Public Works Department, Street Supplies Account and authorize the City Manager to execute the documents of behalf of the City.

**From:** John Williams [johnw@rbpsalt.com]  
**Sent:** Thursday, March 31, 2016 8:34 AM  
**To:** Kozak, Mark  
**Subject:** Re: Requesting Road Salt Quote

Hello Mark,

At \$416.11 per bag we can get you 60ea. 2500# bags. This is just under your limit \$24,966.60 all in delivered. We saved about ten bucks a bag from 2014.

I should be able to get this small order delivered to you in less than 45 days.

Thanks John

On Fri, Mar 25, 2016 at 11:34 AM, Kozak, Mark <[mkozak@city.kodiak.ak.us](mailto:mkozak@city.kodiak.ak.us)> wrote:  
Thank you John,

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**From:** John Williams [mailto:[johnw@rbpsalt.com](mailto:johnw@rbpsalt.com)]  
**Sent:** Friday, March 25, 2016 10:30 AM  
**To:** Kozak, Mark  
**Subject:** Re: Requesting Road Salt Quote

Good morning Mark,

I will get on it. Should have an answer back to you by Tuesday.

On Fri, Mar 25, 2016 at 10:05 AM, Kozak, Mark <[mkozak@city.kodiak.ak.us](mailto:mkozak@city.kodiak.ak.us)> wrote:  
Good morning John,

Can you please provide me a quote for road salt FOB Kodiak. This request is based on a not to exceed price of \$25,000. Please provide the total tons you would be able to provide for that cost. I have to keep the cost under \$25,000 in order to not have to advertise for 30 days. I will be sending this same request to other vendors.

Our intention is to take the purchase to the City Council for approval on the April 28 Council meeting.

Thank you, Mark

Mark Kozak  
Public Works Director  
2410 Mill Bay Road  
Kodiak, AK 99615  
W;[907-486-8060](tel:907-486-8060)  
F;[907-486-8066](tel:907-486-8066)  
[mkozak@city.kodiak.ak.us](mailto:mkozak@city.kodiak.ak.us)

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**John F. Williams**  
Round Butte Products  
[360.835.0538](tel:360.835.0538)

**From:** [Rhonda Swanson/Pacific/Brenntag](#)  
**To:** [Kozak, Mark](#)  
**Subject:** RE: Requesting a Quote for Road Salt Purchase  
**Date:** Monday, April 04, 2016 12:00:21 PM

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Good morning Mark.

Sorry for the delay here... We've been trying to work a few different routes with different carriers to get the most material out to you.

We're still waiting on some freight rates to move material from the lower 48's through Seattle to you, but I wanted to give you what we have come up with. As the carriers provide the rates we're still waiting on, I'll update your pricing accordingly, if they come in cheaper.

Currently, we have worked out moving 40 – 2200 lb bags of Extra Coarse salt from Fairbanks to Kodiak by way of Carlile. Your price is \$0.2828 per lb (\$622.16 per bag). We can do 2 truckloads @ 20 supersacks each, for a total of \$24,886.40.

There are additional surcharges, which will also be added to each invoice processed (one invoice per truckload). A \$25 Insurance & Security Surcharge, as well as a \$27.50 Fuel Surcharge. I made sure to account for these when working out the quote for under \$25,000, and basically just dropped my price enough to cover them. So your grand total, for 40 – 2200 lb supersacks (44 tons) is \$24,991.40.

Let me know how this fares, and as mentioned, if any of the other routes come in cheaper, I'll update the quote.

Thanks very much for the opportunity!  
Let me know if you need any other materials or quotes.

Rhonda Swanson  
Customer Service/ Sales Rep /Sales Assistant  
Brenntag Pacific, Inc  
Fairbanks, AK  
PH: 907-452-5134  
Cell: 907-750-3462  
FX: 907-456-3732  
Email: [RSwanson@brenntag.com](mailto:RSwanson@brenntag.com)

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**From:** Kozak, Mark [mailto:mkozak@city.kodiak.ak.us]  
**Sent:** Monday, April 04, 2016 9:42 AM  
**To:** Rhonda Swanson/Pacific/Brenntag <[RSwanson@brenntag.com](mailto:RSwanson@brenntag.com)>  
**Subject:** RE: Requesting a Quote for Road Salt Purchase

Thank you Rhonda,



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## MEMORANDUM TO COUNCIL

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**To:** Mayor Branson and City Councilmembers

**From:** Aimée Kniazowski, City Manager

**Thru:** Kelly Mayes, Finance Director

**Date:** April 28, 2016

**Agenda Item:** V. f. Authorization of Purchase of Computer V-M Host Servers

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**SUMMARY:** The City currently has three existing VM Host Servers that were purchased in 2010. These servers are currently utilized for all citywide virtual network functions. These servers host approximately 60 virtual machines used by multiple City departments. The VM Host Servers are becoming obsolete and were scheduled for replacement during the FY2016 budget year.

**PREVIOUS COUNCIL ACTION:** During the FY2016 budget process, \$36,000 was authorized for replacement of these servers. There has not been any other Council discussion regarding VM Host Server purchases.

**DISCUSSION:** IT Administrators Lee Peterson and David Smith have researched VM Host Server systems. Due to the age of the servers and extensive usage of the servers, the IT Administrators went through a RFP process and solicited bids for VM Host Servers replacement costs. The lowest responsive bid was provided by SHI International Corp for a total amount of \$28,646.76. This has been previously budgeted for the FY2016 budget year. As noted, this bid came in lower than the budgeted amount of \$36,000.

**ALTERNATIVES:** The alternative would be to research other server options for the City, which would include up to a minimum of 60 physical servers to replace the virtual machines that are utilized within multiple City departments. However, this alternative is not in the best interests of the City. The VM Host Server replacements proposed within would be more cost effective and personnel effective to the City than any alternative options that have been previously investigated.

**FINANCIAL IMPLICATIONS:** Monetary and budget implications have been noted within. This amount has been budgeted within the Finance-IT Department with funds coming from the Machinery and Equipment account.

**LEGAL:** N/A

**STAFF RECOMMENDATION:** Staff recommends authorization of the VM Host Server replacements.



**CITY MANAGER'S COMMENTS:** The City relies completely on electronic data collection, dissemination, and storage, and the information is critical to exchange and retain. Therefore, we need to continue to upgrade and/or replace key elements of our IS system. Therefore, I support Kelly's recommendation to purchase replacement servers as outlined above.

**ATTACHMENTS:**

Attachment A: SHI International Corp proposal and quote

**PROPOSED MOTION:**

Move to authorize purchase of VM Host Servers from SHI International Corp in the amount of \$\$28,646.76 with funds from the Finance-IT Machinery and Equipment account and authorize the City Manager to execute the documents on behalf of the City.



# SHI International Corp

Response to

## City of Kodiak

INVITATION TO BID

Bid No.: 533

### (3) New VM Host Server Replacements

Presented by:

Eric Stewart  
Inside Account Executive  
732-652-0259  
Eric\_Stewart@shi.com

March 24, 2016 2:00 PM



**March 24, 2016**

Ms. Aimee Kniazowski  
City of Kodiak  
City Manager's Office  
710 Mill Bay Road, (Room #114)  
Kodiak, Alaska 99615

Dear Ms. Kniazowski,

Thank you for your interest in SHI and for the opportunity to participate in City of Kodiak's Initiation to Bid request for (3) new VM Host Server Replacements.

With 26 years of experience supporting the IT needs of governmental entities throughout the United States, SHI is confident in our ability to meet the City of Kodiak requirements, and will be a trusted advisor to support your procurement of IT products and services. SHI provides a large support team for Pre-Sales Technical Support, Advanced Licensing Solutions and Services Engagements. No other reseller of IT products provides as extensive an internal support organization dedicated to providing superior customer support.

SHI provides the highest level of customer support and service to all of our customers. Under our Quality Management System, City of Kodiak is assured that our solution delivers the services that you need when you need them. We have a wide array of solutions to offer City of Kodiak and we look forward to building a managed program that integrates your organizational requirements.

SHI has a proven record of success with customers of similar size and nature to City of Kodiak. Leveraging our broad range of authorizations and manufacturer relationships, SHI is uniquely qualified to support all requirements contained in this ITB and offer a "one stop shop" for your IT Procurement. Our proposal provides a streamlined and efficient managed program which we expect will help City of Kodiak to realize efficiencies and ultimately cost savings.

I appreciate the opportunity to participate in this evaluation. If you require additional information or have any questions regarding our proposal, please contact me at 732-652-059 or via Email at [Eric\\_Stewart@shi.com](mailto:Eric_Stewart@shi.com). Thank you in advance for your consideration and I look forward to hearing from you.

Sincerely,

Eric Stewart  
Inside Account Executive

**LEGAL AD:**

**Bid No. 533  
FY 2016**

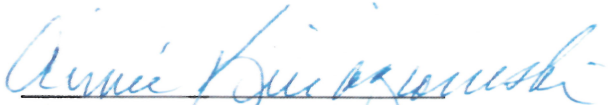
The City of Kodiak is accepting sealed bids for (3) new VM Host Server Replacements. The City requires:

- (3) PowerEdge R630 Servers or equivalent
- ProSupport Plus: 5 year next business day on-site service

All shall meet or exceed the bid specifications. Bid should be mailed to City Manager, PO Box 1397, Kodiak, Alaska, 99615 or hand delivered to City Manager at 710 Mill Bay Road, (Room #114) Kodiak Alaska 99615. Bid opening at 2:00 p.m. on March 24, 2016.

February 24, 2016  
Date of Invitation

City of Kodiak



Aimee Kniazowski, City Manager

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**ATTN:** - Legal Ad Department –

**Publish:** February 24, and 26, 2016

Bill to: ATTN: City Manager  
City of Kodiak  
PO Box 1397  
Kodiak AK 99615

Please contact Kimberly A. Holmes at 486-8655 if you have any questions regarding this ad.



CITY OF KODIAK  
POST OFFICE BOX 1397, KODIAK, ALASKA 99615

Finance  
907-486-8655 Voice  
907-486-8600 Fax

Cover Sheet Page 1 of 6

**Invitation to Bid**

(1) City of Kodiak reserves the Right to accept or reject bids on any part or all items.

(2) Prices quoted must be FOB Kodiak, Alaska.

\_\_\_\_\_  
BIDS RECEIVED BY THE CITY MANAGERS OFFICE AFTER TIME/ DATE SPECIFIED FOR THE OPENING OF BIDS, WILL NOT BE CONSIDERED AND WILL BE RETURNED UNOPENED.  
\_\_\_\_\_

PLEASE RETURN THIS INVITATION TO BID BY THE DATE AND TIME SHOWN BELOW OR BID WILL BE REJECTED

DATE OF INVITATION

TIME AND DATE OF OPENING

**February 24, 2016**

2:00 P.M. March 24, 2016

**Bid No.: 533**

The City of Kodiak is accepting sealed bids for (3) new VM Host Server Replacements. The City requires:

- (3) PowerEdge R630 Servers or equivalent
- ProSupport Plus: 5 year next business day on-site service

All shall meet or exceed the bid specifications. Bid should be mailed to City Manager, PO Box 1397, Kodiak, Alaska, 99615 or hand delivered to City Manager at 710 Mill Bay Road, (Room #114) Kodiak Alaska 99615. Bid opening at 2:00 p.m. on March 24, 2016.

Bids will be opened in the City Manager's Office, Room #113, 710 Mill Bay Road, Kodiak, Alaska.

## Bid No. 533, IT Department

Module	Description	Qty	3
PowerEdge R630	PowerEdge R630 Server, No TPM		
Hardware Support Services	ProSupport Plus: 5 Year Next Business Day On-site Service		
Shipping Information	US No Canada Ship Charge		
Deployment Services	No Installation		
Remote Consulting Services	Declined Remote Consulting Service		
Shipping	PowerEdge R630 Shipping- 8 Drive Chassis		
Additional Network Cards	Intel Ethernet X540 DP 10GBASE-T Server Adapter, Low Profile		
Network Daughter Card	Intel Ethernet X540 10Gb BT DP + I350 1Gb BT DP Network Daughter Card		
Embedded Systems Management	iDRAC8 Express, integrated Dell Remote Access Controller, Express		
Chassis Configuration	Chassis with up to 8, 2.5" Hard Drives, 3 PCIe Slots		
Bezel	No Bezel		
Power Management BIOS Settings	Power Saving Dell Active Power Controller		
RAID Configuration	RAID 1 for H330/H730/H730P (2 HDDs or SSDs)		
RAID Controller	PERC H730 RAID Controller, 1GB NV Cache		
Processor	Intel® Xeon® E5-2667 v3 3.2GHz,20M Cache,9.60GT/s QPI,Turbo,HT,8C/16T (135W) Max Mem 2133MHz		
Additional Processor	Upgrade to Two Intel® Xeon® E5-2667 v3 3.2GHz,20M Cache,9.60GT/s QPI,Turbo,HT,8C/16T (135W)		
Memory Capacity	(4) 32GB RDIMM, 2133MT/s, Dual Rank, x4 Data Width		
Memory DIMM Type and Speed	2133MT/s RDIMMs		
Memory Configuration Type	Performance Optimized		
Hard Drives	(2) 300GB 15K RPM SAS 12Gbps 2.5in Hot-plug Hard Drive		
System Documentation	Electronic System Documentation and OpenManage DVD Kit		
Internal Optical Drive	DVD+/-RW, SATA, Internal		
Rack Rails	ReadyRails™ Sliding Rails Without Cable Management Arm		
Power Supply	Dual, Hot-plug, Redundant Power Supply (1+1), 750W		
Power Cords	(2) NEMA 5-15P to C13 Wall Plug, 125 Volt, 15 AMP, 10 Feet (3m), Power Cord, North America		
Operating System	No Operating System		
OS Media Kits	No Media Required		
Processor Thermal Configuration	2 CPU up to 160W		



Invitation to Bid-533

February 24, 2016

**SECTION II – GENERAL REQUIREMENTS:**

1. Bids shall be submitted on the “Bid Form” provided and must be manually signed by a responsible member of the firm.
2. In order to ensure consideration, bids must be submitted in a sealed envelope, identified with the name “Bid No. 533” and time and date of opening, and addressed as follows:

Aimee Kniazowski, City Manager  
City of Kodiak  
PO Box 1397  
Kodiak AK 99615

Express Mail or Special Delivery Address:  
710 Mill Bay Road, Room #114  
Kodiak AK 99615

Bid No. 533  
2:00 p.m., March 24, 2016

No responsibility will attach to any officer for the premature opening of, or the failure to open, a bid properly addressed and identified.

3. Contractor must submit copy of Alaska Business License for current year, or the application to obtain an Alaska Business License for the current year. Local bidders should be registered to collect City Sales Tax if applicable. Contractor shall be current with all sales tax to the City of Kodiak.
4. Inquiries or requests for information pertaining to these specifications should be directed to Lee Peterson, IT Administrator (907) 486-8619.

**SECTION III – GENERAL INFORMATION:**

**Processing of bids** – Kodiak City Code Section 3.12.050 states: Notwithstanding other provisions of this chapter relating to the award after competitive bid for purchases, sales, and contracts, the city may:

- (a) Reject any defective or non-responsive bids;
- (b) Waive any irregularities in any and all bids;
- (c) Reject all bids;

**Invitation to Bid-533****February 24, 2016**

- (d) Negotiate with two or more of the lowest bidders, if bid prices are in excess of the money available or authorized, for a reduction in the scope, quality, or quantity of the purchase, service, or contract;
- (e) Re-advertise for bids with or without making changes in the plans or specifications.

**Local bid preference** – Kodiak City Code Section 3.12.060 states, in part:

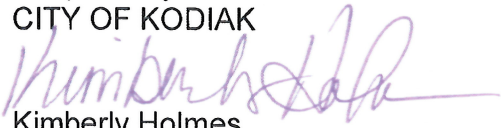
- (a) Notwithstanding section 3.12.040, the council shall direct an award of a contract for the purchase of personal property or services or for the construction, repair, or improvement of city facilities after competitive bidding to a local bidder who is also a responsible bidder, if that bid does not exceed the otherwise lowest responsible bid by more than ten (10) percent or \$30,000, whichever is less.
- (b) For the purposes of this section “local bidder” shall mean a responsible bidder who had, at the time of the bid award, maintained a business office or store within the Borough of Kodiak Island, which was open for business on a substantially full-time basis and staffed by at least one full-time employee for at least one year.

**Lowest responsible bidder** – The bid may be awarded to the lowest responsible bidder. Kodiak City Code Section 3.12.080 states: In determining the lowest responsible bidder factors to be considered shall include, but not necessarily be limited to the following criteria:

- (a) The ability, capacity, and skill of the bidder to perform the contract;
- (b) Whether the bidder can perform the contract within the time specified, without delay or interference;
- (c) The character, integrity, reputation, judgement, experience, and efficiency of the bidder;
- (d) The quality of performance of previous contracts;
- (e) The previous and existing compliance by the bidder with laws and ordinances related to the contract;
- (f) The sufficiency of the financial resources and ability of the bidder to perform the contract; and
- (g) Litigation by the bidder on previous orders or contracts with the city.

**Bid Award.** It is anticipated that bid results will be presented to the City Council for action at its regular scheduled meeting of April 14, 2016.

Respectfully submitted  
CITY OF KODIAK

  
Kimberly Holmes  
Fiscal Specialist

Invitation to Bid-533

February 24, 2016

# BID FORM

TO: Aimee Kniazowski, City Manager  
City of Kodiak  
710 Mill Bay Road, Room #114  
PO Box 1397  
Kodiak AK 99615

Any exceptions to the published bid specifications must be listed by item.

In compliance with your Invitation to bid for Bid No. 533 dated February 24, 2016, the undersigned hereby proposes to provide the following:

1. (3) PowerEdge R630 Servers, No TPM or equivalent.
2. ProSupport Plus: 5 year next business day on-site service.
3. All shall meet or exceed the bid specifications.

**Bid amount**

\$9,548.92 (Unit price)

**Total** \$28,646.76

**(Turn in Page 5 & 6 in as part of your bid)**

**SHI Note: Please see accompanying SHI Quote for additional details.**

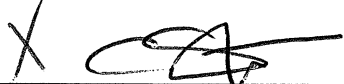
Invitation to Bid-533

February 24, 2016

Liability Copies of Business License and City Sales Tax Registration enclosed.

Bid price valid for        <sup>\*See below</sup> days.

Submitted by: \_\_\_\_\_ Dated: 03/22/2016

 _____ Signature	SHI International Corp. _____ Business Name
--	---

Sr. Contracts Specialist _____ Title	290 Davidson Avenue _____ Address
--	---

732-764-8888 _____ Telephone	Somerset, New Jersey 08873 _____ City, State, Zip
------------------------------------	---

**SHI Note: SHI's proposed pricing is valid until 04/30/2016**



Pricing Proposal  
 Quotation #: 11119282  
 Created On: 2/25/2016  
 Valid Until: 4/30/2016

**City of Kodiak AK**

**Inside Account Executive**

**James Peterson**  
 710 Mill Bay Rd  
 Kodiak, AK 99615  
 United States  
 Phone: (907) 486-8619  
 Fax:  
 Email: jpeterson@city.kodiak.ak.us

**Eric Stewart**  
 290 Davidson Ave,  
 Somerset NJ, 08873  
 Phone: 800-477-6479  
 Fax: 800-477-6479  
 Email: Eric\_Stewart@SHI.com

All Prices are in US Dollar (USD)

Product	Qty	Your Price	Total
1 PowerEdge R630 Server Intel Xeon E5-2667 v3 3.2GHz,20M Cache,9.60GT/s QPI, 2x300GB 15K RPM SAS 12Gbps 2.5in Hot-plug Hard Drive Dell - Part#: 725126476 <b>Note:</b> Specification sheet attached	1	\$9,548.92	\$9,548.92
2 PowerEdge R630 Server Intel Xeon E5-2667 v3 3.2GHz,20M Cache,9.60GT/s QPI, 2x300GB 15K RPM SAS 12Gbps 2.5in Hot-plug Hard Drive Dell - Part#: 725126476	1	\$9,548.92	\$9,548.92
3 PowerEdge R630 Server Intel Xeon E5-2667 v3 3.2GHz,20M Cache,9.60GT/s QPI, 2x300GB 15K RPM SAS 12Gbps 2.5in Hot-plug Hard Drive Dell - Part#: 725126476	1	\$9,548.92	\$9,548.92
		Shipping	\$0.00
		*Tax	\$0.00
		<b>Total</b>	<b>\$28,646.76</b>

\*Tax is estimated. Invoice will include the full and final tax due.

**Additional Comments**

WSCA Contract No. ADSPO11-00000358-3  
 ALASKA STATE CONTRACT # W2012SVAR0002  
 Amendment No. Four (04)

The Products offered under this proposal are subject to the SHI Return Policy posted at [www.shi.com/returnpolicy](http://www.shi.com/returnpolicy), unless there is an existing agreement between SHI and the Customer.



PowerEdge R630 Server (210-ACXS)	1
PowerEdge R630 Motherboard (329-BCIY)	1
Thank you for choosing Dell ProSupport Plus. For tech support, visit <a href="http://www.dell.com/contactdell">http://www.dell.com/contactdell</a> (951-2015)	1
Dell Hardware Limited Warranty Plus On Site Service (976-7728)	1
ProSupport Plus: 7x24 Next Business Day Onsite Service, 5 Year (976-7763)	1
ProSupport Plus: 7x24 HW/SW Tech Support and Assistance, 5 Year (976-7770)	1
US Order (332-1286)	1
On-Site Installation Declined (900-9997)	1
Declined Remote Consulting Service (973-2426)	1
PowerEdge R630 Shipping- 8 Drive Chassis (340-AKPS)	1
Intel Ethernet X540 DP 10GBASE-T Server Adapter, Low Profile (540-BBHZ)	1
Intel Ethernet X540 DP 10Gb BT + I350 1Gb BT DP Network Daughter Card (540-BBCC)	1
iDRAC8 Express, integrated Dell Remote Access Controller, Express (385-BBHN)	1
Chassis with up to 8, 2.5" Hard Drives, 3 PCIe Slots (321-BBKL)	1
No Bezel (350-BBBW)	1
Performance BIOS Settings (384-BBBL)	1
RAID 1 for H330/H730/H730P (2 HDDs or SSDs) (780-BBJK)	1
PERC H730 Integrated RAID Controller, 1GB Cache (405-AAEG)	1
SanDisk DAS Cache, 90 Day Trial License (632-BBDC)	1
Intel Xeon E5-2667 v3 3.2GHz,20M Cache,9.60GT/s QPI,Turbo,HT,8C/16T (135W) Max Mem 2133MHz (338-BFFH)	1
Upgrade to Two Intel Xeon E5-2667 v3 3.2GHz,20M Cache,9.60GT/s QPI,Turbo,HT,8C/16T (135W) (374-BBGO)	1
32GB RDIMM, 2133 MT/s, Dual Rank, x4 Data Width (370-ABVW)	4
2133MT/s RDIMMs (370-ABUF)	1
Performance Optimized (370-AAIP)	1
300GB 15K RPM SAS 12Gbps 2.5in Hot-plug Hard Drive (400-AJRU)	2
Electronic System Documentation and OpenManage DVD Kit, PowerEdge R630 (343-BBDK)	1
DVD+/-RW SATA Internal (429-AAQL)	1
ReadyRails Sliding Rails Without Cable Management Arm (770-BBBC)	1
Dual, Hot-plug, Redundant Power Supply (1+1), 750W (450-ADWS)	1
NEMA 5-15P to C13 Wall Plug, 125 Volt, 15 AMP, 10 Feet (3m), Power Cord, North America (450-AALV)	2
No Operating System (619-ABVR)	1
No Media Required (421-5736)	1
DIMM Blanks for System with 2 Processors (370-ABWE)	1
160W Heatsink for PowerEdge R630 (412-AAEF)	1
160W Heatsink for PowerEdge R630 (412-AAEF)	1





# Do More with Dell & SHI

SHI and Dell provide solutions for every aspect of your environment – from the client, through the data center and to the cloud. As a Dell Premier Partner, SHI offers and supports all Dell product lines, with the exception of Alienware. Together, we deliver innovative solutions that help customers thrive.



**PartnerDirect**  
Premier

## Dell Resources

SHI's Dell professionals eliminate IT complexity and create greater efficiencies for your business with end-to-end computing solutions. Our award-winning staff includes:

- Dell Channel Inside Account Representatives
- Dell Channel Account Managers
- Dell Technical Sales Representatives
- Dell Business Development Specialists
- Dell Programs Specialists
- Dell Sales Specialists
- Dell Public Sector Specialist
- Dell SMB Specialists
- Dell Client Specialists
- Dell Software Specialists
- Dell Networking Specialists
- Dell Server Specialists
- Dell Storage Specialists

## Dell Certifications

SHI holds 300+ technical certifications for Dell products, including:

- PowerEdge
- Compellent/EqualLogic/PowerVault
- Wyse, KACE, SonicWall
- SecureWorks, Quest, AppAssure
- Optiplex, Precision, Latitude, Force10
- PowerConnect

## Dell Competencies

SHI is certified in these Dell practice areas to ensure that your organization receives the highest level of support:

- End User Computing
- Servers
- Storage
- Networking
- Desktop Virtualization Services
- Security

## SHI at a Glance

Founded in 1989, SHI is a global provider of software, hardware and custom IT solutions to Corporate, Enterprise, Public Sector and Academic customers of all sizes.

- Dell Direct Marketer Partner of the Year (2010-2013)
- Dell Healthcare Partner of the Year (2015, 2012)
- \$6+ billion in annual revenue
- 3,500+ employees across 30+ offices in the US, Canada, UK, France and Hong Kong
- 305,000 square foot Integration Center
- Largest Minority and Woman-owned Business Enterprise (MWBE) in the US
- Ranked 12th among CRN's 2015 Solution Provider 500 list of the largest North American IT solution providers

## Dell at a Glance

For over 28 years, Dell has empowered people everywhere to use technology to do more and realize their dreams.

- Employs 100,000+ team members globally
- Interacts with 5.4 million customers every day
- Supports over 50% of U.S. hospitals that service 90 million Americans
- Integrated in 400,000+ classrooms across the world
- Services 10 million+ small and medium businesses worldwide
- Sustains relationships with 99% of Fortune 500 companies



## Desktops, Fixed Workstations, Servers & Thin Clients

Equipped with processing power to support more applications, reduce IT complexity, and increase efficiency, Dell desktops, servers and thin clients can meet your ever-increasing high-end computing and virtualization needs, transforming the way you work.

## Laptops, Mobile Workstations & Ultrabooks

SHI can help you develop a mobile strategy that works for your business, regardless of operating system. Based on industry standard technologies, Dell mobile computing solutions give you the flexibility to grow remote capabilities while increasing employee production and satisfaction.

## Storage

Creating a consolidation strategy and choosing the right storage can help your organization cut costs. Consolidation and reducing inefficiencies can shrink energy usage, maximize facility requirements, and free up your staff from constantly monitoring and maintaining your data infrastructure.

## Networking

For businesses seeking networking for virtual or cloud capabilities, Dell delivers business-driven solutions that are open, optimized, agile, automated and flexible for small to large environments.

## Security & Systems Management

Dell's comprehensive, multi-layered security solutions identify the appropriate technologies and services to manage your business risks. This approach helps protect assets and complies with regulations and corporate security policies.

## Imaging, Monitors, Printing and Projectors

Designed for speed and performance, Dell printing and imaging products boost your organization's productivity while delivering excellent print quality. For those who work on-the-go, Dell mobile projectors are easy-to-use and are available at an affordable price.

## Software

Dell software makes it easy to secure and manage networks, applications, systems, endpoints, devices and data to help your business deliver on the full promise of technology. We assist you with acquiring, deploying and managing the following software under the most favorable licensing program:



## Support

SHI understands how important it is for you to deliver professional support and minimize IT disruptions. With Dell ProSupport™, you can rest comfortably knowing that systems will be covered by highly trained experts, 24x7x365 days a year.

## Lifecycle Services

Regardless of where your equipment is in the technology lifecycle, SHI can help. From software and hardware procurement, to warehousing and configuration, through installation, warranty services, and IT asset management, SHI offers a full suite of services to maximize the value of your IT investment.



PartnerDirect

**Dell Inc.**  
One Dell Way  
Round Rock, TX 78682  
tel + 1-877-766-3355  
[www.dell.com/partner](http://www.dell.com/partner)

SHI International Corp  
290 Davidson Ave  
Somerset, NJ 08873

May 6, 2015

RE: Dell PartnerDirect partner

Dear SHI International Corp:

This letter confirms that you're a partner in the Dell PartnerDirect program. This relationship authorizes you to sell Dell products and services and can help:

- Provide you with numerous options of Dell products and services,
- You simplify your customer's IT by reducing the cost and complexity of your solution,
- Speed up deployment time on your orders, and
- Your business run faster, better and smarter.

Please feel free to contact us to learn more about Dell's cutting-edge products and solutions, and how they can benefit your customer's business. We look forward to doing business with you.

Warm regards,

Cheryl Cook  
Vice President, Global Channels and Alliances

# National Minority Supplier Development Council (NMSDC)

Certifies that

## **SHI International Corp**

is a bona fide Minority Business Enterprise certified by the:  
New York & New Jersey Minority Supplier Development  
Council

**NAICS Code(s): 541511**

SHI International Corp has chosen to obtain **SUBSCRIPTION SERVICES** with the following NMSDC  
Affiliate(s):



02/16/2015

**Issued Date**

03/31/2016

**Expiration Date**

*Joset Wright-Lacy*

**Joset B. Wright-Lacy**

National Minority Supplier Development Council, Inc.  
1359 Broadway, 10th Floor, Suite 1000  
New York, NY 10018

NY02468

**Certificate Number**

**President, New York & New Jersey MSDC**

Visit NMSDC Compliance Portal Powered by PRISM Compliance Management to validate this certificate and learn more about SHI International Corp



hereby grants

# National Women's Business Enterprise Certification

to

## SHI International Corp.

who has successfully met WBENC's standards as a Women's Business Enterprise (WBE).

This certification affirms the business is woman-owned, operated and controlled; and is valid through the date herein.

WBENC National WBE Certification was processed and validated by Women Presidents' Educational Organization – NY, a WBENC Regional Partner Organization.

*Marsha Firestone, Ph.D.*

Authorized by Marsha Firestone, Ph.D., President & Founder  
Women Presidents' Educational Organization – NY

Expiration Date: 02/28/2017  
WBENC National Certificate Number: 2005121863

NAICS Codes: 541511

UNSPSC Codes: 43211500





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## MEMORANDUM TO COUNCIL

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**To:** Mayor Branson and City Councilmembers  
**From:** Aimée Kniazowski, City Manager  
Mark Kozak, Public Works Director, Glenn Melvin PE, City Engineer and  
**Thru:** Mike Tvenge, Deputy City Manager  
**Date:** April 28, 2016 *MT*

**Agenda Item:** V. g. **Authorization of Change Order No. 2 With Brechan Construction LLC for the Composting Facility, Project No. 08-06/7517**

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**SUMMARY:** The City Council authorized the construction of the Composting Facility to Brechan Construction LLC during the April 9, 2015, regular meeting. This memorandum discusses additional elements of work needed to complete construction and provide an efficient facility for production of Class “A” Exceptional Quality Compost suitable for use by the general public. Change Order (CO) No. 2 is for construction of additional site improvements and installation of a 72 foot by 120 foot covered tension fabric storage structure. Staff recommends Council approval of CO No. 2 to Brechan Construction LLC in the amount of \$1,079,247.44 with funds coming from the Biosolids Management Project, Project No. 08-06/ 7517.

### **PREVIOUS COUNCIL ACTION:**

- Between January 2008 and September 2013, Council authorized twelve different actions including a composting agreement with Quayanna Development Corporation (QDC).
- In October 2013, Council approved a Compost Facility Design Contract with CH2MHILL.
- On February 12, 2015, Council authorized an Alaska Clean Water Fund (ACWF) loan for the Composting Project of up to \$3,000,000.
- On April 9, 2015, Council approved Resolution No. 2015–13 to increase the Biosolids Management No. 08-06/7517 project to \$7,200,000.
- Council authorized the Construction of the Composting Facility to Brechan Construction during the April 9, 2015 regular meeting.
- Council and staff held an executive session during the November 12, 2015, regular meeting to discuss the QDC composting agreement and amendment to that agreement.
- On December 10, 2015, Council authorized Change Order No. 1 for the purchase of wood chips for the Bio Filter.
- On January 14, 2016, Council authorized the third amendment to Compost Agreement with QDC during the regular meeting.

**DISCUSSION:** The City took over full responsibility for the compost facility operation with the delivery of the first batch of biosolids on December 9, 2015. An amendment to the existing contract with



QDC provided for one man and a loader to assist at the new facility from December 9, 2015 until January 31, 2016. Since January 31, 2016 the City has solely operated the new facility. The transition to City operation has brought to light a number of operational issues related to the composting process that significantly hinders the process. Staff has learned “first hand” that storage and handling of wood amendment and compost outside under tarps is not feasible in our wet and windy weather conditions.

Staff found three significant operational issues to be: lack of storage space; operating the facility under high moisture conditions; and processing compost using low quality wood amendment. In the original design concept the first two issues were addressed and due to the lack of funding they were removed to bring the project within the available project funds. The Alaska Department of Environmental Conservation (ADEC) put out a special project request for loan funds in late 2014. Staff submitted an ACWF loan questionnaire and became eligible to apply for \$3 million of available facility construction funding.

The most effective way to correct the first two issues is to provide a covered building large enough to store wood chips, finished compost, and have room left to screen compost out of the rain. The City Engineer worked with Brechan Construction LLC to design an additional facility on the undeveloped pad north of the site. The additional facility will include grading, paving, and construction of a large tension fabric structure similar to the mixing building we have today. The new fabric structure will be 72' wide by 120' long by 32' tall. All drainage will be contained on site and routed to the existing retention pond behind the curing bays. Construction of this tension fabric storage structure will be provided by Change Order No. 2 (to the original contract) with Brechan Construction LLC and is included (Attachment A).

Building Department approval of the new tension fabric structure will require structural engineering calculations be submitted in order to issue a Building Permit. The fabric building supplier provides structural calculations for the building structure and the City Engineer is working with Michael Anderson P.E., a structural engineer to provide drawings and calculations for the foundation system. This work will be performed under a separate Professional Services contract with the City.

#### **ALTERNATIVES:**

- 1) Council could choose to approve the change order, which will facilitate needed improvements to increase efficiency of operations and save short and long term costs of operating the Compost Facility. This is recommended by staff.
- 2) Council could choose not to approve the expenditures, which will result in continued wet weather inefficient operation that would likely cause the facility to overload its capabilities and risk non-compliance with ADEC.

#### **FINANCIAL IMPLICATIONS:**

The project has a total budget of \$7.2 million. This includes \$4.2 million of City Capital Improvement Funds and \$3 million ACWF from ADEC. The Construction contract to date including CO No. 1 is

\$3,430,652.45. The construction management contract with CH2M is for \$394,000. At present time the budget balance that is available is \$2.4 million.

Change Order No. 2 is for \$1,079,247.44. Staff forwarded the CO proposal to ADEC for pre-approval to verify the CO is eligible for the use of loan funds. Staff received confirmation by State Grants and Loans, this project would be eligible for loan reimbursement if agreed upon and executed.

**LEGAL: N/A**

**STAFF RECOMMENDATION:** Staff recommends Council authorization of Change Order No. 2 for site preparation and construction of a 72 foot by 120 foot tension fabric storage structure for the Composting Facility in the amount of \$1,079,247.44 to Brechan Construction LLC with funds coming from the Sewer Capital Improvement Fund, Biosolids Management, Project No. 08-06/ 7517.

**DEPUTY CITY MANAGER'S COMMENTS:** I understand this design was eliminated during early conception of the Composting Facility to save cost. It has now been determined that additional storage space is necessary and integral in the facility operation. We are spending valuable dollars on equipment and wood amendments, that must have limited moisture content in order for the compost to meet ADEC specifications and we are keeping these wood amendments outside in inclement weather with the protection tarp nestled downwind somewhere. This storage building is intended to complete the facility needs and after review, it will accomplish that goal. I recommend we fund this project with Change Order No.2 and operate this facility into the future.

**ATTACHMENTS:**

Attachment A: Change Order No. 2.

**PROPOSED MOTION:**

Move to authorize Change Order No. 2 to Brechan Construction LLC in the amount of \$1,079,247.44 for the Compost Facility with funds coming from the Biosolids Management Project, Project No. 08-06/ 7517 and authorize the City Manager to execute the documents on behalf of the City.



CITY OF KODIAK  
CHANGE ORDER

CHANGE ORDER NO.: 2

DATE: April 28, 2016

NAME OF PROJECT: Kodiak Compost Facility

PROJECT NO.: 08-06/7517

CONTRACTOR: Brechan Construction LLC

The following changes are hereby made to the CONTRACT DOCUMENTS:

Additional work to provide covered storage of wood amendment and compost. Includes excavation and back fill for working pads, pavement, and 72' by 120' tension fabric structure.

Justification: Attachment A, Brechan's Breakdown of Direct Costs dated April 18, 2016

The date of Completion is change from October 15, 2015 to September 15, 2016

Original CONTRACT PRICE: \_\_\_\_\_ \$3,390,350.00

The CONTRACT PRICE from prior CHANGE ORDERS: \_\_\_\_\_ \$3,430,652.45

The CONTRACT PRICE due to this CHANGE ORDER will increase: \_\_\_\_\_ \$1,079,247.44

The new CONTRACT PRICE including this CHANGE ORDER: \_\_\_\_\_ \$4,509,899.89

Requested by City Engineer \_\_\_\_\_

Approved by Department Head \_\_\_\_\_

Ordered by City Manager \_\_\_\_\_

Accepted by Contractor X \_\_\_\_\_

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## MEMORANDUM TO COUNCIL

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**To:** Mayor Branson and City Councilmembers  
**From:** Aimée Kniazowski, City Manager  
**Thru:** Mike Tvenge, Deputy City Manager and Debra Marlar, City Clerk  
**Date:** April 28, 2016

**Agenda Item: V. h. Authorization of Assignment of Trident Basin Ground Lease From Andrew Properties, LLC to First National Bank Alaska**

---

**SUMMARY:** The City currently has a lease with Andrew Properties, LLC for office space at Trident Basin to support Andrew Airways, Inc., charter aircraft operation. Section 10 of the lease requires City Council authorization for any assignment of the lease. Dean Andrew has requested the lease be assigned to First National Bank of Alaska as security for a loan, and the bank is awaiting Council approval. Staff recommends Council authorize the lease assignment.

**PREVIOUS COUNCIL ACTION:**

- July 12, 2007, Council adopted Ordinance No. 1227, Authorizing a Lease between the City of Kodiak and Andrew Airways, Inc. for Property Located at Trident Basin; the lease agreement was for ten years
- October 25, 2007, Council adopted Ordinance No. 1229, Repealing Ordinance No. 1227 and Authorizing a Lease with Andrew Airways, Inc. for Property Located at Trident Basin, which approved a Trident Basin lease agreement between the City and Andrew Airways, Inc., with an effective date of December 1, 2007, expiring December 31, 2027, with two five-year extensions
- July 22, 2010, Council authorized assignment of Trident Basin ground lease from Andrew Airway, Inc. to Andrew Properties, LLC; the remainder of the lease terms remained unchanged

**DISCUSSION:** In July 2007 the Council authorized a ten-year lease with Andrew Airways, Inc., which was authorized via Ordinance No. 1227. On October 25, 2007, the City Council adopted Ordinance No. 1229, which repealed Ordinance No. 1227 and authorized a lease between the City and Andrew Airways, Inc., for twenty years with two five-year extensions in response to a request from the lessee and the lessee's lender. In conjunction with that approval, the City signed a consent certification documenting Council approval of the financing provided by First National Bank Alaska to Andrew Airways, Inc.

In March 2016 the City was asked to sign another consent certification allowing assignment of the lease agreement from Andrew Airways, LLC to First National Bank Alaska to secure funding for additional improvements.

Staff recommends Council authorize the assignment of the Trident Basin ground lease from Andrew Properties, LLC to First National Bank Alaska.

**ALTERNATIVES:**

- 1) Council may authorize the lease assignment as requested by Andrew Airways, LLC., which is staff's recommendation, because it is consistent with Section 10 of the lease agreement.
- 2) Do not authorize the lease assignment. This is not recommended as it would hinder Andrew Properties, LLC from improving their operation.

**FINANCIAL IMPLICATIONS:** None

**LEGAL:** City Attorney Tom Klinkner reviewed the lease and assignment documents and advised that the requested assignment may be made by Council motion.

**STAFF RECOMMENDATION:** Staff recommends Council authorize the change of assignment of the lease.

**CITY MANAGER'S COMMENTS:** This change was requested by the current leaseholder and is consistent with the terms of the lease. I recommend Council authorize the lease assignment by motion and authorize me to sign the Consent Certification requested by the bank.

**ATTACHMENTS:**

- Attachment A: Assignment of Agreement for Security Purposes from Andrew Properties LLC to FNBA
- Attachment B: FNBA Acceptance of Assignment for Security Purposes
- Attachment C: City Consent Agreement
- Attachment D: 2007 Lease and Ordinance No. 1229

**PROPOSED MOTION:**

Move to authorize the assignment of Trident Basin ground lease from Andrew Properties, LLC to First National Bank Alaska and authorize the City Manager to sign the Consent Certification.

ASSIGNMENT OF AGREEMENT FOR SECURITY PURPOSES

Andrew Properties, LLC, Assignor, whose address is PO Box 1037, Kodiak, AK. 99615, assigns and transfers to First National Bank Alaska, Assignee, all of its right, title and interest under the lease dated December 1, 2007, and any amendments, supplements and assignments thereto, between the City Of Kodiak, Alaska, a Municipal Corporation, as Lessor and Assignor as Lessee, which covers the following described real property situated in the Kodiak Recording District, Third Judicial District, State of Alaska:

CITY OF KODIAK, TRIDENT BASIN, LEASE TRACT 2 LYING WITHIN TRACT "F" ON NEAR ISLAND, according to Plat No. 2008-17, in the Kodiak Recording District, Third Judicial District, State of Alaska, and more particularly described as follows:

Commencing at Corp of Engineers Monument TDB-121 RESET, a 2" aluminum cap monument found, from which Corp of Engineers Monument TDB-119 bears S 22°41'06"E 1046.71 feet. This being the Basis of Bearing for this description. Thence S 24°06'30"W 426.00 feet to the True Point of Beginning:

Thence from said point of beginning, S25°27'08" W, 78.00 feet;

Thence S64°32'52"E, 35.00 feet;

Thence N25°27'08"E, 78.00 feet;

Thence N64°32'52"W, 35.00 feet, to the point of beginning.

This Assignment is executed as security for repayment of \$198,000.00 plus interest evidenced by a promissory note in said amount of even date herewith executed by Andrews Airways, Inc. in favor of Assignee. As further security, Assignor, concurrently with execution of this Assignment has executed a deed of trust covering the above-described property and hereby incorporates in this Assignment by reference all of the default provisions provided in said deed of trust provided that, in the event of a conflict between the Lease and the deed of trust, the terms of the Lease govern, and authorizes Assignee, in the event of default by Andrew Airways, Inc. under the promissory note, deed of trust or this Assignment to foreclose the security covered thereby. Assignor agrees to execute any further documents necessary or appropriate to effectuate the purposes of this Assignment.

Dated this 19 day of April, 2016.

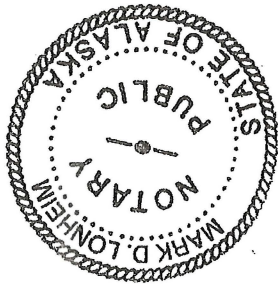
Signature:   
Dean T. Andrew,  
Member of ANDREW PROPERTIES, LLC

STATE OF ALASKA)

THIRD JUDICIAL DISTRICT )ss.  
)

THIS IS TO CERTIFY that on this 19<sup>th</sup> day of April, 2016, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn as such, personally appeared Dean T. Andrew, Member of Andrew Properties, LLC, known to me and to me known to be the person(s) who executed the above document and he/she/they acknowledged to me that he/she/they had the authority to and did sign the same voluntarily and of his/her/their own free will for the purposes stated herein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the date and year first written above.



*M. D. Lonheim*

Notary Public in and for: Alaska  
My Commission Expires: 2/19/2019

ACCEPTANCE OF ASSIGNMENT FOR SECURITY PURPOSES

First National Bank Alaska, Assignee, whose address is 101 W. 36<sup>th</sup> Avenue, Anchorage, AK. 99503 phone number is 907-777-5689 hereby accepts the assignment of lease for security purposes and agrees to abide by all of the terms and conditions of the lease, and any amendments, supplements and assignments thereto, (Lease) dated December 1, 2007, between the City of Kodiak, Alaska, a municipal corporation as Lessor and Andrew Properties, LLC, Inc. as Lessee. If Assignee takes possession or control of the Lease, either directly or through a sub-tenant, by foreclosure or otherwise, under the security assignment and acceptance, the assignee accepts responsibility for all of the Assignor's obligations under the Lease, including environmental liability and responsibility, except that a Assignee shall have no affirmative duties or obligations under the Lease unless the Assignee takes possession or control of the leasehold. Furthermore:

The Assignee has an affirmative duty to notify the state in writing upon the reconveyance or release of the security interest; and

In the event of a conflict between a lease or concession and an assignment for security purposes of an interest in the Lease, the terms of the lease governs.

Dated this 19<sup>th</sup> day of April, 2016.

ASSIGNEE: First National Bank Alaska

\_\_\_\_\_  
Authorized Signature  
Mark Lonheim  
Branch Manager I Lending

STATE OF ALASKA)

THIRD JUDICIAL DISTRICT )ss.  
)

On this 19<sup>th</sup> day of April, 2016, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared Mark Lonheim, known to me to be the person(s) who executed the above document, and he/she/they acknowledged to me that he/she/they had the authority to and did sign the same voluntarily and of his/her/their own free will for the purposes stated herein.

IN WITNESS WHEREOF, I have set my hand and seal the day and year above written.



Jingjie IBAAW  
\_\_\_\_\_  
Notary Public in and for: Alaska  
My Commission Expires: 3-13-18



CONSENT CERTIFICATION

Amiee Kniaziowski, the Manager of the City of Kodiak, hereby certifies that the Kodiak City Council has approved financing provided by First National Bank Alaska to Andrew Properties, LLC in the amount of \$198,000.00 and has given consent to the recordation of a Deed of Trust and Assignment of Lease for security purposes which will encumber that certain leasehold interest in real property described as follows:

**A LEASEHOLD IN CITY OF KODIAK, TRIDENT BASIN, LEASE TRACT 2 LYING WITHIN TRACT "F" ON NEAR ISLAND, as described in the DEED OF TRUST dated April 12, 2016, according to Plat No. 2008-17, in the Kodiak Recording District, Third Judicial District, State of Alaska, and more particularly described as follows: Commencing at Corp of Engineers Monument TDB-121 RESET, a 2" aluminum cap monument found, from which Corp of Engineers Monument TDB-119 bears S 22°41'06" E 1046.71 feet. This being the Basis of Bearing for this description. Thence S 24°06'30" W 426.00 feet to the True Point of Beginning.**

**Thence from said point of beginning, S 25°27'08" W, 78.00 feet;**

**Thence S 64°32'52" E, 35.00 feet;**

**Thence N 25°27'08" E, 78.00 feet;**

**Thence N 64°32'52" W, 35.00 feet; to the point of beginning.**

This certification is given to confirm that approval has been granted by the Kodiak City Council for the encumbrance described above as required by Paragraph No. 10 of the subject Lease.

\_\_\_\_\_  
Aimee Kniaziowski  
Kodiak City Manager

Subscribed and sworn to before me, a Notary Public in and for the State of Alaska by Amiee Kniaziowski, Kodiak City Manager on this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Commission Expires: \_\_\_\_\_

## LEASE AGREEMENT

**THIS LEASE AGREEMENT**, effective December 1, 2007 by and between the CITY OF KODIAK, ALASKA, a municipal corporation, hereinafter referred to as the "City," ANDREW AIRWAYS, INC., an Alaska corporation, hereinafter referred to as "Lessee":

### W I T N E S S E T H :

**IT IS HEREBY MUTUALLY AGREED** that the City, in consideration of the terms, covenants, conditions, and Agreements herein contained, does hereby lease unto the Lessee, and the Lessee does hereby take and hire from the City certain property more particularly described below:

1. **Premises.** A 78' x 35' (2,730 square feet) parcel on the shoreline of Trident Basin on Near Island at the terminus of Trident Way, as shown on the attached Exhibit. The aforesaid parcel, designated as Parcel Two (2), is hereinafter referred to as the "Premises."
2. **Term.** This Agreement shall be effective for a twenty-year term with two five-year extensions commencing on the 1st day of December 2007 and shall continue in full force and effect until midnight the 31st day of December 2027, unless extended or terminated as herein provided.
3. **Rental.** Lessee agrees to pay as and for rent the sum of Eight Thousand Five Hundred Forty One (\$8,541) Dollars per annum in equal monthly installments which fall due on the first of each calendar month for the first year of the Lease term. Lessee shall pay an annual five percent increase for the remaining lease term based on the prior-year rental, i.e. beginning in year 2, lessee shall pay 105% of the rental amount of year 1; beginning in year 3, lessee shall pay 110% of the rental amount of year 1.
4. **Use of Premises.** The Premises subject to this Lease shall be utilized by the Lessee for float air taxi-related offices, and for no other purpose. The site extends fifteen feet into the submerged tidelands and improvements may be constructed on pilings projecting onto the tidelands. The Lessee shall properly locate the boundaries of the leased Premises, shall confine use within those boundaries, and shall not encroach on other lands owned by the City or other parties. At all times during the lease period, the Lessee shall conduct operations in accordance with all applicable federal, state, and local laws and ordinances.
5. **Construction/Improvements Aesthetic Requirements.** Any construction on or improvements to the Premises shall conform to the following standards.
  - (a) The maximum height of a structure shall be thirty feet measured between foundation and peak and shall not exceed two stories.
  - (b) The maximum footprint of a structure shall not exceed 1,650 square feet, and the maximum square footage of a two-story structure shall be 2,400 square feet. The minimum footprint of a structure shall be 400 square feet.



(c) No more than one-third of any side of the building exceeding thirty feet in length may be a continuous wall without a break. A wall angle, window, door entrance, or trim could define a break in a continuous wall section.

(d) Permitted exterior building materials include wood siding (stained or painted), log kits, and rock masonry. T1-11 siding is not permitted. Cinder block shall be acceptable only as foundation material and must be covered externally. Acceptable roofing materials include metal, shake, or composite. Doors and windows must be trimmed with wood material. Any other alternative regarding exterior and roofing materials must have prior written approval of the City upon application to the City Manager.

(e) Acceptable materials/processes for signs are wood-routed, sandblasted, etched glass, or carved/raised relief, any of which may be highlighted with exterior lights. Maximum size of signs is twenty-five square feet. Signs may be attached to buildings or to wooden posts erected on the Premises. Unacceptable sign materials are flat-surfaced wood, metal, electric, neon, and blinking. Signs may be located only on the leased Premises.

(f) Structures shall utilize a scheme of subdued colors, attempting to blend with the colors of the natural environment. Brighter accent colors may be used for trim, doors, or roof. The color of each building shall be reasonably compatible with the colors of adjacent buildings. Garish colors, such as bright pink or yellow/orange are prohibited.

(g) The following structures shall not be permitted, even temporarily: trailers of any kind, movable sheds, metal modulars, mobile homes, or other mobile structures.

**6. Possession.** The City shall deliver possession of the Premises at the commencement of the term of this Lease free and clear of any rights or claims by tenants or persons occupying under authority of the City.

**7. Zoning and Building Code Compliance.** Lessee shall be responsible for compliance with all zoning laws, conditional use permit conditions, and building, fire, and other codes regulating the proposed use of the Premises. The execution of this Lease by the City does not constitute a representation that Lessee's proposed use of the Premises is authorized by the applicable laws and regulations.

**8. Fuel Storage Tanks.** No buried or partially buried fuel or lubricant or heating oil storage tanks of any kind shall be permitted on the leased Premises. No other fuel storage tanks shall be located upon the leased Premises without the advance written consent of the City. Before seeking such consent Lessee shall present the City with written information describing the capacity, construction, method of installation and proposed location of any such tank and shall demonstrate Lessee's compliance with or ability to comply with all applicable local, state, and federal laws and regulations governing the same. Strict compliance with all such applicable laws and regulations is the responsibility of the Lessee. Lessee acknowledges and agrees that the City may, in its absolute discretion, refuse to permit the location of fuel storage tanks on the leased Premises or impose such restrictions and requirements (in addition to those otherwise imposed by law) in connection with such tanks as the City deems appropriate. Such additional requirements may include requirements that Lessee provide insurance coverage which is broader in scope and greater in amount than that otherwise

mandated by Paragraph 9 of this Agreement. Notwithstanding the foregoing, Lessee acknowledges that a permanent aircraft fuel distribution facility has been built at Trident Basin

**9. Insurance.** Lessee shall obtain and maintain in full force and effect during the term of this Agreement, and any renewals or extensions thereof, policies of insurance according to the following terms and conditions:

(a) Lessee shall maintain insurance covering the following risks:

i) comprehensive general public liability insurance on an occurrence basis with minimum limits of liability in an amount of not less than One Million and No/100 Dollars (\$1,000,000.00) overall limit for personal injury or death to any one person and in an amount of not less than One Hundred Thousand and No/100 Dollars (\$100,000.00) with respect to damage to property, which insurance shall contain a contractual liability endorsement covering the matters set forth herein; and

ii) If the leased Premises are used for business purposes, worker's compensation insurance, which insurance shall contain an express waiver of any right of subrogation against the City.

(b) All policies of liability insurance to be obtained and furnished by Lessee hereunder shall list the City as an additional named insured on the leased Premises. All such policies of insurance shall be issued by a financially responsible company or companies authorized to issue such policy or policies and licensed to do business in Alaska, and shall contain endorsements providing that any such insurance shall not be subject to cancellation, termination or material change except after ten (10) days' prior written notice by registered mail to the City by the insurance company.

(c) Any insurance policy procured by Lessee which does not name the City as an additional insured shall contain an express waiver of any right of subrogation by the insurance company against the City. All public liability and property damage policies shall contain an endorsement that the City, although named as an insured, shall nevertheless be entitled to recover under said policies for any loss or damage occasioned by it, its servants, agents and/or employees by reason of the negligence of Lessee or Lessee's employees, agents, invitees, or concessionaires.

(d) The original policy or policies, or duly executed certificate for the same, stating that the insurance carrier(s) shall give the City ten (10) days' written notice prior to cancellation, material alteration, or failure to renew said policy or policies, together with satisfactory evidence of payment of the premium therefore, shall be delivered to the City on or before the occupancy date of this Lease, and, with respect to renewals of such policies, not less than ten (10) days prior to the otherwise scheduled expiration of the term of any such coverage. The minimum limits of any insurance coverage required herein to be carried by Lessee shall not otherwise limit Lessee's liability under this Lease.

**10. Assignment.** Lessee may not assign, sublet, mortgage, pledge, or otherwise encumber all or any portion of this Agreement or the Premises without first obtaining the approval of the City Council. Any assignment, pledge, or encumbrance approved by the Council shall be subject to all terms and provisions of this Agreement. Any assignment, pledge, or encumbrance executed without the proper approval of the Council shall be void and of no force and effect. For the purposes of this Paragraph, the



sale or other conveyance of stock representing more than one-third of the voting shares of Andrew Airways, Inc., or more than one-third of any single class of stock of Andrew Airways Inc., or if Andrew Airways, Inc., is a partnership, a change in the identity of any partner shall be deemed an assignment of this Agreement.

- 11. Maintenance of Premises.** The Lessee shall at all times and at Lessee's sole cost and expense, keep and maintain the entire Premises in a neat, orderly, and slightly condition and shall not cause or permit any junk, litter, debris, scrap, or garbage to be accumulated or stored upon the Premises. In addition, Lessee shall, in conjunction with the Lessees of the other Trident Basin parcels, keep and maintain the associated parking areas provided for use by Lessee and Lessee's customers in a neat, orderly, and slightly condition. The Lessee agrees to remove all debris, litter, and similar materials when requested by the City and upon failure to do so within Two (2) day after written notification, the City may remove the offensive materials at the Lessee's expense.
- 12. Inspection.** The Lessee shall permit the authorized agents and employees of the City to enter upon the Premises at any reasonable time for the purpose of inspecting the condition of the Premises or the use thereof.
- 13. Taxes and Charges.** In addition to the rental provided in this Agreement, the Lessee shall pay when due all taxes and other charges which are levied at any time during the term of this Lease upon the leasehold interest and any improvements on the Premises.
- 14. Liens and Encumbrances.** The Lessee shall maintain the Premises free and clear of any liens or encumbrances. If at any time during the term of this Agreement a lien or encumbrance is filed against the Premises or any part thereof, the Lessee shall, at its sole expense, obtain the release and discharge of the lien by payment, bonding, or otherwise within thirty (30) days after receipt of written notice from the City. If Lessee fails to procure the discharge of any lien or encumbrance, the City may, at the City's option, terminate this Agreement without further notice to the Lessee.
- 15. Nonwaiver.** Failure by the City to insist upon strict performance of any term, condition, or covenant of this Agreement or to exercise any right or remedy available on breach thereof, or the acceptance of full or partial payment during the continuance of any breach, shall not constitute a waiver of any such breach or of any applicable term, condition, or covenant of this Agreement. Waiver of performance of any term, condition, or covenant, or waiver of a breach thereof, shall be only by written instrument executed by the City and any such waiver shall not constitute a waiver of, or prevent enforcement of, those terms, conditions, and covenants with respect to any other or subsequent default.
- 16. Hold Harmless.** Lessee agrees to indemnify, save, and hold the City harmless for any liability for damage or injury to any person, persons, or property arising from or in connection with the use, possession, or occupancy of the Premises by the Lessee and its customers or invitees, including costs and reasonable attorneys' fees associated with the defense or claim of such action. If any action or proceeding is brought against

the City by reason of a claim associated with the use, possession, or occupancy of the Premises, Lessee shall defend such action on behalf of the City at Lessee's sole cost and expense, employing counsel acceptable to the City.

**17. Termination.** This Agreement may be terminated in whole or in part at any time upon mutual written Agreement by the parties. The City may terminate this Agreement upon Lessee's default in the performance of any term, covenant, or stipulation of the Agreement if Lessee fails or refuses to remedy such default within ten (10) days following written notice by the City specifying the nature of the breach or default. Upon termination resulting from Lessee's breach of any term, condition, or covenant of this Agreement, that portion of the rental payment last made by the Lessee, attributable to any remaining portion of the rental period, shall be retained by the City as liquidated or partial damages. Notwithstanding the foregoing, if Lessee successfully bids on another publicly-offered Trident Basin waterfront office site, this Agreement may be terminated without penalty upon execution of the lease agreement for the new parcel.

**18. Remedies Not Exclusive.** Specific remedies provided in this Agreement relating to termination or liquidated damages shall not be exclusive and the City may pursue any remedy available at law for compensation of damages, with or without terminating this Agreement.

**19. Condition of Premises.** Lessee accepts the Premises in the condition in which it now is, and the City shall be under no obligation to improve the property. In no event shall the City be liable for any defect, present or future, on or in the leased Premises. Upon the expiration, termination, or cancellation of this Agreement for any cause whatsoever, the Lessee shall peacefully and quietly surrender the lease Premises in as good a condition as it was at the beginning of the lease term. The provisions of Chapter 18.20 of the Kodiak City Code shall govern the treatment upon termination or expiration of this Agreement of any improvements constructed by Lessee.

**20. Holding Over.** If the Lessee continues to occupy the Premises following the expiration of the principal term of this Agreement or any renewal, with the consent of the City, Lessee's occupancy shall be construed as a month-to-month tenancy at a rental equal to TWO HUNDRED percent (200%) of the twentieth-year rental established by this Agreement.

**21. Modification.** A modification of this Lease shall not be binding upon either of the parties unless reduced to writing and signed by both the City and Lessee.

**22. Notice.** Any notice, demand, or delivery under this Lease shall be in writing and shall be effective upon mailing by registered or certified mail with charges prepaid to the other party at the address set opposite each signature to this Agreement or to such other address as either party may from time to time furnish in writing to the other party.

**23. Entire Agreement.** This instrument contains the entire Agreement between the parties and the execution hereof by either party, and has not been induced by representations, promises, or understandings not expressed herein. There are no




collateral agreements, stipulations, promises, or understandings whatsoever between the respective parties in any way touching the subject matter of this instrument which are not expressly contained in this instrument.

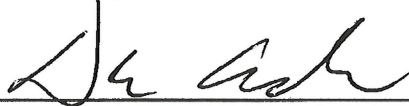
**24. Severability.** If any clause or provision of this Lease is determined by a Court of competent jurisdiction to be invalid, such determination shall not affect the validity of any other clause or provision of this Lease.

**IN WITNESS WHEREOF** these parties have signed this Agreement on the date first above written.

CITY OF KODIAK  
710 Mill Bay Road  
Kodiak, Alaska 99615

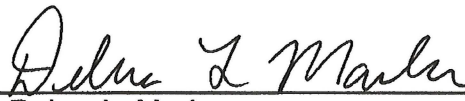
ANDREW AIRWAYS, INC.  
P.O. Box 1037  
Kodiak, Alaska 99615

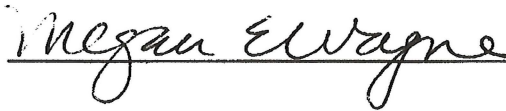
  
\_\_\_\_\_  
Linda L. Ereed  
City Manager

  
\_\_\_\_\_  
Dean Andrew  
Owner

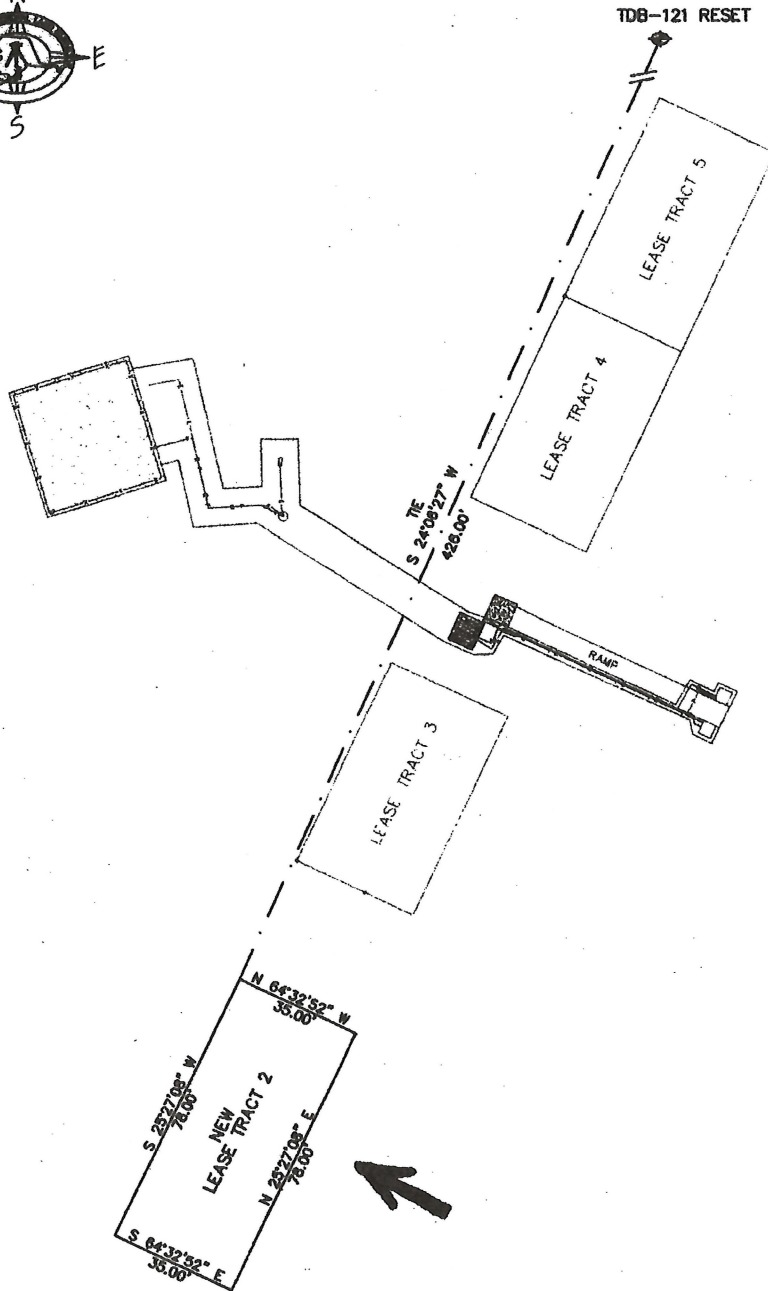
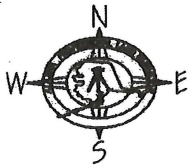
Attest:

Witness:

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

  
\_\_\_\_\_





**NOTES**

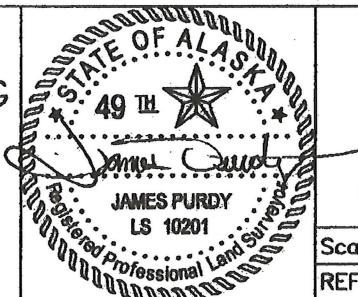
1. This plat was prepared as a visual accessory to a legal description and does not represent a boundary or record of survey. It shall not be used independent of said written description.
2. No monuments were set for this description.



PREPARED FOR: .CITY OF KODIAK

**KODIAK  
LAND SURVEYING**

P.O. BOX 2322  
KODIAK ALASKA 99615  
(907) 486-1930  
kodiaklandsurveying@ak.net



**TRIDENT BASIN  
LEASE TRACT 2  
LOCATION DRAWING**

KODIAK

ALASKA

Scale: 1"=40'

Date: 6/2007

REF:TRIDENTBASIN\_ANDREW2007.DWG

Drawn: JLP

LEASE TRACT 2  
TRIDENT BASIN SEAPLANE FACILITY  
NEAR ISLAND  
KODIAK, ALASKA

Commencing at Corp of Engineers Monument TDB-121 RESET, a 2" aluminum cap monument found, from which Corp of Engineers Monument TDB-119 bears S 22°41' 06" E 1046.71 feet. This being the Basis of Bearing for this description. Thence S 24°06'30" W 426.00 feet to the True Point of Beginning;

Thence from said point of beginning, S 25°27'08" W, 78.00 feet;

Thence S 64°32'52" E, 35.00 feet;

Thence N 25°27'08" E, 78.00 feet;

Thence N 64°32'52" W, 35.00 feet; to the point of beginning.

Containing 2730 sq. feet, more or less.

**CITY OF KODIAK  
ORDINANCE NUMBER 1229**

**AN ORDINANCE OF THE COUNCIL OF THE CITY OF KODIAK REPEALING  
ORDINANCE NO. 1227 AND AUTHORIZING A LEASE BETWEEN THE CITY OF  
KODIAK AND ANDREW AIRWAYS, INC., FOR PROPERTY LOCATED AT  
TRIDENT BASIN**

WHEREAS, the City Council adopted Ordinance No. 1227 at the July 12, 2007, regular meeting, which authorized a ten-year lease with Andrew Airways, Inc., for property at the Trident Basin Seaplane Base; and

WHEREAS, Andrew Airways, Inc., is in the process of constructing a building upon the lease site to support its charter aircraft operations; and

WHEREAS, the lender for Andrew Airways, Inc., has expressed that the current ten-year lease does not adequately provide property security to allow financing of the improvements; and

WHEREAS, Andrew Airways, Inc., has requested a new lease term of twenty years with two five-year extensions; and

WHEREAS, the City of Kodiak has constructed significant improvements to the Trident Basin Seaplane Base, and it is in the best interest of the City to consolidate floatplane charter services at the upgraded Trident Basin facility; and

WHEREAS, it is in the best interests of the City to authorize a new, longer-term lease with Andrew Airways, Inc., for the use of property at the Trident Basin Seaplane facility.

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

**Section 1:** Ordinance No.1227 is hereby repealed.

**Section 2:** Notwithstanding anything to the contrary in Kodiak City Code Chapter 18.20, the Council of the City of Kodiak hereby authorizes the Lease, which is attached and incorporated by reference with Andrew Airways, Inc., for a term of twenty years, with two five-year extensions, of lease lot No. 2, Trident Basin Seaplane Base.

**Section 3:** 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

Carolyn Floyd  
MAYOR

ATTEST:

Debra Maulen  
CITY CLERK

First Reading: September 13, 2007  
Second Reading: October 25, 2007  
Effective Date: November 30, 2007



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## MEMORANDUM TO COUNCIL

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**To:** Mayor Branson and City Councilmembers  
**From:** Aimée Kniazowski, City Manager  
**Thru:** Mark Kozak, Public Works Director, Glenn Melvin PE, City Engineer, and Mike Tvenge, Deputy City Manager  
**Date:** April 28, 2016

**Agenda Item: V. i. Authorization of Purchase of Compost Wood Amendments**

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**SUMMARY:** The City entered into a public/private partnership for the composting of biosolids in December 2012. Since that time we have completed the design of a Class A, EQ Composting Facility, bid the project, completed construction and began operation on December 9, 2015. We concluded our public/private partnership on January 31, 2016. That partnership provided wood amendments by contract. With the City operating the composting facility full time, we are now responsible for wood amendments and advertised a Request for Proposal (RFP) for the purchase of up to 3,000 cubic yards of wood amendments. We advertised the RFP beginning March 14 and proposals were opened on April 15, 2016. We received three proposals, and staff recommends that Council approve the purchase of wood amendments from Quayanna Development Corporation (QDC) in the amount of \$27.50/cubic yard for a total cost of \$82,500 with funds coming from the Sewer Fund, Compost Department budget line, 570-580-390-450-340, Supplies Wood Chips.

**PREVIOUS COUNCIL ACTION:**

- Between January 2008 and September 2013, Council authorized twelve different actions including a composting agreement with Quayanna Development Corporation (QDC).
- In October 2013, Council approved a Compost Facility Design Contract with CH2MHILL.
- Council authorized the construction of the Composting Facility to Brechan Construction LLC at the April 9, 2015 regular meeting.
- Council and staff met in executive session during the November 12, 2016, regular meeting to discuss the QDC composting agreement and amendment to that agreement.
- Council authorized the third amendment to compost agreement with QDC at the January 14, 2016, regular meeting.

**DISCUSSION:** The third amendment to the composting agreement with QDC ended the public/private partnership, and the City took over complete operation of the composting facility on February 1, 2016. With the change in operation, we are now responsible for the wood amendments for composting operation.

The basic composting process is to combine bio-solids from the WWTP with a wood amendment (chips). The goal is to achieve a combined moisture content of the two products between 40 and 43

percent solids. The bio-solids vary in solid content from a low of 16 percent to a high of 22 percent. Under good conditions, you want the wood amendment to be equal or greater than 60 percent solids. With this ratio, we can use a mix ratio of approximately three parts wood amendment to one part bio-solids. As the wood or bio-solids become wetter (lower solids content/higher moisture content), we have to increase the volume of wood amendment to work toward the 40 to 43 percent solids goal.

Operationally, the facility will be using slightly greater than 3,000 cubic yards of wood amendment annually. Within each weekly batch there are two uses of the wood amendment. First, clean wood amendment (unused) is used over the air system on a weekly basis. This amount is approximately 15 to 20 cubic yards per batch. The second use varies based on moisture of the bio-solids and wood amendment. At the present, we have been averaging approximately 150 to 180 plus cubic yards of wood amendment per week. Only a part of the mix is new wood amendment and the remaining is recycle (presently unscreened compost). As we continue throughout the summer screening of compost will allow better recovery of the wood amendment from the weekly batches.

The public RFP advertisement for compost wood amendment purchase began on March 14, 2016. We held a pre-bid conference on March 29 for the purpose of discussion and clarification of any questions. Three proposals were submitted and were opened on April 15.

**ALTERNATIVES:**

- 1) Authorize the purchase of 3,000 cubic yards of wood amendment for the composting facility to Quayanna Development Corporation.
- 2) We do not have an alternative to operate the facility without wood amendment.

**FINANCIAL IMPLICATIONS:** The expenditure for the purchase of wood amendments will be an ongoing annual expense. It is the single largest material cost of operating the compost facility.

**LEGAL:** N/A

**STAFF RECOMMENDATION:** Staff recommends Council authorize the purchase of wood amendment for the Composting Facility from QDC in the amount of \$82,500 with funds coming from the Sewer Operation budget line 570-580-390-450-340 Supplies Wood Chips.

**DEPUTY CITY MANAGER'S COMMENTS:** Staff held a pre-bid conference and requested wood chip samples for size and moisture testing. This allowed for quality assurance of product purchase and consistency throughout the composting process. After three months of operation, the crew has a specific size and moisture content of wood amendment (chip) that works best, and I recommend Council award this contract to Quayanna Development Corporation.

**CITY MANAGER'S COMMENTS:** {Any additional comments will be made at the meeting}



**ATTACHMENTS:**

Attachment A: Bid Tab

**PROPOSED MOTION:**

Move to authorize the purchase of wood amendment for the Composting Facility from Quayanna Development Corporation in the amount of \$82,500 with funds coming from the Sewer Fund, Compost Department Operation budget line for Supplies - Wood Chips and authorize the City Manager to execute the documents on behalf of the City.



**BID TABULATION: Compost Wood Amendment Purchase**

*Bid Date: April 15, 2016*

Description	Unit	Quantity	Quayama Development Corporation			B&R Fish			Brehan Construction LLC			
			Unit Bid Price	Bid Amount	Unit Bid Price	Bid Amount	Unit Bid Price	Bid Amount	Unit Bid Price	Bid Amount		
(1) "In Spec" Wood Amendment	CY	3,000	\$ 27.50	\$ 82,500.00	\$ 42.00	\$ 126,000.00	\$ 64.45	\$ 193,350.00				
(2) "Out of Spec" Wood Amendment	CY	3,000	NO BID		NO BID		NO BID					
			<b>TOTAL</b>	<b>\$ 82,500.00</b>	<b>TOTAL</b>	<b>\$ 126,000.00</b>	<b>TOTAL</b>	<b>\$ 193,350.00</b>	<b>TOTAL</b>	<b>\$ 193,350.00</b>		

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# **EXECUTIVE SESSION**

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## MEMORANDUM TO COUNCIL

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**To:** Mayor Branson and City Councilmembers

**From:** Aimée Kniazowski, City Manager

**Date:** April 28, 2016

**Agenda Item:** X. a. Unionization of the Workforce

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**SUMMARY:** It is recommended that key City management meet with the Mayor and Council in executive session to discuss possible unionization efforts and how the process will affect City finances and future City activities and upcoming plans.

### **PROPOSED MOTION**

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