

**KODIAK CITY COUNCIL**

**WORK SESSION AGENDA**

**Tuesday, October 24, 2017**

**Kodiak Public Library Multi-Purpose Room**

**7:30 p.m.**

*Work sessions are informal meetings of the City Council where Councilmembers review the upcoming regular meeting agenda packet and seek or receive information from staff. Although additional items not listed on the work session agenda are sometimes discussed when introduced by the Mayor, Council, or staff, no formal action is taken at work sessions and items that require formal Council action are placed on a regular Council meeting agenda. Public comments at work sessions are NOT considered part of the official record. Public comments intended for the "official record" should be made at a regular City Council meeting.*

**Discussion Items**

1. Public Comments (limited to 3 minutes)
2. Continued Budget Discussion
3. Review State and Federal Capital Improvement Project Lists .....1
4. Discuss Draft Ordinance Allowing Retail Sale of Seafood  
by Harvesters to Consumers .....9
5. Elected Officials Training/Travel Requests
6. October 26, 2017, Agenda Packet Review

(This page left intentionally blank.)

**CITY OF KODIAK  
RESOLUTION NUMBER 2016-42(SUB)**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK ADOPTING  
A FY2018 STATE CAPITAL IMPROVEMENT PROGRAM LIST**

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

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

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

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

WHEREAS, the National Marine Fisheries Service identified Kodiak as the second largest commercial fishing port in the United States in terms of volume and third largest in terms of value of product landed in their most recent national report, and the City requires a large infrastructure to support this commercial activity; and

WHEREAS, the City of Kodiak relies upon the State of Alaska's legislative and matching grant programs and revenue sharing to continue to keep its economy strong.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska, that the following infrastructure replacement/improvement projects and issues are considered of primary importance and are hereby adopted as the City of Kodiak's FY2018 State capital improvement project and issues list:

**1. New Fire Station, Phase II** **\$ 4,000,000**

The City of Kodiak identified the need to replace its fire station and has been working toward a replacement plan since 2004. The building has clearly outlived its design life. The building is composed of three structures and sits on a site that is currently very limited. The structure is built of cement block type construction built in the 1940s with two block and wood frame additions added in the 1960s and 1975. The structure poses a significant risk of failure in a seismic event. Cracks in the walls and initial separation of one of the additions from the rest of the structure occurred following the large 7+ earthquake in 2016. It has ongoing plumbing, drainage, and water infiltration issues. The facility houses fire and rescue apparatus, three ambulances, and many types of specialty equipment and medical supplies that support the Advanced Life Support services offered to the entire Kodiak area well beyond the City

boundaries. The building condition poses constant challenges and problems to the crews who work and live in the structure. Work to replace this building must continue because it is a key emergency response and life-safety facility for Kodiak and continues to require constant maintenance.

The City proposes completion of the project in three phases. Phase I of this project with a budget of \$1,110,000 and funded by the City was used to study the site, which was determined to be the best site for a new facility once a derelict building is removed. It includes the removal of the old building, site grading, and other work following the demolition of the old building. Phase II would include a site preparation package completed prior to building construction, would make the project more affordable to do in phases, would reduce the impact to the active fire station, and benefit the transition to a new building. It would include design, re-routing of underground utilities, and provide a graded pad for temporary facilities and emergency services equipment. Phase II would total \$4,000,000 and be constructed with the building design anticipated for FY 2018. The remainder, an estimated \$10,000,000, would be required to complete construction and furnish the facility.

The City of Kodiak is requesting funding for Phase II of the New Fire Station project from the State in an amount of \$4,000,000 to ensure the project continues to move forward. This project may also be suitable for a GO Bond package in the event the legislature pursues bonds as a capital budget financing mechanism.

## **2. Community Assistance Program**

As the cost of providing governmental services rise, the City of Kodiak must rely on and use all sources of revenue carefully to meet its obligations. The City received \$249,981 in revenue sharing this year, a substantial drop from the \$377,926 in FY2016. The City urges the State to continue to provide revenue sharing to local governments through this program.

## **3. Shelikof Street Bulkhead Parking**

**\$1,100,000**

In 2009, the City identified the need for pedestrian improvements from Pier II to downtown Kodiak as the preferred pedestrian route for cruise ship passengers to safely walk the street into the town center and to improve facilities for local residents, workers, and businesses that use the pier, street, and access to the City's adjacent 250 slip boat harbor. The first phase of the project, construction of an ADA accessible sidewalk, new retaining walls, improved lighting and parking, and utility work was completed in 2013. The second phase of the project will be completed by January 2017. This phase covered geotechnical investigation, design, permitting, mapping, preparation for permitting through the Army Corps of Engineers, and completion of the design to accommodate a 30 space bulkhead parking area on the south side of Shelikof Street adjacent to St. Paul Harbor. The roadway area adjacent to the proposed bulkhead parking is highly congested. Due to lack of adequate parking, vehicles block walkways, equipment operates in the ROW, and access to businesses is often blocked, forcing pedestrians into the roadway. Construction of additional off-road parking will direct pedestrian traffic out of the congested roadway. The net increase in parking will benefit

harbor users and retail businesses along Shelikof Street. It will provide improved and safer pedestrian access from Marine Way to the fish processors in the immediate area. The task for this phase will be to complete construction of the bulkhead parking area, including curb and gutter, paving, lighting, and utility relocates.

The City of Kodiak is requesting state funding assistance for the final construction of this project, including administration, in the amount of \$1,100,000 to enhance pedestrian and vehicle safety. Funds are requested through the Cruise Ship Excise Tax program or through a legislative grant. This project may also be suitable for a GO Bond package in the event the legislature pursues bonds as a capital budget financing mechanism.



CITY OF KODIAK

A handwritten signature in blue ink, which appears to read "Pat Bran", is written over a horizontal line.

MAYOR

ATTEST:

A handwritten signature in blue ink, which appears to read "Debra Mankin", is written over a horizontal line.  
CITY CLERK

Adopted: December 8, 2016

(This page left intentionally blank.)

**CITY OF KODIAK  
RESOLUTION NUMBER 2017-07**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK ADOPTING  
THE FEDERAL FISCAL YEAR 2017 FEDERAL CAPITAL NEEDS AND ISSUES LIST**

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

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

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

WHEREAS, Kodiak City Council has identified capital project needs for submission to the Alaska Congressional Delegation for funding consideration due to their significance and/or magnitude; and

WHEREAS, changes may be required as to how capital funding contributions for smaller communities like Kodiak, Alaska can be made at the Federal level; and

WHEREAS, the City of Kodiak faces several issues generated by Federal legislation or rulemaking that are of importance to the City of Kodiak, Alaska, and which may adversely impact life in Kodiak by placing undue burdens on those who work and live in the community.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska, that the following projects and issues are high priorities for the community and are hereby adopted as the City of Kodiak Federal Fiscal Year 2017 prioritized federal capital project and issues list:

**1. Fire Station Phase II \$2,000,000**

The City of Kodiak identified the need to replace its fire station and has been working toward a replacement plan since 2004. The City of Kodiak's Fire Department is a paid department that serves both the City residents, and those who live and have businesses in mutual aid response districts. The services provided include 2 commercial boat harbors containing 600 slips and vessels, the island fish processing plants which are heavily dependent upon safety inspections and response equipment from the firefighters and emergency medical technicians. The Kodiak City fire station has clearly outlived its design life. The building is composed of three structures and sits on a site that is currently very limited. The structure is built of cement block type construction with some wood frame additions. The structure poses a significant risk of failure in a seismic event. Cracks in the walls and initial separation of one of the additions from the rest of

the structure occurred following the large 7+ earthquake in 2016. Recent draft tsunami modeling also suggests the fire station could be in the proposed inundation zone. Work to replace this building must continue because it is a key emergency response and life-safety facility for Kodiak and continues to require constant maintenance.

Phase I of this project with a budget of \$1,110,000 and funded by the City is used to study the site, including the removal of an adjacent building, site grading, and other work. The City is requesting funding from the federal government to assist with Phase II of the project which includes site selection and design of the new facility. The remainder, an estimated \$10,000,000, would be required to complete construction and furnish the facility as funds are available.

## **2. St. Herman Harbor Infrastructure Replacement Study \$2,000,000**

The economy of the City of Kodiak is based upon commercial fishing including local, state and federal governmental activities associated with support of the fisheries as well as research and enforcement activities. Each year Kodiak ranks as a top commercial fishing port. In 2015, NOAA statistics again put Kodiak as the second largest commercial fishing port in the United States in terms of volume and third in terms of value. This activity requires an infrastructure from potable water, electrical systems, and harbor and dock infrastructure that is much larger than its population might suggest.

The Kodiak Harbor Department relies on the generation of user fees and the State of Alaska's Harbor Facilities Grant Program to help match municipal costs for dock replacements. The City's request of federal funding assistance in the amount of \$2,000,000 would help the City develop a plan for replacement of this aging infrastructure which supports the nations scientific and food source needs.

## **3. Waste Water Treatment Plant Facility \$ 2,000,000**

This is the first phase of a larger project, to evaluate the condition of the Waste Water Treatment Plant facility (WWTP) and design a necessary upgrade to the City of Kodiak facility. The prior upgrade to the facility was in 1999. This funding request would allow necessary time to pursue additional Municipal, Federal and State funding sources critical to the upgrade. The condition and evaluation assessment will include all major components such as the building and aeration basins; including equipment replacement needs. APDES permitting requirements will also be considered during this assessment. The City of Kodiak is requesting federal funding in the amount of \$2,000,000 to initiate the first phase of the project that will help support the wastewater needs of the community.

## **4. Shelikof Street \$1,950,000**

In 2009, the City identified the need for pedestrian improvements from Pier II to downtown Kodiak to more safely accommodate pedestrian traffic and to improve facilities for local residents, workers, and businesses that use the pier, street, and access to the City's adjacent St. Paul 250 slip boat harbor. The first phase of the project, construction of an ADA accessible sidewalk, new retaining walls, improved lighting and parking, and utility work was completed in 2013. The City is planning for and preparing the permitting and design of the next parking improvement phase of this project, which is to construct a 30 space bulkhead parking area on the south side of



Shelikof Street adjacent to St. Paul Harbor. The roadway area adjacent to the proposed bulkhead parking is dangerously congested. Due to lack of adequate parking, vehicles block walkways, equipment operates in the ROW, and access to businesses is often blocked, forcing pedestrians into the roadway. Construction of additional off-road parking will direct pedestrian traffic out of the congested roadway. The net increase in parking will benefit harbor users and retail businesses along Shelikof Street. It will provide improved and safer pedestrian access from Marine Way to the fish processors in the immediate area. Associated tasks for this phase of the project include geotechnical investigation, design, permitting, mapping, construction, improved lighting, and utility relocates. In May of 2016 the City authorized a cooperative agreement with the Sun'aq Tribe of Kodiak at their request to include this street into their Bureau of Indian Affairs Tribal Transportation Program. The City of Kodiak is requesting federal funding in the amount of \$1,950,000 to assist with the cost of permitting and construction of the bulkhead parking project to enhance pedestrian and vehicle safety.

### **City of Kodiak Supported Federal Issues:**

#### **1. EPA's "Waters of the U.S." Rule**

The Environmental Protection Agency and the U.S. Army Corps of Engineers is moving forward with a proposed "Waters of the United States" rule that would expand Federal permitting and other requirements to many waters currently regulated by State and Local governments. The proposed rule would also apply to private landowners. The key change being proposed would expand Clean Water Act coverage to "other waters" where there is a "significant nexus" to currently covered interstate waters, territorial seas and navigable waterways. That determination is meant to be "case-specific" but has not been fully defined and the concern is that "significant nexus" could be interpreted to include floodplains, certain man-made waterways and ditches, and self-contained water bodies such as ponds or temporary/isolated wetlands. Under this model, Alaska's extensive acreage of wetlands would likely mean that wetlands and other water bodies, including small streams and tributaries, that are seemingly isolated and geographically far removed from any current CWA-covered waterway would fall under the new definition. The City of Kodiak feels that the proposed rule would add extra layers of bureaucracy to the efforts of Kodiak citizens to use their land and for the City to engage in future public works projects. The City is requesting that the Alaska Delegation support legislative initiatives to curtail this proposed rule.

#### **2. EPA's Fishing Vessel Discharge Rule**

EPA has promulgated two rules to require commercial fishermen to obtain Clean Water Act incidental discharge permits as a condition for operating both small and large fishing vessels. The permits would cover ballast water, fish hold water, anchor chain mud, deck wash/runoff, bilge pump discharge, gray or "stick" water, laundry, shower, and galley sink water. The permits require burdensome reporting, monitoring, inspections and compliance activities – all subject to heavy fines and citizen lawsuits under the Clean Water Act for what seems to be minimal environmental protection. The Congress has imposed a three year moratorium preventing EPA from implementing the Small Vessel General Permit Rule and the Vessel General Permit Rule.

Efforts are underway within the Congress to make the moratorium permanent. The City of Kodiak is requesting that the Alaska Delegation actively support a permanent moratorium.

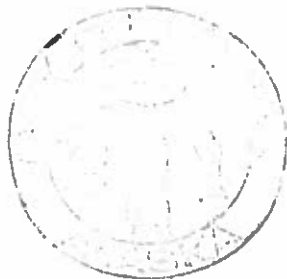
### 3. Pink Salmon Fishery Resource Disaster Declaration

The Kodiak Management Area had remained closed for 70 percent of the pink salmon run in 2016. The preliminary value of the pink salmon fishery catch was \$2.21 million compared to a five year average value of \$14.64 million.

The United States Department of Commerce Secretary has received a request from Alaska Governor Bill Walker seeking determination of a commercial fishery failure due to a fishery resource disaster for the 2016 pink salmon season. The National Oceanic and Atmospheric Administration's National Marine Fisheries Service evaluated information provided by the Alaska Department of Fish and Game whether a commercial fishery failure occurred due to a resource disaster. After thorough review, the Department of Commerce Secretary has determined a request for determination of failure meets the requirements under Section 312(a) of the Magnuson-Stevens Fishery Conservation and Management Act.

This determination provides a basis for Congress to appropriate disaster relief funding. If such funding is provided, the National Marine fisheries Service Alaska Region would work with the State of Alaska to develop a spend plan that would create a more resilient fishery that can better withstand environmental disasters in the future.

The City of Kodiak supports Secretary Pritzler's findings and asks Congress to appropriate the disaster relief funding.



ATTEST:

*Michelle W. Johnson*

*per* CITY CLERK

CITY OF KODIAK

*Pat Brown*  
MAYOR


Adopted: February 28, 2017

---

## MEMORANDUM TO COUNCIL

---

**To:** Mayor Branson and City Councilmembers

**From:** Mike Tvenge, City Manager 

**Thru:** Matthew Van Daele, Deputy City Manager

**Date:** October 24, 2017

**Work Session #3 Discuss Draft Ordinance Allowing Retail Sale of Seafood by Harvesters to**  
**Agenda Item: Consumers**

---

**SUMMARY:** The draft ordinance amends Chapter 5.04 of the Kodiak City Code by adding a new section 5.04.080 pertaining to procedures for issuing permits for retail sales of seafood directly from vessels at City Port and Harbor Facilities. This ordinance now incorporates comments received from both the City's Port and Harbor Advisory Board (PHAB), and our legal counsel.

**BACKGROUND:** Even though Kodiak is one of the top ports in the Nation for seafood harvest, we are one of the few locations in Alaska that does not allow "*retail sales of fresh seafood to the ultimate consumer by the actual harvester.*" There is broad public support for allowing these types of sales, and amending Chapter 5.04 could conceivably assist with not only Downtown Revitalization, but also Archipelago-wide economic development with the ability of vessels homeported in other Kodiak communities gaining the opportunity to come into Kodiak and directly sell their catch.

**PREVIOUS COUNCIL ACTION:** Chapter 5.04 was last amended in fall of 2004 by Ordinance 1177 to allow the placement of vending machines on City property. Last summer, the Council was presented with a "Public Sentiment Petition" containing 67 signatures of Kodiak residents expressing their desire for "[a] revision to City ordinances which prohibit commercial fishermen from selling directly off their vessels to dockside consumers." Draft code language was discussed at the September 26, 2017, work session, and the Council directed staff to work with the PHAB, and then provide these recommendations to our legal counsel. Staff met with the PHAB on October 10, 2017, and after very minor changes (removing "fresh" as a requirement of seafood sales, in order to allow the sale of scallops and other types of locally-available seafood that have a different preparatory process), and changing the application authority to be through the Harbormaster's office rather than the City Clerk, PHAB voted unanimously to advance the draft language to the City Council with a recommendation to accept the ordinance. Subsequently, staff provided the revised language to our legal counsel, and their recommendation is provided to you in the draft ordinance (Attachment A).

**DEPUTY CITY MANAGER COMMENTS:** If the Council desires to place this ordinance on a Regular Meeting agenda, staff feels that the attached ordinance has been vetted and is ready for such action.

Work Session  
Agenda Item # 3

(This page left intentionally blank.)

**CITY OF KODIAK**  
**ORDINANCE NUMBER \_\_\_\_\_**

**AN ORDINANCE OF THE COUNCIL OF THE CITY OF KODIAK AMENDING  
CHAPTER 5.04 OF THE KODIAK CITY CODE TO ADD A NEW SECTION 5.04.080  
PERTAINING TO PROCEDURES FOR ISSUING PERMITS FOR RETAIL SALES OF  
SEAFOOD DIRECTLY FROM VESSELS AT CITY PORT AND HARBOR FACILITIES**

WHEREAS, the Kodiak City Code Section 5.04.010 prohibits selling goods in or upon a city street, alley, sidewalk, parking lot, park, or other public place except where specifically permitted; and

WHEREAS, the City of Kodiak operates port and harbor facilities which are a “public place” as that term is used in Section 5.04.010; and

WHEREAS, the City of Kodiak wishes to allow commercial harvesters of seafood the opportunity to obtain a permit to sell seafood directly from a vessel moored at city port and harbor facilities; and

WHEREAS, it is in the best interest of the City to vest administrative duties associated with the issuance of such permits with the Harbormaster.

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

Section 1: Kodiak City Code Chapter 5.04 is hereby amended by adoption of a new Section 5.04.080 to read as follows:

**5.04.080 - Permits for the retail sale of seafood by harvesters to consumers**

(a) The harbormaster may issue permits allowing retail sales of seafood to the ultimate consumer by the actual harvester from the harvester’s vessel at City port and harbor facilities.

(b) An application under this section shall be submitted to the Harbormaster on a form prepared by the city accompanied by any required fees established by resolution or motion of the city council. The application shall contain the following information:

- (1) The name, address, telephone number, and email address of the applicant;
- (2) The business name to be used and the nature of the business;
- (3) Description and license number (as applicable) of the vessel proposed to be used in the business;

- (4) The location where the applicant would prefer to conduct the business;
  - (5) The specific type or types of seafood proposed to be sold;
  - (6) Copies of requisite State and/or Federal permits and/or licenses required for such activity; and,
  - (7) An acknowledgement by the applicant agreeing to be bound by all of the terms, conditions, and provisions set forth in this section, and such additional terms and conditions as may be set forth in the permit.
- (c) A permit issued under KCC 5.04.080 shall be subject to the following terms and conditions:
- (1) The applicant shall obtain and prominently display on the vessel all other licenses and permits necessary to the conduct of the business;
  - (2) The applicant shall conduct sales of seafood only at specific locations and/or times designated in the permit by the harbormaster;
  - (3) The applicant shall allow inspection of the vessel from which the business is conducted by the harbormaster or designee(s) at all reasonable hours;
  - (4) The applicant shall maintain the area in the immediate vicinity of the business in a neat and clean condition and shall remove all accumulated waste, litter, and debris daily upon closing of sales; and shall not allow any hazards or disruptions to pedestrian or vehicular traffic due to the operation of the business;
  - (5) The applicant shall not allow any hazards or disruptions to pedestrian or vehicular traffic due to the operation of the business;
  - (6) Unless otherwise authorized by the Harbormaster, signs or advertising may only be displayed on the vessel;
  - (7) All product processing, handling, and packaging shall take place on the vessel;
  - (8) Seafood waste shall not be discarded in the harbor or in harbor trash receptacle;
  - (9) Business conducted under this permit is not considered casual and isolated sales, and the applicant must remain in compliance with sales and property tax laws in order to retain their permit;

(10) The applicant must remain in compliance with Chapter 18.28, Port and Harbor facilities.

(d) If the applicant fails to comply with any condition or provision of this section, the Harbormaster may, after not less than two hours' notice and an opportunity to be heard, revoke the permit.

(e) If the applicant fails to leave the immediate vicinity in a clean condition as required by this section, the City may, after reasonable verbal notice, perform such work and the applicant shall be liable for all costs so incurred. Items and/or materials removed by the City may be discarded in the dump or otherwise disposed of as abandoned property having no value.

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

CITY OF KODIAK

By: \_\_\_\_\_  
MAYOR

ATTEST:

By: \_\_\_\_\_  
CITY CLERK

First Reading:  
Second Reading:  
Effective Date: