

**MINUTES OF THE REGULAR COUNCIL MEETING
OF THE CITY OF KODIAK
HELD OCTOBER 27, 2005,
IN THE BOROUGH ASSEMBLY CHAMBERS**

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

Mayor Carolyn L. Floyd called the meeting to order at 7:30 p.m. Councilmembers Charles E. Davidson, Dennis A. McMurry, Josefina F. Rosales, Gabriel T. Saravia, and Thomas D. Walters were present and constituted a quorum. Councilmember David M. Woodruff was absent. City Manager Linda L. Freed, City Clerk Debra L. Marlars, and Deputy Clerk Kris Williams were also present.

After the Pledge of Allegiance, Salvation Army Sargent Major Dave Blacketer gave the invocation.

II. PREVIOUS MINUTES

Councilmember Walters MOVED, seconded by Councilmember Saravia, to approve the minutes of the September 29, 2005, regular meeting as presented.

The roll call vote was Councilmembers Davidson, McMurry, Rosales, Saravia, and Walters in favor. Councilmember Woodruff was absent. The motion passed.

III. AGENDA AMENDMENT

None

IV. PERSONS TO BE HEARD

a. Proclamation: Recognizing Ducks Unlimited and the Kodiak Audubon Society for Their Contributions to the Potato Patch Lake Project

Councilmember McMurry read the proclamation, which recognized Ducks Unlimited and the Kodiak Chapter of the Audubon Society for their contributions to the Potato Patch Lake water quality and wildlife viewing project. Stacy Studebaker, on behalf of the Kodiak Chapter of the Audubon Society, accepted the proclamation and spoke about the project's many positive benefits. She complimented Red Hook Construction for its work on the project and also thanked the City of Kodiak, Ducks Unlimited, Natural Resources Conservation Service, and Audubon Alaska for supporting the project.

b. Proclamation: Applauding the United States Coast Guard Presence in Kodiak

Councilmember Walters read the proclamation, which honored the men and women of the United States Coast Guard and proclaimed October 29, 2005, as Coast Guard Appreciation Day in Kodiak.

c. Proclamation: Declaring Kodiak the "Isle of Lights"

October 27, 2005

Councilmember Saravia read the proclamation, which urged all residents to join with the City in lighting businesses and homes for the winter season, beginning November 1, 2005, and concluding February 28, 2006.

d. City Manager Recognition

Mayor Floyd presented City Manager Linda Freed with a five-year employee pin in appreciation of her service to the City of Kodiak.

e. Public Comments

Duncan Fields, rural communities fisheries consultant, expressed appreciation for the City's efforts with respect to the Bearing Sea/Aleutian Islands Crab Rationalization Plan (BSAI CRP) and encouraged the City to also voice its concerns about Gulf of Alaska Rationalization, which will be addressed at the December North Pacific Fishery Management Council meeting. Mr. Fields urged the City to support a study that would document the negative impacts to communities resulting from the BSAI CRP.

Stacy Studebaker, Exxon Valdez Oil Spill Trustee Council Member, requested that the City Council support a resolution to reopen the 1991 civil settlement from the Exxon Valdez spill and claim the full \$100 million for mitigation of unanticipated long-term harm.

Councilmember Walters said he supported the resolution, but wanted to ensure the money was earmarked for real scientific mitigation.

Clarence Selig, via telephone, noted the news media had reported Exxon had reported \$9.2 billion for the previous quarter and said the Ninth District Court had been holding the punitive judgement for nearly a year. He spoke in support of a resolution urging the punitive judgement be resolved.

Julie Bonney, Alaska Groundfish Data Bank, spoke about the proposed Gulf of Alaska groundfish rationalization program and the importance of community protection measures.

V. UNFINISHED BUSINESS

a. Continued Second Reading, Ordinance No. 1180, Repealing and Reenacting Kodiak City Code Chapter 8.52 Gambling Prohibited

Mayor Floyd read Ordinance No. 1180 by title, which purpose was to bring out-of-date City Code provisions into conformance with State gambling regulations. Ordinance No. 1180 was passed in first reading at the January 13, 2005, regular Council meeting, and a second reading and public hearing was held at the February 24, 2005, regular Council meeting. The Council moved to adopt Ordinance No. 1180 at that meeting; however, after the public hearing, the Council moved to postpone action on the ordinance until after it was discussed at a future work session. The Council then discussed the ordinance at the May 24th work session. Based on that discussion, City staff have worked with the City attorney to completely rewrite the City's gambling ordinance, rather than revise it. Therefore, staff recommended the ordinance be postponed indefinitely.

October 27, 2005

Councilmember Davidson MOVED, seconded by Councilmember Walters, to postpone Ordinance No. 1180 indefinitely.

The roll call vote was Councilmembers Davidson, McMurry, Rosales, Saravia, and Walters in favor. Councilmember Woodruff was absent. The motion passed.

b. Second Reading and Public Hearing, Ordinance No. 1196, Authorizing the Assignment of the City of Kodiak's Interest in Lot 2, U.S. Survey 2538, to the Kodiak Island Borough

Mayor Floyd read Ordinance No. 1196 by title. At the July 26, 2005, work session, the Council considered a request from the Kodiak Island Borough to transfer its interest in property in the vicinity of the Kodiak High School to the Borough. The City entered into a fifty-five year lease for the property with the State of Alaska on December 21, 1965. The lease between the City and the State provides that the property is to be used for the purpose of constructing a municipally-owned-and-operated swimming pool and City youth center and for no other purpose. On October 5, 2004, the voters of the Kodiak Island Borough authorized the issuance of general obligation bonds of the Borough for the purpose of financing the planning, design, and construction of a new school pool, and the Borough issued its general obligation bonds for this purpose on December 1, 2004. At the July 26th work session, the Council directed staff to work with the City attorney to determine the best method to transfer the City's interest in the property to the Borough. Ordinance No. 1196 will provide for the transfer of the property, which is legally described as Lot 2, U.S. Survey 2538.

Councilmember Rosales MOVED, seconded by Councilmember Walters, to adopt Ordinance No. 1196 after second reading and a public hearing.

Mayor Floyd closed the regular meeting and opened the public hearing.

Bud Cassidy, from the Kodiak Island Borough, said he was present to answer any questions regarding the proposed pool. There were no questions.

There being no further public testimony, Mayor Floyd closed the public hearing and reopened the regular meeting.

The roll call vote was Councilmembers Davidson, McMurry, Rosales, Saravia, and Walters in favor. Councilmember Woodruff was absent. The motion passed.

VI. NEW BUSINESS

a. First Reading, Ordinance No. 1197, Amending Kodiak City Code Section 1.12.010 Concerning the General Penalty for City Code Violations and Kodiak City Code Section 3.08.270 Concerning Prohibited Acts, Penalties, and Remedies Related to the Collection of City Sales Tax

Mayor Floyd read Ordinance No. 1197 by title. The City Council has discussed additional penalties for egregious violators of the Sales Tax Code on multiple occasions. At the May 24, 2005, work session, after reviewing a request from City staff that additional penalties be incorporated into the City Code, the Council directed staff to have the City Attorney draft an ordinance to allow the City

October 27, 2005

to obtain injunctive relief and/or seek criminal penalties for egregious sales tax violations. Ordinance No. 1197 will incorporate these penalties into the City Code.

Councilmember Walters MOVED, seconded by Councilmember Saravia, to adopt Ordinance No. 1197 in the first reading and advance to second reading and public hearing at the next regular City Council meeting.

The roll call vote was Councilmembers Davidson, McMurry, Rosales, Saravia, and Walters in favor. Councilmember Woodruff was absent. The motion passed.

b. First Reading, Ordinance No. 1198, Repealing Kodiak City Code Chapter 8.52 Gambling Prohibited, and Enacting Kodiak City Code Chapter 8.52 Gaming Regulations

Mayor Floyd read Ordinance No. 1198 by title. At the February 24, 2005, regular Council meeting, the Council moved to adopt Ordinance No. 1180, revising the City's gambling regulations. After the public hearing, the Council moved to postpone action on the ordinance until after it was discussed at a future work session. The Council discussed the ordinance at the May 24th work session. Based on that discussion, City staff worked with the City attorney to completely rewrite the City's gambling ordinance, rather than revise it. Ordinance No. 1198 establishes City of Kodiak gaming regulations, which defer to State regulations in all aspects, except one. Ordinance No. 1198 meets the Council's intent of simplifying the City's regulations and is consistent with State regulations.

Councilmember Davidson MOVED, seconded by Councilmember Walters, to adopt Ordinance No. 1198 in the first reading and advance to second reading and public hearing at the next regular City Council meeting.

The roll call vote was Councilmembers Davidson, McMurry, Rosales, Saravia, and Walters in favor. Councilmember Woodruff was absent. The motion passed.

c. First Reading, Ordinance No. 1199, Amending City Code Section 3.12.070 Exceptions to Bidding Requirements and Enacting City Code Section 3.12.110 Concerning Procurement by Request for Proposals

Mayor Floyd read Ordinance No. 1199 by title. In working on the request for proposals for the boat yard/travel lift operator, the City attorney found that the City Code does not explicitly include authority for using a request for proposals procurement process. The attorney drafted an ordinance that explicitly provides for this authority and has recommended the adoption of the ordinance before the request for proposals for the boat yard/travel lift operator is issued.

Councilmember Rosales MOVED, seconded by Councilmember Walters, to adopt Ordinance No. 1199 in the first reading and advance to second reading and public hearing at the next regular City Council meeting.

The roll call vote was Councilmembers Davidson, McMurry, Rosales, Saravia, and Walters in favor. Councilmember Woodruff was absent. The motion passed.

October 27, 2005

d. Authorization of Professional Services Contract With Peratrovich, Nottingham & Drage for St. Herman Harbor Engineering and Design Services, Project No. 06-14

Manager Freed did not read the prepared agenda summary, stating the Council had discussed authorization of a professional services contract with Peratrovich, Nottingham & Drage at the October 25th work session, where the Council voiced a consensus to postpone taking action until staff provided a revised proposal that focused on the boat yard/marine travel lift project.

Councilmember Walters MOVED, seconded by Councilmember Davidson, to authorize a professional services contract with Peratrovich, Nottingham & Drage for the St. Herman Harbor Engineering/Design Project No. 06-14 on a time and materials basis not to exceed \$494,207.50, with funds coming from the Capital Projects Fund, Harbor and Port Improvement Fund, St. Herman Harbor Engineering/Design Account and the Marine Left Account, as appropriate.

Councilmember Walters MOVED, seconded by Councilmember McMurry to postpone this motion until staff provides a revised proposal.

The roll call vote was Councilmembers Davidson, McMurry, Rosales, Saravia, and Walters in favor. Councilmember Woodruff was absent. The motion passed.

e. Authorization of Sale of Taxicab Permit No. 10

Myrna A. Naparato, owner of Taxicab Permit No. 10, requested authorization to sell the permit to Julma Obas. Ms. Obas complied with the permit transfer requirements, and the City Clerk recommended approval of the request.

Councilmember Rosales MOVED, seconded by Councilmember McMurry, to authorize the sale of Taxicab Permit No. 10 to Julma Obas.

The roll call vote was Councilmembers Davidson, McMurry, Rosales, Saravia, and Walters in favor. Councilmember Woodruff was absent. The motion passed.

f. Certification of Election

The City of Kodiak held a regular election October 4, 2005, and voters cast ballots for a two-year mayoral position and two three-year City Council positions. The Canvassing Board met October 24th to tally the votes of the admissible questioned and absentee ballots, together with votes counted on election night. The final results of the 2005 Municipal City election were:

Mayor - One Two-Year Term:

Carolyn L. Floyd	631
Laszlo Lemhenyi-Hanko	68
Nick Sandin	132
Write-Ins	1

City Council – Two Three-Year Terms:

Charles E. Davidson	487
Jeremiah Myers	411

October 27, 2005

Thomas D. Walters	490
Write-Ins	6

Of the 3,795 registered City voters, 852 cast ballots, for a 22.5% voter turnout, which is 2% lower than last year.

Councilmember Saravia MOVED, seconded by Councilmember Rosales, to certify the results of the October 4, 2005, regular election and declare Carolyn L. Floyd elected as Mayor for a two-year term and Charles E. Davidson and Thomas D. Walters elected to the City Council for three-year terms.

The roll call vote was Councilmembers Davidson, McMurry, Rosales, Saravia, and Walters in favor. Councilmember Woodruff was absent. The motion passed.

VII. CITY MANAGER'S REPORT

Manager Freed congratulated Kodiak Chief of Police T.C. Kamai and his staff for receiving the Cornerstone Award presented by the Chamber of Commerce. She also congratulated Fely Quintana for 10 years of service at the Teen Center. Manager Freed noted the Council's discussion with fisheries consultant Joe Sullivan at the September 27th work session, stating funds were being sought from the Southwest Alaska Municipal League for a skipper/crew employment data base documenting the negative impacts of the BSAI CRP. She also noted a letter to the Alaska Congressional Delegation had been drafted opposing proposed federal legislation regarding Gulf of Alaska groundfish total allowable catch for the Community Fishing Quota program, which excludes the City of Kodiak.

VIII. MAYOR'S COMMENTS

Mayor Floyd thanked voters, noting those who are concerned about the community turned out to vote. She reported City employee Kris Brewster, who is currently deployed to Iraq, was home recently for a two-week visit. She noted the former Kodiak Area Native Association building had been demolished to make way for the new Fish and Wildlife building to be constructed on the site. Mayor Floyd reminded the community of the USCG recognition dinner to be held October 29th, and she recognized the Kodiak Girl Scouts who had recently returned from a convention in Georgia.

IX. COUNCIL COMMENTS

Councilmembers congratulated Mayor Floyd and Councilmembers Davidson and Walters on their re-election.

Councilmember Rosales expressed appreciation to Manager Freed and Fely Quintana for their service to the City. She said she lives near Potato Patch Lake and noted the positive changes that have been made.

Councilmember Davidson said he was honored to be re-elected to the City Council and takes his position very seriously. He stated the BSAI CRP did not include compensation for crew members and expressed the City has let these stakeholders down by not including them in the City's efforts to mitigate negative impacts to the community. He said more needs to be done on behalf of crew

October 27, 2005

members, and he is serving as a liaison for the Crew Members Association in their efforts to halt Gulf of Alaska Rationalization. He noted the Association would hold its first meeting in November, and the group needs donations and volunteers to help educate the community about the negative impacts of rationalization.

Councilmember Walters expressed agreement with Councilmember Davidson's statements about Gulf of Alaska Rationalization, stating one third of the fishing boats will be out of a job, which will also affect other Kodiak businesses. Councilmember Walters expressed appreciation to those who voted and those who ran for public office. He expressed condolences to the City Clerk and urged caution as the weather turns colder and black ice forms on the roads.

Councilmember Saravia expressed concern about the low voter turnout. He congratulated Manager Linda Freed and Fely Quintana for their years of service, thanked Chief of Police Kamai for doing a great job, and expressed condolences to the City Clerk.

X. AUDIENCE COMMENTS

The City Clerk informed the community that the next regular City Council meeting will be held November 17th and the work session will be held November 15th.

XI. ADJOURNMENT

Mayor Floyd adjourned the meeting at 8:35 p.m.



CITY OF KODIAK

Carolyn Floyd

 MAYOR

ATTEST:

Debra Moulton

 CITY CLERK

Minutes Approved: November 17, 2005