

**MINUTES OF THE REGULAR COUNCIL MEETING
OF THE CITY OF KODIAK
HELD December 15, 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 7:37 p.m. Councilmembers Dennis A. McMurry, Josefina F. Rosales, Thomas D. Walters, and David M. Woodruff were present and constituted a quorum. Councilmembers Charles E. Davidson and Gabriel T. Saravia were absent. City Manager Linda L. Freed, City Clerk Debra L. Marlar, and Deputy Clerk Kris Williams were also present.

II. PREVIOUS MINUTES

Councilmember Walters MOVED, seconded by Councilmember Rosales, to approve the minutes of the November 17, 2005, regular meeting as presented.

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

III. AGENDA AMENDMENT

None

IV. PERSONS TO BE HEARD

- a. **Katie Parker**, Director of the Kodiak Historical Society, asked the Council for their continued support and consideration of agenda item g, Authorization of Bid Award for Erskine House Electrical and Fire Upgrades.

V. UNFINISHED BUSINESS

None

VI. NEW BUSINESS

- a. **Resolution No. 05-46, Adopting a Prioritized Federal Capital Improvements Program List**

Mayor Floyd read Resolution No. 05-46 by title, which contained a prioritized list of City capital improvement projects for calendar year 2006 that will be submitted to the Alaska Congressional Delegation upon adoption.

Councilmember Rosales MOVED, seconded by Councilmember Walters, to adopt Resolution No. 05-46.

Councilmember Walters noted No. 2 on the list requested \$200,000 to replace an ambulance. He further stated the Kodiak Island Borough used to help fund ambulance replacement, and he suggested

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if no grant funds were received for the new ambulance, the City should look at increasing fees for ambulance service outside the City limits or turn ambulance service over to the Providence Hospital.

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

b. Resolution No. 05-47, Adopting a Prioritized State Capital Improvements Program List

Mayor Floyd read Resolution No. 05-47 by title, which contained a prioritized list of City capital improvement projects for calendar year 2006 that will be submitted to the Alaska State Legislature upon adoption.

Councilmember Walters MOVED, seconded by Councilmember Woodruff, to adopt Resolution No. 05-47.

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

c. Resolution No. 05-48, Creating a Happy Holiday Season by Establishing a Festive Spirit; Appropriating Voluntary and Reasonable, or Obligatory and Unreasonable, Sums From Everyone's Pay and Credit to Defer the Fiscal Obligations Thereof; and Containing a Severability Clause, an Indemnification Clause, and a Santa Claus

Mayor Floyd read Resolution No. 05-48 by title and asked Councilmember McMurry to read the resolution in its entirety, which in the spirit of the Holiday Season, created a Department of Holiday Celebration and wished a Happy Holiday Season and a Prosperous New Year to everyone in Kodiak.

Councilmember Walters MOVED, seconded by Councilmember Rosales, to adopt Resolution No. 05-48.

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

d. Resolution No. 05-49, Authorizing Participation in Alaska Municipal League/Joint Insurance Association Loss Control Incentive Program for FY'06

Mayor Floyd read Resolution No. 05-49 by title. The Alaska Municipal League Joint Insurance Association developed a pilot project for FY 2006 titled "Loss Control Incentive Program," which is a tool designed to help members reduce losses and control costs. If the City of Kodiak implements and follows the program guidelines, it could earn up to a five percent credit on its insurance premium in FY 2007. Adoption of Resolution No. 05-49 would authorize the City's participation in the program.

Councilmember Walters MOVED, seconded by Councilmember Woodruff, to adopt Resolution No. 05-49.

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

e. Authorization of Change Order No. 6, Steller Way Improvement, Project No. 03-15

Change Order No. 6 addresses time and material work for 12 items not covered by the construction bid for the Seller Way Improvement Project. Each change order item is discussed in detail in a memo that was included in the meeting packet regarding individual homeowner concerns about the impact of the project on their property. Some project items have not been completed and additional, minor work will finish up the project next season. This road and utility project was engineered and designed to minimize the impact on adjacent homeowners, while providing for a cohesive, comprehensive improvement project. As a result, additional "tweaks" were necessary to accommodate individual properties. These "tweaks" were intentionally not designed into the project for two reasons: most of the properties had a variety of "fixes" and the intent was to work with individual property owners to implement their preferred fix, within reasonable cost constraints, and fixing the tweaks in the field reduced the project's design and engineering costs, while only incurring construction costs that were reasonable within the constraints of the project. The items included in the change order amount to \$45,719.06.

Councilmember Walters MOVED, seconded by Councilmember Woodruff, to authorize Change Order 6 to the Stellar Way Improvement Project No. 03-15 in the amount of \$45,719.06, with funds coming from the Capital Projects Fund, Street Improvement Fund, Steller Way Improvement Project.

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

f. Authorization of Purchase of Dispatch Console Furniture From Watson Furniture Group

City staff secured substantial grant funds for the purchase and installation of a new public safety/City communication system. The Council previously approved several large purchases associated with this project, and, as noted at the August 25th and September 29th Council meetings, several smaller purchases were needed to fully implement the system. The purchase of the dispatch console furniture represents one of those pieces.

Councilmember Walters MOVED, seconded by Councilmember Woodruff, to authorize the purchase of dispatch console furniture from Watson Furniture Group in the amount of \$30,075.91, with funds coming from the Capital Projects Fund, General Capital Projects Fund, Communications System Upgrade.

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

g. Authorization of Bid Award for Erskine House Electrical and Fire Upgrades, Project No. 04-24

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Bids for the Erskine House Electrical and Fire Upgrade project were opened November 7, 2005, with the following results:

Company	Base Bid	Additive Alternate	Total Bid
Clarion Company	\$265,484	\$3,700	\$269,184
Brechan Enterprises, Inc.	\$288,583	\$2,650	\$291,233
Engineers Estimate	\$343,312	\$2,478	\$345,790

A historical architect from the National Park Service (NPS) inspected the Erskine House in 2002. The architect identified several work items necessary to preserve and protect the building, and the NPS architect's primary concern was protection of the building from fire. Based on the NPS concern, the City of Kodiak hired a consulting firm to comprehensively inspect the building systems. The report was received in May 2004 and states, in part: "Inspection confirmed that the wiring and lighting systems should be replaced since the existing wiring is inadequate for the loads served, and the lighting fixtures do not reflect a historical appearance. The fire alarm system needs to be replaced with a new digital, addressable system that will respond more quickly to any fire. The fire suppression system is a Halon canister system that only protects five (5) selected spaces in the building for a short period of time while first responders come to the scene. The existing system will not protect the building from fire and will not protect personnel within the building, since the Halon only floods the room where the discharge nozzle is located. We are suggesting a more traditional water based fire suppression system that can be installed to protect the crawlspace, both occupied floors, as well as the attic." After discussion with the Kodiak Historical Society, the Council selected an engineering firm to design the needed system upgrades. It should be noted, that because of the historical value of the building, all construction activity must be done in a manner which maintains the building's historical integrity. The new electrical and fire systems will be installed from the second floor and the crawlspace to minimize the impact on the Kodiak Historical Society's collection and displays. Installation of the electrical and fire systems requires work in the same areas of the building, including the removal and replacement of flooring materials. Therefore, it is less expensive to do the electrical and fire system projects at the same time, rather than breaking the work into two separate projects. The base bid includes replacing carpet and vinyl flooring in the main second floor office area. As discussed above, the flooring would be removed to install the electrical and fire protection upgrades through the second floor into the first floor. Replacing the second floor carpet in the hallway and eastern most office was bid as an additive alternate. Although the bid price on the additive alternate is reasonable, it is not being recommended as a cost saving measure. The bids received for the project are significantly below the Engineer's estimate and represent an excellent price for the work.

Councilmember Walters MOVED, seconded by Councilmember Rosales, to award the bid for the Erskine House Electrical and Fire Upgrades, Project No. 05-08, to Clarion Company in the amount of \$265,484, with funds coming from the Capital Projects Fund, Building Improvement Fund, Museum Building Account and additional funding to be included in this Account in the next supplemental budget appropriation.

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

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h. Authorization of Professional Services Contract for an Economic Impact Study of the Bering Sea/Aleutian Islands Crab Rationalization Program

The need for an economic impact study of the effects of the Bering Sea/Aleutian Islands (BSAI) Crab Rationalization Program on the City of Kodiak has been brought to the attention of the City Council at work sessions, regular meetings, and in general conversations about this topic and the topic of Gulf of Alaska rationalization. The study is needed in a relatively short time frame in order to capture the data necessary to document and quantify the information that has been brought to the City's attention. The study is also important to document, for the North Pacific Fishery Management Council (NPFMC) and others, the true impacts of BSAI crab rationalization prior to the NPFMC's formal review of the program. The BSAI Crab Rationalization Program has also negatively impacted Sand Point and King Cove, two cities on the Alaska Peninsula. City staff and the City's fisheries consultant have worked with the Aleutians East Borough to select the Institute of Social and Economic Research (ISER) at the University of Alaska Anchorage to do the study and to develop a work program that will quantitatively assess the economic impact of the BSAI Crab Rationalization Program. In addition to the likelihood that a portion of the study costs will be picked up by the Aleutians East Borough, the Kodiak Island Borough has verbally committed to paying a portion of the costs of the study.

Councilmember Rosales MOVED, seconded by Councilmember McMurry, to authorize a professional services contract with the Institute of Social and Economic Research at the University of Alaska Anchorage for an economic impact study of the Bering Sea Aleutian Islands Crab Rationalization Program in an amount not to exceed \$24,552, with funds coming from the General Fund, Legislative Department, Economic Development Line Item.

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

i. Advisory Board Appointments

Several positions were vacant or the terms would end December 31, 2005, for various City advisory board seats. Except for the Personnel Board, whose members are appointed by the Council and the Employee Advisory Board, whose members are elected by City employees, members of advisory boards are appointed by the Mayor and confirmed by the Council. The Mayor and Council interviewed applicants and considered applications earlier during the work session.

Mayor Floyd made the following advisory board appointments:

Building Code Board of Appeals: John Butler, Ken Smith, and Lonnie Wolff to three-year terms ending December 31, 2008.

Port & Harbors Advisory Board: Ann Kalcic, Nick Szabo, and Harold Jones to three-year terms ending December 31, 2008; Dan Miller to the vacant term ending December 31, 2006; Iver Malutin as Alternate No. 1 and Stosh Anderson as Alternate No. 2 to one-year terms ending December 31, 2006.

Councilmember Walters MOVED, seconded by Councilmember Woodruff, to confirm the Mayoral advisory board appointments.

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

j. Election of Deputy Mayor

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

Councilmember McMurry MOVED, seconded by Councilmember Walters, to elect Dave Woodruff as Deputy Mayor.

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

k. Authorization of Sale of Taxicab Permit No. 3

Arthur and Maggie Yang, owners of Taxicab Permit No. 3, have requested authorization to sell the permit to Armando B. Yamat. Mr. Yamat has complied with the permit transfer requirements, and the City Clerk recommended approval of the request.

Councilmember Rosales MOVED, seconded by Councilmember Walters, to authorize the sale of Taxicab Permit No. 3 to Armando B. Yamat.

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

l. Authorization of Voluntary Suspension of Taxicab Permit No. 15

Elizabeth De Los Santos, owner of Taxicab Permit No. 15, requested voluntary suspension of the permit from January through June 2006. Kodiak City Code allows for the voluntary suspension of a single permit not to exceed six months in a calendar year, and the City Clerk recommend approval of the request.

Councilmember Walters MOVED, seconded by Councilmember McMurry, to authorize the voluntary suspension of Taxicab Permit No. 15 from January through June 2006.

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

VII. CITY MANAGER'S REPORT

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Manager Freed thanked Mike Schilbach for 15 years of service with the Kodiak Fire Department and Chuck Tripp for 15 years of service with the Engineering Department. Manager Freed reported on the NPFMC meeting, which she attended with Councilmember Walters the previous week and stated the NPFMC will meet in Kodiak in February.

VIII. MAYOR'S COMMENTS

Mayor Floyd reported on the National League of Cities (NLC) conference she attended last week, stating NLC had adopted a six-point advocacy agenda for 2005, which had helped to secure passage of a multi-year \$286 billion bill for highways, transit, and safety; helped defeat a proposal to eliminate community development block grants and preserve the program at near level funding in the Department of Housing and Urban Development; and helped secure an increase of at least \$860 million in tenant-based grants for Section 8 housing vouchers. She stated progress had been made toward securing funding for homeland and hometown security grants, and NLC would continue to work aggressively to protect cities' interests regarding Federal tax reform. Mayor Floyd reminded the community that the Joe Floyd basketball tournament was being held at Kodiak High School through the weekend and encouraged everyone to attend.

IX. COUNCIL COMMENTS

The Councilmembers wished everyone a Merry Christmas and a happy holiday season.

Councilmember Rosales expressed concern about fish rationalization and encouraged everyone to think about the community as a whole.

Councilmember Walters reported on his participation at the NPFMC meeting, noting the Commission had listened to concerns about ensuring fair compensation for fishing boat crews and skippers that would be affected by Gulf of Alaska rationalization .

Councilmember McMurry briefly gave an account of his trip to Australia.

Councilmember Woodruff thanked the Council for their confidence by electing him Deputy Mayor. He apologized for missing the NPFMC meeting due to minor surgery. He also noted his processing plant had received an unexpected delivery of 65,000 pounds of Bering Sea King crab.

X. AUDIENCE COMMENTS

None

XI. ADJOURNMENT

Mayor Floyd adjourned the meeting at 8:25 p.m.

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CITY OF KODIAK

Casalyn Floyd
MAYOR

ATTEST:

Delora Marler

CITY CLERK

Minutes Approved: January 26, 2006