

**MINUTES OF THE REGULAR COUNCIL MEETING
OF THE CITY OF KODIAK
HELD THURSDAY, JANUARY 13, 2011
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 Patricia B. Branson, Charles E. Davidson, Gabriel T. Saravia, Thomas D. Walters, and John B. Whiddon were present and constituted a quorum. Councilmember Josefina F. Rosales was absent. City Manager Aimée Kniazowski, City Clerk Debra L. Marlar, Public Works Director Mark Kozak, and Deputy Clerk Matthew Gandel were also present.

After the Pledge of Allegiance, Salvation Army Sergeant Major Dave Blacketeer gave the invocation.

II. PREVIOUS MINUTES

Councilmember Walters MOVED to approve the minutes of the December 9, 2010, regular meeting as presented.

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

III. PERSONS TO BE HEARD

a. Public Comments

Paul Converse, Kodiak Public Library Association (KPLA) Board of Directors, said the planning for the new library was going well, and that the next step would be securing funding. He thanked the Council for including funding in the supplemental budget and hoped they would continue that support in the future.

Emily Arnick, Native Village of Afognak Indian Alcohol and Substance Abuse Program Manager, presented a public sentiment petition to the Council requesting a full-time police officer be stationed at Kodiak High School and a full-time drug investigative officer be reinstated at the Kodiak Police Department. She also invited the Council to a forum on methamphetamine use on January 27, 2011.

Aaren Ellsworth, KPLA Board of Directors, expressed her excitement about the new library project and requested that the Council support the supplemental budget, including funding for the planning of the new library.

IV. UNFINISHED BUSINESS

None

V. NEW BUSINESS

a. First Reading, Ordinance No. 1280, Establishing Supplemental Appropriation No. 1 to the Budget for the Fiscal Year Commencing on the First Day of July 2010 and Ending on the Thirtieth Day of June 2011

Mayor Floyd read Ordinance No. 1280 by title. It is customary for the City Council to approve at least one supplemental budget annually to authorize the adjustments of current revenues and expenses. These adjustments are for the operating funds as well as additions to project funds for grant revenues received and additional expenditures needed that were not known at the time the original budget was adopted. Supplemental Appropriation No. 1 to the FY2011 budget totals \$6,101,809.

Councilmember Branson MOVED to pass Ordinance No. 1280 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 Branson, Davidson, Saravia, Walters, and Whiddon in favor. Councilmember Rosales was absent. The motion passed.

b. First Reading, Ordinance No. 1281, Repealing and Reenacting Subsection (a) of Kodiak City Code Section 2.08.010, Levy of Sales Tax, to Provide for the Levy of Sales Tax of 11 Percent on Transient Room Rentals Commencing July 1, 2008; and Repealing Kodiak City Code Section 3.08.290 and Section 7 of Ordinance No. 676 Regarding the Renewal of the Sales Tax on Transient Room Rentals

Mayor Floyd read Ordinance No. 1281 by title. The City has been collecting a 5% sales tax on transient room rentals since 1983. The 1983 ordinance and Kodiak City Code (KCC) 3.08.290 contain a sunset clause that requires the City Council to renew the authority to levy this sales tax on transient room rentals by resolution at five-year intervals. The income provided by this sales tax is important to the City. Staff has determined that the sunset clause is no longer necessary, and that is in the best interest of the City to continue the authority of the City to levy a sales tax on transient room rentals without the necessity to periodically renew that authority. Ordinance No. 1281 will amend the Code as suggested by staff.

Councilmember Davidson MOVED to pass Ordinance No. 1281 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 Branson, Davidson, Saravia, Walters, and Whiddon in favor. Councilmember Rosales was absent. The motion passed.

c. Resolution No. 2011-01, Establishing Time Limits and Permit Requirements for Parking in Parking Lots at St. Paul Harbor and St. Herman Harbor

Mayor Floyd read Resolution No. 2011-01 by title. Based on recommendations from the Port and Harbor Advisory Board (PHAB), this resolution will implement permit parking at the existing 30-day parking lots adjacent to the City's two boat harbors. Thirty-day permit parking will be implemented on a trial basis beginning June 30, 2011, and unless action is taken to make it permanent, it will expire on December 31, 2011. The Harbormaster's office will sell the permits to vessel owners and the Kodiak Police Department will enforce. Permits will be sold to slip hold-

ers and paid-up transient vessel customers only. The general public is not eligible for 30-day permits. One-hour, 12-hour, and 72-hour parking will remain open to the public at no charge.

Councilmember Walters MOVED to adopt Resolution No. 2011-01.

Councilmember Walters stated that the Council needed some clarification on whether or not the permits were issued on an annual or monthly basis. He also said there needed to be more discussion on the issue of long-term parking for Village residents.

Councilmember Branson agreed with Councilmember Walters.

Councilmember Whiddon said since it was not the busy time of year yet, it was important to wait and get the resolution right the first time.

Councilmember Branson MOVED to postpone the vote on Resolution No. 2011-01 until the next regular Council meeting.

The roll call vote was Councilmembers Branson, Davidson, Saravia, Walters, and Whiddon in favor. Councilmember Rosales was absent. The motion to postpone passed.

d. Resolution No. 2011-02, Rescinding Resolution No. 10-24 and Adopting a FY2012 Re-Prioritized State Capital Improvements Program List

Mayor Floyd read Resolution No. 2011-02 by title. Following meetings between Senator Gary Stevens, Representative Alan Austerman, the City Manager, and Council in December 2010, staff proposed to draft amendments to the City's list of capital funding priorities for FY2012, which were adopted by Resolution No. 2010-24 on August 26, 2010. In order to update the State Capital Improvements Program (CIP) list, Council must rescind Resolution No. 2010-24 and adopt a new resolution identifying the revised priority project list.

Councilmember Whiddon MOVED to adopt Resolution No. 2011-02.

Councilmember Branson noted that the revised CIP list moved the Baranof Park project up to the third position and was hopeful that the legislature would provide funding.

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

e. Resolution No. 2011-03, Adopting the Federal Fiscal Year 2012 Prioritized Federal Capital Improvements Program List

Mayor Floyd read Resolution No. 2011-03 by title. Each year the City identifies capital improvement projects that are important to the maintenance and/or improvement of the City's infrastructure. The Council reviewed and discussed a list of proposed Federal requests at the December 7, 2010, work session and indicated support for the projects as identified. Resolution No. 2011-03 reflects that draft list.

Councilmember Walters MOVED to adopt Resolution No. 2011-03.

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

f. Authorization of Change Order No. 1 to Roof Repairs and Library Painting, Project No. 4020/09-02

This change order to the Roof Repairs and Library Painting project is for additional work required to remove rotten material and repair water damaged material on the roofs at the Library and Public Works building as well as the replacement of large sections of deteriorated siding and structural wall support at the Library prior to painting.

Councilmember Whiddon MOVED to approve Change Order No. 1 for the Roof Repairs/Library Painting projects (budget Project Nos. 4020 and 4024) in the amount of \$58,016.35, with funds coming from the Roof Repairs and Library Painting capital project funds.

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

g. Authorization of Bid Award for UV Disinfection Facility, Project No. 7023/03-14

The design for a new UV Disinfection Facility began in July 2007 and was completed and advertised for bid in November 2010. Bids were received and opened on December 17, 2010. Of the eight bids received, Jay-Brant General Contractors was the lowest responsible bidder.

Councilmember Walters MOVED to award the bid for the UV Disinfection Facility to Jay-Brant General Contractors in the amount of \$3,540,794, with funds coming from the Water Capital Improvement Fund, UV Water Treatment Facility Construction Project No. 7023/03-14.

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

h. Authorization of Professional Services Contract for Project Management of UV Disinfection Facility, Project No. 7023/03-14

The bids for construction of the City's new UV Disinfection Facility were opened on December 17, 2010, with Jay-Brant General Contractors as the apparent low bidder. The next step in the project is for Council to authorize a professional services agreement for project management, construction administration, and engineering support to ensure the project is timely built without interruption of water service to the community and meets all regulatory requirements, including the Certificate to Operate by the regulatory agency. These professional services are grant eligible, and the City has the necessary grant funds available to cover the cost of this construction administration/engineering support.

Councilmember Whiddon MOVED to authorize the bid award for Professional Services Contract for Project Management of UV Disinfection Facility to CH2M HILL in an amount not to exceed \$1,675,000, with funds coming from the Water Capital Improvement Fund, UV Water Treatment Facility Construction Project No. 7023/03-14.

Councilmember Whiddon asked how much involvement the Alaska Department of Environmental Conservation (ADEC) or U.S. Environmental Protection Agency (EPA) would have in the day-to-day construction process.

Manager Kniazowski deferred to Public Works Director Kozak.

Public Works Director Kozak responded that CH2M HILL would have an on-site engineer that would monitor and certify the day-to-day construction, and submit those reports to the DEC and EPA.

Councilmember Branson stated that Public Works Director Kozak had done a good job of explaining the complexity of the project and the need for a project management firm.

Councilmember Walters said that he found it amazing that whenever a firm designs a project, it cost so much more money for that same company to manage the construction. He said in the future it might save money to include the project management costs in the design contract.

Councilmember Branson agreed that it might be good idea to combine the two contracts in the future.

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

i. Authorization of Bid Award for Pier III Concept Design Study, Project No. 8013/11-07

Pier III was built in 1972. At 39 years of age, it is reaching the end of its design life. The pier requires increased maintenance and frequent inspections to ensure it remains operational. The City budgeted funds for an inspection and preliminary design process in FY2010. In response to staff's request, PND Engineers submitted a proposal to complete a concept design study for Pier III. The design study will suggest replacement alternatives and identify anticipated replacement costs, which will allow the City to move forward to full design and replacement.

Councilmember Whiddon MOVED to authorize the bid award for the Pier III Concept Design Study to PND Engineers on a time and materials basis in the amount of \$38,322, with funds coming from the Cargo Development Fund, Pier III Inspection-Design, Project No. 8013/11-07.

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

j. Acceptance of FY2010 Audit

Each year the City Council retains a qualified accounting firm to perform an annual audit of the City's financial records and accounting practices. The Kodiak City Charter and the City Code require the Council to accept the comprehensive annual financial report.

Councilmember Saravia MOVED to accept the City of Kodiak's FY2010 Comprehensive Annual Financial Report.

Councilmembers expressed their appreciation to Finance Director Munk and the Finance Department for their hard work.

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

k. Appointment of Advisory Board Members

Four regular seats and two alternate seats are vacant on the Parks & Recreation Advisory Board. The applicants are City residents, as currently required by resolution. Appointments to this board are made by the Mayor and confirmed by the Council. At Tuesday's work session, Mayor Floyd and Councilmembers interviewed applicants and considered applications.

Mayor Floyd appointed Marcus Dunbar, Natasha Hayden, and Derrick Magnuson to regular seats, terms ending December 31, 2013. She appointed John Butler to a regular seat, term ending December 31, 2012. She appointed Ken McCarty as first alternate and Gerie Botz as second alternate to alternate seats, terms ending December 31, 2011.

Councilmember Walters MOVED to confirm the Mayoral advisory board appointments to the Parks and Recreation Advisory Board as stated.

Councilmember Walters stated his appreciation for advisory board members volunteering their time.

Councilmember Whiddon pointed out the diverse skills of the members on the Parks and Recreation Advisory Board.

Councilmember Davidson said the Council will discuss amending the existing resolution to allow residents of the Borough to serve on the City's Parks and Recreation Advisory Board.

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

l. Authorization of Voluntary Suspension of Taxicab Permit Nos. 2 and 29

Luckida Boatwright, holder of Taxicab Permit No. 2 and Felicisimo Francisco, holder of Taxicab Permit No. 29, have requested voluntary suspension of their permits.

Councilmember Davidson MOVED to authorize the voluntary suspension of Taxicab No. 2 from January 15 through July 15, 2011, and Permit No. 29 from January 1 through June 30, 2011.

Councilmember Davidson notified Mayor Floyd that he had a conflict of interest, since he holds a taxicab permit; the Mayor excused him from voting.

The roll call vote was Councilmembers Branson, Saravia, Walters, and Whiddon in favor. Councilmember Davidson was excused from voting. Councilmember Rosales was absent. The motion passed.

VI. STAFF REPORTS**a. City Manager**

Manager Kniazowski expressed her condolences to the Eggemeyer and Felton families. She reported that the paperwork for the state grant for the Library project had been filed on January 5, 2011. She encouraged community members to attend the reception hosted by the City for Governor Parnell and Lieutenant Governor Treadwell on January 16, 2011. She reminded the Council about the planning work session on January 22, 2011, and the Joint Work Session with the Borough Assembly on January 26, 2011. She also reminded the Council about the need to reschedule Council meetings in March, which will be presented for Council approval on the February meeting agenda.

b. City Clerk

None

VII. MAYOR'S COMMENTS

Mayor Floyd expressed her condolences to the Eggemeyer family. She invited everyone to the reception for the Governor and Lieutenant Governor.

VIII. COUNCIL COMMENTS

Councilmember Branson said she was looking forward to the upcoming planning work session, and was particularly interested in discussing capital projects.

Councilmember Saravia expressed his condolences to the Eggemeyer family. He expressed his thanks to Finance Director Munk and the Finance Department for their hard work. He reported that the canneries were very busy, which is good for Kodiak.

Councilmember Walters mentioned the large turnout at the previous work session to support the Baranof Park project and stated that good parks and recreation facilities benefited the whole community. He also said it was harder every year to get funding for capital projects, and that even though the City did a good job trying to be conservative raising money, it might be time to broach the subject of annexation to increase the City's tax base.

Councilmember Whiddon stated that he was happy to see so many exciting projects happening, but that these projects affect the City's General Fund, and that money is hard to replace once it's gone. He said it was important for the community to decide what the most important projects are, and said at some point the City and Borough may issue a joint CIP list. He said the canneries on Shelikof Street were busy and were going to get busier. He said he had received several requests to invite Dr. Jane Lubchenco, the head of the National Oceanic and Atmospheric Administration (NOAA) to have a town hall meeting in Kodiak and discuss NOAA policies and fisheries issues, and said he was interested in seeing if the City and Borough could issue a joint invitation.

Councilmember Davidson thanked the public for the large turnout supporting the Library and Baranof Park projects and thanked snow removal crews from Public Works for their hard work keeping the roads clear.

IX. AUDIENCE COMMENTS

Nick Szabo, Port and Harbors Advisory Board (PHAB) Chairman, thanked the Council for approving the Pier III design award. He also said he was disappointed the Council had voted to postpone voting on the resolution for harbor parking. He said the PHAB had a lengthy discussion on the resolution at its last meeting, and although there were some differences of opinion, the Board was unanimous in its support of the resolution. He said the PHAB had requested clarification on the issue of a monthly or annual fee, and requested that the Harbormaster have the authority to adjust the size of the long-term parking areas. He also said that long-term parking for Village residents was an issue, but that parking didn't have to be next to either of the boat harbors. He said he was still hoping the parking program would start this summer.

Marcus Dunbar, Parks and Recreation Advisory Board member, thanked the Council for reappointing members to the Board and said that money spent on important projects such as Baranof Park was money well spent, since they are used by so many different community groups.

Paul Converse, KPLA Board of Directors, thanked the Council for their support of the Library project.

X. ADJOURNMENT

Mayor Floyd adjourned the meeting at 8:40 p.m.

CITY OF KODIAK

Carolyn Floyd

 MAYOR

ATTEST:

Delva Martin

 CITY CLERK



Minutes Approved: February 24, 2011