

**MINUTES OF THE REGULAR COUNCIL MEETING
OF THE CITY OF KODIAK
HELD THURSDAY, DECEMBER 13, 2012
IN THE BOROUGH ASSEMBLY CHAMBERS**

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

Mayor Pat Branson called the meeting to order at 7:30 p.m. Councilmembers Randall C. Bishop, Terry J. Haines, Richard H. Walker and John B. Whiddon were present and constituted a quorum. Councilmembers Charles E. Davidson and Gabriel T. Saravia were absent. City Manager Aimée Kniazowski, City Clerk Debra L. Marlar, and Temporary Acting Deputy Clerk Catherine Perkins were also present.

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

II. PREVIOUS MINUTES

Councilmember Whiddon MOVED to approve the minutes of the November 8, 2012, regular meeting as presented.

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

Mayor Pat Branson presented a picture to former Councilmember Josefina Rosales and thanked her for her many years of service on the City Council. Former Councilmember Rosales thanked the Council for the picture and said she enjoyed serving with them for over eight years. She explained she had resigned from the Council due to health reasons and said she would miss everyone.

III. PERSONS TO BE HEARD

a. Public Comments

Dave Blacketer, representing the Senior Citizens of Kodiak, thanked the Council for its continued support and gave statistics on the services provided by the Senior Center.

Judy Kidder thanked the Council for working closely with the Kodiak Island Borough on the biosolids composting project and said she would like to see continued collaboration between the City and Borough.

IV. UNFINISHED BUSINESS

None

V. NEW BUSINESS**a. First Reading, Ordinance No. 1302, Amending Kodiak City Code 3.08.140(A) to Require Sales Tax Returns to Report the Number of Transactions in Which a Portion of the Price or Charge is Exempt From Sales Tax Under Kodiak City Code 3.08.120**

Mayor Branson read Ordinance No. 1302 by title. To comply with the Council's request for improved sales tax estimates based on different sales tax maximum caps, the sales tax return process should be amended to add the number of transactions in which a portion of the price or charge is exempt from sales tax under KCC 3.08.120. KCC 3.08.140(a)(6) currently stipulates the City Council may require additional information on a sales tax return, but is not specific. Ordinance No. 1302 will improve the Code language by adding a sentence that requires reports to include the number of transactions that are exempt from sales tax based on the sales tax cap.

Councilmember Whiddon MOVED to pass Ordinance No. 1302 in the first reading and advance to second reading and public hearing at the next special or regular meeting.

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

b. Resolution No. 2012-35, Certifying the FY2013 Shared Fisheries Business Tax Program Application to Be True and Correct

Mayor Branson read Resolution No. 2012-35 by title. Resolution No. 2012-35 certifies that the City of Kodiak's FY2013 Shared Fisheries Business Tax Program application is true and correct. This resolution adopts the long form using the standard method application for FY2013. This is the twelfth year the City has used the long form standard method application.

Councilmember Walker MOVED to adopt Resolution No. 2012-35.

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

c. Resolution No. 2012-36, Appropriating Additional Funds for a Design Contract for Demolition of the Old KPD Building and Authorizing the City Manager to Sign the Contract

Mayor Branson read Resolution No. 2012-36 by title. In early 2004, USKH prepared a feasibility study for the replacement of aging City facilities including what is now the old Kodiak police station building. The new police station and jail was completed in 2010/2011, and KPD relocated into the new facility. Since that time, the old police station building has been unoccupied but has been kept heated due to shared utilities and electrical and electronic communication systems with adjacent City facilities. The City has spent in excess of \$40,000 in utilities and building repairs during this time. The building was not designed to be a public safety building and has not received improvements over time, leaving it unusable and unsafe for public use. The building is not needed and continues to be a burden for the City.

Councilmember Haines MOVED to adopt Resolution No. 2012-36.

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

d. Resolution No. 2012-37, Accepting a Construction Grant From the Alaska Department of Environmental Conservation for the Design of the Monashka Pumphouse Upgrade Project No. 11-05/7029

Mayor Branson read Resolution No. 2012-37 by title. Monashka reservoir and pumphouse are the primary sources of water for the City of Kodiak's public water system. Records show that construction of the pumphouse began sometime in 1972. Since the initial start up of operations, only minor changes have been made, such as adding additional pumps and the replacement of the original motor start systems. In October 2010, Council authorized CH2MHill to do a feasibility study of an upgrade to the Monashka pumphouse. Staff also applied for Alaska Municipal Matching Grants for the design and upgrade to the pumphouse, but the applications were not successful. Staff continued to be concerned about the condition of the pumphouse and requested the state Department of Environmental Conservation's (DEC) approval to use some of the remaining grant funds from the City's UV water treatment project for the Monashka pumphouse upgrade design. DEC and the state's office of Management and Budget (OMB) approved the use of these funds.

Councilmember Bishop MOVED to adopt Resolution No. 2012-37.

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

e. Authorization of Contract Extension With Gillespie and Associates for State Lobbying Services

The City Council selected Ray Gillespie of Gillespie & Associates to be the City's state lobbyist in 2011. The contract is set to expire on December 31, 2012. However, it allows for a two-year extension if agreed to by both parties. Ray Gillespie requested to be retained by the City, and the Manager recommends Council authorize the two-year contract extension. Other than the effective dates of the contract, all terms remain the same.

Councilmember Haines MOVED to authorize a two-year extension to the professional services contract with Gillespie and Associates for state lobbying services based on the same terms as identified in the 2011-2012 contract and authorize the City Manager to sign the extension.

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

f. Authorization of Professional Services Contract for Pier III Project Management, Project No. 8013

Full funding for the Pier III project is now available with the \$18.1 million reimbursable legislative grant the City received and the \$15 million as part of the statewide transportation bond voters approved in November. The replacement of Pier III, with a preliminary cost estimate

of \$25-\$33 million, is the most complex and expensive capital project the City will build. The City must now move the project to the next phases, including geotechnical survey work, final design selection, permitting, and construction. Given the complexity, scope, and timing of the project, the Manager requested and received a proposal for professional project management services from Roe Sturgulewski with RISE Alaska.

Councilmember Whiddon MOVED to authorize a professional services contract with RISE Alaska for project management services for the Pier III project through the end of the bidding phase on a time and expense basis in an amount not to exceed \$164,660, with funds coming from the Cargo Development Fund, Pier III project, Project No. 8013, and authorize the City Manager to execute the agreement on behalf of the City.

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

g. Authorization of Professional Services Contract for Geotechnical Work Associated With Pier III Replacement, Project No. 8013

Full funding for the Pier III replacement project has been secured. The next step in the design process is to conduct geotechnical surveys to finalize the type of design and begin the design and permitting process. PND Engineers submitted a proposal to conduct the geotechnical work.

Councilmember Haines MOVED to authorize a professional services contract with PND Engineers for geotechnical work associated with Pier III replacement in the amount of \$247,262, with funds coming from the Cargo Development Fund, Pier III project, Project No. 8013, and authorize the City Manager to execute the agreement on behalf of the City.

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

h. Authorization of a Professional Services Contract for Biosolids Consultation, Project No. 7517

The City has been working on a solution for both temporary and long-term disposal of biosolids for multiple years. A sludge disposal study was conducted in 2008 to evaluate potential options and later a pilot composting project was conducted in 2010 to verify the feasibility of composting the community's biosolids. The City has contracted with CH2MHill for professional engineering support throughout the process. Given the public concern of the process and the location of the composting facility, as well as the substantial misinformation circulating by opponents, the City needs professional expertise to address multiple claims, complaints, and any other disposal options that may become available.

Councilmember Bishop MOVED to approve a professional services contract with CH2MHill to provide support to staff on biosolid-related issues in an amount not to exceed \$30,000, with funds coming from the Sewer Capital Improvement Fund, Biosolids Management Project, Project No. 7517, and authorize the City Manager to execute the agreement.

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

i. Advisory Board Appointments

Several seats expire on various City advisory boards at the end of December 2012. 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. At the December 11, 2012, work session, Councilmembers interviewed applicants and considered applications.

Mayor Branson appointed John Butler to a regular seat on the Building Code Board of Appeals, with the term ending December 31, 2015; John Butler, Jim Willis, and Helm Johnson to regular seats on the Parks and Recreation Advisory Board, with terms ending December 31, 2015, and Ryan Murdock to an alternate seat on the Parks and Recreation Advisory Board, with the term ending December 31, 2013; Oliver Holm and Tim Abena to regular seats on the Port and Harbors Advisory Board, with terms ending December 31, 2015, and John Lyman and David Jentry to alternate seats on the Port and Harbors Advisory Board with terms ending December 31, 2013.

Councilmember Whiddon MOVED to appoint Pat Szabo to the Personnel Board for a term ending December 31, 2014, correct the Personnel Board terms for Curtis Law and Patricia Olsen to end December 31, 2013; recommend Kathy Drabek for appointment to the three-year City seat on the Planning and Zoning Commission; and confirm the Mayoral advisory board appointments to the Building Code Board of Appeals, Parks and Recreation, and Port and Harbors Advisory Boards as stated.

The roll call vote was Councilmembers Bishop, Haines, Walker, and Whiddon 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 shall elect 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 Haines MOVED to elect John Whiddon as Deputy Mayor.

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

VI. STAFF REPORTS

a. City Manager

City Manager Kniazowski thanked former Councilmember Josefina Rosales for her many years of service to the community. She said she had met with Lori Aldrich from the state Department of Environmental Conservation (DEC) about different alternatives for the biosolids program, and the pending permit is currently under public comment. She said the public comment period on the application to compost in Middle Bay has been extended through January 18, 2013, and because of that, there will not be a permit by the December 15, 2012, cutoff date given by the Borough. She said that in the interim, approval was received from the U.S. Coast Guard Base to stock pile biosolids for six months, if needed, and expressed appreciation for their help. She noted that the City and Borough have been working together and may have a temporary biosolid disposal option that involves taking biosolids to an area on the top of the existing landfill where the biosolids can be converted into class B compost. She said the Borough passed this plan along to DEC, who said they should have approval by December 14, 2012. She said the Borough also plans to adopt a land disposal ordinance, which will allow the City to continue to bring biosolids to the landfill, which will require a licensing agreement. She expressed appreciation to City and Borough staff, especially Mike Patterson, the solid waste manager for the Kodiak Island Borough, for their work on the biosolids project.

She reported on her attendance at the Alaska Municipal League (AML) conference. She also commented on the City's recent surplus auction and complemented the Finance department for organizing the auction and Public Works for delivering items to the auction. She noted that November 24, 2012, marked the 71st year the City had an active police department in the community. She said there will be a special meeting on January 4, 2012, to meet with Senior Stevens and Representative Austerman regarding the City's CIP list and encouraged the public to attend. She wished everyone safe and happy holidays.

b. City Clerk

City Clerk Marlar said she was glad for the opportunity to formally thank former Councilmember Rosales for her years of service to the City. She reminded the public the City Clerk's office publishes the entire council packet online and welcomes feedback from the public. She also informed the public of scheduled Council work sessions, regular meetings, and special meetings.

VII. MAYOR'S COMMENTS

Mayor Branson reported on her experiences at the AML and Kodiak Island Mayor's conferences. She thanked the volunteers who came forward to serve on advisory boards and reminded the public there are still seats open. She also thanked the City and Borough staff for their work on the biosolids composting project. She wished everyone happy holidays and happy new year.

VIII. COUNCIL COMMENTS

Councilmember Walker reported on his experience at the AML Newly Elected Officials training. He said he was glad to see the City and Borough working together on the biosolids project and wished the community happy holidays and a happy new year.

Councilmember Haines said while the extra sales tax reporting might be a hassle for business owners, it is necessary to better plan future budgets. He thanked former Councilmember Rosales

for her years of service. He said he was glad to see how well the City and Borough worked together on the biosolids project. He also thanked the Washington delegation for requesting the Observer Program be delayed and encouraged the public to comment and give input on the program. He wished the public merry Christmas.

Councilmember Whiddon thanked former Councilmember Rosales for her service to the community. He commented on scheduled budget training in January. He also expressed concern over comments that were made regarding the biosolids project and said he was disappointed at the language used toward the Council and Staff. He complimented and thanked staff for their work on the biosolids project and wished everyone a merry Christmas and happy new year.

Councilmember Bishop said that while the new sales tax requirement might be seen as a burden, it is another example of the City working together with the community. He thanked former Councilmember Rosales for her service to the community, thanked everyone who applied for the advisory boards, and congratulated those who were appointed. He wished everyone merry Christmas and happy new year.

IX. AUDIENCE COMMENTS

None

X. ADJOURNMENT

Councilmember Whiddon MOVED to adjourn the meeting.

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

The meeting adjourned at 8:36 p.m.

CITY OF KODIAK

Pat Man

MAYOR

ATTEST:

Debra Martin

CITY CLERK



Minutes Approved: January 10, 2013