

**MINUTES OF THE REGULAR COUNCIL MEETING
OF THE CITY OF KODIAK
HELD THURSDAY, JUNE 12, 2014
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, Charles E. Davidson, Terry J. Haines, Gabriel T. Saravia, Richard H. Walker, and John B. Whiddon were present and constituted a quorum. City Manager Aimée Kniaziowski and City Clerk Debra L. Marlar 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 May 22, 2014, regular council meeting and May 20 and May 27, 2014, special meetings as presented.

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

III. PERSONS TO BE HEARD

a. Public Comments

Karen Yashin, President of Humane Society of Kodiak, thanked the Council for their support.

Lucian Bernard reiterated his request to use the old library for a halfway house.

Betty MacTavish, Dana Carros, Rolan Ruoss, and George Reith spoke against the National Defense Authorization Act and urged the City Council to adopt a resolution against the Act.

Rolan Ruoss, Seahawk Air, thanked the Council for the work at the rock pit above Trident Basin, stating local aviators would like to see the area flat.

George Reith thanked Council for the job they do.

IV. UNFINISHED BUSINESS

a. Second Reading and Public Hearing, Ordinance No. 1319, Levying Taxes and Appropriating Funds for the Expenses and Liabilities of the City of Kodiak for the Fiscal Year Commencing on the First Day of July 2014 and Ending on the Thirtieth Day of June 2015

Mayor Branson read Ordinance No. 1319 by title. Ordinance No. 1319 provides for the adoption of the City of Kodiak's FY2015 budget. The budget document, which supports the ordinance,

estimates all sources of revenue the City anticipates receiving between July 1, 2014, and June 30, 2015. The budget document also establishes an operating and capital expenditure plan for FY2015 that is based on staff's assessment of operational and community needs and the Council's FY2015 budget goals.

Councilmember Haines MOVED to adopt Ordinance No. 1319.

Mayor Branson closed the regular meeting, opened and closed the public hearing when no one came forward to testify, and reopened the regular meeting.

Councilmember Davidson MOVED to amend Ordinance No. 1319 as follows: increase funding for the Kodiak Historical Society by \$12,500 in the General Fund, Parks and Recreation, Museum, Contributions line item, with funds from the General Fund fund balance; increase funding for the Humane Society of Kodiak by \$6,000 in the General Fund, Police, Animal Control, Professional Services line item, with funds from the General Fund fund balance; increase funding for Discover Kodiak (CVB) by \$10,000 in the Tourism Fund, Administration, Contributions line item, with funds from the Tourism Fund fund balance; increase funding for the Downtown Revitalization Project, 4039, with a \$25,000 transfer from the Tourism Fund, fund balance; and authorize staff to correct budget totals accordingly.

The roll call vote on the amendment was Councilmembers Bishop, Davidson, Haines, Saravia, Walker, and Whiddon in favor. The amendment passed.

The roll call vote on the main motion as amended was Councilmembers Bishop, Davidson, Haines, Saravia, Walker, and Whiddon in favor. The motion passed.

V. NEW BUSINESS

a. Resolution No. 2014–23, Accepting a Grant From the Alaska Department of Environmental Conservation for Aleutian Homes Water and Sewer Replacement Project, Phase V, Segment B, Project No. 10-03/7026

Mayor Branson read Resolution No. 2014–23 by title. The Public Works Director submitted an Alaska Municipal Matching Grant questionnaire for the state's FY2015 grant program in August 2013 for Phase V, Segment B of the Aleutian Homes Water and Sewer Replacement Project. This segment is approximately 1330 feet long, including a short portion of work on Birch Street. The project funds are in the State budget, which was approved when the Governor signed the budget last month. Grant funds will become available on July 1, 2014.

Councilmember Walker MOVED to adopt Resolution No. 2014–23.

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

b. Resolution No. 2014–24, Accepting a Grant From the Alaska Department of Environmental Conservation for the Monashka Pumphouse Replacement, Project No. 11-05/7029

Mayor Branson read Resolution No. 2014–24 by title. Monashka reservoir and pumphouse are the primary sources of water for the City of Kodiak’s public water system. The facility reached the end of its useful life and needs replacement. Staff applied for an FY2015 Alaska Municipal Matching Grant to complete construction and inspection of the pumphouse replacement. The application was successful, and the City received a grant award notice from DEC of \$2,495,452 to be available by July 1, 2014.

Councilmember Whiddon MOVED to adopt Resolution No. 2014–24.

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

c. Resolution No. 2014–25, Authorizing the Issuance of a Permit to the American Legion Post 17 for Use of Public Property in Conjunction With Fourth of July Celebrations

Mayor Branson read Resolution No. 2014–25 by title. This resolution permits American Legion Post 17 to close and use City streets for its annual Fourth of July parade on Friday, July 4, 2014, from 11 a.m. to approximately 12:30 p.m.

Councilmember Bishop MOVED to adopt Resolution No. 2014–25.

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

d. Authorization of a Professional Services Contract for Interim Finance Director Services

The City’s long-time Finance Director resigned in mid-May, and the City is in need of a qualified Finance Director to perform all the functions and assume the responsibilities of the Finance Director position until a qualified full-time Finance Director is hired. The agreement will continue until a new Finance Director is hired.

Councilmember Haines MOVED to approve professional services agreement No. 215202 for interim finance director services with Karl Swanson with funds from the General Fund, Finance Administration, Salaries and Wages and Professional Services accounts and authorize the City Manager to execute and manage the contract.

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

e. Authorization of Service Agreement With Johnson Controls, Inc., for Annual Inspection and Preventative Maintenance of the New Kodiak Police Station Building Control Systems

The Kodiak Police Station incorporates a number of automated systems that control and operate the building’s fire, security, and mechanical systems. Johnson Controls, Inc. was contracted to provide preventative maintenance and correction of minor deficiencies encountered during routine inspections of the fire, security, and mechanical system controls in the Kodiak Police

Station when it came online in 2010. The current contract is ending, and this authorization would award a new multi-year service agreement to Johnson Controls, Inc. to continue provide preventative maintenance and correction of minor deficiencies encountered during routine inspections of the building control systems utilized within the Kodiak Police Station.

Councilmember Walker MOVED authorize a three-year service agreement (City record No. 215198) with Johnson Controls, Inc. to provide annual inspections and preventative maintenance of the Kodiak Police Station building control systems in the following amounts: FY2015 \$32,418; FY2016 \$33,391; and FY2017 \$34,392, with the FY2015 funds coming from the FY2015 General Fund, Police Administration, Professional Services account and authorize the City Manager to execute the agreement on behalf of the City.

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

f. Authorization of Extension of Office Use Agreement With the Maritime Museum

The City Council has provided office space at the St. Herman Harbor support building to the Kodiak Maritime Museum at no cost since 2002. The same office space is shared with Harbor staff. Additionally, the building houses the St. Herman Harbor maintenance shop and public restrooms. Extension of this office use agreement through June 2015 has been requested by the Museum.

Councilmember Davidson MOVED to authorize the FY2015 Lease Extension Agreement with the Kodiak Maritime Museum and authorize the City Manager to sign the agreement on behalf of the City.

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

g. Authorization of FY2015 Special Services Contract with Alaska Department of Public Safety

The Alaska Department of Public Safety (DPS) has contracted with the City to provide support services to Kodiak-based Alaska State Troopers and Alaska Wildlife Troopers for over thirteen years. DPS has requested renewal of its contract with the City. In exchange for providing these services, DPS will compensate the City in the amount of \$78,750 for FY2015.

Councilmember Haines MOVED to authorize the FY2015 Special Services Contract with the Alaska Department of Public Safety, Division of Alaska State Troopers, in the amount of \$78,750 and authorize the City Manager to sign the contract on behalf of the City.

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

h. Authorization of FY2015 Marketing and Tourism Development Agreement With Discover Kodiak

The Council has authorized agreements with the Kodiak Island Convention and Visitors Bureau, now known as Discover Kodiak, to provide marketing and tourism outreach for Kodiak since FY2009. Discover Kodiak is requesting the City provide \$100,000 to fund the FY2015 contract, which is \$10,000 more than was funded in FY2014.

Councilmember Davidson MOVED to authorize the FY2015 Marketing and Tourism Development Agreement with Discover Kodiak in the amount of \$100,000, with funds coming from the Special Revenue Funds, Tourism Development Fund, Tourism, Administration, Contributions account and authorize the City Manager to insert the final annual amounts into the contract document and sign it on behalf of the City.

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

i. Authorization of Animal Shelter Operation Contract With Humane Society of Kodiak

The City of Kodiak and the Humane Society (HSK) have been partners in providing a successful animal shelter for the past nineteen years. The Council has authorized two-year agreements for the operation of the shelter since 1995, the last of which will expire on June 30, 2014. HSK has requested a contract increase to total \$114,000 for FY2015 and \$117,000 for FY2016 for supplies, services, and staff salaries. The FY2014 contract amount is \$108,000.

Councilmember Whiddon MOVED to authorize a two-year service contract ending June 30, 2016, with the Humane Society of Kodiak for animal shelter operations in the amount of \$114,000 for FY2015 and in the amount of \$117,000 for FY2016, with funds coming from the General Fund, Police Department, Animal Control account, and authorize the City Manager to insert the final annual amounts into the contract document and sign it on behalf of the City.

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

j. Authorization of Bid Award for FY2015 Sodium Chloride

Each year the Public Works Department orders deicing salt to mix with ¼ inch rock chips for winter deicing and traction control on City streets and parking lots. The quantity of product requested is based on the remaining stock on hand and the previous winter's consumption.

Councilmember Bishop MOVED to authorize the FY2015 sodium chloride bid to Round Butte Products in the amount of \$93,728.60, with funds coming from the FY2015 Public Works Department, Street Supplies account.

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

k. Authorization of Bid Award for FY2015 Petroleum Products

Each year the Public Works Department issues bids for the City's petroleum products. On May 28, 2014, bids were opened for petroleum products for FY2015. Two bids were received. Petro Marine Services was the lowest bidder for all petroleum products, which include heating fuel, equipment diesel, and gasoline. The bid price fluctuates throughout the year as fuel costs move up and down.

Councilmember Haines MOVED to authorize award of the City's FY2015 petroleum products bid to Petro Marine Services, with funds coming from each department's FY2015 line items for the initial prices as follows: \$3.711 for ultra low sulphur diesel fuel #2, unleaded gasoline, and heating fuel #2; and \$3.811 for heating fuel #1.

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

VI. STAFF REPORTS

a. City Manager

Manager Kniazowski said the tsunami siren was accidentally set off earlier in the day and apologized for any concern it caused the public. She said the new fire truck will arrive in Kodiak in the near future and elected officials would have an opportunity to view it. She provided project updates for Pier III; the compost facility; Monashka pumphouse; Aleutian Homes, phase 5, segment b; the snow dump site; the downtown master plan for sewer/water replacement; and chlorine liners for the water storage tanks. She reminded elected officials of emergency management training scheduled for June 19. She stated a reception would be held June 23 for the Marine Transportation Advisory Board and the public is invited. Manager Kniazowski stated a no-host dinner would be held with UAF Vice Chancellor Mark Myers on June 24 to discuss the importance and future of the FITC/Marine Science Research Center. She thanked the staff and Council for its work on the FY2015 budget and the City's contracted nonprofit agencies. She stated she will be on vacation June 23-July 9.

b. City Clerk

City Clerk Marlar informed the public of the next scheduled Council work session and regular meeting.

VII. MAYOR'S COMMENTS

Mayor Branson commended Manager Kniazowski and staff for their work on the FY2015 budget, which met the Council's budget goals. She voiced her support of the City's partnerships with the Humane Society of Kodiak, Discover Kodiak, and the Historical Society. She thanked the Council for the additional funds added to the Downtown Revitalization Project. She thanked Public Works Director Mark Kozak for his hard work to replace the bat-infested pumphouse and his work on capital grants. She encouraged the public to attend the Marine Transportation Advisory Board meeting being held in Kodiak on June 24 and the reception on June 23, stating it is important for the community to provide information about the replacement of the Tustumena and ferry service in Kodiak.

VIII. COUNCIL COMMENTS

Councilmember Walker thanked Public Works Director Mark Kozak for his work on grants that help keep taxes lower and spoke of the importance of maintaining City infrastructure. He thanked the nonprofit groups for their services. He thanked the People Against the National Defense Authorization Act (PANDA) for attending the meeting and sharing their views.

Councilmember Bishop had no comments.

Councilmember Haines voiced agreement with the positive comments made about staff. He thanked the PANDA group for coming forward and commented on the importance of citizen input. He spoke in favor of the increases granted to Discover Kodiak, Humane Society of Kodiak, and Kodiak Historical Society. He encouraged a safe fishing season.

Councilmember Saravia provided a fishing update. He thanked staff for their work. He thanked the PANDA group for speaking. He voiced appreciation of the public and staff for attending Council meetings.

Councilmember Davidson thanked staff for their dedication and operation of City business. He thanked the PANDA group for speaking and voiced the country is under an act of war against terrorist threats, and this federal-level issue requires more understanding and explanation.

Councilmember Whiddon, said there was a good discussion of the proposed safe streets taskforce at Tuesday's work session, and he hopes to see the approval before the Council at an upcoming meeting. He reiterated the task force will provide a key element to help battle drugs in the community. He thanked staff for their work on the budget. He stated a Fisheries Work Group meeting will be held Wednesday, June 25 and encouraged attendance.

IX. AUDIENCE COMMENTS

Dana Carros and **Betty MacTavish** thanked the Council for its comments that welcomed the PANDA group and reiterated their desire to present additional information at an upcoming meeting.

X. EXECUTIVE SESSION

a. Discussion of Horizon Lines Contract Negotiations

Councilmember Davidson **MOVED** to enter into executive session pursuant to AS 44.62.310(c)(1) to discuss matters, the immediate knowledge of which would clearly have an adverse effect upon the finances of the City, specifically the negotiation of new contracts with Horizon Lines.

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

The Mayor and full Council entered into Executive Session at 9:01 p.m.

Councilmember Saravia left at approximately 9:55 p.m. Councilmember Whiddon left at approximately 10 p.m. and returned at 10:16 p.m.

The regular meeting reconvened at 10:15 p.m.

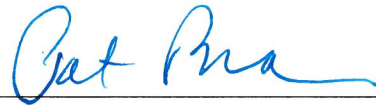
XI. ADJOURNMENT

Councilmember Davidson MOVED to adjourn the meeting.

The roll call vote was Councilmembers Bishop, Davidson, Haines, and Walker in favor. Councilmembers Saravia and Whiddon were not present. The motion passed.

The meeting adjourned at 10:15 p.m.

CITY OF KODIAK



MAYOR

ATTEST:



CITY CLERK



Minutes Approved: July 24, 2014