

**MINUTES OF THE REGULAR COUNCIL MEETING  
OF THE CITY OF KODIAK  
HELD THURSDAY, JULY 24, 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 Charles E. Davidson, Terry J. Haines, Richard H. Walker, and John B. Whiddon were present and constituted a quorum. Councilmembers Randall C. Bishop and Gabriel T. Saravia were absent. City Manager Aimée Kniaziowski, City Clerk Debra L. Marlar, and Deputy Clerk Michelle Shuravloff-Nelson 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 June 12, 2014, regular meeting as presented.

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

**III. PERSONS TO BE HEARD**

**a. Public Comments**

**Jamie Fagan** thanked the Council for scheduling the PANDA's presentation against the National Defense Authorization Act (NDAA). He gave an update on the number of towns that have passed resolutions against the NDAA and stated that the members of the group are funding their own advertising.

**Betty MacTavish** said sections 10-21 and 10-22 in the NDAA concern her, and she asked the Council to review those sections. She thanked the Council for inviting PANDA to present on Tuesday. She said the increase in City sales tax concerns her, and she spoke against the Assistant City Manager position. She informed the public that Relay for Life was occurring during the weekend.

**Susan Brockman** and **Beverly Cole** from Senior Citizens of Kodiak performed a song sharing the benefits of the Senior Center services.

**IV. UNFINISHED BUSINESS**

None

**V. NEW BUSINESS**

**a. First Reading, Ordinance 1320, Authorizing a Lease of Property Adjacent to Pier II With Petro Star, Inc., D/B/A North Pacific Fuel**

Mayor Branson read Ordinance No. 1320 by title. This ordinance would authorize the City of Kodiak to lease a portion of Pier II uplands known as Van Rows 11 and 12 (easterly), to Petro Star Inc, D/B/A North Pacific Fuel. Petro Star has leased the parcel for five year terms continuously since 1999 and desires to renew the lease for an additional five years. The current lease expires July 30, 2014.

Councilmember Haines MOVED to pass Ordinance No. 1320 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 Davidson, Haines, Walker, and Whiddon in favor. Councilmembers Bishop and Saravia were absent. The motion passed.

**b. First Reading, Ordinance No. 1321, Authorizing the Grant to Kodiak Electric Association, Inc, of an Approximately 5,000 Square Foot Easement on a Portion of Alaska State Land Survey No. 89-10, USS 2539 TR A Located in the Vicinity of Gibson Cove; and a 40-Foot Wide by Approximately 4,997 Foot-Long Easement Traversing Pillar Mountain Across City Properties Described as USS 2538a TR B and USS 3945; for a Flywheel System and Power Line to Support the Operation of a New Crane at Pier III**

Mayor Branson read Ordinance No. 1321 by title. This ordinance recommends Council approve two electrical easements to KEA, which will allow them to install and maintain equipment related to providing medium voltage power to the Pier III project. One easement is on Pillar Mountain and will be used for a new 12.47 kVA power distribution line, which will serve existing utility customers currently on the Pier III electrical circuit. The second easement is for the two flywheels and is in Gibson Cove. These easements are related to the three party agreement executed with KEA and Horizon Lines that was structured to provide medium voltage electrical service for the new 100 gauge crane to be installed on the Pier III project.

Councilmember Davidson MOVED to pass Ordinance No. 1321 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 Davidson, Haines, Walker, and Whiddon in favor. Councilmembers Bishop and Saravia were absent. The motion passed.

**c. First Reading, Ordinance No. 1322, Enacting Kodiak City Code 2.08.065, Assistant City Manager—Appointment, Powers and Duties; Amending Chapters 2, 4 and 10 of the City Personnel Rules and Regulations; Amending the Definitions in the City Personnel Rules and Regulations; and Adopting New Schedules I and II to the Personnel Rules and Regulations; to Provide for the Appointment, Duties, and Compensation of an Assistant City Manager**

Mayor Branson read Ordinance No. 1322 by title. The City Council and City Manager have discussed ways to even out the Manager's workload given the multiple job requirements. If passed, Ordinance No. 1322 would create an Assistant City Manager position, which would provide a transitional senior management position that can fill in for the Manager when necessary and take

on many of the operational tasks, especially human resource related functions. The Manager consulted with the City Attorney who advised that a portion of Title 2 of the City Code must be amended to identify the position and its main duties, and the Personnel Rules and Regulations (PR&R) must also be amended to include references to the position and new salary band and grade consistent with assistant city managers and the City's new classification and pay system.

Councilmember Davidson MOVED to pass Ordinance No. 1322 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 Davidson, Haines, Walker, and Whiddon in favor. Councilmembers Bishop and Saravia were absent. The motion passed.

**d. Resolution No. 2014–26, Amending Section 14, Utilities (Sewer), of the Schedule of Fees, Charges, and Tariffs and Authorizing Implementation of a Five-Year Rate Structure and Repealing Resolution No. 2014–22**

Mayor Branson read Resolution No. 2014–26 by title. CH2MHill has prepared several water and sewer rate studies for the City of Kodiak going back to 1982. In March 2014 staff requested that CH2MHill complete a new sewer rate structure and make recommendations if rates needed to be adjusted. The study showed rates needed to be increased over a five-year period to meet operational and capital improvement needs. The Council adopted Resolution No. 2014–22 at the May 22, 2014, meeting, which amended Section 14 of the City's Schedule of Fees, Charges and Tariffs to reflect the proposed five-year, five percent per year rate increase for City sewer services. When the Clerk's Office updated the fee schedule to reflect the new rates, a copy error was discovered. The sewer rate for apartments outside the City was inadvertently omitted from Resolution No. 2014–22. Resolution No. 2014–26 corrects this omission.

Councilmember Haines MOVED to adopt Resolution No. 2014–26.

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

**e. Resolution No. 2014–27, Authorizing the Issuance of a Permit to the Filipino American Association of Kodiak for the Use of Public Property to Host Its Philippine Consulate Outreach Program**

Mayor Branson read Resolution No. 2014–27 by title. The Filipino-American Association of Kodiak has requested use of the Teen Center on August 1-2, 2014, to host the consular outreach program during the visit of the Philippine Consulate General from San Francisco. The purpose of the visit is to provide consular outreach services to Filipino Americans in Kodiak. The Philippine Consulate will collect fees for services rendered, and the Filipino-American Association will also ask for donations from participants to help offset costs associated with the outreach program.

Councilmember Whiddon MOVED to adopt Resolution No. 2014–27.

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

**f. Resolution No. 2014–28, Authorizing Payment of Fiscal Year 2015 Nonprofit Organization Grants**

Mayor Branson read Resolution No. 2014–28 by title. Each year the City Council authorizes grant payments to local nonprofit organizations. The types and levels of funding are based on the City Council’s nonprofit funding policy guidelines adopted by Resolution No. 2014–19. The policy resolution stipulates the total amount available for nonprofit grants in a given fiscal year is one percent of budgeted general fund revenues, exclusive of any fund balance appropriations. The amount budgeted for FY2015 for nonprofit grant payments is \$168,100. This year the policy also grants agencies the ability to apply for one-time only non-operational funds for special projects. The City received twenty-one applications for FY2015 from nonprofit organizations that serve Kodiak, up from seventeen applications last fiscal year, for a total amount requested of \$173,334. Council reviewed the applications at the July 22 work session, and their support for the applicants is reflected in Resolution No. 2014–28.

Councilmember Walker MOVED to adopt Resolution No. 2014–28.

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

**g. Resolution No. 2014–29, Authorizing the Kodiak Football League to Collect Admission Fees for High School Football and Youth League Football Games at Baranof Park**

Mayor Branson read Resolution No. 2014–29 by title. For the past several years the City Council has authorized the non-profit Kodiak Football League to charge admission fees for youth and high school football games at Baranof Park. This effort helps pay for the teams’ expenses. Because the games are held on City property, the League must receive permission from the City Council. Resolution No. 2014–29 will authorize the League to collect fees during the football season from August 1 through October 31, 2014.

Councilmember Whiddon MOVED to adopt Resolution No. 2014–29.

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

**h. Authorization of Bid Award for Annual Sidewalk, Curb, and Gutter Repairs, Project No. 5003/15-01**

Annually, the City issues bids for the repair and replacement of damaged sections of sidewalk, curb, and gutters at various locations throughout the City. Actual quantities of each bid item will vary in response to need and approval in the FY2015 budget. Bids were issued in June 11 and opened on July 11, 2014. Two bids were received. Staff recommends Council authorize the bid award to DRW Construction, the low bidder, in the amount of \$53,600.

Councilmember Davidson MOVED to authorize the bid award for the annual sidewalk, curb, and gutter repairs project to DRW Construction in the amount of \$53,600, with funds coming from the Street Improvement Capital Fund, Annual Sidewalk Curb and Gutter Project, Project No.

5003/15-01 and authorize the City Manager to execute the award documents on behalf of the City.

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

**i. Authorization of Professional Services Contract for Kodiak Police Department Boiler Repair**

In January of 2012 shortly after the warranty period expired, leaks were detected in the Kodiak Police Department boiler system. Within a period of six weeks, the impeller seals in the boiler pumps began to fail. John's Heating Service was brought in to do immediate repairs and help identify the problem. John's Heating Service found the leaks and failures resulted from contaminated glycol, which is the product used in the system to prevent freezing of the lines and facilitate heating and cooling. Due to continued contamination of the glycol system and the cost of ongoing maintenance, the recommendation is to convert the glycol system to water. The cost of the system repair was included in the FY2015 budget, and staff recommends a contract for needed repairs be awarded to John's Heating Service without a competitive bid process, per KCC 3.12.070(a)(2).

Councilmember Walker MOVED to authorize a professional services contract to John's Heating Service in an amount not to exceed \$94,000, with funds coming from the General Fund, Police Department, Administration repair and maintenance line item, and authorize the City Manager to execute the documents on behalf of the City.

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

**j. Authorization of Memorandum of Understanding to Establish the Safe Streets Task Force**

The Kodiak Police Department collaborating with the FBI to create the Kodiak Safe Streets Task Force (KSSTF) would allow select officers to become deputized Task Force Officers (TFOs). The KSSTF would be able to work outside the City limits to begin investigations in import areas of known heavy drug trafficking to Kodiak Island.

Councilmember Walker MOVED to authorize the Memorandum of Understanding between the City of Kodiak and the Federal Bureau of Investigation to create the Kodiak Safe Streets Task Force and authorize the City Manager to sign the agreement for the City.

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

**k. Authorization of Borrow Material Permit No. 14-1 for B&R Fish By-Products, Inc., for the Breakwater Quarry**

The City's borrow permit with B&R Fish By-Products for rock extraction at the Breakwater Quarry site expired. The new permit has been reviewed by the City Attorney and insurance company and was revised to reflect current legal and insurance requirements.

Councilmember Haines MOVED to approve Borrow Material Permit No. 14-1 to B&R Fish By-Products, Inc. for the Breakwater Quarry for a five-year period commencing in July 2014 and authorize the City Manager to sign the permit for the City.

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

**l. Authorization of Borrow Material Permit No. 14-2 to Brechan Enterprises, Inc., for the Breakwater Quarry**

The City's borrow permit with Brechan Enterprises Inc. for rock extraction at the Breakwater Quarry site expired. The new permit has been reviewed by the City Attorney and insurance company and revised to reflect current legal and insurance requirements.

Councilmember Whiddon MOVED to approve Borrow Material Permit No. 14-2 to Brechan Enterprises, Inc. for the Breakwater Quarry for period of five years commencing in July 2014 and authorize the City Manager to sign the permit for the City.

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

**m. Authorization of FY2015 Pavement Repairs, Project No. 15-02/5025**

This project will repair areas of asphalt damaged by wear and water erosion. Brechan Enterprises, Inc. is the only asphalt pavement producer and large paver in Kodiak. Staff recommended the Council authorize the FY2015 pavement repairs project to Brechan as a sole source contract.

Councilmember Haines MOVED to authorize the award of the FY2015 Pavement Repair, Project No. 15-02/5025 to Brechan Enterprises Inc. as a sole source contract for the total amount of \$430,000, with funds coming from the Streets Capital Improvement Fund Project No. 5025, Pavement Repairs and authorize the City Manager to execute the documents on behalf of the City.

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

**VI. STAFF REPORTS**

**a. City Manager**

Manager Kniazowski gave an update on capital projects. She said material will be moved to Pier III and the composting plan is 95 percent complete. She shared a public meeting will be scheduled with Sara Barton to provide facts to the public about composting. She indicated the Aleutian Homes Phase V, Segment B project is progressing, and the storm drains will be next. She stated

there will be an Aleutian Homes Phase VI project beginning, which will be the design piece. She said the Monashka Pumphouse project is underway. She provided an update that the City Engineer is working on the skate park, and the bid process should occur in late September. She said that the City has over \$50 million in active projects. Manager Kniazowski gave an update on City personnel matters and highlighted Sexual Harassment training was provided for all staff and Reasonable Suspicion for Drugs and Alcohol training was provided for supervisors. She shared that the Safety Committee is working to update the safety manual. She thanked the Council for attending the emergency preparedness training for elected officials in June. She stated that Department Heads have reviewed the Downtown Revitalization Committee recommendations and provided feedback that she will summarize and present to the Council in August. She stated the new fire truck was outside and available for viewing after the meeting. Manager Kniazowski said she will attend the Alaska Municipal League meeting in Nome in August.

**b. City Clerk**

City Clerk Marlar informed the public that nominating petitions for two Councilmember seats are available, and the petitions will be accepted in Clerk's Office from August 1 until August 15. She provided an update of the next scheduled Council work session and regular meeting.

**VII. MAYOR'S COMMENTS**

Mayor Branson said there is \$50 million of capital projects occurring at this time, which are improving the City's infrastructure. She said she is excited that the Pier III and Monashka Pumphouse projects are underway, and she thanked the legislature for their support. She thanked the Council for supporting the nonprofit grants and allocating funds. She is pleased the Phillippine Consulate is coming to Kodiak this summer. She explained that the Downtown Revitalization Committee gave recommendations to the City staff and the staff is working on the recommendations to bring back to the Council for review and approval. She shared that Relay for Life was scheduled for the upcoming weekend and voiced support of the worthy event.

**VIII. COUNCIL COMMENTS**

Councilmember Whiddon thanked Chief Wallace for her work to establish the Safe Streets Task Force. He stated the visit from Eileen Sobek, NMFS Administrator, during the Fisheries Work Group meeting was very productive, and she listened to elected officials and stakeholder comments during her visit.

Councilmember Davidson commented the community lost a valuable member with the passing of Iver Malutin.

Councilmember Haines said that Iver Malutin was unique and was thankful for the contributions he made to the community. He thanked the PANDA group for their presentation and attending the meeting. He thanked Mayor Branson and Betty MacTavish for reminding the community that Relay for Life was occurring during the weekend. He opined the Aleutian Homes Phase V project is a benefit to the City-wide infrastructure, and he commented on the large pipe that supplies water to the community. He said he appreciated Eileen Sobek's time during the Fisheries Work Group meeting.

Councilmember Walker thanked the PANDA group and he commented on the Patriot Act.

**IX. AUDIENCE COMMENTS**

None

**X. ADJOURNMENT**

Councilmember Davidson MOVED to adjourn the meeting.

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

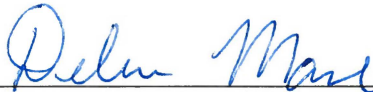
The meeting adjourned at 8:54 p.m.

CITY OF KODIAK



MAYOR

ATTEST:



CITY CLERK

Minutes Approved: August 28, 2014

