

**MINUTES OF THE REGULAR COUNCIL MEETING
OF THE CITY OF KODIAK
HELD THURSDAY, JUNE 9, 2016
IN THE BOROUGH ASSEMBLY CHAMBERS**

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

Mayor Pat Branson called the meeting to order at 7:30 p.m. Councilmembers Laura B. Arboleda, Randall C. Bishop, Charles E. Davidson, Richard H. Walker, and John B. Whiddon were present and constituted a quorum. Councilmember Gabriel T. Saravia was absent. City Manager Aimée Kniazowski, City Clerk Debra L. Marlar, and Deputy Clerk Michelle Shuravloff-Nelson were also present.

Salvation Army Sergeant Major Dave Blacketer gave the invocation and the Pledge of Allegiance was recited.

II. PREVIOUS MINUTES

Councilmember Whiddon MOVED to approve the minutes of the May 26, 2016, regular meeting and the May 31, 2016, special meeting as presented.

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

III. PERSONS TO BE HEARD

a. Public Hearing on Resolution No. 2016–17, Amending Section 14, Utilities (Water), of the Schedule of Fees and Charges and Authorizing Implementation of a Five-Year Rate Structure

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

b. Public Comments

John Jaskoski said he lives in Anchorage and is in Kodiak attending NPFMC meetings and stated there is an advisory meeting at the Elks Lodge tomorrow regarding rationalization. He spoke about jig boats and supporting small boats. He commented on big boat quotas and his concern that the impact will be a reduction in jobs. He stated he is the agent for the Sails, Oars, Arms, Restitution Trust, which strives to purchase long line halibut programs and transpose to no fuel harvesting.

Chastity McCarthy from Discover thanked the Council for their support and renewal of the FY2017 Marketing and Tourism Development Agreement.

IV. UNFINISHED BUSINESS**a. Second Reading and Public Hearing, Ordinance No. 1351, 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 2016 and Ending on the Thirtieth Day of June 2017**

Mayor Branson read Ordinance No. 1351 by title. Ordinance No. 1351 provides for the adoption of the City of Kodiak's FY2017 budget. The budget document, which supports the ordinance, estimates all sources of revenue the City anticipates receiving between July 1, 2016, and June 30, 2017. The budget document also establishes an operating and capital expenditure plan for FY2017 that is based on staff's assessment of operational and community needs and the Council's FY2017 budget goals. Staff made the FY2017 budget presentation to Council a special budget work session on May 7, 2016. It was noted the public hearing should be continued at the next meeting to meet Charter budget advertising requirements.

Councilmember Arboleda MOVED to adopt Ordinance No. 1351.

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 postpone the adoption of Ordinance No. 1351 until the next regular Council meeting at which the public hearing will be continued.

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

b. Second Reading and Public Hearing, Ordinance No. 1352, Establishing Supplemental Appropriation No. 2 to the Budget for the Fiscal Year Commencing on the First Day of July 2015 and Ending On the Thirtieth Day of June 2016

Mayor Branson read Ordinance No. 1352 by title. The Supplemental Appropriation No. 2 to the budget for the fiscal year commencing on the first day of July 2015 and ending on the thirtieth day of June 2016 is in the amount of \$3,767,357. 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 or Supplemental No. 1, Ordinance No. 1342, was presented and passed. This is the second and final budget amendment of FY2016.

Councilmember Bishop MOVED to adopt Ordinance No. 1352.

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

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

c. Second Reading and Public Hearing, Ordinance No. 1353, Amending Schedules I, II, and III to the Personnel Rules and Regulations to Include a 2.38% Cost of Living Increase

Mayor Branson read Ordinance No. 1353 by title. Ordinance No. 1353 provides for the adoption of a cost of living adjustment for all City full-time, part-time, and temporary employees and adjusts the pay scale per the Personnel Rules and Regulations handbook accordingly. The cost of living adjustment was calculated using a recent five-year average of the Anchorage, Alaska CPI-U index. The Anchorage CPI-U index is located on the State of Alaska, Department of Labor website. The latest five-year average calculates to a 2.38% increase and has been incorporated into the Fiscal Year 2017 budget.

Councilmember Walker MOVED to adopt Ordinance No. 1353.

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

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

V. NEW BUSINESS

a. Resolution No. 2016-17, Amending Section 14, Utilities (Water), of the Schedule of Fees and Charges and Authorizing Implementation of a Five-Year Rate Structure

Mayor Branson read Resolution No. 2016-17 by title. CH2M has prepared several water and sewer rate studies for the City of Kodiak going back to 1982. In 2005 the Council adopted rate increases for both water and sewer based on a cost of service study completed by CH2M. In 2011 Council adopted a five-year rate increase plan for water rates, with the last rate increase adopted in FY2016. In August 2015 Council authorized a water rate and cost of service study for the next five-year period in order to evaluate system and capital improvement cost and to develop rates to cover revenue needs, and CH2M presented the rate study on April 26, 2016. Council approved the final report on May 26, 2016, and requested implementing Option 3 from the study's recommendations.

Councilmember Walker MOVED to adopt Resolution No. 2016-17.

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

b. Resolution No. 2016-18, Authorizing a Three-Year Extension of the Lease of Space in the St. Herman Harbor Office to the Kodiak Maritime Museum

Mayor Branson read Resolution No. 2016-18 by title. 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 who work in St. Herman Harbor. Additionally, the building houses the St. Herman Harbor maintenance shop and public re-

strooms. Extension of this office use agreement for three years through June 2019 has been requested by the Museum.

Councilmember Davidson MOVED to adopt Resolution No. 2016-18.

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

c. Authorization of Bid Award for Annual Sidewalk, Curb, and Gutter Repairs, Project No. 17-01/ 5003

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 approved FY2017 budget. The bid was advertised on April 25 and opened on May 26, 2016. Three bids were received.

Councilmember Bishop MOVED to authorize the bid award for the annual sidewalk, curb, and gutter project to Unitemp Mechanical Insulation LLC in the amount of \$54,488 with funds coming from the Street Improvement Capital Fund, Annual Sidewalk Curb and Gutter Project, Project No. 17-01/5003 and authorize the City Manager to execute the award documents on behalf of the City.

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

d. Authorization of Marketing and Tourism Development Agreement With Discover Kodiak

Council has authorized agreements with the Kodiak Island Convention and Visitors Bureau, known as Discover Kodiak, to provide marketing and tourism outreach for Kodiak since FY2009. This Council action will approve the agreement for FY2017, although Discover Kodiak initially requested a three-year contract with annual payments based on audited, not budgeted revenues. At the June 7, 2016, work session the annual contract amount of \$108,000 was increased to reflect the amount of \$112,000, which are allowable funds in the FY2017 budget.

Councilmember Whiddon MOVED to authorize the FY2017 Marketing and Tourism Development Agreement No. 222510 with Discover Kodiak in the amount of \$112,000, with funds coming from the Special Revenue Funds, Tourism Development Fund, Tourism, Administration, Contributions account and authorize the City Manager to sign the agreement on behalf of the City.

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

e. Authorization of FY2017 Special Services Contract with Alaska Department of Public Safety

The Alaska Department of Public Safety (DPS) requests the renewal of its contract with the City to provide services, which support the mission and operations of the Alaska State Troopers and Alaska Wildlife Troopers in Kodiak. In exchange for providing these services, DPS will compensate the City \$78,750 for FY2017, which is the same amount as the FY2016 agreement.

Councilmember Arboleda MOVED to authorize the FY2017 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 Arboleda, Bishop, Davidson, Walker, and Whiddon in favor. Councilmember Saravia was absent. The motion passed.

f. Authorization of Animal Shelter Operation Contract With the Humane Society of Kodiak

The City of Kodiak has contracted with the Humane Society of Kodiak (HSK) for the operation of the City animal shelter since 1995. HSK has requested nominal increases for both years of the proposed agreement.

Councilmember Davidson MOVED to authorize the two-year service contract ending June 30, 2018, with the Humane Society of Kodiak for animal shelter operations in the amount of \$121,500 for FY2017 and in the amount of \$125,000 for FY2018, 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 Arboleda, Bishop, Davidson, Walker, and Whiddon in favor. Councilmember Saravia was absent. The motion passed.

g. Authorization of Animal Control Contract

This is a joint contract between the City of Kodiak and the Kodiak Island Borough for the City to provide animal control services to the Borough through June 30, 2019. City and Borough staff negotiated a three-year contract and the Borough Assembly authorized a one-year contract during the June 2, 2016, KIB Assembly meeting. At the June 7, 2016, work session the Council voiced consensus to change the three-year contract to a one-year contract after receiving notice the KIB Assembly approved a one-year contract.

Councilmember Bishop MOVED authorize the animal control contract between the City and the Borough effective from July 1, 2016, through June 30, 2017, and authorize the City Manager to sign the contract for the City.

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

h. Authorization of a Professional Services Contract for Engineering Services for Mill Bay Road Pavement Rehabilitation, Project No. 17-02/5036

The FY2017 Mill Bay Road Pavement Rehabilitation project is a continuation of pavement repair, replacement, and overlay work performed over the last two construction seasons. This year's work is the last of the three segments to be rehabilitated and the most "at-risk" segment due to having an additional year of traffic wear in the ruts. This project will complete the Mill Bay Road Rehabilitation project and should last for six or seven years before needing to be done again.

Councilmember Walker MOVED to approve a professional services contract with DOWL for engineering services for the FY2017 Mill Bay Road Pavement Rehabilitation project in the amount of \$44,815 with funds coming from the Streets Improvement Project No. 17-02/5036 and authorize the City Manager to execute the documents for the City.

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

i. Appointment to Marijuana Advisory Special Committee

Council adopted Resolution No. 2016-16, Establishing a Marijuana Advisory Special Committee, whose task is to review various elements of State marijuana laws and act in an advisory capacity to the Council and City Manager on the regulation of marijuana and operation of marijuana facilities within the City. Council reviewed two applications at the June 7 work session.

Councilmember Arboleda MOVED to appoint Martin Barton as a City resident at-large member of the Marijuana Advisory Special Committee established by Resolution No. 2016-16.

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

j. Authorization to Cancel the July 28 and August 25, 2016, Regular Meetings and Authorize the City Manager to Schedule a Special Meeting if Needed

The regularly scheduled Council meetings for July and August may be cancelled to reflect the summer meeting schedule. Elected officials and staff will attend the summer Alaska Municipal League conference August 17 through August 19. Staff discussed the meeting schedule with the Council at the May 10 work session, and Council recommended cancelling the July 28 and August 25, 2016, regular meetings and scheduling a special meeting if needed.

Councilmember Davidson MOVED to cancel the July 28 and August 25, 2016, regular meetings and authorize the City Manager to schedule a special meeting if needed.

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

VI. STAFF REPORTS

a. City Manager

Manager Kniazowski thanked staff and the Deputy City Manager Tvenge for their coverage during her medical leave. She said the Monashka transmission line inspection appeared to be satisfactory, and piping will be sent out for further analysis. She said Juneau lobbyist Ray Gillespie has issued several updates on the State legislature's special session. She said the budget shortfall was funded through the Constitutional budget reserve, and the legislature continues to work on the revenue fund. She updated the City was able to meet the funding match for its transportation project. She said the lobbyist will continue to send updates. She said Hap Heiberg recently retired at the end of May, Building Official Doug Mathers will retire on June 24, and Lt. Raymond Ellis will retire at the end of June. She thanked these individuals for their many years of service and said it will be hard to backfill these positions. She commented there is a lot of activity in Kodiak with the NPFMC in town and she said the parade for the Groundfish festival will now start at Pier II on Saturday. She said there was a recent case of Paralytic Shellfish Poisoning (PSP) outbreak and recommended the public view the State Department Public Health for further information. She said she will be traveling to Anchorage within the next few weeks to meet regarding Pacific Pile and Marine mediation.

b. City Clerk

City Clerk Marlar informed the public of the next scheduled Council work session, special meeting and a regular meeting. She said the Marijuana Committee will be meeting soon.

VII. MAYOR'S COMMENTS

Mayor Branson thanked newly retired Hap Heiberg, soon to be retired Building Official Doug Mathers, and Lt. Raymond Ellis for their many years of services and she wished them the best of luck. She said the City and Borough have written documents to give public testimony during the NPFMC meetings in Kodiak and shared she is looking forward to the parade on Saturday sponsored by the Alaska Whitefish Trawlers and Groundfish Databank.

VIII. COUNCIL COMMENTS

Councilmember Arboleda asked the public to drive safely. She wished all fathers a Happy Father's Day.

Councilmember Whiddon shared the next FWG meeting dates. He said to avoid all shellfish with the recent PSP outbreak. He congratulated the USCG crews for their recent rescue.

Councilmember Davidson welcomed NPFMC to Kodiak and thanked Mr. Heiberg, Mr. Mathers, and Lt. Ellis for their service and recited a line from an old Irish blessing.

Councilmember Bishop reminded the public about wildfire prevention and thanked volunteers of the advisory committees for their time and service.

Councilmember Walker thanked the staff for their work and acknowledged the variety of work and services provided by City staff. He said he hopes for the best outcome for Kodiak during the NPFMC meetings. He said he will be out of town during the month.

IX. AUDIENCE COMMENTS

None

X. ADJOURNMENT

Councilmember Davidson MOVED to adjourn the meeting.

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

The meeting adjourned at 8:45 p.m.

CITY OF KODIAK



MAYOR

ATTEST:



CITY CLERK

Minutes Approved: June 23, 2016

