

**MINUTES OF THE REGULAR COUNCIL MEETING  
OF THE CITY OF KODIAK  
HELD THURSDAY, SEPTEMBER 22, 2016  
IN THE BOROUGH ASSEMBLY CHAMBERS**

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

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

Salvation Army Major Dave Davis gave the invocation, and the Pledge of Allegiance was recited.

**II. PREVIOUS MINUTES**

Councilmember Whiddon MOVED to approve the minutes of the September 8, 2016, special meeting and the September 8, 2016, regular meeting as presented.

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

**III. PERSONS TO BE HEARD**

**a. Public Comments**

**Judi Kidder** congratulated Parks and Recreation for the work done at the Otmeloi Park. She thanked the City for rescinding the ordinance that prohibited the location of mobile homes within the City, allowing her to relocate her home to Baranof Street. She stated the relocation of her mobile home has been costly and difficult. She extended her appreciation to Public Works for the outstanding job on getting the sewer and water lines in on the property. She thanked the Finance Director and the Deputy City Manager for assisting with a payment plan. She advocated for affordable housing within the community and forward planning within the leadership.

**IV. UNFINISHED BUSINESS**

**a. Resolution No. 2016–30(SUB), Authorizing the Issuance of a Series of Boat Lift Special Facility Revenue Refunding Bonds in the Principal Amount of Not to Exceed \$3,900,000 to Refund Certain Outstanding Boat Lift Special Facility Revenue Bonds of the City, Fixing Certain Details of Such Bonds and Authorizing Their Sale**

Deputy Mayor Walker read Resolution No. 2016–30(SUB) by title. Resolution No. 2016–30(SUB) authorizes the City Manager to proceed with bond refunding for the 2007 Harbor Revenue Bonds in an amount not to exceed \$3,900,000. The Alaska Municipal Bond Bank (AMMB) is issuing General Obligation and Refunding Bonds, 2016 Series Three and Series Four Bonds. A portion of the proceeds of the 2016 Series Three and Series Four Bonds is being used to refund

and redeem certain outstanding bonds of the Bond Bank, including the 2007 Series Five Boat Lift Revenue Bonds issued by the City of Kodiak. Depending on the market conditions on the pricing date and resulting savings available as a result of the refunding, the Bond Bank may refund all or none of the refunding candidates. A market analysis was performed on August 10, 2016, to determine the potential savings to the City, which could be as much as \$465,071 over the term of the bonds.

Councilmember Davidson MOVED to amend by substituting Resolution No. 2016–30(SUB) for Resolution No. 2016–30.

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

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

**b. Resolution No. 2016–31(SUB), Authorizing the Issuance of a Series of Boat Lift Special Facility Revenue Refunding Bonds in the Principal Amount of Not to Exceed \$1,100,000 to Refund Certain Outstanding Boat Lift Special Facility Revenue Bonds of the City, Fixing Certain Details of Such Bonds and Authorizing Their Sale**

Deputy Mayor Walker read Resolution No. 2016-31(SUB) by title. Resolution No. 2016–31(SUB) authorizes the City Manager to proceed with bond refunding for the 2007 Harbor Revenue Bonds not to exceed \$1,100,000. The Alaska Municipal Bond Bank is issuing General Obligation and Refunding Bonds, 2016 Series Three and Series Four Bonds. A portion of the proceeds of the 2016 Series Three and Series Four Bonds is being used to refund and redeem certain outstanding bonds of the Bond Bank, including the 2009 Series One Boat Lift Revenue Bonds issued by the City of Kodiak. Depending on the market conditions on the pricing date and resulting savings available as a result of the refunding, the Bond Bank may refund all or none of the refunding candidates. A market analysis was performed on August 10, 2016, to determine the potential savings to the City, which could be as much as \$157,405 over the term of the bonds.

Councilmember Whiddon MOVED to amend by substituting Resolution No. 2016–31(SUB) for Resolution No. 2016–31.

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

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

**c. Resolution No. 2016–32(SUB), Authorizing the Issuance of a Series of Harbor Revenue Refunding Bonds in the Principal Amount of Not to Exceed \$2,100,000 to Refund Certain Outstanding Harbor Revenue Bonds of the City, Fixing Certain Details of Such Bonds and Authorizing Their Sale**

Deputy Mayor Walker read Resolution No. 2016-32(SUB) by title. Resolution No. 2016–32(SUB) authorizes the City Manager to proceed with bond refunding for the 2007 Harbor Rev-

enue Bonds in an amount not to exceed \$2,100,000. The Alaska Municipal Bond Bank is issuing General Obligation and Refunding Bonds, 2016 Series Three and Series Four Bonds. A portion of the proceeds of the 2016 Series Three and Series Four Bonds is being used to refund and redeem certain outstanding bonds of the Bond Bank, including the 2007 Series Five Boat Harbor Revenue Bonds issued by the City of Kodiak. Depending on the market conditions on the pricing date and resulting savings available as a result of the refunding, the Bond Bank may refund all or none of the refunding candidates. A market analysis was performed on August 10, 2016, to determine the potential savings to the City, which could be as much as \$226,199 over the term of the bonds.

Councilmember Arboleda MOVED to amend by substituting Resolution No. 2016–32(SUB) for Resolution No. 2016–32.

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

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

## V. NEW BUSINESS

**a. First Reading, Ordinance No. 1359, Adopting Kodiak City Code 8.96.010, Discharge of Firearms and Other Dangerous Weapons Prohibited; Exceptions, and Amending Kodiak City Code 1.12.040, Disposition of Offenses—Fine Schedule, to Enact a Prohibition on Discharging Firearms in the City Subject to Certain Exceptions and a Penalty for Its Violation**

Deputy Mayor Walker read Ordinance No. 1359 by title. This ordinance is intended to restrict the discharge of firearms and other dangerous weapons within the City of Kodiak jurisdiction. Alaska Statute 29.35.145 (b) (2) authorizes a municipality to enact and enforce an ordinance restricting discharge of firearms.

Councilmember Bishop MOVED to pass Ordinance No. 1359 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 Arboleda, Bishop, Davidson, Saravia, Walker, and Whiddon in favor. The motion passed.

**b. Resolution No. 2016–34, Accepting a FY2016 State Homeland Security Program Grant**

Deputy Mayor Walker read Resolution No. 2016–34 by title. The City has been awarded a State Homeland Security Program Grant to provide funding for approved equipment purchases. This grant, State Grant No. 20SHSP-GY16, will repay costs associated with the purchase of approved equipment used to upgrade the City of Kodiak Emergency Operations Center.

Councilmember Arboleda MOVED to adopt Resolution No. 2016–34.

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

**c. Authorization of a Professional Services Contract for Design of Wastewater Treatment Plant Centrifuge Project, Project No. 17-03/7519**

The City's Wastewater Treatment Plant (WWTP) produces approximately 2,000 wet tons of bio-solids annually. The sludge is run through an Andritz belt filter press (belt press), which results in the bio-solids product. The belt press is 24 years old and has been assessed several times in the last five years. The evaluations show that the belt press is in need of some significant rebuilding if it is to remain the only means of de-watering sludge. With the City operating the composting facility and the need to rebuild the belt press within a few years, we requested a proposal from CH2M for design and bid documents for a centrifuge dewatering system.

Councilmember Arboleda MOVED to authorize the professional services contract with CH2M for design and bidding, to install a centrifuge for de-watering sludge with funds coming from the Sewer Capital Improvement Fund, WWTP Centrifuge Project, Project No. 17-03/7519 in the amount of \$161,000 and authorize the City Manager to execute the documents on behalf of the City.

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

**d. Authorization of Agreement for Parks and Recreation Officiating Services**

The Parks and Recreation Department offers a variety of sporting programs that require sport officials. These programs include basketball (youth and adult), volleyball, soccer, and softball. The Department established an approved budget based on average cost per program from the last five years. Contracting of services is new to the Department and these officiating services are critical to the sports as well as maintaining cost efficiency. Kodiak Island Recreational Referee Association (KIRRA) provided these services last season.

Councilmember Whiddon MOVED to authorize the Memorandum of Agreement No. 225117 with Kodiak Island Recreational Referee Association in the amount not to exceed \$35,000 with funds coming from the Parks & Recreation-Administration-Officiating Services line item and authorize the City Manager to execute the documents on behalf of the City.

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

**e. Authorization of Purchase of Pumps, Motors and Control Panel for the Trident Basin Lift Station**

There are two sanitary sewer lift stations located in Trident Basin. This spring, the smaller station had an electrical failure. During efforts to repair the station, it was determined that the existing station was not appropriately designed for the environment where it was installed. The only solution to correct the failure is to replace the pumps and control panel with an approved system for use in a hazardous environment. We requested a quote from Alaska Pump & Supply Inc. be-

cause of the compatibility with an existing lift station on Spruce Cape Natives of Kodiak Subdivision.

Councilmember Davidson MOVED to authorize the purchase of the pumps, motors and control panel for the Trident Basin lift station from Alaska Pump & Supply Inc. in the amount of \$15,132 with funds coming from the Sewer Utility Fund, wastewater treatment repair and maintenance account and authorize the City Manager to execute the documents on behalf of the City.

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

**f. Authorization of Sole Source Purchase of Replacement ClorTec Unit at the Water Treatment Plant**

As a Surface Water System that is unfiltered, we are required by Environmental Protection Agency (EPA) and Alaska Department of Environmental Conservation (ADEC) regulation to use two disinfectants. We use sodium hypochlorite (chlorine) and Ultra Violet (UV) as our two disinfectants. The sodium hypochlorite is generated on site by two independent ClorTec systems that create a 0.08 percent chlorine solution. The ClorTec units consist of three main components; the rectifier, control panel and cells. This purchase will replace one entire unit. De Nora Water Technologies is the current manufacture of the ClorTec systems.

Councilmember Bishop MOVED to authorize the sole source purchase of replacement ClorTec CT 150 system unit from De Nora Water Technologies in the amount of \$80,132.29 with funds coming from the Water Utility, Water Treatment machinery and equipment account and authorize the City Manager to execute the documents on behalf of the City.

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

**g. Authorization of Amendment No. 2 to the Professional Services Agreement with Solstice Alaska Consulting Inc. to Assist in Permitting for the Channel Transient Float Replacement Project No. 8525**

It is recommended that Council authorize Amendment No. 2 to the professional service agreement with Solstice Alaska Consulting Inc. to prepare the necessary documents to obtain permitting for the Channel Transient Float Replacement Project in the amount of \$17,220.

Councilmember Davidson MOVED to authorize Amendment No. 2 to the professional service agreement with Solstice Alaska Consulting Inc., in the amount of \$17,220 with funds from the Harbor Enterprise Fund, Capital Project No. 8525 and authorize the City Manager to execute the documents on behalf of the City.

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

**h. Authorization to Cancel the October 27, November 10, November 24, and December 22, 2016, Regular Meetings, Schedule a Special Meeting for November 3, 2016, and Authorize the City Manager to Schedule Additional Special Meetings if Needed**

The regularly scheduled Council meetings for October, November, and December may be cancelled to reflect the holidays and elected official and staff travel schedules. Elected Officials and staff attend the winter Annual Alaska Municipal League Conference November 14 through November 18. Thanksgiving is on November 24, and December 22 is entering into the Christmas holiday weekend; these are both regular meeting days. Staff discussed the meeting schedule with the Council at the September 6, 2016, work session, and Council recommended cancelling the October 27, November 10, November 24, and December 22, 2016, regular meetings and scheduling a special meeting for November 3, 2016, and authorizing the City Manager to schedule additional special meetings if needed.

Councilmember Davidson MOVED to cancel the October 27, November 10, November 24, and December 22, 2016, regular meetings and schedule a special meeting for November 3, 2016, and authorize the City Manager to schedule additional special meetings if needed.

Councilmember Whiddon inquired if six weeks would be between meetings if the October 27, November 10, and the November 24, 2016, meetings were cancelled.

City Manager Kniazowski shared it would be a little over one month between the November 3, 2016, and the first meeting in December. She shared that nothing critical is scheduled in the next couple of months as most projects are in the final stages.

Councilmember Whiddon MOVED to amend by striking November 10 and December 22, 2016.

A discussion ensued.

Councilmember Davidson shared that he doesn't see a problem with leaving the proposed motion as it stands. He stated that we would have adequate time to reschedule a meeting if needed. He shared that the December 22, 2016, meeting is close to a major holiday.

Councilmember Whiddon stated that he agreed with Councilmember Davidson. He asked to withdraw his amendment. There was Council consensus for Councilmember Whiddon to withdraw his amendment.

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

## **VI. STAFF REPORTS**

### **a. City Manager**

Manager Kniazowski provided an update on the old library demolition project. She said bid documents are in the final review stage and will go out at the end of this month for the 30 day period. She said the old library demolition project award is scheduled for the December meeting. She shared that the old crane on Pier III is in the process of being taken down, piece by piece.

She shared an update on the two downtown lift stations. She stated that two nights of paving are left on the Mill Bay Road project. She shared that they will get a quote for the new road striping, and Public Works will handle the traffic to allow for savings on that portion of the project. She said the new compost building is almost near completion. She stated that the Pier III pavement is complete, which officially wraps up the project. She gave an update on Pier I and shared that the new Pier I Ferry Terminal agreement reached the required waiting period and has been forwarded to the State for signature. She shared that once the punch list is handled, the agreement is complete, and all details finalized then the dock will be transferred back to the City. She shared that the Channel Transient Float is moving forward with a different kind of grant that will be brought back to the Council at the October meeting. She provided an update on the continuing work on the public showers at the Harbormaster building with the hazardous material been dealt with and a RFP for the design build will go out. She shared that the seafood processors plan on attending the October 11 work session to discuss the water utility rate concerns. She gave a reminder about the City Park's fall/winter schedule of 5 a.m. to 10 p.m. She shared that she will be out for about a week in October, and that the Deputy City Manager will be acting City Manager in her absence.

#### **b. City Clerk**

Deputy City Clerk Shuravloff-Nelson informed the public of the next scheduled joint work session, the Council work session, and the regular meeting. She shared that the next Fisheries Work Group meeting is on September 29, 2016. She shared that absentee voting for City residents is available in the City Clerk's Office. She clarified that Resolution 2016-31(SUB) was for \$1.1 million as it may have been verbally misstated earlier during the meeting.

### **VII. MAYOR'S COMMENTS**

Deputy Mayor Walker is pleased that the City is getting the new centrifuge; it will be quicker and more efficient. He thanked all shop leaders and employees for their work, sharing many projects are coming to completion and other projects still ongoing. He appreciated hearing the update on the old library building. He emphasized that Pier III is finally complete. He expressed that the public showers going in downtown at the Harbormaster building will be helpful to many people. He thanked his fellow Councilmembers for the work they do and their time.

### **VIII. COUNCIL COMMENTS**

Councilmember Bishop gave an update on the City Marijuana Advisory Committee stating all four license areas including: cultivation; manufacturing; testing; and retail have been addressed during meetings. He shared that there is still gray area between State and Federal laws, and the City will have to wait and see what happens. He stated that the Committee will be making recommendations to the Council on the marijuana industry. He reminded people to vote at the October 4, 2016, election stating every vote counts.

Councilmember Saravia thanked Councilmember Whiddon for his work regarding the ferry system. He welcomed Councilmember Davidson back from his travels and he thanked staff for all their work.

Councilmember Whiddon complimented Councilmembers Arboleda and Bishop for their work on the KIB Marijuana Task Force and the City Marijuana Advisory Committee; he said it is an important undertaking. He commented on his travels through Wrangell and complimented their boatyard infrastructure. He shared that tremendous work is being done within the City to deal with the aging infrastructure, which is a multi-million dollar investment. He shared his support that the ordinance regarding mobile home locations gave people an opportunity to find a place to live within the City and welcomed Ms. Kidder to the neighborhood.

Councilmember Arboleda thanked Brechan for their work on Mill Bay Road and managing the busy traffic. She commented that there is a movement to utilize local goods by organizations in town and shared that she is excited to see the community coming together to use what the town has to offer. She shared that the Salmon Life Social last weekend was successful and had beautiful weather. She thanked staff for taking care of employees, the town, and being great leaders.

Councilmember Davidson thanked the Marijuana Advisory Committee for their commitment as it is an important issue. He thanked the finance staff and Finance Director Mayes for saving money through bond refunding. He encouraged everyone to vote and beat the previous election turnout rate. He clarified when he called into the Borough Assembly meeting he used the term "little" people he said he was referring to the students. He said he was talking about making a nature path next to the grade school on the empty Baranof lots during the meeting.

**IX. AUDIENCE COMMENTS**

None

**X. ADJOURNMENT**

Councilmember Davidson MOVED to adjourn the meeting.

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

The meeting adjourned at 8:46 p.m.



CITY OF KODIAK

*Pat Mar*

MAYOR

ATTEST:

*Dulce Mark*

CITY CLERK