

**MINUTES OF THE REGULAR COUNCIL MEETING  
OF THE CITY OF KODIAK  
HELD THURSDAY, JUNE 8, 2017  
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, Charles E. Davidson, 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 Mike Tvenge, City Clerk Debra Marlar, and Deputy Clerk Michelle Shuravloff-Nelson 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 May 25, 2017, regular meeting as presented.

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

**III. PERSONS TO BE HEARD**

**a. Presentation of GFOA Award to the Finance Department**

The Government Finance Officers Association (GFOA) notified the City that the Finance Department received a Certificate of Achievement for Excellence in financial reporting for the City's FY2016 comprehensive annual financial report (CAFR). The award of this certificate represents one of the highest levels of achievement in governmental financial reporting for the Department and City.

Finance Director Kelly Mayes accepted the award for the Finance Department. She highlighted the seven staff within the Finance Department and provided a brief overview of some of the roles and responsibilities. She thanked the staff for their service and dedication.

**b. Proclamation: Filipino American Heritage Month**

Councilmember Arboleda read the proclamation, which recognizes Filipino Americans for their vital contributions to our community and urges citizens to participate in festivities celebrating the rich heritage and traditions of the Philippine Islands.

Mary Guiles Hawver accepted the on behalf of the Fil-Am Association. She said June 12, 2017, is the 119<sup>th</sup> anniversary of Philippines' independence. She said there are cultural festivities on June 17, 2017. She thanked the Council and stated they are very proud to be part of the Kodiak community.

**c. Public Comments**

**Lawrence Anderson**, Vice President of Senior Citizens of Kodiak Inc. provided a quarterly report, which included updates on meal service and home meal delivery, Medicare education, and Lifeline services. He said a survey was recently administered to senior citizens, and a common response from seniors was that the services they receive help them live independently. He thanked the Council for its grants and the community for their donations.

**Sharon Blakeslee**, telephonically, said she supports the crane in the FY2018 budget. She said her husband is out of town and she is calling on his behalf.

**Leonard Carpenter**, telephonically, said he is an owner of a small vessel and he supports the crane at the harbor.

**Ryan Dunlap**, telephonically, said he supports the crane in the harbor budget. He said it can bring economic benefits to the community.

**George Rieth** thanked the Council for their work, and he commented on the budget process and stated the Council has some hard work ahead of them. He recommended a change in financial direction to occur for sustainability.

**Darius Kasprzak** said he is President of the Alaska Jig Association and he supports the crane in the FY2018 harbor budget. He said the Harbormaster and Port and Harbors Advisory Board have been working well to support the harbor users, and he thanked the Council for their support.

**Bob Bowhac** said he supports the harbor facilities and looks forward to the shower and bathroom completion in Fisherman's Hall in the near future. He said he supports the crane and the Kodiak Salmon Work Group, which will help fisherman better manage their resources.

**IV. UNFINISHED BUSINESS****a. Second Reading and Public Hearing, Ordinance No. 1363, 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 2017 and Ending on the Thirtieth Day of June 2018**

Mayor Branson read Ordinance No. 1363 by title. Ordinance No. 1363 provides for the adoption of the City of Kodiak's FY2018 budget. The budget document, which supports the ordinance, estimates all sources of revenue the City anticipates receiving between July 1, 2017, and June 30, 2018. The budget document also establishes an operating and capital expenditure plan for FY2018, which is based on staff's assessment of operational and community needs and the Council's FY2018 budget goals. Staff made the FY2018 budget presentation to Council and the public during a special budget work session on May 6, 2017.

Councilmember Walker MOVED to adopt Ordinance No. 1363.

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, Davidson, Walker, and Whiddon in favor. Councilmembers Bishop and Saravia were absent. The motion passed.

**V. NEW BUSINESS**

**a. Resolution No. 2017–16, Authorizing the Issuance of a Permit to the High School Tennis Team for the Use of Public Property for Its Tennis Clinic Fundraiser**

Mayor Branson read Resolution No. 2017–16 by title. The high school tennis coach, Steve Johnston, requested the use of Baranof Park tennis courts to run tennis clinics and lessons as a fundraiser from June 8 through October 31. The purpose is to promote the sport and use of the courts while raising money for the high school tennis team, which is completely self-funded. The team raises money to cover the cost of travel and other costs associated with tennis.

Councilmember Arboleda MOVED to adopt Resolution No. 2017–16.

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

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

This authorization would award a multi-year service agreement to Johnson Controls, Inc. to provide preventative maintenance and correction of minor deficiencies encountered during routine inspections of the fire, security, and mechanical systems utilized within the Kodiak Police Station. The amounts are as follows: \$35,768 for FY2018; \$37,199 for FY2019; and \$38,687 for FY2020.

Councilmember Davidson MOVED to authorize the three-year service agreement with Johnson Controls, Inc. in the amount of \$111,654 for annual inspection and preventative maintenance of the Kodiak Police Station building control systems, with first-year funds in the amount of \$35,768, coming from FY2018 General Fund, Police Administration, Professional Services account.

Councilmember Davidson MOVED to postpone the vote to a future meeting to be determined by the City Manager.

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

**c. Authorization of the Financial Contributions for Salmon Work Group**

The Kodiak Salmon Work Group (KSWG) has been re-established to address the present salmon allocation crisis. The group provided a presentation to the City Council and Borough Assembly at a Joint work session on April 19, 2017. The KSWG requested \$15,000 from each governing body for FY2017 and FY2018.

Councilmember Walker MOVED to authorize a payment to the Kodiak Salmon Work Group of \$15,000 for FY2017 from the Economic Development line item.

Councilmember Whiddon MOVED to amend the motion to insert at the end of the main motion “and request a detailed financial report of how funds are expended.”

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

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

**d. Authorization to Cancel the July 27 and August 24, 2017, 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 15 through August 18. Staff discussed the meeting schedule with the Council at the May 23 work session, and Council recommended cancelling the July 27 and August 24, 2017, regular meetings and scheduling a special meeting if needed.

Councilmember Davidson MOVED to cancel the July 27 and August 24, 2017, regular meetings and authorize the City Manager to schedule a special meeting if needed.

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

**e. Authorization of the Delta Medical Transport Agreement**

The City operates a medical treatment and transport (ambulance) service via the City of Kodiak Fire Department. Due to recent staff turnover in the Fire Department, the City is requesting temporary outsourcing of ambulance transportation services to Delta Medical Transport, LLC, which is the only ALS ground provider in the State.

Councilmember Davidson MOVED to authorize Medical Services Agreement No. 231942 with Delta Medical Transport, LLC in the amount of \$189,275 from the Fire Department budget and authorize the City Manager to execute the agreement on behalf of the City.

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

**VI. STAFF REPORTS**

**a. City Manager**

Manager Tvenge said he did not have a report, although his office has been very busy.

**b. City Clerk**

City Clerk Marlar informed the public of June scheduled Council meetings.

**VII. MAYOR'S COMMENTS**

Mayor Branson congratulated Finance Director Kelly Mayes and staff for the GFOA award. She said that Senator Dan Sullivan will be in town this weekend to explore the needs of the community. She made a few comments on the FY2018 budget and affirmed there have been 19 scenarios proposed by staff to address the budget deficit. She said although she is not a voting member of the Council, she supports keeping the senior exemption program the same; she emphasized the State has already taken away the longevity program. She said many seniors turning the age of 65 look forward to the exemption, and it enhances the quality of life. She said the sales cap needs to be raised based on information provided by the Finance Director and suggested leaving the rental tax the same. She suggested the two percent discount for early sales tax filing be eliminated. She suggested a City tobacco tax. She said cutting existing services can be reviewed and more is already being done with less. She expressed that the fund balance gap can be closed with these and other scenarios. She said the balancing of a budget is a complicated process and stated as a community, we are all in this together. She said a lazy way to amend the budget is simply make cuts. She noted the City Council is very transparent and looks for public input to adopt a sustainable budget while meeting public needs. She noted the State is running out of money as well.

**VIII. COUNCIL COMMENTS**

Councilmember Walker said they have been working on the budget for months; he said it is a balancing act to be fiscally responsible and to provide services. He encouraged the public to make comments about the budget and service delivery. He congratulated the Finance Department for the GFOA award.

Councilmember Davidson congratulated the Finance Director and staff on the FY2016 award. He thanked the firefighters for their service and the sacrifices they are making due to the staff shortage. He spoke about the reserve balance and commented the revenue will have to be increased for the City. He reminded citizens of the children in the streets and to drive safely.

Councilmember Arboleda congratulated the Finance Department and the City staff for their work. She said she supports a conservative approach on the budget.

Councilmember Whiddon recognized Finance Director Mayes and staff for doing a superb job. He thanked Fire Chief Mullican and Deputy Chief Dorner for keeping the firehouse intact and providing services. He said the Council is not finished with the budget, and the City can't sustain a \$2.3 million deficit. He requested, and the Council concurred, that the budget discussion continue at the July 11, 2017, work session to further discuss revenues, enhancements, and additional cuts.

**IX. AUDIENCE COMMENTS**

**Library Director Baxter** invited the public to the Library during the month of June, and she shared the level of attendance has increased at the facility. She thanked the community for supporting a recent scribble box activity for the youth.

**Lawrence Anderson** spoke against budget cuts; he said it hurts communities and individuals. He believes the Council will figure out a way to sustain the budget. He spoke in support of the Parks and Recreation services, especially for the youth. He spoke in favor of volunteers and stated the community can work together to solve the budgetary issues.

**X. ADJOURNMENT**

Councilmember Davidson MOVED to adjourn the meeting.

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

The meeting adjourned at 8:29 p.m.



CITY OF KODIAK

MAYOR

ATTEST:

Minutes Approved: June 22, 2017