

CITY OF UNALASKA
UNALASKA, ALASKA
REGULAR MEETING
JANUARY 29, 2008

The regular meeting of the Unalaska City Council was called to order by Mayor Marquardt at 7:03 p.m., January 29, 2008, in the Unalaska City Hall Council Chambers. Roll call was taken and the following members were present:

Mayor -Shirley Marquardt
Members -Dick Peck
-Zoya Johnson
-Juanita Lewis
-Roger Rowland
-Dave Gregory
Absent -Katherine McGlashan (excused)

PLEDGE OF ALLEGIANCE: Mayor Marquardt led the Pledge of Allegiance.

RECOGNITION OF VISITORS: None

APPROVAL OF AGENDA: Executive Session for Union Update was added. Mayor Marquardt declared agenda approved as revised.

MINUTES: Hearing no revisions, Mayor Marquardt declared the minutes of January 8, 2008 adopted.

FINANCIAL REPORT: Council reviewed the financial report for month ending December 2007.

DISCUSSION: Council discussion regarding construction work in progress in three funds, and why the projects were not closed; practice is to not close a project until it is completed; will contact the auditor about this issue. Discussion that the 1% sales tax funds can be used for other projects than are currently designated. Housing fund still has the funding transfer; Council will be discussing housing in February. Clarification that Council can revise designations at any time.

BOARD/COMMISSION REPORTS: Library Advisory Committee minutes were included in packet.

AWARDS/PRESENTATIONS: None

MANAGER'S REPORT: Chris Hladick, City Manager, reported that he sent Mayor and Council a report from the Juneau and Anchorage trip; economic stability package in Congress right now; Corp of Engineers has requested \$9 million to finish the outer harbor improvements of the boat harbor project; this is very good news.

COMMUNITY INPUT/ANNOUNCEMENTS:

1. Ice Cream Social, February 10th at the school gym; fund raiser for the preschool.
2. Tomorrow the AKAOK will host the souper mentor program.
3. Introduced Bob Knoll who used to be a baseball coach.
3. USAFV will host its annual soup off March 1st.
4. Update given on recent Council travel to Juneau; Council will travel to Juneau on February 25th for its annual lobbying trip.

PUBLIC TESTIMONY ON AGENDA ITEMS: None

PUBLIC HEARING:

1. **ORDINANCE NO. 2008-01:** CREATING BUDGET AMENDMENT NO. 4 TO THE FY08 BUDGET FOR UNANTICIPATED EXPENSES FOR ELECTIONS AND PROPERTY ASSESSMENT SERVICES; THE I.S. EQUIPMENT ROOM EXPENSES; THE DEPARTMENT OF HOMELAND SECURITY GRANTS; THE ELECTRIC FACILITY MAINTENANCE CONSTRUCTION SERVICES; THE CONCEPTUAL DESIGN FOR A GEOTHERMAL PROJECT; THE ELECTRIC LINE REPAIR AND MAINTENANCE DIVISION CAPITAL PROJECT (S-9); THE POWERHOUSE WASTE HEAT RECOVERY PROJECT PHASE I DESIGN; THE LANDFILL DEVELOPMENT PLAN PHASE II PROJECT; AND THE CORROSION PROTECTION PROJECT AND TO DEVELOP A PRIORITIZATION LIST AND WAG COSTS ON MAINTENANCE ISSUES FOR INCLUSION IN THE PORTS MAINTENANCE PLAN.

Mayor Marquardt opened the public hearing on Ordinance No. 2008-01.
Mayor Marquardt closed the public hearing. No public testimony.

WORK SESSION: Peck move to adjourn into a work session at 7:16 p.m., Lewis second. Unanimous vote. Items discussed in the work session were:

1. FY 09 BUDGET – REVENUE PROJECTIONS
2. FY 09 COUNCIL BUDGET GOALS
3. EMPLOYEE INSURANCE STUDY
4. MARINE HIGHWAY FUNDING - POSITION 3 REPLACEMENT: RE-APPROPRIATION TO BALLYHOO ROAD PAVING.

RECONVENED TO REGULAR SESSION at 9:27p.m.

CONSENT AGENDA: None

UNFINISHED BUSINESS:

1. **ORDINANCE NO. 2008-01; SECOND READING:** CREATING BUDGET AMENDMENT NO. 4 TO THE FY08 BUDGET FOR UNANTICIPATED EXPENSES FOR ELECTIONS AND PROPERTY ASSESSMENT SERVICES; THE I.S. EQUIPMENT ROOM EXPENSES; THE DEPARTMENT OF HOMELAND SECURITY GRANTS; THE ELECTRIC FACILITY MAINTENANCE CONSTRUCTION SERVICES; THE CONCEPTUAL DESIGN FOR A GEOTHERMAL PROJECT; THE ELECTRIC LINE REPAIR AND MAINTENANCE DIVISION CAPITAL PROJECT (S-9); THE POWERHOUSE WASTE HEAT RECOVERY PROJECT PHASE I DESIGN; THE LANDFILL DEVELOPMENT PLAN PHASE II PROJECT; AND THE CORROSION PROTECTION PROJECT AND TO DEVELOP A PRIORITIZATION LIST AND WAG COSTS ON MAINTENANCE ISSUES FOR INCLUSION IN THE PORTS MAINTENANCE PLAN.

Lewis Move to adopt Ordinance No. 2008-01, Rowland second.

DISCUSSION: Council discussion regarding why the funding for the geothermal project was coming from the General Fund and not from the Electric utility fund.

AMENDMENT: Peck move to amend Ordinance No. 2008-01 to move the geothermal funding from the General Fund to the Electric utility fund, Rowland second.

DISCUSSION: Council discussion regarding the geothermal project possibly affecting the bonding issue for the powerhouse project. Discussion that we should research this issue and bring back; will vote against the amendment.

Discussion on how it will effect the utilities if we budget from the enterprise fund; Council decision; it will effect the utility rates, so for expediency would like to leave in the general fund.

Discussion that it is Council's responsibility to make sure projects go in proper funds. Council uses general fund for many different projects.

VOTE ON AMENDMENT: AYE-2, NAY-3. Motion fails 3-2.

AMENDMENT: Johnson move to amend Ordinance No. 2008-01 per Proposed Amendment No. 1, Lewis second.

DISCUSSION: This amendment provides for the extra funding of \$60,000 needed for the PCB cleanup project.

VOTE: UNANIMOUS

DISCUSSION: None

VOTE ON MAIN MOTION AS AMENDED: JOHNSON-AYE, PECK-AYE, ROWLAND-AYE, GREGORY-AYE, LEWIS-AYE. Motion passes 5-0.

NEW BUSINESS:

1. **RESOLUTION NO. 2008-03:** IN SUPPORT OF PURSUING GRANT FUNDING FROM THE ALASKA ENERGY AUTHORITY AS AGENT FOR THE DENALI COMMISSION FOR A WASTE HEAT RECOVERY SYSTEM PROJECT.

Peck move to adopt Resolution No. 2008-03, Lewis second.

DISCUSSION: Chris Hladick, City Manager, explained that this is a requirement for the grant application process.

VOTE: UNANIMOUS

2. **RESOLUTION NO. 2008-02:** IDENTIFYING THE CITY OF UNALASKA'S FEDERAL LEGISLATIVE FUNDING PRIORITIES FOR FISCAL YEAR 2009 AS THE CARL E. MOSES BOAT HARBOR, THE POWERHOUSE PROJECT, AND GEOTHERMAL DRILLING PROJECT.

Lewis move to adopt Resolution No. 2008-02, Rowland second.

DISCUSSION: Chris Hladick, City Manager, explained that this resolution identifies the priorities as \$9 million for the Boat Harbor, \$4 million for the powerhouse project, and \$1.5 million for geothermal drilling.

VOTE: UNANIMOUS

3. **MAYOR/COUNCIL TRAVEL:** LEGISLATIVE RECEPTION – JUNEAU

Peck move to authorize Dave Gregory, Zoya Johnson and Mayor Marquardt to travel to Juneau for the Legislative reception, Lewis second.

DISCUSSION: None

3. MAYOR/COUNCIL TRAVEL – CONT:

VOTE: UNANIMOUS

4. MARINE HIGHWAY FUNDING – POSITION 3 REPLACEMENT:

Rowland move to authorize requesting that the Marine Highway Funds be reallocated from the Position 3 Replacement project to the Ballyhoo Road Paving Project, Gregory second.

DISCUSSION: None

VOTE: UNANIMOUS

5. FISHERIES UPDATE

Frank Kelty, Resource Analyst, provided a fisheries update to Mayor and Council.

6. EXECUTIVE SESSION:

Lewis move to adjourn into executive session at 10:15 p.m. for update on union negotiations, Johnson second. Meeting reconvened to regular session at 10:36 p.m. No action taken in executive session.

MOTION: Peck move to direct the City Manager to move forward as directed in executive session, Rowland second.

DISCUSSION: None

VOTE: UNANIMOUS.

COUNCIL DIRECTIVES:

1. BOAT HARBOR BATHROOMS

Peck move to direct the City Manager to bring the boat harbor bathroom issue back to Council, Gregory second.

DISCUSSION: Council discussion the status of this issue since Rocky Caldero brought this forward; Mayor Marquardt explained that there has never been an inexpensive solution to providing bathrooms at the B. Storrs Boat Harbor; have not heard any outcry about not having bathrooms. Council discussion that all we need are porta potty upgrades.

VOTE: PECK-AYE, GREGORY-AYE, JUANITA-NAY, JOHNSON-NAY, ROWLAND-NAY. Motion fails 3-2.

COMMUNITY INPUT/ANNOUNCEMENTS: None

Mayor Marquardt adjourned the meeting at 10:45 p.m.



Debra K. Mack
City Clerk

APPROVED
2/12/08