

CITY OF UNALASKA  
UNALASKA, ALASKA  
REGULAR MEETING  
MARCH 25, 2008

The regular meeting of the Unalaska City Council was called to order by Mayor Marquardt at 7:00 p.m., March 25, 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 -Katherine McGlashan -David Gregory -Roger Rowland
Absent	-None

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

**RECOGNITION OF VISITORS:**

1. Fish & Wildlife representatives will be giving a presentation later.

**APPROVAL OF AGENDA:**

Additions to agenda:

1. Consent Agenda: Resolution No. 2008-16: Confirming the Mayor's appointment of O. Patricia Lekanoff-Gregory to the Parks, Culture & Recreation Advisory Committee.
2. New Business: Barents Sea Stakeholder meeting on May 5 - 10, 2008 in Norway, sponsored by Shell.
3. New Business: Funding for Scott Waterman's travel to Unalaska to conduct energy conservation workshops.
4. New Business: Executive Session – update on union negotiations

Mayor Marquardt declared agenda approved as revised.

**MINUTES:**

Minutes will be revised to correct the spelling of Council Member McGlashan's son's name Tegan. Mayor Marquardt declared the minutes of March 11, 2008 adopted as revised.

**FINANCIAL REPORT:** None

**BOARD/COMMISSION REPORTS:** Planning Commission and Library Advisory Committee minutes were included in packet.

**AWARDS/PRESENTATIONS:** None

**MANAGER'S REPORT:** Council reviewed the City Manager's report in the packet; discussion regarding the airport issue and the safety areas with the runway possibly being shortened; DOT, PenAir, and City have weighed in with objections; will be doing an EIS for the airport with completion possibly in September; City needs to be at table to address all areas of the airport; buildings, apron, and not just safety areas on end of runway.

**COMMUNITY INPUT/ANNOUNCEMENTS:** None

**PUBLIC TESTIMONY ON AGENDA ITEMS:** None

**LEGISLATIVE:**

**ANNUAL BOARD REPORTS:**

1. **HISTORIC PRESERVATION COMMISSION:** Jeff Dickrell, Commission Member, provided a review of the activities of the Historic Preservation Commission this past year.
2. **PARKS, CULTURE & RECREATION ADVISORY COMMITTEE:** Matt Lightner, Committee Vice-Chair, provided a review of the activities of the Parks, Culture & Recreation Committee this past year.
3. **PLANNING COMMISSION/PLATTING BOARD:** John Fulton, Interim Planning Director, provided a review of the activities of the Planning Commission/Platting Board this past year.

**PUBLIC HEARING:**

1. **ORDINANCE NO. 2008-05:** CREATING BUDGET AMENDMENT NO. 6 TO THE FY08 BUDGET FOR OVERTIME IN PUBLIC WORKS AND PUBLIC SAFETY, AND FOR A SOFTWARE UPGRADE IN THE WATER FUND.

1. **ORDINANCE NO. 2008-05 – CONT:**

Mayor Marquardt opened the public hearing on Ordinance No. 2008-05.  
Mayor Marquardt closed the public hearing. No public testimony.

2. **ORDINANCE NO. 2008-06:** AMENDING THE ZONING FOR A PORTION OF LOTS 1 AND 2, SECTION 16, TOWNSHIP 73 SOUTH RANGE 118 WEST, SEWARD MERIDIAN, A PORTION OF LAND NEAR WESTWARD SEAFOODS, TO INCLUDE THE COMMUNICATIONS AND UTILITY TOWERS OVERLAY DISTRICT (CUTOD OR CUTO DISTRICT).

Mayor Marquardt opened the public hearing on Ordinance No. 2008-06.  
Mayor Marquardt closed the public hearing. No public testimony.

**WORK SESSION:** Peck move to adjourn into a work session at 7:30 p.m., McGlashan second. Unanimous vote. Items discussed in the work session were:

1. US FISH & WILDLIFE: SELENDANG AYU DAMAGE EFFORT UPDATE.
2. SALES TAX ON MARINE FUEL SALES.
3. MAKUSHIN GEOTHERMAL PROJECT: SUMMER DRILLING PROGRAM.
4. FISHERIES UPDATE.

Meeting reconvened to regular session at 9:10 p.m.

**CONSENT AGENDA:**

1. **RESOLUTION NO. 2008-15:** CONFIRMING THE MAYOR'S APPOINTMENT OF PAUL WAYNER TO THE UNALASKA PARKS, CULTURE & RECREATION ADVISORY COMMITTEE.

2. **RESOLUTION NO. 2008-16:** CONFIRMING THE MAYOR'S APPOINTMENT OF O. PATRICIA LEKANOFF-GREGORY TO THE UNALASKA PARKS, CULTURE & RECREATION ADVISORY COMMITTEE.

Hearing no objections, Mayor Marquardt declared the Consent Agenda adopted.

**UNFINISHED BUSINESS:**

1. **ORDINANCE NO. 2008-05: SECOND READING** : CREATING BUDGET AMENDMENT NO. 6 TO THE FY08 BUDGET FOR OVERTIME IN PUBLIC WORKS AND PUBLIC SAFETY, AND FOR A SOFTWARE UPGRADE IN THE WATER FUND.

Peck move to adopt Ordinance No. 2008-05, Lewis second.

DISCUSSION: Council discussion in appreciation to the roads crew for their exceptionally good work over the last few weeks keeping up with the snow; thank you to roads crew and public safety; appreciate very much.

AMENDMENT: McGlashan move to amend Ordinance No. 2008-05 per Proposed Amendment No. 1, Lewis second.

DISCUSSION: None

VOTE ON AMENDMENT: UNANIMOUS

DISCUSSION: None

VOTE ON MAIN MOTION AS AMENDED: JOHNSON-AYE, PECK-AYE, ROWLAND-AYE, LEWIS-AYE, GREGORY-AYE, MCGLASHAN-AYE. Motion passes 6-0.

2. **ORDINANCE NO. 2008-06: SECOND READING:** AMENDING THE ZONING FOR A PORTION OF LOTS 1 AND 2, SECTION 16, TOWNSHIP 73 SOUTH, RANGE 118 WEST, SEWARD MERIDIAN, A PORTION OF LAND NEAR WESTWARD SEAFOODS, TO INCLUDE THE COMMUNICATIONS AND UTILITY TOWERS OVERLAY DISTRICT (CUTOD OR CUTO DISTRICT).

Lewis move to adopt Ordinance No. 2008-06, McGlashan second

DISCUSSION: None

VOTE: GREGORY-AYE, ROWLAND-AYE, PECK-AYE, LEWIS-AYE, MCGLASHAN-AYE, JOHNSON- AYE. Motion passes 6-0.

**NEW BUSINESS:**

1. **RESOLUTION NO. 2008-13:** AUTHORIZING THE CITY'S FINANCIAL PARTICIPATION IN A RESIDENTIAL ELECTRIC CONNECTION ON LOT 2, BAKER SUBDIVISION, OWNED BY RANDALL BAKER, PER RESOLUTION NO. 2007-32.

DISCUSSION: None

1. **RESOLUTION NO. 2008-13 – CONT:**

VOTE: UNANIMOUS

2. **RESOLUTION NO. 2008-14:** AUTHORIZING THE CITY'S FINANCIAL PARTICIPATION IN A SMALL GENERAL SERVICE ELECTRIC CONNECTION ON LOT 1, COURTHOUSE SUBDIVISION, OWNED BY MONICA HENNING, PER RESOLUTION NO. 2007-32.

Johnson move to adopt Resolution No. 2008-14, Peck second.

DISCUSSION: None

VOTE: UNANIMOUS

3. **RESOLUTION NO. 2008-12:** AUTHORIZING AN EXPENDITURE IN AN AMOUNT NOT TO EXCEED \$\_\_\_\_\_ FROM COUNCIL CONTINGENCY TO SPONSOR THE PUBLISHING OF ALEUTIAN ISLANDS OF ALASKA: LIVING ON THE EDGE.

Johnson move to adopt Resolution No. 2008-12, Gregory second

DISCUSSION: Council discussion that former resident Ken Wilson took all the photographs in the book; University of Alaska Press is now soliciting donations to assist with publishing the book; it is a beautiful book with beautiful photographs; donors will be listed in the book; the book will provide promotion of our community; would support a donation of \$10,000.

Council discussion not in support of donating more than a couple of thousand; money should be for Unalaska; University of Alaska Press is not a non-profit group; agree to support with a couple of thousand.

Council discussion that the City donated \$6,000 for another book; passion has been put into this book; it is amazing; support \$10,000.

AMENDMENT: Peck move to amend Resolution No. 2008-12 to insert \$6,000 in the blank as a donation towards the book, Gregory second.

DISCUSSION: Council discussion that if this amendment is supported, \$13,000 would remain in council contingency budget; this is a good compromise; support \$6,000.

Council discussion that we do not know what the total donation level for the book is yet.

VOTE ON AMENDMENT: JOHNSON-AYE, GREGORY-AYE, ROWLAND-NAY, MCGLASHAN-AYE, PECK-AYE, LEWIS-NAY. Motion passes 4-2.

VOTE ON MAIN MOTION AS AMENDED: AYES-5, NAYS-1. Motion passes 5-1.

4. **BARENTS SEA STAKEHOLDER MEETING:**

Mayor Marquardt explained that the Mayor has received an invitation from Shell to attend the Barents Sea Stakeholder meeting in Norway May 5-10, 2008. This would be an opportunity to gather information on development, tour a major LNG plant, and ask questions. Shell has invited the Mayor to speak on issues such as work force and how development would affect Unalaska; Shell will fund cost of travel as the Mayor will present information at Bodo University to a wide variety of participants. Due to Shell funding the travel, have brought forward for Council to authorize Mayor to travel.

Council discussion that have had opportunity to speak on subsistence; there are many unanswered questions; would prefer to educate the community first; previously Shell brought people to Unalaska for a meeting; many questions were asked but no answers were provide; would prefer that Shell representatives hold a meeting in Unalaska to educate our region.

Council discussion that this is an ongoing process; Mayor Marquardt has been involved in 3 meetings so far; City Manager gave explanation on the process; when does Unalaska take a position or stay neutral?; Mineral Management Service will conduct at least two Environmental Impact Studies on the impacts of drilling on North Aleutian Basin.

Council discussion in support of Mayor attending the meeting since the costs are paid; she will be able to provide information on this issue; MMS has held two public hearings in Unalaska; a CD is available; Shell has been out here, and they do plan to travel more to communities; in support since Shell is paying; would be to our advantage; would like to start a public process to define this process; need public participation; encourage the City to partner with the planning group in Kenai.

Discussion that an invitation for Shell and UOA to hold meetings in Unalaska was offered; hopefully will be hearing from them soon. Discussion in support of the Mayor attending the meeting; am cautious about what path we may be being led down; public should be informed first then start attending meetings.

UNALASKA CITY COUNCIL  
MINUTES, MARCH 25, 2008

Public testimony: Wonder why we are going to Norway, when Kenai would be a better source for information; should have meetings held here; offer to attend the meeting has been made to many other organizations; would estimate the value of trip to be \$5,000.

**4. BARENTS SEA STAKEHOLDER MEETING – CONT:**

Mayor Marquardt explained that she would be interested in attending, but ambivalent about traveling; they will be coming to Unalaska; have encouraged them.

Council discussion in agreement that it should be a public item; but should provide the opportunity for Mayor to attend; we cannot force Shell to come here, and this is an opportunity to see what is going on; advocate for the Mayor to attend.

MOTION: Rowland move to authorize the Mayor to accept the offer to attend the Barents Sea Stakeholder meeting, Lewis second.

DISCUSSION: Council discussion that Shell has extended the invitation to many Mayors in the region; Council hasn't taken a position, as we don't have all the information yet; Mayor will talk about balancing job opportunities with protecting our industry and region; encourage the public to email Mayor requesting a community meeting to discuss this topic.

VOTE: AYES – 5, NAYS -1. Motion passes 5-1.

**5. ENERGY WORKSHOP IN UNALASKA:**

Council discussion regarding funding expenses for Scott Waterman, Alaska Housing Finance Corporation, to travel to Unalaska to provide energy efficiency meetings; Mayor and Council Members have been provided Mr. Waterman's resume and a list of programs he could offer; will coordinate with City Manager and DPU to see what programs are best for Unalaska; expenses are \$1,655; Mr. Waterman is a qualified individual; legislation has committed \$300 million for energy conservation, and Mr. Waterman will be in charge of this funding.

Council discussion that this was a recommendation by the Community Energy Committee; support this expense.

Council discussion not in support and will vote no; voted no at the last meeting, requested additional information, but did not receive the information.

Council discussion have reviewed the information; impressive resume; support the expense; will support the Energy Committee's recommendation; support as it is beneficial to community.

MOTION: Peck move to direct the City Manager to have the City fund expenses to bring Scott Waterman to Unalaska; Gregory second.

DISCUSSION: Public testimony that this was a primary concern of lay members of community; don't understand enough about energy efficiency.

VOTE: AYE – 5, NAYS – 1. Motion passes 5-1.

**COUNCIL DIRECTIVES:**

**SALES TAX ON MARINE FUEL:**

Rowland move to direct the City Manager to utilize staff to research to see if we can have a greater revenue stream by cutting sales tax on fuel back, Johnson second.

DISCUSSION: Council discussion not in support; will vote no as we will be discussing this during budget time, not enough information on this topic at this time.

Council discussion in support, can never go wrong by requesting information; recognize that this is a grey zone, but staff should be able to give direction; in support of motion as it will give a clear picture of whether we will gain or lose a lot of revenue; would like to know how changing the tax will change revenue; information will be valuable.

VOTE: AYE – 5, NAYS – 1. Motion passes 5-1.

**COMMUNITY ENERGY COMMITTEE:**

Council discussion regarding the energy committee recommendations; don't see where the Council accepted or rejected the recommendations.

MOTION: Peck move to schedule recommendations of the energy committee for the next meeting, McGlashan second.

VOTE: UNANIMOUS

**COMMUNITY INPUT/ANNOUNCEMENTS:**

1. CVB annual wine tasting fund raiser April 12<sup>th</sup>.

**EXECUTIVE SESSION:** UNION NEGOTIATIONS UPDATE.

McGlashan move to adjourn into executive session at 10:10 p.m. for a union negotiations update, Johnson second. Unanimous vote. Meeting reconvened to regular session at 10:37 p.m.. No action taken in executive session.

MOTION: Rowland move to direct the City Manager to proceed with Local 302 negotiations as directed by Council, Johnson second.

DISCUSSION: None

VOTE: UNANIMOUS

Mayor Marquardt adjourned the meeting at 10:38 p.m.



Debra K. Mack  
City Clerk

APPROVED  
4/8/08