

CITY OF UNALASKA
UNALASKA, ALASKA
REGULAR MEETING
MARCH 9, 2010

The regular meeting of the Unalaska City Council was called to order by Mayor Marquardt at 7:00 p.m. March 9, 2010, in the Unalaska City Hall Council chambers. Roll call was taken and the following members were present:

Mayor	-Shirley Marquardt
Members	-Dick Peck -Dave Gregory -Dennis Robinson -Zac Schasteen -Katherine McGlashan
Absent	-Roger Rowland-excused

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

RECOGNITION OF VISITORS: None

APPROVAL OF AGENDA: Hearing no revisions, Mayor Marquardt declared the agenda approved.

MINUTES: Hearing no revisions, Mayor Marquardt declared the minutes of February 19, 2010, and February 23, 2010 regular meeting adopted.

FINANCIAL REPORT: None

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

AWARDS/PRESENTATIONS: None

MANAGER'S REPORT: Chris Hladick, City Manager, gave verbal report. PCR expansion bids were open on Friday; two of the bids were under the engineers estimate.

COMMUNITY INPUT/ANNOUNCEMENTS:

1. CVB'S Annual membership meeting Saturday, March 27th, 2010 at the Burma Road Chapel.
2. USAFV'S annual fund raiser, Soup Off, will be held this Saturday.
3. KUCB will be showing "New Moon" on Saturday, March 20 at 7:00 p.m. at the Unalaska High School Auditorium.
4. Next Council meeting will be Tuesday, April 13, 2010; due to Council travel to Juneau, Alaska.
5. John Conwell, UCSD Superintendent, thanked the community for a great job on the basketball regional tournaments.
6. Appreciation expressed for the roads crew. Appreciate their work.

PUBLIC TESTIMONY ON AGENDA ITEMS: None

LEGISLATIVE:

1. ANNUAL BOARD REPORTS: PARKS, CULTURE, AND RECREATION COMMITTEE. Matt Lighter, Committee Chair, gave the annual report on the activities of the Parks, Culture, and Recreation Advisory Committee, and statistics of the usage of the PCR.

PUBLIC HEARING:

1. **ORDINANCE 2010-01:** CREATING BUDGET AMENDMENT NO. 3 TO THE FY10 BUDGET FOR AN INCREASE IN GRANT FUNDS, SEDIMENT SEPARATORS, HIGH MAST LIGHT REPLACEMENTS, WASTE HEAT RECOVERY FUNDS, AND FUNDING FOR THE C.E.M. BOAT HARBOR.

Mayor Marquardt opened public hearing on Ordinance No. 2010-01.

Public testimony urge council to proceed with this project; it's been going for fifteen years; believe we have support from the local business sector; as well as the fishing industry in Unalaska; we should not be concerned about Akutan's Harbor due to the fact that all support sector businesses are located in Unalaska.

Public testimony supports this ordinance to be approved; believe we should not be concerned about Akutan's Harbor; we need to be focused on what the needs are in Unalaska.

Mayor Marquardt closed public hearing on Ordinance No. 2010-01.

CONSENT AGENDA: None

UNFINISHED BUSINESS:

1. **ORDINANCE 2010-01: SECOND READING:** CREATING BUDGET AMENDMENT NO. 3 TO THE FY10 BUDGET FOR AN INCREASE IN GRANT FUNDS, SEDIMENT SEPARATORS, HIGH MAST LIGHT REPLACEMENTS, WASTE HEAT RECOVERY FUNDS, AND FUNDING FOR THE C.E.M. BOAT HARBOR.

McGlashan move to adopt Ordinance No. 2010-01 per Proposed Amendment No.1, Gregory second.

DISCUSSION: Nancy Petersen, Public Works Director, explained that the base bid for the CEM Boat Harbor preliminary estimate with escalations and insurance was \$25,087,000, final cost from the contractor was \$25,140,684; provide council with figures on inner harbor with options.

DISCUSSION: Council discussion would like to know where we stand on funding some of the project with a bond.

DISCUSSION: Tonya Miller, Finance Director, explained that we have had discussions with the bonding bank; we are still looking into different options.

DISCUSSION: Council discussion not in favor of this proposed amendment; would like to do just the base bid for this project.

Council discussion have concerns how are we going to pay for this project; we should think about scaling this project back.

DISCUSSION: Chris Hladick, City Manager, explained that we have discussed financing options for this project; this project will not pay for it self.

Council discussion believe everyone should understand that were building this for the future; we should not be downsizing the project; support all options that have been given to us.

Council discussion supports this project fully; we have been working on this for the past 15 years.

Public Testimony supports this project; would like you as Council Members to move forward on this project; this project impacts all support sector; encourage to make this project happen.

AMENDMENT: Peck move to amend Ordinance No. 2010-01 per Proposed Amendment No. 1 to only include base bid, insurance and escalation for the amount of \$25,140,684.00, Robinson second. Council Member Robinson withdraws second.

DISCUSSION: Council discussion concerned the funding sources for this project; support the base bid amount for the boat harbor project; would like to see this project move forward; do not think we should tap into the rainy day fund.

AMENDMENT: Robinson move to amend Ordinance No. 2010-01 per Proposed Amendment No. 1 to withdrawal any funds for the CEM Boat Harbor only leaving funds for the PCR expansion project in the amount of \$1,760,000, Peck second.

VOTE ON AMENDMENT: 4-AYES, 1-NAY. Motion passes 4-1.

VOTE ON MAIN MOTION AS AMENDED: ROBINSON-AYE, GREGORY-AYE, MCGLASHAN-AYE, PECK-AYE, SCHASTEEN-AYE. Motion passes 5-0.

NEW BUSINESS:

1. **RESOLUTION NO. 2010-14:** AUTHORIZING THE CITY MANAGER TO AMEND THE DESIGN-BUILD AGREEMENT WITH PACIFIC PILE AND MARINE, L.P., TO INCLUDE THE PHASE 2 CONSTRUCTION SERVICES FOR THE CARL E. MOSES BOAT HARBOR INNER HARBOR AND UPLANDS IMPROVEMENTS IN THE AMOUNT OF \$22,740,684.

McGlashan move to adopt Resolution No. 2010-14, Schasteen second.

AMENDMENT: Peck move to amend Resolution No. 2010-14 to reflect the amount of \$22,740,684, McGlashan second.

DISCUSSION: Council discussion believe that we need to move forward on this project.

VOTE ON AMENDMENT: UNANIMOUS

VOTE ON MAIN MOTION AS AMENDED: UNANIMOUS

2. **RESOLUTION NO. 2010-16:** DESIGNATING THE UNRESERVED PORTION OF FUND BALANCES IN THE GENERAL FUND AND 1% SALES TAX SPECIAL REVENUE FUND.

McGlashan move to adopt Resolution No. 2010-16, Schasteen second.

DISCUSSION: Council discussion it's imperative that this fund be there for the rainy day fund.

AMENDMENT: Robinson move to amend Resolution No. 2010-16 to add \$5 million to the rainy day fund, Peck second.

Council discussion not in favor of this amendment to leave \$5 million undesignated.

UNALASKA CITY COUNCIL
MINUTES, MARCH 9, 2010

VOTE ON AMENDMENT: UNANIMOUS

VOTE ON MAIN MOTION AS AMENDED: UNANIMOUS

3. **RESOLUTION NO. 2010-17:** ACCEPTING STATE FUNDING THROUGH ALASKA HOUSING FINANCE CORPORATION IN THE AMOUNT OF \$3,764,678 FOR THE CONSTRUCTION OF AN EIGHT-UNIT APARTMENT BUILDING.

Peck move to adopt Resolution No. 2010-17, McGlashan second.

DISCUSSION: Chris Hladick, City Manager, explained that by accepting state funding will provide the city with an 8-plex apartment building; six trailers will be removed to accommodate the construction of the 8-plex.

Council discussion does not support this resolution; believe that the City should not be in the housing business.

VOTE: UNANIMOUS

4. **RESOLUTION NO. 2010-18:** AUTHORIZING AN EXPENDITURE IN AN AMOUNT NOT TO EXCEED \$250 FROM COUNCIL CONTINGENCY TO SPONSOR THE WESTERN ALASKA INTERDISCIPLINARY SCIENCE CONFERENCE AND FORUM IN UNALASKA.

Peck move to adopt Resolution No. 2010-18 in the amount not exceed \$250, Gregory second.

DISCUSSION: None

VOTE: UNANIMOUS

COUNCIL DIRECTIVES:

1. McGlashan move to direct the City Manager to bring back the Carl E. Moses Boat Harbor options at the next meeting with a full council, Schasteen second. VOTE: AYES-4, NAYS-1. Motion passes 4-1.

COMMUNITY INPUT/ANNOUNCEMENTS: None

Mayor Marquardt adjourned the meeting at 9:44 pm.


Jessica Earnshaw
City Clerk

APPROVED
4/27/2010