

CITY OF UNALASKA
UNALASKA, ALASKA
REGULAR MEETING
August 10, 2010

The regular meeting of the Unalaska City Council was called to order by Mayor Shirley Marquardt at 7:00 p.m., August 10, 2010, in the Unalaska City Hall Council Chambers. Roll call was taken:

PRESENT

Mayor	-Shirley Marquardt
Members	-Dennis Robinson -Katherine McGlashan -Dick Peck -Zac Schasteen -David Gregory

ABSENT -Roger Rowland - excused

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

Mayor Marquardt took a moment to remember Senator Ted Stevens.

RECOGNITION OF VISITORS: Visitors included Brooks Chandler, City Attorney and Rose Cox of the *Dutch Harbor Fisherman*.

APPROVAL OF AGENDA: Hearing no changes or additions, Mayor Marquardt declared the agenda approved as presented.

MINUTES: Hearing no revisions, Mayor Marquardt declared the minutes of the July 27, 2010 Regular Meeting approved.

FINANCIAL REPORT: NONE

BOARD/COMMISSION REPORTS: NONE

AWARDS/PRESENTATIONS: Mayor Marquardt presented Finance Director Tonya Miller with the Certificate of Achievement for Excellence in Financial Reporting, awarded by the Government Finance Officers Association of the United States and Canada.

MANAGER'S REPORT:

1. Carl E. Moses Boat Harbor is progressing. The Corps of Engineers has issued an RFP for the outer breakwater floats. Weathered diesel was discovered as work began on the road. Remediation should begin very shortly. The evergreen tree near the road will most likely be saved without having to move it.
2. Wartsilla will be out here in early September to test the engines at the new power house. If all goes well, the new power house will be on-line in October.
3. Representatives of the Department of Justice and of the Environmental Protection Agency are in town.

COMMUNITY INPUT/ANNOUNCEMENTS:

1. Visitors from Elder Hostel will be in town on Sunday for hiking, birding, and visiting.
2. The painting of the skate park is nearly complete. Action figures on skateboards will be added to the ends of the half-pipes.
3. The Heart of the Aleutians festival will be held from 1:00 to 7:00 p.m. on August 21st. A new surprise experience will be introduced this year. The celebration will begin with a 5K race on Friday evening. A race around the track at Kelty Field will be held for smaller children.

4. The Community Center will open on Monday, unless the floor is completed earlier than planned.
5. Lions Club thanked the Mayor for her participation in the naturalization ceremony. Boy scouts, cub scouts, tiger cubs, and brownies took part in the ceremony. Another naturalization ceremony is scheduled for September.
6. NOAA confirmed that they will be in town on August 25th to hear from community members about what the fishing industry means to individuals who live and work in Unalaska.
7. The Qawalangin Tribe Culture Camp is being held this week. It will end of Saturday with a potluck dinner.
8. The ETS Drill exercise is coming together with a number of participants, including the National Air Guard, the USCG, Alaska Marine Pilots, Alaska Department of Environmental Conservation, and the operators and crew of the two full-time tug boats berthed locally. It is hoped that Horizon Lines will participate by providing a container ship to act as the "victim" to be rescued. It is also hoped that the Shell vessel will participate in the exercise.
9. Mayor Marquardt provided a TWIC update. It is hoped that the program office will be in place before "A" season.

PUBLIC TESTIMONY ON AGENDA ITEMS: NONE

PUBLIC HEARING

1. **ORDINANCE NO. 2010-09:** AUTHORIZING THE ISSUANCE AND SALE OF ONE OR MORE SERIES OF ELECTRIC UTILITY REVENUE BONDS BY THE CITY IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$5,500,000 FOR THE PURPOSE OF FINANCING THE DESIGN, CONSTRUCTION AND ACQUISITION OF ELECTRIC GENERATION AND RELATED CAPITAL IMPROVEMENTS; ESTABLISHING THE TERMS OF THE BONDS; AUTHORIZING THE SALE OF THE BONDS; AND AMENDING THE DEFINITION OF GROSS REVENUE IN ORDINANCE NO. 2008-19.

Hearing no public comment, Mayor Marquardt closed the public hearing on Ordinance No. 2010-09.

2. **ORDINANCE NO. 2010-10:** AN ORDINANCE CREATING AMENDMENT NO. 1 TO THE SCHEDULE OF FEES AND CHARGES FOR THE DEPARTMENT OF PARKS, CULTURE & RECREATION FEE SCHEDULE FOR SERVICES.

Hearing no public comment, Mayor Marquardt closed the Public Hearing on Ordinance No. 2010-10.

WORK SESSION

CONSENT AGENDA

1. **RESOLUTION NO. 2010-50:** REQUESTING FY11 PAYMENT IN LIEU OF TAXES FUNDING FROM THE ALASKA DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT.

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

UNFINISHED BUSINESS

1. **ORDINANCE NO. 2010-09 SECOND READING:** AUTHORIZING THE ISSUANCE AND SALE OF ONE OR MORE SERIES OF ELECTRIC UTILITY REVENUE BONDS BY THE CITY IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$5,500,000 FOR THE PURPOSE OF FINANCING THE DESIGN, CONSTRUCTION AND ACQUISITION OF ELECTRIC GENERATION AND RELATED CAPITAL IMPROVEMENTS; ESTABLISHING THE TERMS OF THE BONDS; AUTHORIZING THE SALE OF THE BONDS; AND AMENDING THE DEFINITION OF GROSS REVENUE IN ORDINANCE NO. 2008-19.

Peck moved to approve Ordinance 2010-09; Gregory seconded.

DISCUSSION: NONE

VOTE: UNANIMOUS

2. **ORDINANCE NO. 2010-10 SECOND READING:** AN ORDINANCE CREATING AMENDMENT NO. 1 TO THE SCHEDULE OF FEES AND CHARGES FOR THE DEPARTMENT OF PARKS, CULTURE & RECREATION FEE SCHEDULE FOR SERVICES.

Robinson moved to approve Ordinance 2010-10; Peck seconded.

DISCUSSION: NONE

VOTE: UNANIMOUS

NEW BUSINESS:

1. **ORDINANCE NO. 2010-11 FIRST READING:** AMENDING SECTIONS 6.04.010 AND 6.40.030 OF THE UNALASKA CODE OF ORDINANCES TO DELETE AN EXEMPTION FOR OUT OF TOWN SALES AND MODIFY DEFINITIONS FOR SALE FOR RESALE AND RETAIN SALE MADE WITHIN THE CITY OF UNALASKA.

Peck moved to send Ordinance 2010-11 to Public Hearing and Second Reading on August 31st; McGlashan seconded.

DISCUSSION: City Attorney Brooks Chandler explained that issues arose from past experiences in which offers were accepted in another location, so the participants felt they were not subject to local sales tax for the project. This amendment also affects raw rock product shipped out of town. When such products are used in another community, the City does not have financial gain. However, the roads suffer from the heavy loads that are hauled, and repairs of the roads are very costly to the community.

VOTE: UNANIMOUS

2. **EXECUTIVE SESSION:** DEPARTMENT OF JUSTICE AND PREFERENTIAL USE AGREEMENT

McGlashan moved to go into Executive Session at 7:40 p.m.; Gregory seconded. Return to from Executive Session at 8:15 p.m.

Schasteen made a motion to give Brooks Chandler authority to make an offer of \$3,200,000 as an acceptable amount for a settlement offer to the City of Unalaska; Peck seconded the motion.

DISCUSSION: NONE

VOTE: UNANIMOUS

COMMUNITY INPUT/ANNOUNCEMENTS: UCB will be hosting the Tundra Golf Classic this weekend as fundraiser.

COUNCIL DIRECTIVES: NONE

ADJOURNMENT: Mayor Marquardt adjourned the meeting at 8:16 p.m.


Elizabeth Masoni
City Clerk