



CITY OF KOTZEBUE NOTICE

Regular City Council Meeting Agenda

March 07, 2024 at 5:15 PM

City Hall Chambers – 258 A Third Avenue

THE PUBLIC IS ENCOURAGED TO ATTEND.

For residents who want to participate telephonically call: **1-800-315-6338**; access code:
49401#

I. Call to Order

II. Roll Call

III. Invocation/Moment of Silence

IV. Pledge of Allegiance

V. Adoption of The Agenda

VI. Swan Lake Loop Update

VII. Citizen Comments

VIII. Correspondence

IX. Unfinished Business

a) Cape Blossom Road Update

b) Washeteria Update

c) Grain Capital Corporation (Cain Building) Discussion

X. New Business

a) **RESOLUTION 24-17**, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE AUTHORIZING THE MAYOR OF THE CITY OF KOTZEBUE TO SIGN A MEMORANDUM OF UNDERSTANDING ("MOU") WITH THE NORTHWEST ARCTIC BOROUGH FOR REIMBURSEMENT OF UP TO THREE HUNDRED THOUSAND DOLLARS (\$300,000.00) FOR SWAN LAKE LOOP EMERGENCY ASSISTANCE"

b) **RESOLUTION 24-18**, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE AMENDING RESOLUTION 24-08 AND THEREBY AUTHORIZING THE CITY MANAGER OR HER DESIGNEE TO SPEND UP TO FOUR HUNDRED

THOUSAND DOLLARS (\$400,000.00) AT THIS TIME FOR EMERGENCY REPAIRS TO THE SWAN LAKE LOOP MAIN, WATER AND SEWER SERVICE LINES OFF THE SWAN LAKE LOOP AND RELATED ISSUES EXCLUSIVE OF MONIES SEPARATELY AUTHORIZED BY RESOLUTION 24-19 FOR CONAM CONSTRUCTION"

c) RESOLUTION 24-19, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE AUTHORIZING THE CITY MANAGER OR HER DESIGNEE TO SIGN A PURCHASE ORDER WITH CONAM CONSTRUCTION OF ANCHORAGE, ALASKA AFTER REVIEW AND APPROVAL BY THE PUBLIC WORKS DIRECTOR AND FINANCE DIRECTOR IN THE AMOUNT OF AND HUNDRED AND SEVENTY-EIGHT THOUSAND, SEVENTY-SIX DOLLARS AND TWENTY-FIVE CENTS (\$178,076.25) FOR SWAN LAKE LOOP EMERGENCY PUBLIC WORKS ASSISTANCE"

XI. Council Members Comments

Seat E: Kathy Sherman

Seat G: Johnson Greene

Seat C: Joshua Hadley

Seat F: Ariana Erlich

Seat D: Saima Chase

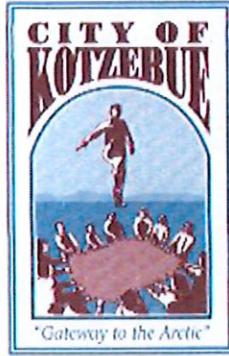
Seat B: Derek Haviland-Lie

Seat A: Ernie Norton

Youth Representative: Finnian Sweeney

XII. Executive Session

XIII. Adjournment



CITY OF KOTZEBUE NOTICE

**MAYOR SAIMA CHASE HAS
SCHEDULED THE NEXT REGULAR
CITY COUNCIL MEETING FOR
THURSDAY, MARCH 7, 2024 AT 5:15**

***IN THE COUNCIL CHAMBERS LOCATED AT
258 A Third Avenue***

THE PUBLIC IS ENCOURAGED TO ATTEND
FOR RESIDENTS WHO WANT TO PARTICIPATE TELEPHONICALLY CALL
1-800-315-6338 ACCESS CODE 49401#

Posted: 02-29-2024
City Hall/ City FB Page
KOTZ Radio
Department Heads
P.O.
Bank
A.C



**CITY OF KOTZEBUE
RESOLUTION NO. 24-17**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
KOTZEBUE AUTHORIZING THE MAYOR OF THE CITY OF
KOTZEBUE TO SIGN A MEMORANDUM OF UNDERSTANDING
("MOU") WITH THE NORTHWEST ARCTIC BOROUGH ("NWAB")
FOR REIMBURSEMENT OF UP TO THREE HUNDRED THOUSAND
DOLLARS (\$300,000.00) FOR SWAN LAKE LOOP EMERGENCY
ASSISTANCE**

- WHEREAS,** a substantial portion of the Swan Lake Water Loop last month froze and as a result failed to deliver water to a large number of residents on the Swan Lake Water Loop;
- WHEREAS,** the City, Borough and State of Alaska have all declared and issued their respective Emergency Declarations regarding this dire situation as of the date of this Resolution;
- WHEREAS,** the loss of water for certain residents on Swan Lake Water Loop has also resulted in the freezing of some sewer lines for those homes;
- WHEREAS,** the NWAB has proposed a comprehensive MEMORANDUM OF UNDERSTANDING to reimburse the City of Kotzebue of certain emergency response contract costs as set forth in Exhibit "A" attached hereto and incorporated by reference herein; and,
- WHEREAS,** the Kotzebue Municipal Code authorizes the Mayor to sign such MOUs with the consent of the City Council [KMC 2.08.020(A), "*The mayor shall...sign documents on the city's behalf upon council authorization.*"]

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Kotzebue authorizes the Mayor of the City of Kotzebue to sign the MOU with the NWAB attached hereto as Exhibit “A” and thanks the NWAB for its partnership in this Emergency Disaster.

PASSED AND APPROVED by a duly constituted quorum of the City Council of the City of Kotzebue, Alaska, this 7th day of March 2024.

CITY OF KOTZEBUE

Saima Chase, Mayor

[SEAL]

ATTEST:

Rosie Hensley, City Clerk

Attachment: Exhibit “A” – MOU with NWAB [3 pages]

MEMORANDUM OF UNDERSTANDING
Swan Lake Loop Water Main Failure
Emergency Response

1. Purpose.

This Memorandum of Understanding (the "Agreement") is entered into this ^{27th} day of February 2024 (the "Effective Date") between the Northwest Arctic Borough (the "Borough") and the City of Kotzebue (the "City") (each referred to individually as a "Party," and collectively, the "Parties") to facilitate the Borough's reimbursement of the City's payment of certain emergency response contract costs as outlined below.

2. Background.

- a. On February 4, 2024, the City of Kotzebue experienced a catastrophic failure to the Swan Lake Water Loop due to a weld failure and an extended cold snap; and
- b. The water line freeze-up affected half of the 14,000 linear-foot water loop and created an immediate public health and safety disaster for 190 homes and the 650-750 residents served by this City-owned water main; and
- c. Over 60 residences have suffered water line freeze-ups, 36 households have experienced sewer line freeze-ups, and numerous homes have had raw sewage backups into their homes; and
- d. The Borough has assisted the City respond to this emergency disaster, which has required the City to solicit emergency, sole-source contracts with both Drake Construction and Conam Construction Company (in addition to these and other required contractors, the "Contractors") for assistance; and
- e. The Parties wish to set out the terms for the Borough's reimbursement of the City's payments to the Contractors as outlined in this Agreement.

3. City Responsibilities.

- a. The City will be solely responsible for all procurement, contracting, management, and related responsibilities associated with the City's respective agreements with the Contractors.
- b. The City will be solely responsible for submitting timely requests for reimbursement from the Borough for payments to Contractors.

- c. The City will be solely responsible for submitting timely requests for reimbursement from the State of Alaska for payments to Contractors, and in turn repaying the Borough for all costs reimbursed from the State of Alaska for the Borough's payments to the City under this Agreement.

4. Borough Responsibilities.

The Borough will remit reimbursement payments to the City for invoices from the Contractors in a total not to exceed amount of \$300,000.

5. Term.

The term of this Agreement will commence as of the Effective Date and will expire on April 30, 2024, at which time the Parties may renew the Agreement on similar terms and conditions, unless sooner terminated. This Agreement may be terminated by either Party upon 7 days' written notice. In the event that this Agreement is terminated, the Parties will conclude all outstanding reimbursements under this Agreement as soon as practicable.

6. Miscellaneous.

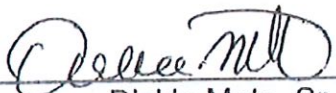
This Agreement does not create, and shall not be construed as creating, any rights enforceable by any person or entity not a Party to this Agreement. Nothing in this Agreement shall be deemed or construed to create the relationship of principal and agent, or of partnership, or of joint venture, or of any association between the Parties. This Agreement represents the entire agreement and understanding between the Parties with respect to the subject matter of this Agreement and supersedes all prior or contemporaneous, express or implied, written or oral agreements, representations and conditions between the Parties with respect to the subject matter of this Agreement. This Agreement may be executed in any number of counterparts, including by electronically transmitted signature, and each counterpart shall for all purposes be deemed to be an original; and all such counterparts shall together constitute but one and the same agreement. This Agreement may only be modified in writing by the Parties.

The Parties have executed this Agreement as of the Effective Date.

[SIGNATURE PAGE FOLLOWS]

NORTHWEST ARCTIC BOROUGH

CITY OF KOTZEBUE

By: 
Dickie Moto, Sr.
Its: Mayor

By: _____
Saima Chase
Its: Mayor

per KMC 2.08.020(A)



**CITY OF KOTZEBUE
RESOLUTION NO. 24-18**

“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE AMENDING REOLUTION 24-08 AND THEREBY AUTHORIZING THE CITY MANAGER OR HER DESIGNEE TO SPEND UP TO FOUR HUNDRED THOUSAND DOLLARS (\$400,000.00) AT THIS TIME FOR EMERGENCY REPAIRS TO THE SWAN LAKE LOOP MAIN, WATER AND SEWER SERVICE LINES OFF THE SWAN LAKE LOOP AND RELATED ISSUES EXCLUSIVE OF MONIES SEPARATELY AUTHORIZED BY RESOLUTION 24-19 FOR CONAM CONSTRUCTION”

WHEREAS, the City of Kotzebue continues to experience a critical infrastructure failure with the Swan Lake Loop, which provides water services to approximately 190 homes in the community and immediate emergency repairs are mandated;

WHEREAS, the failure of the Swan Lake Loop has resulted in many homes losing water and sewer services which poses a significant threat to public health, safety, and well-being and this situation must be remediated as soon as possible;

WHEREAS, the cost of repairs and remediation is unknown at this time but has already exceeded the \$200,000 previously authorized in Resolution 24-08 as passed at a SCCM on February 12, 2024;

WHEREAS, the on-going costs of immediate repairs and remediation will exceed the City Manager’s authority under the Kotzebue Municipal Code and therefore the City Manager must have up to \$400,000 spending authority to deal with the immediate effects of this disaster; and,

WHEREAS, additional spending authority to deal with this disaster will be sought by the City Manager as the situation dictates.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Kotzebue amends Resolution 24-08 and by this Resolution 24-18 authorizes the City Manager to spend up to \$400,000.00 at this time for repairs and remediation for the Swan Lake Loop Main failure, water and sewer lines off the Swan Lake Loop and related issues exclusive of monies separately authorized by Resolution 24-19 for CONAM Construction.

PASSED AND APPROVED by a duly constituted quorum of the City Council of the City of Kotzebue, Alaska, this 7th day of March 2024.

CITY OF KOTZEBUE

Saima Chase, Mayor

[SEAL]

ATTEST:

Rosie Hensley, City Clerk



**CITY OF KOTZEBUE
RESOLUTION NO. 24-19**

“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE AUTHORIZING THE CITY MANAGER OR HER DESIGNEE TO SIGN A PURCHASE ORDER WITH CONAM CONSTRUCTION OF ANCHORAGE, ALASKA AFTER REVIEW AND APPROVAL BY THE PUBLIC WORKS DIRECTOR AND FINANCE DIRECTOR IN THE AMOUNT OF ONE HUNDRED AND SEVENTY-EIGHT THOUSAND, SEVENTY-SIX DOLLARS AND TWENTY-FIVE CENTS (\$178,076.25) FOR SWAN LAKE LOOP EMERGENCY PUBLIC WORKS ASSISTANCE”

- WHEREAS,** the sudden, unanticipated catastrophic infrastructure failure of the Swan Lake Loop and attendant water and sewer service lines last month, which provides services to approximately 190 homes in the community, continues to plague the community and overwhelm the limited resources of the City’s Public Works Department;
- WHEREAS,** the failure of the Swan Lake Loop has resulted in many homes losing water and sewer services which poses a significant threat to public health, safety, and well-being of residents on the Swan Lake Loop and this situation must be remediated as soon as possible to avoid a public health disaster;
- WHEREAS,** CONAM Construction out of Anchorage can provide immediate much needed manpower and equipment for the emergency work on the Swan Lake Loop and attendant issues related to the failure of that loop as set forth in Exhibit “A” attached hereto and incorporated by reference herein;
- WHEREAS,** CONAM Construction has worked on the City’s water and sewer systems in an emergency situation in the past and therefore has direct, first-hand knowledge of the operations and intricacies of the City’s water and sewer systems and needs a minimum amount of supervision to dealt with the plethora of dire situations caused by the sudden, unanticipated catastrophic infrastructure failure of the Swan Lake Loop and attendant water and sewer service lines last month; and,

WHEREAS, any further delay in obtaining the much-needed manpower and equipment that CONAM Construction can immediately provide will cause serious, dire long-lasting public health and safety consequences that the community could not endure.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Kotzebue authorizes the City Manager to sign the attached Purchase Order with CONAM Construction attached hereto as Exhibit “A” in the amount of \$178,076.25 after review and approval by the Public Works Director and Finance Director.

PASSED AND APPROVED by a duly constituted quorum of the City Council of the City of Kotzebue, Alaska, this 7th day of March 2024.

CITY OF KOTZEBUE

Saima Chase, Mayor

[SEAL]

ATTEST:

Rosie Hensley, City Clerk

Attachment: Exhibit A – CONAM Construction Purchase Order [5 pages]



P.O. Box 46.
Kotzebue, Alaska 99752
(907) 442-3401 [City Hall]
(907) 442-3742 [City Hall-fax]
tbaldwin@kotzebue.org

PURCHASE ORDER

City of Kotzebue
Swan Lake Loop
Emergency Public
Works Assistance

Vendor#:

Purchase Order #: PW24-

P.O. Date:

Account Number:

Vendor: CONAM

301 W. Northern Lights Blvd., Suite 300

Anchorage, Alaska 99503

Phone: (907) 278-6600 / Fax: (907) 278-4401

Mike Colombie, President mcolombie@conamco.com

Bill Amidon, Project Manager bamidon@conamco.com

Price Summary Estimate in the amount of \$95,785.15 for the First 2 Week Shift and \$82,291.10 for the Subsequent 2 Week Shift as set forth in the three-page proposal from CONAM, dated February 26, 2024, attached hereto and incorporated by reference herein.

Instructions to Vendor

1. Purchase order number must appear on invoice.
2. An individual invoice must be rendered for each purchase order. No consolidated statements will be paid.
3. Invoices cannot be processed without purchase order.
4. Terms: 30 days after receipt of completed order unless otherwise specified.
5. Disbursement of monies by the City of Kotzebue is subject to the Kotzebue Municipal Code.

Authorized Signature: _____

Finance Approval: _____

City Manager: _____

**CONAM
Swan Lake Loop
Emergency Public
Works Assistance
Purchase Order #
PW24-
Page 2 of 2**

Exhibit A to Resolution 24-19, March 7, 2024 RCCM Page 2 of 5

All tasks to be determined/directed by authorized COK personnel.

Because CONAM will be providing its own personnel, the City of Kotzebue requires the following:

CONAM and any of its employees or agents, to the fullest extent permitted by law, agrees to defend indemnify, and hold harmless the City of Kotzebue, their elected and appointed officials, and employees against any and all liabilities, claims, demands, lawsuits, or losses, arising out of or in any way connected or associated with the CONAM provision of services for the Swan Lake Loop Emergency Public Works Assistance in Kotzebue, Alaska.

CONAM is responsible for obtaining any necessary liability insurance and maintain in force at all times during the performance of this Agreement the insurance policies identified below. All insurance policies shall comply with and be issued by insurers licensed to transact the business of insurance under Alaska Statute AS 21.

CONAM shall require any contractor utilized to perform services for CONAM under this Agreement be licensed, bonded and insured for at least the amount set out below.

A. Workers' Compensation Insurance for all personnel engaged in work under this Agreement, coverage as required by AS 23.30.045, and; where applicable, any other statutory obligations including but not limited to Federal U.S.L. & H. requirements.

B. Commercial General Liability Insurance covering all business premises and operations used by CONAM in

the performance of the services under this Agreement with coverage limits not less than \$1,000,000 combined single limit per occurrence and annual aggregates where applicable.

C. Comprehensive Automobile Liability Insurance covering all vehicles used by CONAM in the performance of this Agreement with coverage limits not less than \$100,000 per person/\$300,000 per occurrence bodily injury and \$50,000.00 property damage.

D. Verification of Coverage

CONAM shall furnish the City with certificates of insurance and with certified copies of all endorsements effecting coverage required by this clause. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates are to be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, at any time.

CONAM shall provide a safety plan for the scope of work and CONAM shall ensure that all employees authorized to work on this Swan Lake Loop Emergency Public Works Assistance have proper safety training in accordance with OSHA State Statutes.

The City of Kotzebue requires a clean and safe job site with all job hazards and material hazards identified prior to commencing work.

ATTACHMENT: CONAM proposal of February 26, 2024 [3 pages]



301 W. Northern Lights Blvd, Ste 300
Anchorage, AK 99503
Phone: 907-278-6600 * Fax 907-278-4401

Date: February 26, 2024

To: Ms. Tessa Baldwin
City Manager
City of Kotzebue
258A Third Avenue
PO Box 46, Kotzebue, AK 99752

Dear Ms. Baldwin,

Thank you for contacting us. We appreciate the opportunity to help with the emergency in Kotzebue.

Attached is a ROM labor estimate provided based on a 3-man team composed of operators specifically skilled in this type of work. I am sure the crew will work with and interface well with your city crews, as they have in the past, to get this emergency behind the people of your city. This estimate follows the previous work we performed for Kotzebue recently.

Craft labor is based on Title 36 Wage pamphlet No. 600 from the State of Alaska, in which a rate is based on a 12-hour day: 8 hours of straight time and 4 hours of overtime per day. This rate is used for estimating only.

The ROM estimate includes transportation, lodging, and per diem. Also included is the rental of equipment (requested by Russ Ferguson) and the freight associated with moving the equipment from Deadhorse to Kotzebue and return to Deadhorse. The freight cost is a one-time cost. The estimate DOES NOT include ground transportation for the crew. The City of Kotzebue provided a truck for previous work and the assumption is the truck is still available for the crew to use.

When getting hotel rates from Nullagvik Hotel, I was informed that all rooms are booked until after a basketball tournament ending 3/2/24. If you have itinerant housing available, please let me know and subtract the lodging costs.

Exhibit A to Resolution 24-19, March 7, 2024 RCCM Page 3 of 5

Included in this proposal:

- 1. Labor and Wages
- 2. This work is covered under Title 36 wage requirements.
- 3. Subsistence for the crew is included as required under Title 36 Pamphlet No. 600.
- 4. Transportation (Airfare).
- 5. Lodging in Kotzebue.
- 6. Rental equipment and freight for rental equipment.

Excluded in proposal:

- 1. Vehicle support in Kotzebue provided by the City.
- 2. Fuel expenses for crew truck and rental equipment.
- 3. Weather Days or flight cancellations.
- 4. COVID-19-related delays or closures of facilities (work locations).

Please let me know if you have any questions or concerns regarding this proposal. I am happy to explain or modify this ROM estimate. I can be reached at my office 907-257-4114, or my cell phone 907-980-7077.

Thank you very much for this opportunity to serve your community once again. I look forward to further discussions regarding this matter.

Thank you,

Bill

Bill Amidon
 Project Manager
 CONAM Construction
 Main (907) 278-6600 | Direct (907) 257-4114 | Cell (907) 980-7077 | Fax (907) 278-4401 |
bamidon@conamco.com
 301 W. Northern Lights Blvd., Suite 300 Anchorage, AK 99503 | www.conamco.com

Exhibit A to Resolution 24-19, March 7, 2024 RCCM Page 4 of 5

City of Kotzebue ROM Estimate for Emergency Water/Sewer Line Repairs Per 2 Week Rotation			
	Qty	Price	Extended
Materials			
Hotsy/Jetter Unit	2	\$880.00	\$1,760.00
Freight - NAC - Deadhorse to Kotzebue - Round Trip *	2	\$6,132.75	\$12,265.50
			\$0.00
			\$0.00
Transportation, Lodging, Per Diem			
			\$0.00
Airfare (AK Air) ANC-OTZ-ANC	3	\$600.00	\$1,800.00
Per Diem (subsistence) - 70.00 per day per person	42	\$70.00	\$2,940.00
Lodging in Kotzebue - Nuulgavik Hotel **	42	\$290.08	\$12,183.36
Crew Truck - Provided by City of Kotzebue ***	1	\$0.00	\$0.00
Subtotal Reimbursables			\$30,948.86
10% Markup			\$3,094.89
Total Reimbursables			\$34,043.75
Labor - Title 36 Wage Rate	Hours	Rate	Total
1st Operator (12 hour shift - 14 days, straight time)	80	\$103.00	\$8,240.00
1st Operator (12 hour shift - 14 days, overtime)	88	\$136.00	\$11,968.00
2nd Operator (12 hour shift - 14 days, straight time)	80	\$103.00	\$8,240.00
2nd Operator (12 hour shift - 14 days, overtime)	88	\$136.00	\$11,968.00
3rd Operator (12 hour shift - 14 days, straight time)	80	\$103.00	\$8,240.00
3rd Operator (12 hour shift - 14 days, overtime)	88	\$136.00	\$11,968.00
Staff Labor	Hours	Rate	Total
Project Manager	6	\$123.89	\$743.34
Office Manager	2	\$97.68	\$195.36
Logistics/Teamsters	2	\$89.35	\$178.70
Subtotal Labor			\$61,741.40
Subtotal for First 2 Week Shift *			\$95,785.15
Contingency	0%		\$0.00
Total for Subsequent 2 Week Shift *			\$82,291.10

Notes:

Estimate for 2 week rotation of 12-hour shifts.

* Freight charge is a one time charge for round trip shipping of Hotsy/Jetter unit from Deadhorse to Kotzue and back to Deadhorse. Cost to be deleted for subsequent biweekly costs.

** Contacted Nullagvik Hotel and no rooms are available until after 3/2/24 - Basketball Tournament

*** Assumption that a city-provided crew truck is available.

Attachment to CONAM PO for Swan Lake Loop Emergency Public Works Assistance, March 2024