

Regular City Council Meeting
January 3, 2018 @ 7:00 pm
Cordova Center Community Rooms A & B
Minutes

A. Call to order

Mayor Clay Koplín called the Council regular meeting to order at 7:00 pm on January 3, 2018, in the Cordova Center Community Rooms.

B. Invocation and pledge of allegiance

Mayor Koplín led the audience in the pledge of allegiance.

C. Roll call

Present for roll call were **Mayor Koplín** and Council members **Jeff Guard**, **Robert Beedle**, **Anne Schaefer**, **David Allison** and **James Wiese**. Council member **James Burton** was present via teleconference. Also present was Public Works Director **Rich Rogers** and City Clerk **Susan Bourgeois**. City Manager **Alan Lanning** was present via teleconference.

D. Approval of Regular Agenda

M/Allison S/Guard to approve the Regular Agenda.

Vote on the motion: 6 yeas, 0 nays. Motion was approved.

Council member **Ken Jones** arrived at 7:06 pm.

E. Disclosures of Conflicts of Interest

Mayor Koplín and several council members mentioned that they had spoken briefly to **Melina Meyer** about marijuana issues which were legislative in nature and not considered quasi-judicial.

F. Communications by and Petitions from Visitors

1. Guest Speakers - Legislative Lobbyist, **John Bitney** was present to report on the upcoming legislative session in Juneau. He had a report in the packet that summarized things. Governor's budget came out on December 15 - obviously solving the state's fiscal crisis will be forefront of this session. He went over SB 26 which is the mechanism by which a percent of market value (of the permanent fund) is put into the state budget for operations and to pay out dividends. The senate and house have different versions of that right now. There was discussion about the state harbor funding program, Cordova the last to apply for that - it's a 50/50 matching grant and the max is \$5M that the state would give, total of a \$10M project.

2. Audience comments regarding agenda items

Sylvia Lange spoke about the AMHS reform project which is ongoing - **Mike Anderson** sits on the committee and she has been an alternate. The first task that was tackled was governance and turning the AMHS over into a public corporation has been chosen as the answer to that. She said at this point the project will be seeking political support in Juneau.

Greg Meyer of 1 Cannery Row encouraged Council to vote "no" on Resolution 01-18-03. He thought Council was putting road blocks in front of small businesses.

Melina Meyer of 1 Cannery Row spoke concerning Ordinance 1162 - she asked Council to remove the additional tax on Marijuana, keep it at the 6% not the increase to 12%. She also opined that it was not necessary to put marijuana on the ballot as Cordovans had already spoken to that issue when it was on the state ballot - 2 to 1 in favor.

3. Chairpersons and Representatives of Boards and Commissions - no reports

4. Student Council Representative Report - not present, school vacation.

G. Approval of Consent Calendar

Mayor Koplín declared the consent calendar was before the City Council.

5. Resolution 01-18-02 A resolution of the City Council of the City of Cordova, Alaska, supporting full funding for the State of Alaska harbor facility grant program in the FY 2019 state capital budget

6. Resolution 01-18-04 A resolution of the City Council of the City of Cordova, Alaska, supporting proposed changes to Alaska statute Chapters 30.30 and 5.25 relating to improving the management and prevention of derelict vessels

7. Council's right to protest renewals for liquor licenses (AC and Baja Taco)

8. Record excused absence of Council member **Burton** from the December 20, 2017 regular meeting

Vote on the consent calendar: 7 yeas, 0 nays. Beedle-yes; Schaefer-yes; Wiese-yes; Jones-yes; Allison-yes; Guard-yes and Burton-yes. Consent Calendar was approved.

H. Approval of Minutes

I. Consideration of Bids

J. Reports of Officers

9. Mayor's Report – *Mayor Koplín* had a written report in the packet and he added that he's been in touch with Shoreside Petroleum and 3 processors concerning the impact of the motor fuel tax and what it will be on them. He's working on a letter to the USFS for Points North – will get that in a packet soon. He's been asked to go to NPFMC meeting in Seattle on Feb. 5 – he will do so, he'll be in Juneau the weekend before that. He had a goal of enticing them to come hold a meeting in Cordova. In Juneau, he'll be talking about Power Creek Road but also will touch on Cordova issues. He had a request to write a letter for RCAC – there was some discussion/council input and he said he will get to that tomorrow. He met with *Mayor Berkowitz* of Anchorage and they will co-sign a letter concerning the benefits of a ferry in PWS. He may go to DC in February concerning the Grid Modernization Grant – and he will multi-task there and hit on harbor funding issues with our delegation.

10. Manager's Report – City Manager *Alan Lanning* was on the phone and expressed that there have been people coming in with concerns about the new taxes. He's willing to meet and talk with all of them.

11. City Clerk's Report – *Bourgeois* had no report.

K. Correspondence

12. 12-19-17 CEC Press Release re DOE and National Lab Microgrid project

13. 12-26-17 letter from *K. Johnson* re bonuses/contract renewals from 12-20-17 meeting agenda

14. 12-27-17 letter from *M. Meyer* re ballot proposition re marijuana

15. 12-27-17 letter from *M. Meyer* re sales tax proposed for marijuana

L. Ordinances and Resolutions

16. Ordinance 1162 An ordinance of the City Council of the City of Cordova, Alaska, repealing and reenacting Cordova municipal code chapter 8.40 “marijuana regulation” removing the expired temporary prohibition against marijuana establishments within the City of Cordova, adopting regulations for such establishments, repealing and reenacting Cordova municipal code chapter 18.60 “conditional use permits” to include commercial marijuana facilities as a conditional use within the city and clarifying the conditional use process applicable to such facilities, and amending Cordova municipal code section 5.40.012 “surtax levied on certain sales, services, and rents,” to levy a surtax on the sale of retail marijuana and marijuana products within the city – 1st reading

M/Allison S/Jones to adopt Ordinance 1162 An ordinance of the City Council of the City of Cordova, Alaska, repealing and reenacting Cordova municipal code chapter 8.40 “marijuana regulation” removing the expired temporary prohibition against marijuana establishments within the City of Cordova, adopting regulations for such establishments, repealing and reenacting Cordova municipal code chapter 18.60 “conditional use permits” to include commercial marijuana facilities as a conditional use within the city and clarifying the conditional use process applicable to such facilities, and amending Cordova municipal code section 5.40.012 “surtax levied on certain sales, services, and rents,” to levy a surtax on the sale of retail marijuana and marijuana products within the city.

Allison said he mostly is fine with this ordinance, he said he could be swayed on the surtax portion still. *Jones* also agrees with this ordinance – he was in support of the change to “map 2” which was incorporated here. *Jones* said he could also be swayed on the tax part.

M/Beedle S/Wiese to amend by striking section 3 of the ordinance.

Beedle said it's a budding market and its black market, “we're not getting nothing”. Maybe we can revisit it later. *Wiese* agreed, said there were some tax breaks that the marijuana industry cannot take (write-offs, etc.).

Vote on the motion to amend: 7 yeas, 0 nays. Motion was approved.

Vote on the main motion as amended: 7 yeas, 0 nays. Motion was approved.

17. Resolution 01-18-01 A resolution of the City Council of the City of Cordova, Alaska, designating capital improvement projects

M/Jones S/Beedle to approve Resolution 01-18-01 a resolution of the City Council of the City of Cordova, Alaska, designating capital improvement projects

Jones said he likes that the harbor/port/shipyard is the City's highest priority.

M/Beedle S/Schaefer to amend by changing l.c. and adding l.d. as follows:

l.c. Harbor expansion

l.d. General upgrades (north harbor sidewalks)

Vote on the motion to amend: 7 yeas, 0 nays. Motion was approved.

Vote on the main motion as amended: 7 yeas, 0 nays. Motion was approved.

18. Resolution 01-18-03 A resolution of the City Council of the City of Cordova, Alaska, authorizing the City to submit to the qualified voters of the City at the March 6, 2018 Regular Election the question of whether or not to prohibit operation of marijuana cultivation, manufacturing, and testing facilities as well as marijuana retail stores within the City

M/Beedle S/Jones to approve Resolution 01-18-03 A resolution of the City Council of the City of Cordova, Alaska, authorizing the City to submit to the qualified voters of the City at the March 6, 2018 Regular Election the question of whether or not to prohibit operation of marijuana cultivation, manufacturing, and testing facilities as well as marijuana retail stores within the City.

Beedle said there were some good points brought up earlier, he thinks this needs to be a proposition this time or else it could easily be brought as a petition and then brought to a Special Election. *Allison* said he'd rather vote it now then have it wait a year. There was concern over the actual language in the ballot prop in the resolution, and *Mayor Koplin* advised that if Council passes this tonight then it will be approved with direction to staff to include language within the ballot that would clarify what a yes vote meant. *Wiese* spoke against this - he said it has been voted upon already. He wants this business to succeed, it is making an investment in Cordova and shouldn't have to spend a lot of money to campaign for this. *Burton* said he agrees with *Wiese*. *Guard* was on the fence. *Jones* said he was back on the fence at this time. *Schaefer* said she was leaning toward supporting this resolution. *Allison* said he was changing his mind and is firmly on the "no" side of this vote now. *Guard* said he'll be voting no.

M/Burton S/Guard to suspend the rules in order to have questions of Council answered by the business owner that is effected by this decision.

Vote on the motion: 7 yeas, 0 nays. Motion was approved.

Jones asked *Melina Meyer* if this vote would delay her. She said it would, she would be on hold and stop investing her money until the outcome of the vote was known. *Allison* asked if she would be willing to take the risk of citizens' initiating this then. She said she would take that risk because if she had her business up and running, people could come in and see how the operation runs and that is far better - to see what the industry actually is instead of to fear the unknown.

Vote on the motion: 1 yea, 6 nays. Allison-no; Beedle-yes; Jones-no; Guard-no; Wiese-no; Burton-no and Schaefer-no. Motion failed.

M. Unfinished Business

N. New & Miscellaneous Business

19. Pending Agenda, Calendar and Elected & Appointed Officials lists

January 17 - discussion of sales tax cap exemption. *Jones* has worked on a draft and he wants an ordinance to roll it back to \$4,000. *Mayor Koplin* said there seemed to be different objectives by different Council members - so a discussion item seems more appropriate.

O. Audience Participation

Melina Meyer thanked council for taking the time to look at the issue.

Greg Meyer of 1 Cannery Row commented on Cordova's high exempt property value. He also said he went to all the strategic planning and he thought Council was on a good path, what's with this repealing those taxes now? He gave some ideas about divesting of City properties/buildings. He mentioned how hard it is for small businesses in this town.

Tammy Altermott of 811 Woodland Drive said she was glad to see the school on the CIP list - she is glad to see the sales tax cap ordinance will get re-looked at. She mentioned the RFP for the harbor waste oil building and wondered if the local bidder's preference is included in that even though its design-build.

Don Scutt of 204 Boardwalk Way, thanked Council for bringing up the cap again. He said there are 5 empty buildings on Main Street right now, we need to bring businesses back to Cordova.

P. Council Comments

Schaefer thanked everyone for sharing comments and wished everyone a Happy New Year.

Jones thanked the audience for participating.

Wiese echoed the thanks - he said he hears people say they cannot attend meetings - he urged people to spend an hour, read the packet online, send an email to all of us.

Burton echoed the comments made.

Guard echoed the comments made.

Beedle echoed also - he mentioned how these are on YouTube.

At 9:13 pm, *Mayor Koplin* called for a five minute recess to clear the room before the executive session.

Council came back to order at 9:21 pm.

Q. Executive Session

20. Political climate in Juneau and Cordova's Legislative Priorities (with Lobbyist John Bitney)

M/Allison S/Beedle to go into an executive session to discuss the political climate in Juneau and Cordova's Legislative Priorities with lobbyist John Bitney, matters the immediate knowledge of which would clearly have an adverse effect on

the finances of the government.

Vote on the motion: 7 yeas, 0 nays. Motion was approved.

Council convened the executive session at 9:21 pm and then re-entered the regular meeting at 9:32 pm.

Mayor Koplín said there was no action taken in the executive session.

R. Adjournment

M/Allison S/Beedle to adjourn the meeting.

Hearing no objection the meeting was adjourned at 9:33 pm.

Approved: February 7, 2018

Attest:



Susan Bourgeois, CMC, City Clerk

