

Regular City Council Meeting
January 17, 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 17, 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 *Ken Jones*, *Anne Schaefer* and *David Allison*. Council members *James Burton*, *Robert Beedle* and *James Wiese* were present via teleconference. Council member *Jeff Guard* was absent. Also present were City Manager *Alan Lanning* and City Clerk *Susan Bourgeois*.

D. Approval of Regular Agenda

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

Vote on the motion: 6 yeas, 0 nays, 1 absent (Guard). Motion was approved.

E. Disclosures of Conflicts of Interest

Ken Jones said he does the sanding and snow removal for the Net Loft, so he didn't know if that constituted a conflict of interest to rule on item 17, where there is a letter of interest from that business. *Mayor Koplín* thanked him for the transparency but he doesn't see a conflict there.

F. Communications by and Petitions from Visitors

1. Guest Speakers

2. Audience comments regarding agenda items

Dotty Widmann of 245 Eyak Drive and 140 Adams (Net Loft), commented that she is going to pause on her letter of intent (item 17) while she examines options to keep the business on Main Street.

Mary Ann Bishop of 700 Fourth Street and President of PWS Audubon addressed item 17 - she was against Council disposing of this lot.

Max Wiese 400 Railroad Row and a member of the Harbor Commission, spoke against item 18, disposing the North Fill lot.

Rich Collins of 4.2 mile Whitshed Rd, spoke in favor of item 18 - disposal of the lot to Rob Brown.

Tony Schinella Harbormaster of 114 Nicholoff spoke against item 18.

Scott Pegau of 110 Mt. Eccles Estates - spoke about items 17 & 18 - he hopes that Council will consider Planning and Zoning's recommendations. He offered if council went for another method of disposal he would be in favor of method 4 - sealed proposals.

Ezekiel Brown 601 Spruce Street spoke in favor of item 18.

Tammy Altermott of 811 Woodland Drive spoke in favor of item 18.

Jacob Hand of 920 Center Drive spoke in support of item 18.

Don Scutt of 204 Boardwalk Way spoke in support of item 18 and also asked Council to reconsider the change in the sales tax cap.

Shawn Gilman of 2.2 Mile Whitshed spoke about item 18 - there should be a thought process about how that development will work down there. If we could accomplish a working waterfront and add a great new business down there he'd be in favor of it.

Mark Frohnappel of Woodland Drive, spoke about item 19 - he would like to see this tax repealed.

Wendy Ranney of 2500 Orca Rd - spoke about item 19, hoped Council would reconsider the cap.

Tom Carpenter of 501 Sunnyside Drive and with Copper River Seafoods spoke about the sales tax levels - spoke against the sales tax cap and the motor fuel tax.

Alexis Cooper of 1006 Whitshed Rd spoke in support of the Harbor retaining the lot on the North Fill - therefore, spoke against disposal as in item 18.

Tom Bailer of 304 Orca Inlet spoke in favor of reconsidering the sales tax cap.

3. Chairpersons and Representatives of Boards and Commissions

- AMHS Reform Project Committee report from *Mike Anderson*

School Board President **Barb Jewell** reported – they just got a completely clean audit report from 2016 – kudos to the business staff at the district for that. They are embarking on strategic planning – a survey is out. This weekend is tipoff – always an exciting event for the district.

4. Student Council Representative Report – **Olivia Carroll** said that nominations were made today at student council and surprisingly, no one wanted to be the City Council rep, but she said not to feel bad, no one wanted to be the School Board rep either. Nominations are: President: **William Deaton & Olivia Carroll**, Vice President: **August Jewell & Alena Craig**, Secretary: **Alena Craig**, Treasurer: **John Appleton**. Voting will take place next Friday. JH Robotics got 4th last weekend, tipoff is this weekend. There is a rumor going around that the music program is going to be cut – she assured everyone it is not. She touched on the boys basketball uniform debate and said it has been resolved and was supported and approved by the school district as well as fund-raised for and unanimously supported by the players.

G. Approval of Consent Calendar

Mayor Koplín declared the consent calendar was before the City Council. **Beedle** asked to remove item 6 – it was placed as item 15a.

5. Resolution 01-18-05 A resolution of the City Council of the City of Cordova, Alaska authorizing the conveyance of a portion of Lots 8 and 9, Block 1, Odiak Park Subdivision

~~6. Resolution 01-18-06 A resolution of the City Council of the City of Cordova, Alaska supporting Points North Heli-Adventures Inc., commercial access to United States Forest Service lands~~

7. Council right to protest liquor license renewals for Laura's Liquor Shoppe and Powder House Bar/Restaurant

Vote on the consent calendar: 6 yeas, 0 nays, 1 absent. Allison-yes; Beedle-yes; Jones-yes; Guard-absent; Wiese-yes; Burton-yes and Schaefer-yes. Consent Calendar was approved.

H. Approval of Minutes

M/Jones S/Allison to approve the minutes.

8. Minutes of the 12-20-17 Council Regular Meeting

Vote on the motion: 6 yeas, 0 nays, 1 absent (Guard). Motion was approved.

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 refreshing himself on Robert's Rules and some things he's learned will assist in discussions later.

10. Manager's Report – City Manager **Alan Lanning** said there was a pretty successful Town Hall Meeting last night – he will be scheduling more of those.

11. City Clerk's Report – **Bourgeois** reported that the March 6 regular election is coming up – declaration of candidacy open now and closes February 6. She has received back 2 initiative petitions that have circulated and have signatures on them she is in the process of determining the sufficiency and legality of those and has 30 days to do so, with the assistance from the City Attorney. There is a third petition regarding marijuana that is circulating and there is a deadline for them to get it to her by February 15.

K. Correspondence

12. 01-08-18 Mayor Koplín letter to DEC per request from RCAC

13. 01-09-18 Mayor Koplín letter to USFS re Points North

14. 01-10-18 Mayor Koplín letter to ADF&G re Tanner Crab

15. 01-12-18 Mayor Koplín letter to Governor and Lieut. Governor in re Drug Dog donation

L. Ordinances and Resolutions

15a. 6. Resolution 01-18-06 A resolution of the City Council of the City of Cordova, Alaska supporting Points North Heli-Adventures Inc., commercial access to United States Forest Service lands

M/Jones S/Burton to approve Resolution 01-18-06 a resolution of the City Council of the City of Cordova, Alaska supporting Points North Heli-Adventures Inc., commercial access to United States Forest Service lands

Jones spoke in support of this – they provide good economic activity in Cordova. **Burton** was also in favor. **Beedle** said last time we did a resolution like this we were advised not to use the name Points North – he wondered why it's different now. **Mayor Koplín** said the short answer is there has been a change in policy and Points North has specifically requested this of the City.

Vote on the motion: 6 yeas, 0 nays, 1 absent. Beedle-yes; Schaefer-yes; Wiese-yes; Jones-yes; Allison-yes; Guard-absent and Burton-yes. Motion was approved.

M. Unfinished Business

N. New & Miscellaneous Business

16. Council adoption of 2018 City Land Disposal Maps

M/Jones S/Schaefer to adopt the 2018 City land disposal maps.

Jones said he wanted to hear others speak. *Schaefer* said she is happy with the change of the breakwater fill lot from available to unavailable and agrees with the general sentiment that's been expressed that we need to do some waterfront planning. *Allison* said in general he's ok with one exception - he asked the planner to explain the new rule incorporated into the land disposal maps this time. *Greenwood* said that the new rule is that they will accept letters of interest on any lot even if the lot says unavailable on the land disposal maps. Then staff will weigh the options and determine whether or not to move the disposal forward. Presently, some people have felt that they cannot put in a letter on unavailable lots (i.e. would have to wait until the new year when maybe that lot will be put on the maps as available), but others have submitted letters on unavailable lots and they've gone through the process. She said the new rule gets rid of that inequity. *Allison* said he agrees with that and likes the change. He also said he wanted to keep the North Fill lot in question as unavailable.

M/Allison S/Beedle to amend by making Lot 3 Block 5 North Fill Development Park, unavailable.

Wiese said he wants the lot to remain available, he will not support the amendment. *Jones* spoke in favor of the amendment.

Vote on the motion to amend: 5 yeas, 1 nay, 1 absent. Jones-yes; Guard-absent; Wiese-no; Beedle-yes; Burton-yes; Schaefer-yes and Allison-yes. Motion was approved.

Vote on the main motion: 6 yeas, 0 nays, 1 absent. Allison-yes; Schaefer-yes; Jones-yes; Beedle-yes; Wiese-yes; Burton-yes and Guard-absent. Motion was approved.

17. Council action on disposal and method of disposal of Breakwater Fill Lot

M/Jones S/Wiese to refer to staff.

Hearing no objection, motion was approved.

18. Council action on disposal and method of disposal of Lot 3, Block 5 North Fill

M/Schaefer S/Jones to dispose of Lot 3, Block 5, North Fill Development Park as outlined in Cordova Municipal Code 5.22.060 B by negotiating an agreement with Robert Brown DBA Saddle Point Machine L.L.C. to lease or purchase the property.

Schaefer said she is a bit conflicted, she thinks the business plan is great, she'd love if he could find a different spot, she'd like to see the City maintain boat storage and a revenue stream there and she would also like the waterfront planning to happen. *Jones* said he is in full support of **Rob Brown's** business. He does have an issue with the lot that he wants to purchase though.

M/Jones S/Burton to suspend the rules to revert to audience comments on agenda items.

Rob Brown spoke in favor of his proposal to buy Lot 3, Block 5, North Fill Development Park. He gave a short run down of what he does and his business plan.

Scott Pegau 110 Mt. Eccles Estates said that if Council just made this lot unavailable, the process should maybe be reset and this would have to start over. Council would have to make it available again first before disposing. He was also of the opinion that they should reconsider the method and go with offering this lot to sealed proposals instead of direct negotiation.

With no further public testimony, *Mayor Koplin* said they were back on this item and the original motion was back before them.

M/Allison S/Beedle to refer this to staff and the Harbor commission for input.

Allison said he wants to refer this so that we don't hastily vote tonight and kill the project. He knows the Harbor has always fought for these lots and maybe if we pause, other options can be explored.

Vote on the motion to refer: 6 yeas, 0 nays, 1 absent. Schaefer-yes; Burton-yes; Guard-absent; Beedle-yes; Allison-yes; Jones-yes and Wiese-yes. Motion was approved.

19. Discussion of sales tax cap exemption

Mayor Koplin said that as far as the initiatives, as the Clerk had explained, the only way for Council to change past ordinances is to approve new ones that do the opposite. Therefore, he advised that it is against the rules for Council to speak against previous actions of Council, so this discussion should be about Council's will to bring new laws in front of the body. *Jones* said he would be interested to see what the Council's appetite is for bringing this back up as a new ordinance and taking action on that. *Mayor Koplin* opined that this was a piece of the budget (i.e. passage of the previous ordinance) and it would be incumbent on Council, if they overturned this, to make provisions for balancing the budget as well. *Allison* said that any Council member could have moved for reconsideration on this ordinance, but that didn't

happen, he said people could have done a referendum petition, but that didn't happen. He realizes that there have now been initiative petitions turned in so it will come for a vote - he would like to discuss the exemptions to the increase in the cap as were discussed when this was being considered. His appetite for total reconsideration of the whole thing isn't really there unless his co-councilors pose a way to fix the budget; replace that revenue. **Allison** said he had once suggested and he would bring it up again, the prospect of moving some permanent fund money into the budget in order to make such payments as school bond debt (as he suggests was the thought process when previous council's had put that money into the permanent fund, originally). He was of the opinion that other options to balance the budget without these tax revenues would be closing things, shutting down programs, pool, Bidarki, library, museum, etc. He thinks the budget is already pared down to the bone otherwise. He said otherwise the burden would be on property tax. He said he had approved the taxes in the first place to avoid that happening - to spread things out across the summer influx. **Burton** said he would like to echo those comments. **Mayor Koplín** said as far as rules go, he thought it was kind of against the rules for the majority of Council to vote to take an action and then the minority of Council could have the ability to keep bringing it back up before the body.

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

Jones and **Beedle** concurred to put an ordinance lowering the sales tax cap from \$7500 to \$3000. **Beedle** asked for an item on land development vs. land disposal. **Lanning** said he will work on this methodology - he will schedule it for a work session soon. **Beedle** also suggested an ordinance to overturn the motor fuel tax - **Jones** concurred - so that would be before Council as an ordinance next time too.

O. Audience Participation

Marvin Fox had concerns about a water bill he received from the City. **Lanning** said he would meet with him tomorrow about it.

Tom Bailer 304 Orca Inlet Dr. said the message isn't getting out if there are 3 petitions circulating. He thinks the public needs to be allowed to participate in work sessions. He stated the City left public information out of Council packets. He said Council used to always allow people to come discuss items when they have an item on the agenda with the Council - he had never heard of the "suspend the rules" method.

Wendy Ranney 2500 Orca Road, spoke against the Crater Lake water and power project.

Don Scutt of 204 Boardwalk Way and manager of North Star Lumber, offered a solution for the budget shortfall due to his petitions. He was of the opinion that a 1% increase in sales tax would be a good remedy.

Tammy Altermott of 811 Woodland Drive appreciate their thankless work - she spoke against the sales tax cap - she thought it unfairly targeted a few businesses. Concerning disposal of City lots she was in favor of the disposal to Rob Brown. She also spoke against marijuana businesses in Cordova.

Barb Jewell of Mile 2.2 Whitshed opined that the revenue stream Council decided upon does not appear to be broad as was the original intention. She said she knows Council hears the people coming and speaking but she wonders if they listen.

Mark Frohnäpfel of Woodland Dr. spoke against the motor fuel excise tax.

Matt Lindsay VP of Shoreside Petroleum, spoke against the motor fuel excise tax.

Greg Meyer of 1 Cannery Row mentioned that all the people speaking tonight are business owners - he would like to represent the people who aren't at the meeting tonight, the moms and dads who are home with their kids. He said they will really feel the 1% sales tax increase - they feel the property tax increase - residents/citizens cannot expense a lot of their costs - not the way businesses can - so if you are going to increase my taxes - do it to my business, not to me on the personal side. Maybe the citizens are unaware of all the shortfalls - the forest receipts going away, the fish tax coming in under some years, the state giving less for reimbursements. He doesn't want Bidarki or the pool to close. Taxes are needed or we will have to close down some of the wonderful things we have that bring people to Cordova.

P. Council Comments

Jones thanked people for coming out, thanked Council and thanked the Mayor for his letters.

Schaefer said that out of the last few meetings she thinks a sentiment has been shared about the need for a waterfront plan/ a vision that will aid land development/disposal. At the end of the day - the budget must balance and no one likes taxes. She opined that it would behoove us to move forward with what's in place then readjust as necessary after we see how things perform. She thanked everyone for being patient as she continues to learn the ropes.

Allison echoed thanks to the people for coming out. He said he for one does listen when citizens make comments. He reminded the public of the vacancies this time for Council and School Board, etc. He appreciated Council, Mayor and staff.

Beedle echoed thanks to the Mayor for his letters, he thanked Fisheries Development Committee for their work in attaining the commissioner's permit for Tanner Crab. Hopefully we can spend as much time developing economy as we

do talking taxes.

Wiese echoed the thanks. He said he is not afraid to make a bad decision he's afraid to leave it wrong.

Burton agreed with **Jones** regarding fish tax; agreed with **Allison** about where we stand on reduction in services vs. doing away with these taxes. As far as our budget, we are not at a sustainable level. Especially when it comes to capital projects, replacing equipment, etc. Motor Fuel excise tax as mentioned by **Greg Meyer**, write off on the business side yet the money still stays in town, a win. As far as **Mr. Bailer's** comments about suspending the rules, just because it was done a certain way in the past doesn't mean it was right, we are trying to stick to procedures and have orderly meetings as we should be. He super in favor of finding something that will work for **Mr. Brown's** plans.

Mayor Koplín mentioned that there was a Fisheries Development Committee Meeting tomorrow night in this room at 7 pm.

Q. Adjournment

M/Allison S/Jones to adjourn the meeting.

Hearing no objection the meeting was adjourned at 9:21 pm.

Approved: February 21, 2018

Attest:



Susan Bourgeois, CMC, City Clerk

