

**CITY COUNCIL REGULAR MEETING
FEBRUARY 2, 2011 @ 7:30 PM
LIBRARY MEETING ROOM
MINUTES**

A. CALL TO ORDER

Vice Mayor David Reggiani called the Council Regular Meeting to order at 7:30 pm on February 2, 2011, in the Library Meeting Room.

B. INVOCATIONS AND PLEDGE OF ALLEGIANCE

Vice Mayor David Reggiani led the audience in the Pledge of Allegiance.

C. ROLL CALL

Present for roll call were *Vice Mayor David Reggiani*, Council members *David Allison*, *Bret Bradford*, *EJ Cheshier*, *Jim Kacsh* and *Robert Beedle*. *Mayor James Kallander* was present via teleconference. Council member *Keith van den Broek* was absent. Also present were City Manager *Mark Lynch*, City Clerk *Susan Bourgeois*, and Deputy City Clerk *Erika Empey*.

D. APPROVAL OF REGULAR AGENDA

M/Bradford S/Kacsh to approve the regular agenda.

Vote on motion: 6 yeas, 0 nays, 1 absent (van den Broek). Motion carried.

E. DISCLOSURES OF CONFLICTS OF INTEREST – None.

F. COMMUNICATIONS BY AND PETITIONS FROM VISITORS

1. Guest Speakers – None.

2. Audience comments regarding agenda items – *Mark Frohnapfel* thanked everyone for their work on the new Public Safety Design Committee. He urged the Council to place the building on Main Street.

Tom Bailer echoed Mark's comments. He stated that there would be an all-day discussion on February 8th and 9th, and those interested should attend.

3. Chairpersons and Representatives of Boards and Commissions – *Jim Nygaard* provided a handout outlining his update. He stated that he the Governor would not be providing any more funding for the schools this year. The interest access was used only to complete construction processes per EED guidelines and statute. The district office will move into Mt. Eccles within the week. There are drafts of the ILP building in the handout. The school is about \$300K over budget. *Nygaard* would like to hire a maintenance person, and would like the City to consider funding that position. He has also been going after stimulus money. He has a few items he is considering buying. He has also been having discussions about the Safe Routes to school program. It's only in the design phase, and everything will come before the Council. They will be adding in a striped crosswalk on Second Street, a sidewalk, and an elevated crosswalk on Lake Ave. *Reggiani* clarified that the resolution that they were voting on later in the meeting to transfer funds, was not part of the money that *Nygaard* was asking for. *Nygaard* agreed, and stated that that money will go into the Capital fund.

Beedle stated that the Harbor Commission did not have a quorum. He would like to get a functioning group together.

Allison stated that the Health Services Board would be meeting on the following Wednesday.

Reggiani stated that the Public Services Design Committee met for about three hours for a meet and greet. They gave a historical summary of the last three years and also started building a road map for

a conceptual design. They are currently looking at two locations. The library location and a parcel of land between the cemetery and Eagle Contracting.

a. Student Council Representative – none.

G. APPROVAL OF CONSENT CALENDAR

Reggiani stated that the consent calendar was before the Council.

4. Record unexcused absence for Council member **Robert Beedle** from 1/19/10 Regular Council Meeting

5. Resolution 02-11-07

A resolution of the City Council of the City of Cordova, Alaska, supporting any and all work that can be performed by the Alaska Department of Transportation to improve mile 0-6 of the Copper River Highway.

Vote on consent calendar: 6 yeas, 0 nays, 1 absent (van den Broek). Cheshier – yes; Reggiani – yes; Beedle – yes; Kacsh – yes; Allison – yes; Bradford – yes. Consent calendar approved.

H. APPROVAL OF MINUTES

6. Minutes of 01-19-11 Public Hearing

M/Cheshier S/Bradford to approve the minutes.

Vote on motion: 6 yeas, 0 nays, 1 absent (van den Broek). Motion carried.

I. CONSIDERATION OF BIDS – None.

J. REPORTS OF OFFICERS

7. Mayor's Report

8. Manager's Report – **Mark Lynch** stated that there was a written report in the packet. Last week he was in Anchorage attending a homeland security training. **Lynch** stated that he also met with a paralegal with the City's attorney to start the process of going over the City Code to correct conflicts. He hopes to bring just a few issues at a time to the Council for direction. **Lynch** received four responses for the RFI for the Health Service Management. He thought that they should move forward with an RFP to send to those four entities. **Lynch** asked **Beedle** for any new information on the Sound Developer. **Beedle** stated that a company out of Dutch Harbor had shipped some equipment to Cordova, and it has arrived. **Lynch** stated that it might mean they have been corresponding with the Coast Guard, and they may be ready to go. **Lynch** also stated that he had received a letter from the Harbor master about the Harbor Commission, basically asking that it be done away with since it hasn't served any positive purpose for awhile. He would like it for a discussion item on the next agenda. He would also like an energy audit done on the hospital. The same company was doing the school, and if they combined the two, they could save some money. Additionally, Dundas has indicated that he would like to sell his property back to the City. **Lynch** would like some direction as to what to do with that. Lastly, **Lynch** stated that **Nygaard** and he had walked the area behind the school to scout out a spot for a new recreation center/pool facility. **Nygaard** had mentioned that the school heating system was potentially large enough to heat the new facility as well, which would save the City quite a bit of money. **Reggiani** asked the Council what they thought about doing an energy audit on the hospital. The **Council** agreed to go ahead with it. **Reggiani** addressed the Dundas property issue. He stated that the City was always open to proposals. The Council would like Dundas to get an appraisal on the property, otherwise, they would just let **Lynch** move forward with negotiating with Dundas.

9. City Clerk's Report – **Susan Bourgeois** stated that the written report was in the packet. The election was coming up March 1st, and the deadline for Declaration of Candidacy closed on Monday. For the School Board, there is one open seat; and two people declared, Kate Alexander and Donald Kurz. For

Council, there are two open seats. Seat B is Jim Kacsh's, and he has declared. Seat C is Dave Allison's, and nobody had declared.

10. Staff Reports

a. Moe Zamarron, COR, Cordova Center Project – **Zamarron** stated that the contractor has been working from Anchorage to keep the flow of work going, even though construction has been on a standstill. He left a list of things he needs before construction begins again. He has about two weeks to get the materials. The comprehensive construction schedule is under review by the contractor, and he is close to finishing that. He will bring it forward when it is completed. The fourth application of payment has been paid to the contractor last week. There are no real issues, except for completing the construction steel submittals, the reviews, the shop drawings are almost done, and fabrication is happening all month, and a little into next. The structural steel is almost up-to-date, but there are a few civil issues: fifteen outstanding RFI's concerning the structural steel, but they are supposedly at 100% complete. He is just waiting for confirmation. **Beedle** asked if material was still coming into the site, since they were still working on the architectural and structural drawings. **Zamarron** replied that there was material still coming in, but it was lower level materials that they would start on in March. The designs that they are still being worked on are upper levels in the building. The focus is to just get the materials through the fabricators.

b. Tom Cohenour, COR, Mt. Eccles Projects (final report) – **Cohenour** stated the open house was on the 25th of January. There are only a few remaining punch list items. On the gym there are some crooked ballards behind the building, and the controls need to be tested either by the electrical contractor or the architect. For the renovations, the exterior stair tower needs to be painted again with the correct paint. Some exterior doors need to be painted, some landscaping work, swing setup, and removal of the construction trailer. A few problems are: there is water in the kitchen, it may be coming from the windows; the elevator at Mt. Eccles needs some work; and the window shades in the commons are not connected to electrical yet. **Beedle** asked if the staging area would be cleaned up. **Cohenour** stated that it would be.

c. Tom Cohenour, Director of Public Works, WWTP – **Cohenour** provided a handout, gave a brief background of the waste water treatment plant, and then introduced **Mike Reedy** with CH2MHill to discuss the specifics. On November 30, 2010, **Cohenour** received a Notice of Violation from Chris Foley, Manager of the Compliance and Enforcement Program with the Alaska Department of Environmental Conservation (AK-DEC), indicating that there were 145 separate violations of the waste water treatment plant discharge permit. **Reedy** outlined some major concerns that need to be addressed first. **Cohenour** stated that he has been working with the AK-DEC to bring the plant into compliance, with a 5-7 year timeline. He has also applied for, and received a low interest (1.5%) loan for \$500,000 from AK-DEC. He wanted the Council's direction. **Reggiani** asked if there were any cost estimates as of yet. **Cohenour** replied that all that would be determined in a feasibility study. He would like CH2MHill to continue with the work, since they have worked with the City for so long already. **Reggiani** stated that he would like Cohenour to proceed with the feasibility study, but would like to know the cost of it first. **Lynch** stated that they could find out the cost, and bring it forward at the next meeting.

Quarterly Reports from Staff

a. Ashley Royal, Finance Department – **Cheshier** asked for a synopsis of the Cordova Center budget. **Royal** explained how the budget was set up in terms of grants, city contributions, and revenue and expenditures. **Reggiani** stated that to get to the amount spent so far, you add the prior years' expenditures, \$315,455.98, to the 2010 current year actuals, \$2,318,463.51, for a total of \$2,633,919.49. He asked that for future reports, just a summary of the amount spent, what it was spent on, and the amount remaining be included. **Kacsh** asked if the City did much better in sales tax than expected. **Royal** replied that they did. **Reggiani** asked when the year-end audit would be done. **Royal** replied that it

would happen at the end of March. **Reggiani** asked about the balance in sweep account, and whether they normally carried a high balance in it. **Royal** replied that they did not usually, and that it gets a bit of a rollover from capital projects. He stated that he and Mr. Adams would be working on investing some of it in the near future.

b. Buck Adams, UBS Financial, City Investments

c. John Bitney, Lobbyist, Legislative update – **Lynch** stated that Bitney had recommended that the City request funding for the design and feasibility of treatment options for LT2. It was not included in the Capital items improvements list. **Lynch** stated he was going to Juneau next week, and thought that he should incorporate it into the list.

K. CORRESPONDENCE

11. Letter from Cora Campbell, Commissioner, ADF&G
12. Letter from Angela Arnold, Executive Director, NVE
13. Letter of support for NVE fish programs
14. Letter of support to USCG for recertification of PWSRCAC
15. Email from Torie Baker in re Copper River Delta Science Symposium

M/Cheshier S/Bradford to take a five minute recess.

Hearing no objections, Vice Mayor Reggiani recessed the meeting.

The **Council** recessed from 9:20 pm to 9:26 pm.

L. ORDINANCES AND RESOLUTIONS

16. Resolution 01-11-02

A resolution of the City Council of the City of Cordova, Alaska, adopting service fees, rates and charges for the 2011 calendar budget – 1st reading

M/Kacsh S/Cheshier to approve Resolution 01-11-02, a resolution of the City Council of the City of Cordova, Alaska, adopting service fees, rates and charges for the 2011 calendar budget.

Vote on motion: 6 yeas, 0 nays, 1 absent (van den Broek). Motion carried.

17. Resolution 02-11-08

A resolution of the City Council of the City of Cordova, Alaska, to amend the City's 2011 budget, and to provide for the transfer of money to the Cordova School District from interest earned on funds invested during construction of the Mt. Eccles School capital project, in the amount of \$200,000, to be spent for the purchase of equipment and supplies at Mt. Eccles School.

M/Kacsh S/Allison to approve Resolution 02-11-08, a resolution of the City Council of the City of Cordova, Alaska, to amend the City's 2011 budget, and to provide for the transfer of money to the Cordova School District from interest earned on funds invested during construction of the Mt. Eccles School capital project, in the amount of \$200,000, to be spent for the purchase of equipment and supplies at Mt. Eccles School.

Vote on motion: 6 yeas, 0 nays, 1 absent (van den Broek). Motion carried.

M. UNFINISHED BUSINESS

N. NEW & MISCELLANEOUS BUSINESS

18. Approval of Contract with CH2MHill for conceptual design work for Public Safety building – **Reggiani** stated that the proposal came in significantly higher than they had thought. **Tom Wolfe** from CH2MHill stated that there was more included in the contract than what was discussed. There would be enough preparatory work to have a solid discussion on the design at the two-day meetings coming up. **Reggiani** stated that he thought that they needed to move forward on a conceptual design.

M/Kacsh S/Bradford to move to direct the City Manager to enter into the attached contract with CH2MHill for conceptual design work on the Cordova Public Safety Building.

Cheshier asked where the funding would come from. *Lynch* replied that it would initially come from the General Fund, but it could come from the Capital Fund at some point, or the Permanent Fund. *Kacsh* stated that he thought the designs and plans were moving a bit fast. *Reggiani* stated that the two-day meetings coming up would be a good place for the community to state their concerns, and to really hash out a good spot.

Vote on motion: 6 yeas, 0 nays, 1 absent (van den Broek). Motion Carried.

19. Pending Agenda and Calendar

Bourgeois stated that the Public Building Design Committee would meet on the 8th and 9th of February from 9 am to 4 pm at the Little Chapel. There will also be a Public Hearing on the 16th for the second reading of the Fee Resolution.

Lynch stated that those going to AML will leave Monday afternoon, and get back Friday afternoon.

Kacsh stated that he would like to discuss future locations of the Parks and Rec. facilities on the next agenda.

O. AUDIENCE PARTICIPATION

Cathy Sherman, 403 upper Davis, stated that the process for the Police and Fire Safety building was right on track. With the Cordova Center, they hired the architect firm first to help facilitate the process. The meeting last week was good; she wishes there had been more people however.

Tom Bailer, 304 Orca Inlet, stated in reference to the proposed Police and Fire Safety building site, they have looked at all of them over the past three years. The Dundas property may come into play now however. He urged people to come to the meetings, and share their thoughts there.

P. COUNCIL COMMENTS

20. Council Comments

Allison stated that he had no intention of declaring candidacy for his open seat in the next election, because he hopes to be gone for a few months in the future. However, if no one declares he wouldn't be completely opposed to putting his name in the hat.

Cheshier stated that he attended the school's open house, and it was a pretty neat thing. He also wanted to thank the Simpler's for giving up their land for the new gym.

Beedle agreed with *Cheshier's* statement, and also wanted to thank everyone who was involved in the school gym and renovation work. He also invited people to talk with him directly about any concerns that they may have involving City business.

Q. EXECUTIVE SESSION

M/Bradford S/Kacsh to go into executive session, to discuss matters the immediate knowledge of which would clearly have an adverse effect upon the finances of the government, specifically, to discuss the Cordova Center Phase 1 budget discussions, and the AIGCO land sale negotiation.

Vote on motion: 6 yeas, 0 nays, 1 absent (van den Broek). Motion carried.

21. Cordova Center Phase 1 budget discussion

22. AIGCO land sale negotiation

The *Council* convened the executive session at 9:58 pm, and reconvened the regular meeting at 10:48 pm.

Reggiani stated that they had discussed the Cordova Center Phase 1 budget discussion and the AIGCO land sale negotiation, and no action had been taken.

R. ADJOURNMENT

M/Allison S/Bradford to adjourn.

Hearing no objections, Vice Mayor Reggiani adjourned the regular meeting at 10:49 pm.

Approved: March 2, 2011

Attest: _____
Erika Empey, Deputy City Clerk