

Regular City Council Meeting
February 20, 2019 @ 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 7:10 pm on February 20, 2019, 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 Clay Koplín* and Council members *James Burton, Ken Jones, Jeff Guard, Melina Meyer* and *David Allison*. Council member *James Wiese* was absent. Also present were City Manager *Alan Lanning*, City Attorney *Holly Wells* and Deputy City Clerk *Tina Hammer*.

D. Approval of Regular Agenda

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

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

E. Disclosures of Conflicts of Interest

F. Communications by and Petitions from Visitors

1. Guest Speakers - City Legislative Lobbyist, *John Bitney* reported that there have been a lot of emotions in Juneau with the Governor's budget having been released. He mentioned that the legislature has organized - Senate has a Republican majority and the House has a Democratic majority. Which gives us a speaker of the house that does have a concern for coastal communities which is helpful come redistricting because the speaker of the house gets an appointment to the redistricting board.

As far as the Governor's budget: **Education** cuts - should take care of itself because there should be a major pushback from the legislature on this issue; **Fish Tax and Oil & Gas Property Tax** shared with municipalities - these appear to be dead in the water - not a lot of support at this time to take these revenues away from municipalities; **Marine Highway System** - Governor's budget says ferry service shutoff after October - that is a non-starter - a lot of skepticism in Juneau, the Governor's proposal seems to be lacking any clarity; Governor's budget zeroes out **bond debt reimbursement** to communities for **school construction** - that program has such a high impact on Mat-Su and would see a lot of pushback; Capital items - the **Harbor matching grant program** funding is removed in the Governor's budget - there is support in the legislature for putting that back in - but it might be late in the session. He hasn't yet seen the impacts to ADF&G budget, as far as impacts to Cordova's fisheries - he will look into that. Right now, we have a lot of good relationships with the leadership in both House and Senate so that will be advantageous.

2. Audience comments regarding agenda items

Tom Carpenter of 501 Sunnyside Drive opined that it is important that the Council take a position on the borough one way or the other. He also said he is concerned about the Harbor Project moving forward without secured funding because the state has shown matching grants don't always get funded. He also sees the raw fish tax as a tax on the processors as it will be 100% on them to collect, implement and pay for that tax.

Katherine Mead of 104 West Davis spoke in favor of passage of the CVFD Bylaws and Constitution.

Joanie Behrends of 4.5-mile CRH spoke in opposition to the borough and thinks that Council needs to take a stand, she also spoke in favor of passage of the CVFD Bylaws and Constitution.

Dick Groff of 201 Whiskey Ridge Rd spoke in favor of passage of the CVFD Bylaws and Constitution.

3. Chairpersons and Representatives of Boards and Commissions

School Board President *Barb Jewell* reported: 1) they are working on budget concerns too, the Governor has said he is not sending the \$20 million supplement that was promised and that is \$66,000 to Cordova which is significant; they are focusing on expenses and justifying each dollar since the revenues are more of an unknown than usual. The AMHS discussion obviously has a significant impact on the schools. The board has a couple of meetings coming up to work on strategic planning and significantly revising the student handbooks on March 2 and 3, meetings should last 10 - 12 hours total.

CCMCA Board Chair *Kristin Carpenter* reported: 1) there are three candidates for CCMCA board members - **Graham, Meyer** and **Solomon**, 2) today there was our first pediatric clinic with **Dr. Wesley Gifford** and it was a full day and went

well, saw lots of patients, 3) permanent radiology tech coming in March, permanent Physical Therapist comes in May, social worker for Sound Alternatives and there is a controller position being advertised 4) the small group meeting with NVE and CCMC and the City – there was a summary sent out today and the next step is to determine if we are in fact moving forward and we will meet again as a small group to hash that out.

4. Student Council Representative Report – was not present

G. Approval of Consent Calendar

5. Council action to waive right to protest the renewal of liquor license 2433, for Dae J. Chung, dba, OK Restaurant

6. Council approval of CVFD Constitution & Bylaws

7. Council concurrence of Mayor’s appointment of the 2019 Election Board

8. Record excused absences of Council members **James Burton**, **Jeff Guard** and **Anne Schaefer** from the Jan 16, 2019 Regular Meeting

9. Record excused absences of **Mayor Clay Koplín** and Council member **Anne Schaefer** from the Feb 6, 2019 Regular Meeting

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

H. Approval of Minutes

M/Burton S/Jones to approve the minutes.

10. Minutes of the 01-16-19 Regular Council Meeting

11. Minutes of the 02-06-19 Council Public Hearing

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

I. Consideration of Bids

12. Council approval of change order - ADoT Hippie Cove Culvert Relocation Project State funded project - City to be reimbursed

M/Schaefer S/Guard to approve change order 001 for \$40,800 for additional engineering work mandated by ADoT for the relocation work on the Hippie Cove Culvert Relocation Project.

Schaefer said not much to discuss, they are reimbursing us for the work. **Guard** said, yes, hope they come up with this money.

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

J. Reports of Officers

13. Mayor’s Report – **Mayor Koplín** reported: tentatively there is a meeting scheduled with the Governor in April – late session – this session will almost certainly go the 120 days – AMHS will be an important topic. He mentioned having co-written a letter with **NVE** to the Governor, asking for input and offering assistance to the state regarding AMHS budgeting. He has also reached out to **Ethan Berkowitz**, Anchorage’s Mayor about co-writing a letter to the legislature and Governor highlighting economic impact of the marine highway system to non-marine highway cities such as Anchorage. **Schaefer** asked about the Alaska Airlines meeting that he has scheduled. **Mayor Koplín** said he is meeting with Alaska Air and some business reps in town as well as the Chamber and NVE Executive Director – to discuss freight service.

14. Manager’s Report – City Manager **Alan Lanning** reported 1) the tax questions are being raised at this time based on the needs of CCMC - \$581K is in arrears to PERS and another \$600K is needed to fund the current year PERS second half of 2019; 2) currently we are reconciling our own accounts to determine if there is a capacity to meet the \$581K need in cash this year, perhaps but that is still unknown – we are still reconciling previous years to get a better handle on that; 3) we have the 2017 final draft audit – we should have the printed copies next week; 4) he’s been negotiating with the IBEW to try to get a new contract hashed out, last go around we only approved a one year extension – this time we will attempt a 2.5 year agreement so we can end at the end of our fiscal year; 5) setting up a public meeting to answer questions about the ballot props, Mayor, Harbormaster, others will be there – e-news will also put out information on the props **Burton** commented that he wants to see the adoption of a different philosophy over at CCMC – they turned around and did a salary study and gave themselves all big raises and then come back to Council and talk about their PERS debt as, “not something that we pay that benefits our current employees” – he said that doesn’t work that way; this cannot be an expense they choose not to pay with each payroll. The City Manager said he does not dispute that, but it is not something he has control over and he was giving the framework as to why we were having tax discussions in the first place.

a. Harbor Department Mug-Up 02-27-19 public notice

15. City Clerk’s Report – **Hammer** said that she has been finishing up the 2019 property assessment roll and the assessment notices will be in the mail on March 6 which will start the 30-day appeal period culminating in the BOE hearing scheduled for April 15. Absentee voting is open now until March 4 at 5 pm.

16. City Attorney Report - **Holly Wells** reported that she is here tonight to answer questions on taxation and also, she wanted to remind them that during this time when things are moving quickly in Juneau that Council be mindful of the open meetings act in case they are collaborating with the **Mayor** or others to compose letters, etc. Best practice would be keeping the clerk's office in the loop. Another issue sweeping through the state is transparency in executive session items. **Wells** said the best practice is more information in the executive session item and calling out the reason for the executive session in the agenda item. No one has done anything wrong, it is just the best way to keep the City out of legal costs. **Wells** said she would like some direction from Council if there is some regarding the taxation options raised in tonight's work session. Council discussed, and the group was not in a hurry to institute anything just yet, some seemed most interested in the surtax on alcohol/tobacco/marijuana, others seemed interested in learning the estimated revenues for some of the options before making any decisions. **Burton** mentioned possibly waiting on the new Council as well, after the election is certified. **Meyer** asked **Wells** if she could comment on our sales tax cap in comparison to other communities. **Wells** said that Cordova's tax structure as far as tax cap and exemptions is pretty generous to the taxpayers - she is pulling her knowledge from the communities that she represents and is pretty familiar with (approximately 10) she realizes there are many others who may have very different tax structures.

K. Correspondence

17. 02-05-19 **Mayor Koplín** letter to Gov Dunleavy supporting appointment of Ruffner to BoF

18. 02-05-19 **Mayor Koplín** letter to Gov Dunleavy supporting appointment of Laukitis to NPFMC

19. 02-12-19 Email from **E. Americus** concerning a Cordova Community Garden

20. 02-13-19 Public Notice from DNR re NVE Easement app for a portion of Shepard Point Rd

Mayor Koplín mentioned that as far as the letter from **Ellen Americus**, that land is being used by the hospital, so she is no longer interested in that. **Mayor Koplín** put her in touch with another group that is working on a community garden near St. George's Episcopal Church.

L. Ordinances and Resolutions - none

M. Unfinished Business - none

N. New & Miscellaneous Business

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

Borough opposition resolution to come next meeting - **Jones** and others were in support of that. The first resolution seemed to have more interest. Northern Edge - Alaska Command coming to present on March 6 - the 6 pm work session. **Mayor Koplín** opined that the Capital Priorities list is in good shape from last time, probably we don't need to look at it again. **Meyer** asked about a financial update - reports, etc. **Lanning** said those are slated for the March 20 work session, UBS will be here as well to give investment update.

O. Audience Participation

Dave Glasen of Cedar Street said he is for Alcohol Tax because the hospital administrator said about 20% of the ER visits are alcohol related. That revenue could go directly to offset the hospital costs.

Tom Carpenter of 501 Sunnyside Drive commented that the PERS conversation about CCMC and their contributions is quite shocking. As far as the ferry service, CR Seafoods uses the ferry more than anyone else in PWS and it will have a dramatic impact on market availability and our competitive nature - if there is need for letters, etc. we can put you in contact with our corporate offices in Anchorage to write and support the City. He said they are also lobbying in Juneau. The harbor bond issue - he thinks it may not be without risk as far as the state funding and he thinks it may be presented to the voters as much more straightforward. He wants to know if the tax will stay on the books forever, can a future Council manipulate that tax? He will attend the mug up next week and hope to get answers to this and other questions.

P. Council Comments

Guard thanked the citizens for participating tonight.

Burton echoed that. He said as far as his CCMC comments, they cannot continue to come to us for that large burden - they have to figure it out within their own budget - we cannot make up \$1.1 million on one of the taxes we discussed earlier or on property tax or out of the permanent fund, we can't take it from the support we give other entities, they have to figure it out.

Meyer encouraged people to write letters about AMHS - glad to hear Alaska Air is coming to talk.

Allison echoed those comments and regarding CCMC - he agrees with **Burton** about the attitude and knowledge of the obligation - it has to be forthcoming, City may not always be there for the hospital and the school - obviously we will still support these places but they need to deal with their own bills within their own budget - it is like they are challenging the state to shut them down. He welcomed **Robbie (Lewis)** back and thanked KLAM and **Emily** with the Cordova Times for always being here to broadcast and write about the City meetings.

Schaefer also thanked people for participating and reminded everyone to vote on March 5.

Jones especially thanked the *Mayor* for his hard work on the Tanner Crab issue - the 30-day season is appreciated; the fleet appreciates it and he will be loading pots and heading out shortly. Hopefully it is a successful harvest for the community of Cordova.

Q. Executive Session

22. City Clerk's Annual Evaluation

this will have to be on a future agenda - as the Clerk is not here tonight

M/Jones S/Meyer to postpone this until the March 20 meeting.

Allison said we need to move ahead with this - they tried to get this done before the next Council comes on.

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

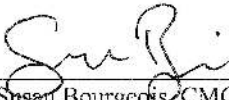
R. Adjournment

M/Burton S/Jones to adjourn the meeting.

Hearing no objection Mayor Koplín adjourned the meeting at 8:47 pm.

Approved: March 6, 2019

Attest:



Susan Bourgeois, CMC, City Clerk

