

Mayor

James Kallander

Council Members

Keith van den Broek

James Kacsh

David Allison

Bret Bradford

EJ Cheshier

David Reggiani

Robert Beedle

City Manager

Mark Lynch

City Clerk

Susan Bourgeois

Deputy Clerk

Robyn Kincaid

Student Council

Dustin Marchant

Carl Ranney

REGULAR COUNCIL MEETING

MARCH 7, 2012 @ 7:30 PM

LIBRARY MEETING ROOM

AGENDA

A. CALL TO ORDER

B. INVOCATION AND PLEDGE OF ALLEGIANCE

I pledge allegiance to the Flag of the United States of America, and to the republic for which it stands, one Nation under God, indivisible with liberty and justice for all.

C. ROLL CALL

Mayor James Kallander, Council members Keith van den Broek, James Kacsh, David Allison, Bret Bradford, EJ Cheshier, David Reggiani and Robert Beedle

D. APPROVAL OF REGULAR AGENDA..... (voice vote)

E. DISCLOSURES OF CONFLICTS OF INTEREST

F. COMMUNICATIONS BY AND PETITIONS FROM VISITORS

1. Guest Speakers
2. Audience comments regarding agenda items..... (3 minutes per speaker)
3. Chairpersons and Representatives of Boards and Commissions
(Harbor, HSB, Parks & Rec, P&Z, School Board)
 - a. Student Council Representative

G. APPROVAL OF CONSENT CALENDAR..... (roll call vote)

4. Resolution 03-12-13..... (page 1)
A resolution of the City Council of the City of Cordova, Alaska, amending the hospital management contract with Providence Health and Services to allow for continued service by the interim CCMC administrator from effective date through date Providence hires and assigns new administrator
5. Resolution 03-12-14..... (page 4)
A resolution of the City Council of the City of Cordova, Alaska, approving Providence's selection of Theresa L. Carte as CCMC administrator

H. APPROVAL OF MINUTES

6. Minutes of 01-31-12 City Council Work Session..... (page 10)
7. Minutes of 02-23-12 City Council Special Meeting..... (page 12)

I. CONSIDERATION OF BIDS - none

J. REPORTS OF OFFICERS

8. Mayor's Report
9. Manager's Report..... (page 16)
10. City Clerk's Report..... (page 17)
11. Staff Reports
 - a. **Josh Hallquist**, COR, Cordova Center Project
 - b. **Cathy Sherman**, Cordova Center Phase 2

K. CORRESPONDENCE

12. Public Statement regarding Porterhouse Apartments..... (page 18)
13. Letter from Mikunda Cottrell in re *Government Auditing Standards*..... (page 19)
14. Letter from Karen Rehfeld, Director OMB in re supplemental budget request..... (page 26)
15. Email from Mary Anne Bishop in re article on AIGCO..... (page 27)
16. Letter from DNR in re Pioneer Igloo & AK Historical Commission Spring 12 agenda..... (page 31)

17. Letter from State petroleum assessor in re oil & gas props in Cordova..... (page 37)
18. AML Federal Priorities 2012..... (page 39)

L. ORDINANCES AND RESOLUTIONS

19. Resolution 02-12-10..... (voice vote)(page 41)
A resolution of the Cordova City Council in support of House Bill No. 184 relating to the sharing of tax revenue from the fisheries business tax and fishery resource landing tax with municipalities
20. Resolution 03-12-11..... (voice vote)(page 49)
A resolution of the City Council of the City of Cordova, Alaska, designating capital improvement projects
21. Resolution 03-12-12..... (voice vote)(page 56)
A resolution of the City Council of the City of Cordova, Alaska, extending the Mayor's and the City Manager's disaster emergency declaration of January 6, 2012 due to excessive snowfall for an additional 60 days

M. UNFINISHED BUSINESS - None

N. NEW & MISCELLANEOUS BUSINESS

22. Council approval of P&Z Resolution in re Land Disposal Maps..... (voice vote)(page 63)
23. Pending Agenda and Calendar..... (page 76)

O. AUDIENCE PARTICIPATION

P. COUNCIL COMMENTS

24. Council Comments

Q. EXECUTIVE SESSION

25. Cordova Center Financial Update
26. Union contract negotiations
27. City Clerk Contract Review

R. ADJOURNMENT

Executive Sessions: Subjects which may be discussed are: (1) Matters the immediate knowledge of which would clearly have an adverse effect upon the finances of the government; (2) Subjects that tend to prejudice the reputation and character of any person; provided that the person may request a public discussion; (3) Matters which by law, municipal charter or code are required to be confidential; (4) Matters involving consideration of governmental records that by law are not subject to public disclosure.

**If you have a disability that makes it difficult to attend city-sponsored functions,
you may contact 424-6200 for assistance.**

Full City Council agendas and packets available online at www.cityofcordova.net

Cordova, Alaska Snowpocalypse 2012 - it continues...?



City of Cordova
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Fax: (907) 424-6000
Email: citymanager@cityofcordova.net
Web: www.cityofcordova.net

CITY OF CORDOVA

Office of City Manager

March 1, 2012

Memo to City Council
Re: Providence Contract Amendment

Providence has selected a final candidate for CCMC Administrator, pending Council approval, but a start date has not yet been established. Since Providence officially took over management of CCMC on March 1, 2012, an amendment to our contract with them is necessary, and needs to be made effective February 29, 2012. Legal Counsel has advised that it is OK (and actually necessary) for the effective date to be earlier than the date approved by Council. This is a temporary measure to allow Stephen Sundby to remain as CCMC Administrator until Providence's new Administrator can start. The contract amendment and resolution are attached.

Thank you,

Mark Lynch
City Manager

**CITY OF CORDOVA, ALASKA
RESOLUTION 03-12-13**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA,
AMENDING THE HOSPITAL MANAGEMENT CONTRACT WITH PROVIDENCE
HEALTH AND SERVICES TO ALLOW FOR CONTINUED SERVICE BY THE INTERIM
CCMC ADMINISTRATOR FROM EFFECTIVE DATE THROUGH DATE PROVIDENCE
HIRES AND ASSIGNS NEW ADMINISTRATOR**

WHEREAS, Providence Health & Services – Washington, a Washington non-profit corporation doing business as Providence Health & Services Alaska (“Providence”), and the City of Cordova, Alaska (“Cordova” or “City”) have entered into that certain Management Contract effective March 1, 2012 pursuant to which Providence shall manage the operations of the Cordova Community Medical Center (“CCMC”); and

WHEREAS, Providence and Cordova may modify the Management Contract by a written amendment as provided in Paragraph 16 the Management Contract; and

WHEREAS, Providence and Cordova desire to amend the Management Contract to provide for the continued service of the current CCMC Administrator, a CCMC employee, to act as interim Administrator until such time, up to ninety (90) days after the Effective Date, as Providence undertakes management of CCMC and hires and assigns a new Administrator; and

WHEREAS, this First Amendment shall supersede the provisions of the Management Contract to the extent those provisions are inconsistent with the provisions of this amendment.

NOW, THEREFORE, BE IT RESOLVED THAT effective as of February 29, 2012, the Management Contract is hereby amended by replacing the second sentence of Subparagraph 2.1 with the following sentence:

To carry out these duties Providence shall hire and assign to CCMC a duly qualified administrator who will be the health services administrator for CCMC (the “Administrator”); provided, however, that the current CCMC Administrator, a CCMC employee, shall serve as interim Administrator until such time, up to ninety (90) days after the Effective Date, as Providence undertakes management of CCMC and hires and assigns a new Administrator.

PASSED AND APPROVED THIS 7th DAY OF MARCH, 2012

James Kallander, Mayor

ATTEST:

Susan Bourgeois, City Clerk

**FIRST AMENDMENT
MANAGEMENT CONTRACT**

**(Continued Service By Interim CCMC Administrator from Effective Date through date
Providence Hires and Assigns New Administrator)**

WHEREAS, Providence Health & Services – Washington, a Washington non-profit corporation doing business as Providence Health & Services Alaska (“Providence”), and the City of Cordova, Alaska (“Cordova” or “City”) have entered into that certain Management Contract effective March 1, 2012 pursuant to which Providence shall manage the operations of the Cordova Community Medical Center (“CCMC”); and

WHEREAS, Providence and Cordova may modify the Management Contract by a written amendment as provided in Paragraph 16 the Management Contract; and

WHEREAS, Providence and Cordova desire to amend the Management Contract to provide for the continued service of the current CCMC Administrator, a CCMC employee, to act as interim Administrator until such time, up to ninety (90) days after the Effective Date, as Providence undertakes management of CCMC and hires and assigns a new Administrator; and

WHEREAS, this First Amendment shall supersede the provisions of the Management Contract to the extent those provisions are inconsistent with the provisions of this amendment.

NOW, THEREFORE, effective as of February 29, 2012, the Management Contract is hereby amended by replacing the second sentence of Subparagraph 2.1 with the following sentence:

To carry out these duties Providence shall hire and assign to CCMC a duly qualified administrator who will be the health services administrator for CCMC (the “Administrator”); provided, however, that the current CCMC Administrator, a CCMC employee, shall serve as interim Administrator until such time, up to ninety (90) days after the Effective Date, as Providence undertakes management of CCMC and hires and assigns a new Administrator.

The undersigned has executed this First Amendment to the Management Contract on the date(s) indicated below.

CITY OF CORDOVA

By_____

Its_____

Date_____

PROVIDENCE HEALTH &
SERVICE ALASKA

By_____

Its_____

Date_____



City of Cordova
602 Railroad Ave.
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CITY OF CORDOVA

Office of City Manager

March 1, 2012

Memo to City Council
Re: CCMC Administrator

Providence has put forward Dr. Theresa L. Carte as their selected candidate for CCMC Administrator. The contract between the City and Providence requires Council to approve the selected candidate. There were three interview/selection committees formed to vet candidates, and Ms. Carte was the top pick of all three committees. Her Cover Letter, Resume, and a resolution to approve are attached.

Thank you,

Mark Lynch
City Manager

**CITY OF CORDOVA, ALASKA
RESOLUTION 03-12-14**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA,
APPROVING PROVIDENCE’S SELECTION OF THERESA L. CARTE
AS CCMC ADMINISTRATOR**

WHEREAS, the City of Cordova (City) has entered into a Contract with Providence Health & Services – Washington (Providence) for management of Cordova Community Medical Center (CCMC); and

WHEREAS, Section 2.1 of the Contract stipulates that the CCMC Administrator will be an employee of Providence, but the Administrator’s employ will be “subject to the City Council’s approval of the selected Administrator”; and

WHEREAS, Providence, after a thorough selection process involving multiple committees, has put forward Dr. Theresa L. Carte as their selected candidate.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Cordova, Alaska, hereby approves Providence’s selection of Dr. Theresa L. Carte as CCMC Administrator.

PASSED AND APPROVED THIS 7th DAY OF MARCH, 2012

James Kallander, Mayor

ATTEST:

Susan Bourgeois, City Clerk

441 High View Drive
Anchorage, AK 99515
907.748.9668 (cell)
tcarte@provak.org

February 16, 2012

Ms. Susan Humphrey-Barnett
Area Operations Administrator
Providence Health & Services Alaska
3760 Piper Street
Anchorage, AK 99508

Dear Ms. Humphrey-Barnett:

I am excited to hear about the agreement between Providence Health & Services Alaska (PH&SA) and Cordova Community Medical Center to partner in providing health care to the people of Cordova. I am interested in the Facility Administrator position.

My experience as Director of Operational Excellence at PH&SA for the past 7 years has provided me the opportunity to mentor projects within Providence. I have been involved in process improvement work in many departments, many of which are services provided by the Cordova Community Medical Center. Some of the departments I've been involved with are the Emergency Department, Progressive Care Unit, The Children's Hospital, Home Health, Providence Extended Care Center, Behavioral Medicine, Family Medicine Center, and Perioperative Services.

I have learned so much from the physicians and nurses on my team as we worked on improvements in reducing patient falls, improving order sets for Glycemia Management, reducing Central Line Associated Blood Stream Infections, improving end-user adoption of the new Electronic Medical Record (Epic), improving patient throughput, and improving scheduling availability as we worked towards a Patient Centered Medical Home for the Family Medicine Center.

I find Cordova incredibly beautiful. I grew up in a small town in Alaska and would like to again have that experience. I look forward to my opportunity to interview for this position.

Sincerely,

Theresa L. Carté, PhD

DR. THERESA L. CARTÉ

CONTACT INFORMATION

Work Address: Operational Excellence
3200 Providence Drive
PO Box 196604
Anchorage, AK 99517-6604
(907) 212-2716
tcarte@provak.org



EXPERIENCE

-
- | | | |
|-------------------|---------------------------------|---------------|
| Sept 2005-Present | Providence Health System Alaska | Anchorage, AK |
|-------------------|---------------------------------|---------------|
- Director, Operational Excellence*
- Manage twelve direct reports including one Program Manager (Master Black Belt), two Master Change Facilitator, eight Project Managers (Black Belts), and one Project Coordinator
 - Responsible for strategic planning and budget for the Operational Excellence Department
 - Drove integration of Lean into the current Six Sigma program
 - Developed a robust training program for Master Black Belts
 - Implemented a Clinical ROI process for calculating the financial benefits of our clinical improvement work
-
- | | | |
|-------------------|---------------------------------|---------------|
| Jun 2005-Aug 2005 | Providence Health System Alaska | Anchorage, AK |
|-------------------|---------------------------------|---------------|
- Program Manager, Master Black Belt*
- Responsible for mentoring Black Belts and Green Belts in Six Sigma methodology
 - Responsible for teaching Six Sigma and Lean
 - Identify Six Sigma projects and help develop metrics
-
- | | | |
|-------------------|--|-----------------|
| Feb 2002-May 2005 | Avery Dennison Specialty Tape Division | Painesville, OH |
|-------------------|--|-----------------|
- Certified Six Sigma Master Black Belt*
- Responsible for six professional direct reports. Personally responsible for mentoring, certification, and career development of all Specialty Tape Division Black Belts.
 - Create vision and strategic plan for Specialty Tape Division to promote continuous improvement through the use of Six Sigma, including DMAIC and DfSS, and Lean, including 5S and Kaizen events. Includes an active Green Belt training program and implementation of Lean in two manufacturing sites.
 - Mentor, coach, and certify eight Black Belts candidates from various Divisions of Avery Dennison (other than Specialty Tape). Responsible for setting up regular communications as all BB candidates were located throughout the US.

- Member of Corporate Curriculum team. Responsible for participating in monthly meetings to continuously improve curriculum for Green Belts and Black Belts. Responsible for reviewing current materials, benchmarking other companies training materials, recommending improvements, updating existing material, and creating new material.
- Member of Corporate Six Sigma Steering Committee. Responsible for participating in meetings to present the Specialty Tape Division's interests in Corporate wide meeting to influence the strategic direction of the Six Sigma organization.
- Lead trainer for Avery Dennison world wide Black Belt training Wave 21 (March 2003) and Wave 25 (March 2004). Personally responsible for organizing the training materials, other MBB trainers, communications with all trainees, and logistics.
- Completed Master Black Belt training and certification.

2001-Feb 2002 Avery Dennison Specialty Tape Division Painesville, OH
Six Sigma Black Belt

- Third Black Belt project with annual savings of \$103,000 resulted in 40% reduction in scrap and improved quality for a pattern coated product line.
- Second Black Belt project with annual savings of \$207,000 reduced silicone losses in the Painesville Plant.
- Completed first Black Belt project with \$131,000 annualized savings on consumer adhesive bandage tape profitability by reducing scrap on the vinyl product line.
- Completed Black Belt training and certification.

1995-2000 Avery Dennison Specialty Tape Division Painesville, OH
Senior R&D Engineer

- Responsible for support of all products for Johnson & Johnson CPC
- Developed seven new products for J&J CPC (Waterblock, Sensitive Skin, Comfort Fit, Stickers, Decorated Product line, Hot Colors Sport Strip, Avery Dennison Sport Strip)
- Inventor/co-inventor of European patent issued on September 15, 2000 entitled "Pattern Coated Adhesive Article"
- Inventor/co-inventor of European patent issued on June 15, 1998 entitled "Process for Manufacturing Tape Products"
- Supervised two Technicians

1992 Mentor Corporation Santa Barbara, CA
Consultant, Graduate Assistant

- Studied the rheological properties of an experimental gel for use in a mammary prosthesis

1990-1992 Case Western Reserve University Cleveland, OH
Supervised Senior Project Students

- Responsible for directing research of Junior and Senior CWRU undergraduate students in one to two semester projects.

1990 Case Western Reserve University Cleveland, OH
Assistant Women's Soccer Coach

EDUCATION

- 1986-1990 Case Western Reserve University Cleveland, OH
- B.S.E., Biomedical Engineering with emphasis in Biopolymers
- 1990-1992 Case Western Reserve University Cleveland, OH
- M.S.E., Macromolecular Science and Engineering
 - Advisor: Dr. Abdelsamie Moet
 - Thesis Title: "Origin of Super Toughness in Compatibilized PET/PE Blends"
- 1992-1995 Case Western Reserve University Cleveland, OH
- Ph.D., Macromolecular Science and Engineering
 - Advisor: Dr. Abdelsamie Moet and Dr. Charles Rogers
 - Dissertation Title: "Lifetime Prediction of Medium Density Polyethylene Using Fatigue"

PROFESSIONAL SOCIETIES

American Chemical Society – member since 1994
American Society for Quality, Six Sigma Forum

PUBLICATIONS

"Morphological Origin of Super Toughness in Poly(Ethylene Terephthalate)/Polyethylene Blends," *J. of Applied Polymer Science*, 1993 48(4) 611-624.

"Prediction of Slow Crack Growth under Constant Load from Fatigue," ANTEC 94, May 1-5, 1994.

INTERESTS

Hiking, running, mountain biking, reading, cross country skiing, ski-jouring, fishing

REFERENCES

Available upon request

**CITY COUNCIL WORK SESSION
JANUARY 31, 2012 @ 7:00 PM
LIBRARY MEETING ROOM
MINUTES**

A. CALL TO ORDER

Mayor James Kallander called the Council Work Session to order at 7:00 pm on January 31, 2012 in the Library Meeting Room.

B. ROLL CALL

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

C. COMMUNICATIONS BY AND PETITIONS FROM VISITORS

1. Audience Comments regarding agenda items - None

D. WORK SESSION TOPIC

2. Hospital Governance Models–Information and Perspectives.

Susan Humphrey-Barnett of Providence Health Services Alaska and City Attorney *Holly Wells*.

Wells previewed for Council the four governance options.

HSB Option 1- City Council sits as Health Services Board (HSB): It would require a change in code that would relinquish all authority from the current HSB to the City Council. This would not require a Charter change but a discussion would need to be had between City Council and Providence on what the HSB responsibility would be in supporting the hospital operations.

Direct Council Management: All ordinances dealing with the HSB would need to be repealed and the HSB would be completely disbanded. It would require a Charter change. They would lose some insulation with liability and responsibility. Hospital management is so different than city government.

HSB Option 2- Independent Board: The board would be fully independent and have complete authority. This would differ from the current model in that Providence does not want to have to go through two boards. The independent board would have decision making abilities and would not have to go through City Council.

Cordova Medical Center, Inc. Public Corporation: *Wells* likes this option as well as the **City Council sits as the HSB** option because they both distance the City Council from the hospital a little bit and provides a crisp clean definition of roles. This would be its own legal and public entity as a corporation. They would have to adopt multiple ordinances creating the corporation and repealing the HSB. It would require a charter change.

Van den Broek asked why Providence would not be sitting as the HSB. *Wells* responded that they are a management company and someone needs to monitor them as you are getting a product from them. They will be running your hospital and will still require supervision. *Wells* added that it will be a brilliant partnership but at the end of the day you are paying them money.

After more discussion, Council decided that really all they could do now would be to assume the role of the HSB. Any of the other options would include code change and/or possible charter change but at the

very least some work by the attorneys. The idea of a public corporation and the benefits that option could afford the City seemed very intriguing to the Council. Attorney Holly Wells was asked to pursue that line of thinking and report back to Council timely enough to have any necessary charter changes appear on the ballot for the March 2013 General Election.

E. AUDIENCE PARTICIPATION - None

F. COUNCIL COMMENTS

Reggiani thanked *Humphrey-Barnett* and *Wells*.

Cheshier stated it was a good meeting and he is glad they had it.

G. ADJOURNMENT

M/Reggiani S/Bradford to adjourn the work session

Hearing no objection the meeting was adjourned at 8:25 PM.

Approved: March 7, 2012

Attest: _____
Robyn Kincaid, Deputy City Clerk

**CITY COUNCIL SPECIAL MEETING
FEBRUARY 23, 2012 @ 7:00 PM
LIBRARY MEETING ROOM
MINUTES**

A. CALL TO ORDER

Acting Vice Mayor EJ Cheshier called the Council Special Meeting to order at 7:00 pm on February 23, 2012 in the Library Meeting Room.

B. ROLL CALL

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

C. APPROVAL OF AGENDA

M/Kacsh S/Allison to approve the agenda; *Acting Vice Mayor Cheshier* added a guest speaker from the American Red Cross to speak after the first guest speaker.

Hearing no objection, motion passed.

D. DISCLOSURES OF CONFLICTS OF INTEREST – None

E. COMMUNICATIONS BY AND PETITIONS FROM VISITORS

1. Guest Speakers

a. *Dick Groff*, in re snowpocalypse hot-wash report – stated that the snowpocalypse was a great learning experience for the City. He also said if this was a disaster which included injury, death, damage to responders property, there might be much less assistance from responders; he guesstimated half as much if we were lucky. He said there was a hot-wash about a week and a half ago which was a great chance to get feedback. He said there is nothing like the real thing to learn from. Tuesday, February 28 at St. Joe's at 5:30 pm is the after action report meeting. Even though we did really well on this one, he worries about the next one if there were half as many responders. He needs City Council to remain behind all the training etc.

b. *Kelley McGuirk*, Statewide Disaster Services Coordinator from Red Cross of Alaska gave a short report of the services that the Red Cross had offered during the Cordova Snow disaster. 21 individuals and about 6 families were helped and the Red Cross contributed more than \$5,000 to help people pay security deposits and/or rent in finding new long-term housing. She asked if Council had more questions. Council asked how she thought it went. She said she thought that overall it went pretty well especially because Red Cross had been here fairly recently training people to be volunteers so Cordova was somewhat prepared and able to setup the shelter. *Cheshier* thanked her for calling in to give the update and he said the community really thanks the Red Cross for their help.

2. Audience comments regarding agenda items

Bob Smith of 702 Lake Avenue commented on item 22 and reported that the Cordova Moose Lodge has donated \$500 to the cause and would be spending that to put heating oil in the fuel tank for the Porterhouse apartment building.

Mike Butler of 1215 Lake Avenue, the owner operator of the business at Porterhouse, commented on his business license/sales tax issues with the City. He was behind a few years back and must now file sales tax returns monthly. He currently has no license because the City sent him a letter that said if he did not renew by 1/31/12 he would have to cease doing business. He mentioned that the Fire Marshal closed the building due to the danger during the snow disaster. He had a structural engineer do an assessment and he made the fixes per the report. Then he was told it was safe to occupy. The City informed him at that time that he had no current business license. He said he was prevented from any options which would have helped his cash flow so he could make payments. He said he thinks the City is determined to close Porterhouse. He said it's not to say he is not behind, because he is behind in everything, but he said he always comes through and pays in the end. He said he is making Porterhouse a better place. He said it is going to take a lot to get this thing back going; he said in the short term he can't but in the long term he will.

Jeff Field of no current address had lived in Porterhouse and he agreed that Mike had been lax at getting on the snow removal at the Porterhouse. He said Porterhouse got only 2 hours of assistance from the National Guard; after they were pulled for severe weather conditions, they were never told to go back. He said it seems like the City vs. Mike Butler with 20-some people with nowhere to go and who don't know what's going on; the story is different every week. He would like to see this resolved to get the people back into their apartments; he agreed that both sides are a little bit at fault here.

Jessie McLean was a Porterhouse resident until it was closed down. He said if the place was deemed occupiable last week it should be more important to put people in homes than to collect \$750 in sales tax receipts.

Stephanie Cutler of Cordova Mews Apartments was present to address what might be a homeless problem in Cordova. She was here in support of those out of homes; it seems a crime that they have no place to call home. She hopes that the Council will decide in the favor of these tenants. She sees it as a case of the "haves" and "have-nots".

Seth Stebbin of 600 First Street described it as the City vs. business owners with people caught in the middle over sales tax not even property tax. Something should be done about it.

Lee Larsen of Heney Trailer Court D3 said he feels strongly that the Council, Mayor and Manager consider what are the priorities. Take a step in that direction. How can people make payments if you take away their livelihood?

Kelly Gillis said she was fifty-four years old and for the first time in her life she is homeless and she would like Council to help her.

Kyle Higgins lived at Porterhouse Apartments with her boyfriend and young daughter; she said they have applied to all the low-cost housing places and she thinks it's ridiculous that over an amount of a few hundred or even a few thousand dollars that all these people could be out of homes to live in. They are at Gingerbread apartments until April 30. After that she is unsure. She hopes Council can solve this problem.

Jennifer Teller of PWSSC is currently homeless, had lived in Porterhouse. She said it took 14 months to find permanent housing in Cordova. She said Butler was the first landlord in Cordova willing to work with her on her mold/mildew allergy. She said it is unacceptable that we are allowable collateral damage.

Charles Quayles said he has a 14 year old son and no residence; he doesn't know what he is going to do.

Jim Mattson he's been at the Porterhouse for four years; he has three dogs and he cannot find another place.

Delcie Weibl has no address and is currently living in a hotel room, but that is not a long-term option. She has three jobs and cannot afford \$1200 per month, which is the only available apartment in town.

Jennifer Gibbins has spent more time talking about Porterhouse than anything else recently. She thinks there are problems all around. The property manager has his problems and City employees have code and policy to follow and that is what they are asked to do so they are not necessarily the bad guys either. She is disappointed in this community because everyone lately is just talking about how horrible everyone else is. She said the situation is bad and we will all have to work together. She said she thinks that ironically, the City actually needs Mike Butler to succeed.

F. APPROVAL OF CONSENT CALENDAR

Acting Vice Mayor Cheshier placed the Consent Calendar before Council

3. Proclamation of School Board recognition month February, 2012

4. Appointment of 2012 Election Board members

5. Record unexcused absence of Council member Beedle 2/1/12 Regular Council Meeting

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

Acting Vice Mayor Cheshier read the proclamation under item 3 into the record.

G. APPROVAL OF MINUTES

M/Kacsh S/van den Broek to approve the minutes.

6. Minutes of 02-01-12 Regular Meeting

Vote on motion: 6 yeas, 0 nays, 1 absent (Bradford). Motion passes.

H. REPORTS OF OFFICERS

7. Manager's Report – After Action report is Tuesday at 5:30 at the Catholic Church. Providence issued a news release today and it is in front of Council; Providence is scheduled to begin management on March 1. A PERS resolution will be forthcoming too. He would like to clarify that as of today in Cordova there are 8 available apartments; 5 are low income, 3 of which no one has applied for yet. Concerning Porterhouse there are 2 separate issues: snow and business license. Mr. Butler is not in good standing to operate because he has no current 2012 business licenses (he has not applied for them). **Lynch** stated that Cordova needs all the businesses it can get he has every interest in helping every business to succeed. **Allison** asked about **Stephen Sundby** remaining on as hospital administrator. **Lynch** said yes, **Susan Humphrey-Barnett** will supervise **Sundby** until Providence's new administrator comes onboard. **Allison** asked what to do about the current HSB because there isn't a real reason for them to have a meeting. He wondered when Council would be appointed as HSB? **Lynch** said he would look into this. **Beedle** asked about the Spartan and Sound Developer bids; he wondered how many there were. **Lynch** said there were six. **Beedle** asked if Council could see them all before making the decision. **Lynch** explained the code provision on these types of proposals, it was the manager's decision but needed Council approval.

8. City Clerk's Report – **Bourgeois** mentioned that absentee voting had begun and she thanked Council for appointing her election board for the 2012 election; she would be having a short training with them previous to the Election on Tuesday March 6.

9. Staff reports

a. Josh Hallquist, Cordova Center Phase I – **Kacsh** asked if any damage was done due to snow. **Hallquist** said he is on top of this – he is taking pictures and keeping a close eye on things. **Beedle** asked about an end date. **Hallquist** said it says May but he knows it won't be May.

I. CORRESPONDENCE

10. Letter from DeLoach family of Cordova, Alabama in re snowfall

11. Letter from Mr. Allum of Manitoba, Canada in re snowfall

12. Letter from Dave O'Brien in re snow and sandbags

13. Letter from Members of the Chosin Few, naming unnamed mountain

14. Letter from DNR requesting comments on naming unnamed mountain

15. Letter from John Madden DHSEM Director, snow event in Prince William Sound

16. Letter to John Madden DHSEM Director, in re AK Shield 2012 Participation

17. Letter to Rehfeld, Director OMB, in re FY12 supplemental budget request

Council concurred to ask the Mayor to write a letter about the Chosin Few in re naming the unnamed mountain and also to fill out the DNR paperwork in the affirmative (i.e. agenda items 13 & 14).

J. NEW BUSINESS

19. Resolution 02-12-10

A resolution of the Cordova City Council in support of House Bill No. 184 relating to the sharing of tax revenue from the fisheries business tax and fishery resource landing tax with municipalities.

M/Kacsh S/van den Broek to approve Resolution 02-12-10 a resolution of the Cordova City Council in support of House Bill No. 184 relating to the sharing of tax revenue from the fisheries business tax and fishery resource landing tax with municipalities.

Allison supports this but is concerned about Processor Tax Credits which are authorized until 2013; he wants to know whether these come out of the State's 50% or does that come off the top? He would like to do more research on it. **Kacsh** supports this as well but worries that if we get this now, and then there comes a time that we ask the State for funding for harbor maintenance or repairs, that the State might balk and say, "but we give you all that fish tax revenue already". **Reggiani** wondered why **Austerman** recommended not to pass this bill. Council wanted to know how timely they needed to be. **Lynch** called lobbyist **John Bitney** who informed Council that it would be fine if they waited to support this at the March 7 meeting.

M/Reggiani S/Kacsh to postpone this resolution until the next regular meeting.

Vote on motion: 6 yeas, 0 nays, 1 absent (Bradford). Motion passes.

20. Council approval of contract for salvage of Sound Developer and Spartan

M/Kacsh S/Allison to direct the City Manager to sign and enter into a contract to fulfill the terms of the attached proposal for salvage of the vessels *Sound Developer* and *Spartan*.

Allison asked about the local bidder preference. **Lynch** said there is a 5% local bidder preference and this price was well below the next bidder even after the preference was taken into account. **Kacsh** asked if this price included filling in the hole. **Lynch** said it did not but that that portion would be within his spending authority.

Vote on motion: 6 yeas, 0 nays, 1 absent (Bradford). Motion passes.

21. Pending Agenda and Calendar

City Clerk mentioned upcoming Council work sessions March 8 with DoT representatives in re 36 mile CRH, and March 22 with AMHS representative Neussl – she was still working on times and locations

Council also decided to look at the Capital Priorities at the March 7 meeting (because they do this quarterly)

Reggiani mentioned the February 28 After Action Meeting at 5:30 and P&Z has a work session at 6pm;

Lynch asked **Sam Greenwood** to change the P&Z meeting to 7pm so **Reggiani** could attend both

March 15 is a Special Meeting to certify the election at 7pm Library Meeting Room

K. AUDIENCE PARTICIPATION

Lee Larsen Heney Trailer Park D3 regarding the Spartan and Sound Developer commended **Beedle** on questioning the awarding of the contract; he said that he as a voter wants Council to know what all is going on in regards to that and he thinks it should be demanded that Council know what's going on. He told the Manager that that would gain him the trust of the voters not, "that's what you hired me for."

Mike Butler 1215 Lake Avenue wanted to know if Council wanted him to stick around during the executive session in case questions came up that he could answer. **Lynch** said the attorney advised that it wasn't necessary. **Allison** agreed.

L. COUNCIL COMMENTS

Allison said that during correspondence he should have asked this, he wondered about whether we ordered sandbags and if so how many? **Lynch** said we have 600 – 700.

van den Broek said he would like to respond to some of the public comment. He said Council has been kept well-informed on this issue and Council listens and does make decisions in the best interest of the citizens.

M. EXECUTIVE SESSION

M/Allison S/van den Broek to enter into an executive session to discuss options regarding Porterhouse tax and business license delinquencies, matters the immediate knowledge of which would clearly have an adverse effect on the finances of the government.

Vote on motion: 6 yeas, 0 nays, 1 absent (Bradford). Motion passes.

22. Options regarding Porterhouse tax and business license delinquencies

Council took a three minute recess and then entered executive session at 9:50 pm. Council resumed the special meeting at 10:15 pm. At that time **Lynch** said that there was no need for the second executive session item that was on the agenda (i.e. 23 union negotiations).

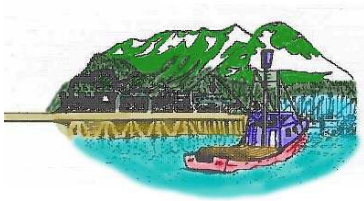
~~23. Union contract negotiations update~~

I. ADJOURNMENT

M/van den Broek S/ Allison to adjourn. Hearing no objection the meeting was adjourned at 10:17 pm.

Approved: March 7, 2012

Attest: _____
Susan Bourgeois, City Clerk



City of Cordova
602 Railroad Ave.
P.O. Box 1210
Cordova, Alaska 99574

Phone: (907) 424-6200
Fax: (907) 424-6000
Email:

citymanager@cityofcordova.net

CITY OF CORDOVA

Office of City Manager

March 1, 2012 Manager's Report (for 03/07/12 Council meeting)

Personnel issues: We are still working on filling positions in Information Services and Public Works.

Union Contract/Grievances: This is consuming the majority of my time currently. I have met with Union representatives on several occasions. Grievance arbitration concerning management's right to assign work in the best interest of the City is set to begin in mid-June. The latest grievance, filed by Union Steward Butch West, concerns our Police Chief doing work that the union considers "bargaining unit work."

Housing: I have had discussions with several entities concerning possible solutions to the housing shortage in Cordova. I will bring forth information to Council as this progresses.

Recycling / Baler Issues: Staff requests a worksession to discuss this issue in detail.

Water/Sewer Service Lines: Staff will make a presentation to P&Z at their March 6 meeting, and a recommendation may be to Council by March 21.

Hospital Contract: Providence has begun CCMC management. There is both a contract amendment and a recommendation for approval of Providence's selection for CCMC Administrator in the Council packet.

PERS: Resolution to remove CCMC administrator from Hospital PERS agreement will be forthcoming once a CCMC Administrator is approved by Council, and a firm start date is established.

Sound Developer / Spartan: Contract for salvage executed. Salvage should start soon, with removal of the Sound Developer by March 31. I will be seeking a contractor to refill and compact the trench by April 15.

Southfill Expansion Project: Staff has been working on a broad conceptual plan for a Southfill expansion. This project is being presented to Planning and Zoning on March 6, and may be coming to Council for review as soon as March 21, depending on P&Z's recommendation at their meeting.

Harbor Study & Boardwalks: Contact has been made with an engineering firm who will be visiting Cordova to visually see the Harbor, and begin discussions concerning how best to proceed.

Breakwater/Fill: proposals have been returned and I am in the negotiation process (CMC 5.12.130(E)). An award will be recommended once I have determined the proposal most advantageous to the City (5.12.130(F)).

North Fill Floating Dock: RFP had been advertised.

Snow Emergency: Snow dumps have been reduced to acceptable levels, but we are hiring contractors to keep the snow dumps usable. DHS&EM, FEMA, and SBA have been to town to view damages and collect information on associated costs. The Governor's Emergency declaration only covers January 6-10, 2012, so most of the associated costs may not be covered. A resolution to extend our local snow emergency declaration is included in your packet, and the Governor's Declaration is included with that for your review.



City of Cordova,
Office of the City Clerk
Cordova, AK 99574
602 Railroad Avenue * PO Box 1210

Phone: 907.424.6248
Fax: 907.424.6000
Cell: 907.253.6248
E-mail: cityclerk@cityofcordova.net

CITY CLERK'S REPORT TO COUNCIL

March 07, 2012 Regular Council Meeting

Date of Report: March 01, 2012

Things I have been working on:

- contacted Election Board members – will have short training on March 5 and will setup for Election Day
- signed paychecks/other AP checks
- prepared agendas and packets for special meeting on February 23 and regular meeting on March 7 (prepared resolutions, memos, etc.)
- met with Vice Mayor to discuss contract; there is another executive session scheduled for tonight
- worked with Planning staff on agenda items for their meeting (March 6) as well as tonight's Council meeting
- researched Code with Moe and Sam in re utility code changes over the years
- elections – absentee in person and absentee by mail – very active – have sent or used 55 ballots already
- Deputy Clerk is finalizing assessment notices which go in the mail March 9
- Deputy Clerk is getting ready to advertise 2011 foreclosures and simultaneously is researching small claims for delinquent trailers and leases
- worked with attorney on Butler/Porterhouse delinquencies
- worked with Lobbyist on 2 different agenda items for tonight's meeting
- answered multiple questions from voters in re ballot proposition one – sent by email or printed copies of ordinance 1088, sales contract and performance deed



City of Cordova
602 Railroad Ave.
P.O. Box 1210
Cordova, Alaska 99574

CITY OF CORDOVA

PUBLIC STATEMENT REGARDING PORTERHOUSE APARTMENTS

The City of Cordova understands the public's concern regarding the current condition of the Porterhouse establishment, its habitability, and the impact that this has on its tenants. The City Administration and Council issue this statement in hopes of addressing some of the misinformation circulating within the community regarding this matter.

The City's primary concern is the health and safety of its residents, which of course includes the tenants of the Porterhouse apartments. While the City of Cordova Fire Marshal has limited occupation of a portion of the Porterhouse, the City has at no time prohibited tenants from residing in or using their homes to the extent permitted by the Fire Marshal. On January 12, 2012, the Fire Marshal responded to concerns raised by tenants regarding the effects of the Snowpocalypse on the ability to enter and exit their apartments. On January 13, 2012 and after investigation of the premises, the Fire Marshal determined that in fact the building was unsafe for occupancy and he ordered the manager of the Porterhouse to hire an engineer to more fully assess the building's safety and identify the repairs needed to make the apartments safe. In addition, the City worked with the American Red Cross to ensure all the tenants had temporary housing during the snow emergency. The engineer completed his assessment and the Fire Marshal, based in part on the report from that engineer, has reopened the second floor of the Porterhouse for full occupancy and the first floor of the Porterhouse for all uses except sleeping. The Fire Marshal has also identified additional repairs that must be made to make the Porterhouse apartments safe for full and unrestricted occupancy.

While the City's main concern is the health and safety of its residents, the City is also currently investigating the failure of the Porterhouse establishment to pay its taxes and is taking the steps necessary to collect those delinquent taxes plus penalties and interest. In addition, the Porterhouse establishment does not have and did not apply for a business license for 2012 and thus is operating illegally. While the City will continue to move forward with enforcement of its laws, it will also continue to consider and address the effects of enforcement on Porterhouse residents.

February 10, 2012

Honorable Mayor and Members
of the City Council
City of Cordova
P.O. Box 1210
Cordova, AK 99574

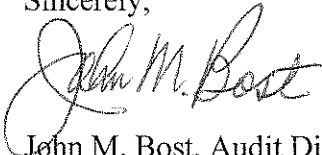
Dear Mayor and Members of the City Council:

The *Government Auditing Standards* require us to specifically communicate with the auditee, the individuals contracting for or requesting the audit services, and the audit committee, information regarding the nature and extent of planned testing and reporting on compliance with laws and regulations and internal control over financial reporting.

To meet this communication requirement, we have provided you with the attached copy of our arrangement letter which was mailed to Ashley Royal, Finance Director, on February 9, 2012.

If you have any questions concerning the attached, please contact me at (907) 278-8878.

Sincerely,



John M. Bost, Audit Director
Mikunda, Cottrell & Co.

February 1, 2012

Mr. Ashley Royal, Finance Director
City of Cordova
P.O. Box 1210
Cordova, AK 99574

Dear Ashley:

This letter is to explain our understanding of the arrangements for the services we are to perform for City of Cordova for the year ending December 31, 2011. We ask that you either confirm or amend this understanding.

Audit Services

We will perform an audit of City of Cordova's governmental activities, business-type activities, aggregate discretely presented component units, each major fund, aggregate remaining fund information and the budgetary comparisons as of and for the year ended December 31, 2011 which collectively comprise the basic financial statements. We understand that these financial statements will be prepared in accordance with accounting principles generally accepted in the United States of America. The objective of an audit of financial statements is to express an opinion on those statements.

We are responsible for forming and expressing an opinion about whether the financial statements that have been prepared by management with the oversight of the City Council are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America.

We will also perform the audit of the City of Cordova as of December 31, 2011 so as to satisfy the audit requirements imposed by the Federal and State Single Audit Acts and the U.S. Office of Management and Budget (OMB) Circular No. A-133.

We will conduct the audit in accordance with auditing standards generally accepted in the United States of America and "Government Auditing Standards" issued by the Comptroller General of the United States; the provisions of the Federal and State Single Audit Acts; OMB Circular A-133; and OMB's Compliance Supplement. Those standards, circulars, supplements, or guides require that we plan and perform the audit to obtain reasonable rather than absolute, assurance about whether the financial statements are free of material misstatement whether caused by error

Mr. Ashley Royal, Finance Director
City of Cordova
Page two

or fraud. Accordingly, a material misstatement may remain undetected. Also, an audit is not designed to detect errors or fraud that is immaterial to the financial statements. The determination of abuse is subjective; therefore, Government Auditing Standards do not expect us to provide reasonable assurance of detecting abuse.

An audit of financial statements also includes obtaining an understanding of the entity and its environment, including its internal control, sufficient to assess the risks of material misstatement of the financial statements, and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, we will communicate to management and the City Council any significant deficiencies or material weaknesses that become known to us during the course of the audit.

We will also communicate to the City Council *(a)* any fraud involving senior management and fraud (whether caused by senior management or other employees) that causes a material misstatement of the financial statements, *(b)* any fraud, illegal acts, violations of provisions of contracts or grant agreements and abuse that come to our attention (unless they are clearly inconsequential), *(c)* any disagreements with management and other serious difficulties encountered in performing the audit, and *(d)* various matters related to the entity's accounting policies and financial statements.

In addition to our reports on the City's financial statements, we will also issue the following reports or types of reports:

A report on the fairness of the presentation of the City's schedule of expenditures of federal awards and state financial assistance for the year ending December 31, 2011.

Reports on internal control related to the financial statements and major programs. These reports will describe the scope of testing of internal control and the results of our tests of internal controls.

Reports on compliance with laws, regulations, and the provisions of contracts or grant agreements. We will report on any noncompliance which could have a material effect on the financial statements and any noncompliance which could have a direct and material effect on each major program.

A schedule of findings and questioned costs.

The component units whose financial statements you have told us are to be included as part of the City's basic financial statements are Cordova City School District, Cordova Community Medical Center, and Cordova Volunteer Fire Department.

Our reports on internal control will include any significant deficiencies and material weaknesses in the system of which we become aware as a result of obtaining an understanding of internal

Mr. Ashley Royal, Finance Director
City of Cordova
Page three

control and performing tests of internal control consistent with requirements of the standards and circular identified above. Our reports on compliance will address material errors, fraud, abuse, violations of compliance requirements, and other responsibilities imposed by state and federal statutes and regulations and assumed by contracts; and any state or federal grant, entitlement or loan program questioned costs of which we become aware, consistent with requirements of the standards and circulars identified above.

City of Cordova's Responsibilities

Management is responsible for the financial statements, including the selection and application of accounting policies, adjusting the financial statements to correct material misstatements, and for making all financial records and related information available to us. Management is responsible for providing us with a written management representation letter confirming certain representations made during the course of our audit of the financial statements and affirming to us that it believes the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole and to the opinion units of the financial statements.

Management is responsible for establishing and maintaining effective internal control over financial reporting and for informing us of all significant deficiencies and material weaknesses in the design or operation of such controls of which it has knowledge.

Management is responsible for identifying and ensuring that the entity complies with the laws and regulations applicable to its activities, and for informing us about all known material violations of such laws or regulations. In addition, management is responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the entity involving management, employees who have significant roles in internal control, and others where the fraud could have a material effect on the financial statements. Management is also responsible for informing us of its knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, analysts, regulators, or others.

Management is also responsible for (a) making us aware of significant vendor relationships where the vendor is responsible for program compliance, (b) following up and taking corrective action on audit findings, including the preparation of a summary schedule of prior audit findings, and a corrective action plan, and (c) report distribution including submitting the reporting packages.

The City Council is responsible for informing us of its views about the risks of fraud within the entity, and its knowledge of any fraud or suspected fraud affecting the entity.

Mr. Ashley Royal, Finance Director
City of Cordova
Page four

City of Cordova agrees that our report on the financial statements will not be included in an official statement or other document involved with the sale of debt instruments without our prior consent. Additionally, if City of Cordova intends to publish or otherwise reproduce the financial statements and/or make reference to us or our audit, you agree to provide us with printer's proofs or a master for our review and consent before reproduction and/or release occurs. You also agree to provide us with a copy of the final reproduced material for our consent before it is distributed or released. Our fees for any additional services that may be required under our quality assurance systems as a result of the above will be established with you at the time such services are determined to be necessary. In the event our auditor/client relationship has been terminated when the City seeks such consent, we will be under no obligation to grant such consent or approval.

During the course of our engagement, we may accumulate records containing data that should be reflected in the City's books and records. The City will determine that all such data, if necessary, will be so reflected. Accordingly, the City will not expect us to maintain copies of such records in our possession.

The assistance to be supplied by City personnel, including the preparation of schedules and analyses of accounts, has been discussed and coordinated with Ashley Royal, Finance Director. The timely and accurate completion of this work is an essential condition to our completion of the audit and issuance of our audit report.

Other Terms of our Engagement

City of Cordova hereby indemnifies Mikunda, Cottrell & Co. and its shareholders, principals, and employees and holds them harmless from all claims, liabilities, losses, and costs arising in circumstances where there has been a known misrepresentation by a member of City of Cordova's management, regardless of whether such person was acting in the City's interest. This indemnification will survive termination of this letter.

Any claim arising out of services rendered pursuant to this agreement shall be resolved in accordance with the laws of the State of Alaska. It is agreed by City of Cordova and Mikunda, Cottrell & Co. or any successors in interest that no claim arising out of services rendered pursuant to this agreement by or on behalf of City of Cordova shall be asserted more than two years after the date of the last audit report issued by Mikunda, Cottrell & Co.

Our fees are based upon the time required by the individuals assigned to the engagement, plus direct expenses. Interim billings will be submitted as work progresses and as expenses are incurred. Billings are due upon submission. Our fee for the services described in the letter will not exceed \$44,300, plus out of pocket costs for travel, lodging, typing, printing, etc. unless the scope of the engagement is changed, the assistance which the City has agreed to furnish is not provided, or unexpected conditions are encountered, in which case we will discuss the situation with you before proceeding. For example, a significant increase in the number of major federal

Mr. Ashley Royal, Finance Director
City of Cordova
Page five

or state programs for single audit purposes, and/or ARRA programs, may result in an increase in the fee that cannot be anticipated at this time. Also, in the prior couple of years, we have had to make a significant number of adjusting journal entries, correct the grant analysis worksheets and federal and state grant schedules, and update the depreciation schedules, etc. The additional time for these services is not included in the above audit fee and if required for the FY 11 audit, will be billed separately. All other provisions of this letter will survive any fee adjustment.

In the event we are requested or authorized by City of Cordova or are required by City of Cordova or are required by government regulation, subpoena, or other legal process to produce our documents or our personnel as witnesses with respect to our engagements for City of Cordova, City of Cordova will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such requests.

The working papers for this engagement are the property of Mikunda, Cottrell & Co. However, you acknowledge and grant your assent that representatives of the cognizant or oversight agency or their designee, other government audit staffs, and the U.S. Government Accountability Office shall have access to the audit working papers upon their request; and that we shall maintain the working papers for a period of at least three years after the date of the report, or for a longer period if we are requested to do so by the cognizant or oversight agency. Access to requested work papers will be provided under the supervision of Mikunda, Cottrell & Co. audit personnel and at a location designated by our Firm.

If circumstances arise relating to the conditions of your records, the availability of appropriate audit evidence, or indications of a significant risk of material misstatement of the financial statements because of error, fraudulent financial reporting, misappropriation of assets, or noncompliance which in our professional judgment prevent us from completing the audit or forming an opinion, we retain the unilateral right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawal from the engagement.

The two overarching principles of the independence standards of the "Government Auditing Standards" issued by the Comptroller General of the United States provide that management is responsible for the substantive outcomes of the works, and therefore, has a responsibility and is able to make any informed judgment on the results of the services described above. Accordingly, the City of Cordova agrees to the following:

Management of the City will be accountable and responsible for overseeing the draft of the financial statements, trial balance adjustments, and updates to the depreciation schedules.

Mr. Ashley Royal, Finance Director
City of Cordova
Page six

City of Cordova will establish and monitor the performance of the draft of the financial statements, trial balance adjustments, and depreciation schedules to ensure that they meet management's objectives.

City of Cordova will make any decisions that involve management functions related to the drafting of the financial statements, trial balance adjustments, and depreciation schedules and accept full responsibility for such decisions.

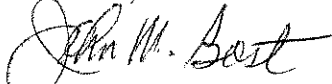
City of Cordova will evaluate the adequacy of services performed and any findings that result.

This letter constitutes the complete and exclusive statement of agreement between Mikunda, Cottrell & Co. and City of Cordova, superseding all proposals, oral or written, and all other communication, with respect to the terms of the engagement between the parties.

In accordance with *Government Auditing Standards*, a copy of our most recent peer review report and applicable letter of comment is enclosed for your information.

If this letter defines the arrangements as you understand them, please sign and date below and return this letter to us. We appreciate your business and look forward to working with everyone at the City again.

Mikunda, Cottrell & Co.



John M. Bost, Audit Director

Confirmed on behalf of the City of Cordova:

Signature: Ashley Royal

Title: Finance Director

Date: 2/09/12

STATE OF ALASKA

OFFICE OF THE GOVERNOR

OFFICE OF MANAGEMENT AND BUDGET

SEAN PARNELL, GOVERNOR

P.O. BOX 110020
JUNEAU, ALASKA 99811-0020
TELEPHONE: (907) 465-4660
FAX: (907) 465-3640

February 21, 2012

The Honorable Jim Kallander
Mayor
City of Cordova
P.O. Box 1210
Cordova, AK 99574

Re: FY12 Supplemental Budget Request

Dear Mayor Kallander,

Thank you for your letter to Governor Parnell and your request for funding to replace the roof on the Cordova hospital. We appreciate hearing from you.

As you know, the Governor recently declared a disaster for the Prince William Sound storm. The disaster declaration will make federal and state disaster relief funds available to affected communities. I recognize there may be costs in addition to insurance proceeds and disaster relief funds. The Governor and the Legislature are monitoring these developments very carefully in order to determine what may be needed in the supplemental budget to address them.

Thank you again for writing.

Sincerely,



Karen J. Rehfeld
Director

H. Mayor,

*I visited with John Bitney
about this on Friday also -*

cc: [illegible]

[illegible]

Susan Bourgeois


From: mary bishop <bishopmary@yahoo.com>
Sent: Wednesday, February 29, 2012 5:36 AM
To: Susan Bourgeois
Subject: Letter & article for City Council packet
Attachments: Petroleum News article on AIGC.doc

To: City Clerk of Cordova
From: Mary Anne Bishop, 700 Fourth St., Cordova, Alaska
Date: February 29, 2012

I am requesting that the following article, reprinted from the trade magazine, *Petroleum News* be included in the City Council packet for the first regular meeting in March.

The article is about Alaska Intrastate Gas Company (AIGC). It is important that this article be in the public record because the article documents AIGC's past history, including their history of making exaggerated and/or false claims about having lawmakers' support, public funding, and investors.

I firmly believe that the City of Cordova has failed to do due diligence with regards to AIGC and in so doing, has done a disservice to the citizens of Cordova.



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Vol. 9, No. 12**Week of March 21, 2004**

Providing coverage of Alaska and northern Canada's oil and gas industry

Propane-air firm continues to have problems starting up in Alaska, Regulatory Commission of Alaska grants third extension in less than three years and is working closely with Montana-Dakota ‘concerning an equity position’

Larry Persily

Petroleum News Government Affairs Editor

The Regulatory Commission of Alaska has granted its third extension in less than three years to a company working to bring natural gas to coastal communities, but also has ordered the company to show cause why its operating certificate should not be revoked.

“It is not in the public interest to continue to extend Alaska Intrastate Gas Co.’s conditional certificate without evidence there is a reasonable expectation that the AIGC project will be completed,” the commission said in its Feb. 24 order.

The regulatory agency granted the original certificate more than five years ago.

The company also is having to deal with a consultant’s report that says the project could be a money-loser unless it can find a low-cost propane supply.

Alaska Intrastate’s plan is to ship liquid propane by barge into coastal communities, store it as a liquid, then gasify and mix it with air for distribution through a network of underground pipes it would build in each community. At the right price, the gas could be competitive with diesel fuel for heating and electrical generation.

So-called propane-air systems are used in small Lower 48 communities not connected to natural gas pipelines.

It comes down to the price of the propane supply, the consultant report said. “The propane supply is the most critical variable in the success of this project,” said the report by Montana-Dakota Utilities Co. “Propane prices over 30 cents per gallon have the potential to negate any potential earnings.”

Propane supply price a problem

That could be a tough number to overcome, said the report, which was released last month. “At the time of this report, Montana-Dakota has not been able to identify a reliable source of propane at costs less than 47 cents per gallon at Edmonton.”

Propane for April delivery was selling for 58 cents a gallon March 16 on the New York Mercantile Exchange futures market. The price averaged 50 cents a gallon at the Edmonton, Alberta, pricing point the second week of March, with delivery to Puget Sound an additional 17 cents to 19 cents.

The consultants suggested perhaps Alaska Intrastate could make its 30-cent price threshold if it could buy half its propane from the state of Alaska royalty share at Valdez at just 20 cents a gallon and match that supply with an equal volume out of Canada at 40 cents a gallon.

Even if it could get propane delivered to Juneau for 61 cents a gallon, the company's internal rate of return over 40 years — using low prices to win customers — would be just 3.5 percent, the consultants said. With higher rates to customers, the "aggressive model" shows an 8.45 percent return.

Meanwhile, with six months before its deadline to prove to the regulatory commission that it should keep its operating certificate, Alaska Intrastate is trying to convince the Legislature to authorize the Alaska Industrial Development and Export Authority to issue up to \$76 million in state bonding for the project.

House committee approves bonding measure

The measure, House Bill 449, had its first hearing and moved out of committee March 16, but it could be hard to push the bill through two more House committees, the full House and also Senate committees in the final seven weeks of the legislative session.

"I'm not exactly happy at how things have moved," Frank Avezac, board chairman of Alaska Intrastate, said last month. It's up to the Legislature and governor "to have the balls" to pass the bill and show investors the state is serious about helping the project, he said in a February interview.

Avezac, an accountant by trade, in 1986 transformed his Anchorage real estate company into the envisioned gas distribution business, and has been working ever since to put together the deal.

Alaska Intrastate applied to the state utility regulatory agency in 1997 to barge liquefied natural gas to as many as 17 Alaska coastal communities, then later amended its application to serve the cities with a propane-air mixture, also called utility gas. The company later scaled back its plan, proposing to start with service to Juneau, Ketchikan and Sitka in Southeast Alaska, pledging to add more communities in later years.

With a propane supply at the right price, the company believes it could bring gas to the communities and pipe it around town at a lower cost than diesel fuel or electricity for residential and commercial uses.

"Gas utility service ... will be initiated in 2004," Avezac said in a Feb. 16 letter to legislators, pushing for passage of HB 449 that would allow AIDEA to bond for the system. Avezac made no mention in his letter to lawmakers of the company's pending request to the regulatory commission for a delay in the start-up date until December 2005.

New regulatory commission deadlines

Regardless of what happens to the legislation, the company has to meet two deadlines from the Regulatory Commission of Alaska:

- Sept. 15, 2004, to show cause why the commission should not revoke Alaska Intrastate's certificate to operate as a natural gas public utility. The commission wants to see a current business plan, management structure and proof that the company has the ability to start service. The commission delayed action on the company's request for a December 2005 start-up deadline.
- Dec. 31, 2004, to show proof of financial fitness and permanent financing for the venture.

The company had faced a Dec. 31, 2003, deadline for proof of financial fitness. In its mid-December filing to extend that date until December 2004, Alaska Interstate partially blamed the Legislature and the administration for the delay.

It said legislation introduced last year, House Bill 235, would have allowed for state bonding to assist the project. "(It) received strong support from both Democrats and Republicans," the company said in its filing with the regulatory commission. Work on the bill ceased when Alaska Intrastate turned its attention to different bond financing "promised by the Department of Revenue," the company said.

Despite the company's claim of strong bipartisan support, not a single legislator signed on to co-sponsor HB 235, introduced by freshman Rep. Bruce Weyhrauch, R-Juneau, and the bill never had a single hearing. The measure would have authorized the Alaska Railroad Corp. to use its bonding authority to issue \$76 million in debt for the propane-air venture, with Alaska Intrastate to assume sole financial responsibility for repaying the debt.

Official denies ‘promise’ of financing

And a Department of Revenue official denies there ever was a promise of bond financing. “We gave Paul Fuhs a copy of the application,” said Tom Boutin, deputy commissioner at Revenue. Fuhs, a paid lobbyist in the past on natural gas issues, is not listed with the state as a lobbyist for Alaska Intrastate.

The application was for the issuance of private-activity bonds through the state, Boutin said. “We told them there was plenty of private-activity allocation to go around,” but Alaska Intrastate would need to get a bond counsel opinion as to whether its project could qualify for the tax-exempt financing, he said.

Boutin said he had no further financing discussions with the company, which never submitted an application to the state bond committee.

In its filing with the regulatory commission, Alaska Intrastate said it later determined it would not qualify for the tax-exempt, private-activity bonds. “The avenue that the administration had promised did not appear feasible,” it said.

The company told the regulatory commission in December its new plan was to develop other sources of financing, at 80 percent debt with 20 percent equity.

Consultants warn of too much debt

But Alaska Intrastate’s consultant, Montana-Dakota Utilities, pointed to a potential problem with that plan. “Montana-Dakota’s experience has been to limit utility operations to a 50 percent equity,” it said in its report. “Further, as a start-up utility, it is prudent to construct the first community using 100 percent equity financing.” After starting operations and generating revenue, “debt financing will become more readily available and more prudent.”

As for raising equity to build the system, Alaska Intrastate told the regulatory commission it was working closely with Montana-Dakota “concerning an equity position,” and that the utility company’s management was prepared “(to) ask its board for a commitment of up to \$5 million, a 10 percent equity position.”

That statement differs from what Montana-Dakota’s spokesman reported as the company’s role in the venture. “We were never involved in it from investing,” said Dan Sharp, spokesman for the Bismarck, N.D., oil, gas, electricity and construction material company. He said the company’s only role was to prepare the market and economic feasibility report under contract to Alaska Intrastate.

Montana-Dakota is not new to Alaska. It owns Alaska Basic Industries, which owns Anchorage Sand and Gravel Co., one of the largest aggregate suppliers in the state.

In another financing issue, Alaska Industrial Development and Export Authority Executive Director Ron Miller in a Dec. 24 letter to the regulatory commission questioned Alaska Intrastate’s representation of its dealings with the state agency.

State agency says its role ‘mischaracterized’

“AIGC’s memorandum in support of its extension request implies that the Alaska Industrial Development and Export Authority may consider financing of the project under its development finance program. ... We have indicated to AIGC on previous occasions that the proposed project does not appear to fit within the development finance program,” Miller said.

Letters from AIDEA officials in 2001 and 1999 also stated the project would not meet the agency’s criteria for development finance program lending.

“There were some claims ... that mischaracterized our programs and our potential role and our history in the project,” Miller said last month.

The Regulatory Commission of Alaska also received several letters in support of Alaska Intrastate’s request for another year to prove its financial fitness, including letters from Jim Sampson, president of the Alaska AFL-CIO; Alaska House Speaker Pete Kott and Senate President Gene Therriault; and Michael Gallagher, business manager of Laborers’ International Union Local 341 in Alaska.

U.S. Sen. Ted Stevens, R-Alaska, also sent in a letter of support, adding, “We have been unable, so far, to obtain Federal funds to assist AIGC.”
///

STATE OF ALASKA

SEAN PARNELL, GOVERNOR

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF PARKS & OUTDOOR RECREATION OFFICE OF HISTORY AND ARCHAEOLOGY

550 WEST 7TH AVENUE, SUITE 1310
ANCHORAGE, ALASKA 99501-3565

PHONE: (907) 269-8721
FAX: (907) 269-8908

February 28, 2012

Re: 3330-1-1 Pioneer Igloo Hall Number 19

James Kallander, Mayor
City of Cordova
P.O. Box 1210
Cordova, Alaska 99574-1210

Dear Mayor Kallander:

I wish to inform you that the property referenced above in the City of Cordova will be considered by the Alaska Historical Commission for nomination to the National Register of Historic Places. The National Register is the federal government's official list of historic sites, structures, buildings, and objects worthy of preservation. Listing in the register provides recognition and assists in preserving our nation's heritage.

The Alaska Historical Commission meeting is scheduled for March 27-28, 2012. It will be held in the Sealaska Building Board Room, 1 Sealaska Plaza, Juneau, Alaska 99801. If you wish to comment on the nomination, you should submit your comments in writing to me at the address above by Friday, March 23, 2012, or you can address the commission members during the public comment period scheduled for 11:00 a.m. on Tuesday, March 27th.

The City of Cordova is one of our program's Certified Local Governments. One of its responsibilities is review of National Register nominations within the local government's jurisdiction. Your historic preservation commission will be asked to review the documentation and make a determination on the property's eligibility for listing the register before it will be forwarded to the Keeper of the National Register.

Attached is information about the property being nominated. If you have any questions about the National Register of Historic Places program, the referenced nomination, or the process please contact me at 907-269-8714 or jo.antonson@alaska.gov.

Sincerely,



Joan M. Antonson
Deputy State Historic Preservation Officer

enclosures: National Register brochure, owner's information, nomination summary, agenda

cc: Cathy Sherman, Cordova Historical Museum, P.O. Box 391, Cordova, Alaska 99574-0091

3330-1-1 Pioneer Igloo Hall Number 19

The referenced property is under consideration for nomination to the National Register of Historic Places.

Site name(s)/location(s): Pioneer Igloo Hall Number 19, 621 First Street, Cordova, Alaska 99574

Owner(s): Pioneers of Alaska Igloo Number 19, P.O. Box 335, Cordova, Alaska 99574-0335

Summary statement of physical characteristics: Pioneer Igloo Hall Number 19 was constructed in 1929 on two lots donated by William Chase, a prominent Cordova resident and active member of the fraternal organization. The building is in the original townsite where it sits above First Street and provides a commanding view of the Alaska fishing town's main street, and to the west, Prince William Sound's Orca Bay. The original one-room, 30 by 22 foot building was built with local hand-hewn spruce logs to reflect the typical Alaska trapper's cabin. Few openings and medium pitched gable roof clad in cedar shingles reinforced the image. Cordova's notorious wind-driven rains prompted the Pioneers to cover the exterior with cedar shingles by 1935, and the need for additional space prompted a shed addition on the north elevation. As membership increased, the organization expanded its meeting hall again in 1937, adding a fifty-foot long one room addition to the west elevation, matching the form of the original cabin. At the same time, the shed addition on the north elevation was expanded ten feet to the west to include two restrooms. The 1937 room addition is stick framed with its wall and roof clad in rolled corrugated metal. The exterior walls were painted "Kennecott Red" but have since rusted to a deep reddish-brown. The addition is built high on creosote piers responding to the site's descending topography. The large crawl space is covered with white fiber shingles. Pioneer Igloo hall Number 19 has been continue use since 1929, serving the organization and the community as a gathering and meeting place. It has a high level of historic integrity.

Summary statement of archaeological/historical significance: Pioneer Igloo Hall Number 19 is associated with the social history of Cordova, Alaska. It provided a place for entertainment and recreational activities for its members and community residents since the hall was built in 1929. The Pioneers of Alaska is a statewide organization started at Nome in 1907, and expanded with chapters called Igloos and Auxiliaries around Alaska. As its name implies, the Cordova Igloo was the nineteenth, chartered in 1920, and its women's igloo (formerly called an auxiliary) the fifth. The organization's mission is to educate and preserve Alaska history and bring together Alaskans. Cordova's hall is one of four that Pioneer chapters own. It is the oldest standing built by a Pioneer organization and still used for its initial purpose. In Cordova, the hall overlooks the heart of the town.

NATIONAL REGISTER OF HISTORIC PLACES
RIGHTS OF OWNERS TO COMMENT AND/OR TO OBJECT TO LISTING

Owners of private properties nominated to the National Register of Historic Places have an opportunity to concur with or object to listing in accord with the National Historic Preservation Act and 36 CFR 60. Any owner or partial owner of private property who chooses to object to listing may submit, to the State Historic Preservation Officer, a **notarized** statement certifying that the party is the sole or partial owner of the private property and objects to the listing. Each owner or partial owner of private property has one vote regardless of the portion of the property that the party owns. If a majority of private property owners object, a property will not be listed. However, the State Historic Preservation Officer shall submit the nomination to the Keeper of the National Register of Historic Places for a determination of the property's eligibility for listing in the National Register. If the property is then determined eligible for listing, although not formally listed, federal agencies will be required to allow the Advisory Council on Historic Preservation an opportunity to comment before the agency may fund, license, or assist a project which will affect the property.

If you choose to object to the listing of your property, the notarized objection must be submitted within thirty (30) days of receipt of this letter to:

Judith E. Bittner, State Historic Preservation Officer
Office of History and Archaeology
Alaska Division of Parks and Outdoor Recreation
550 West 7th Ave., Suite 1310
Anchorage, Alaska 99501-3565

If you wish to comment on the nomination of the property to the National Register, please send your comments to the State Historic Preservation Office within thirty (30) days of receipt of this letter.

Additional information on the National Register and the federal tax provisions is available from the above address upon request.

[7/19/00]

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF PARKS & OUTDOOR RECREATION OFFICE OF HISTORY AND ARCHAEOLOGY

SEAN PARNELL, GOVERNOR

550 WEST 7TH AVENUE, SUITE 1310
ANCHORAGE, ALASKA 99501-3565

PHONE: (907) 269-8721

FAX: (907) 269-8908

Alaska Historical Commission Spring 2012 Meeting

March 27, 2012, 9:00 a.m.-5:00 p.m.

March 28, 2012, 9:00 a.m.-4:00 p.m.

Sealaska Corporation Board Room

1 Sealaska Plaza

Juneau, Alaska 99801

Information: 907.269.8721, oha@alaska.net

PRELIMINARY AGENDA

Tuesday, March 27, 2012

Tab

9:00 a.m.	Call to order	
	Introduction of members and others present	1
9:15 a.m.	Adoption of agenda	Top
9:20 a.m.	Review and approval of November 2011 meeting minutes	2
9:25 a.m.	Election of 2012 vice chair	3
9:30 a.m.	Update, Lt. Governor Mead Treadwell	4
9:55 a.m.	Program status report, Judy Bittner	5
10:20 a.m.	Alaska Governor's Mansion Foundation	6
10:30 a.m.	Sealaska Heritage Institute, Rosita Worl	7
11:00 a.m.	Public comment	
	Paul Brown, Alaska Leaders documentary series	
11:30 a.m.	Recess for lunch	
1:00 p.m.	Reconvene	

continued on next page

1:00 p.m.	Alaska Historical Commission's policy & procedures review	8
1:20 p.m.	Certified Local Government grant review and prioritization	9
	City & Borough of Juneau, Memorial Building, predevelopment	10
	City & Borough of Juneau, Treadwell Mine, development	11
	City of Seward, public preservation education	12
	Municipality of Anchorage, Anderson House, public preservation education	13
	City of Fairbanks, Main School, development	14
	City of Cordova, Pioneer Igloo Hall No. 19, predevelopment	15
	City & Borough of Sitka, Sheldon Jackson School, public preservation education	16
2:20 p.m.	Priorities for FY 13 CLG projects	17
2:30 p.m.	Language Preservation (SB 130), Barbara Propes	18
3:00 p.m.	Alaska Cultural Trust	19
	2012 Alaska Arts & Culture Conference, Jon Ross	20
3:45 p.m.	St. Nicholas Orthodox Church & Rectory tour	
	Wickersham House tour	
5:00 p.m.	Recess for day	

Wednesday, March 28

9:00 a.m.	Reconvene	
9:00 a.m.	Anniversary commemorations	
	Press release responses	21
	Anchorage Centennial Report, Cook Inlet Historical Society	22
	Valley of Ten Thousand Smokes Centennial	23
	Juneteenth	
	150 th anniversary of Alaska's transfer from Russia	
	100 th anniversary of Alaska Territorial Legislature	
	25 th anniversary, Opening the Border with Russia, Friendship Flight	
	150 th anniversary of CSS <i>Shenandoah</i>	
	70th anniversary of Alaska Highway completion	

10:00 a.m.	Geographic names guidelines	24
	Geographic names advisors, Robert Frances, A.C. Brown	
	Alaska Statehood Range	
10:15 a.m.	Geographic name proposal review	
	Artillery, Calvalry, Stryker Lakes, Delta vicinity	25
	<u>Gandláay Háanaa</u> , Klawock vicinity	26
	Hawadax, Adak vicinity	27
	Mount Chosin Few, Cordova vicinity	28
	Tl'oo Hanshyah Mountain, Chalkyitsik vicinity	29
11:30 p.m.	National Register of Historic Places nomination review	30
	Pioneer Igloo Hall Number 19, Cordova	31
12:00 noon	Recess for lunch	
1:30 p.m.	Reconvene	
1:30 p.m.	State Libraries Archives Museum project	32
	Linda Thibodeau, Bob Banghart, Jim Simard, Dean Dawson	
2:30 p.m.	Friends of Treadwell Mine	
3:00 p.m.	Jualpa Camp	
3:30 a.m.	Other business	
	Resolution for family of Romer Derr	33
	Letters of support	34
	Historic Preservation Fund	
	Archaeology television series	
	Commission member's comments	
	Tentative date, time, place of next meeting	
4:00 p.m.	Adjourn	

[2.27.12]

STATE OF ALASKA

DEPARTMENT OF REVENUE

Tax Division

Sean Parnell, Governor

□ State Office Building
PO Box 110420
Juneau, AK 99811-0420
907.465.2320

✱ 550 W 7th Ave Suite 500
Anchorage, AK 99501-3555
907.269.6620

www.tax.state.ak.us

February 28, 2012

The Honorable Jim Kallander
Mayor, City of Cordova
P.O. Box 1210
Cordova, AK 99574

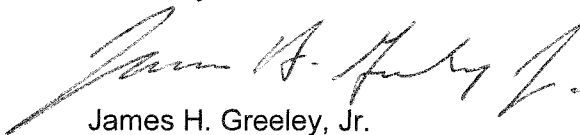
Dear Mayor Kallander:

I have mailed to your City Manager a copy of the preliminary 2012 Assessment Roll for oil and gas properties located within the City of Cordova, taxable under AS 43.56.

The total assessed value is \$8,597,760.

The value is subject to change under the provisions of AS 43.56.110 (appeal to the Department) and AS 43.56.120 (appeal to the State Assessment Review Board).

Sincerely,



James H. Greeley, Jr.
State Petroleum Property Assessor

cc: Mark Lynch, City Manager

Assessment Roll for City of Cordova

2012

Account	Name and Address of Owner	EIN	Description of Property	Assessed Value
012-000-0001	Alyeska Pipeline Svc. Co. Attn: Tax Department, M.S. 504 PO Box 196660 Anchorage, AK	92-0039154	VEHICLES AND EQUIPMENT	8,597,760

Total Assessed Value: 8,597,760



ALASKA MUNICIPAL LEAGUE

2012 FEDERAL PRIORITIES

- **PAYMENT IN LIEU OF TAXES**

The League supports full funding of the PILT program, to the authorized levels of P.L. 103-379 (over \$300 million nationwide).

- **SECURE RURAL SCHOOLS AND COMMUNITY SELF-DETERMINATION ACT (SRS/TIMBER RECEIPTS)**

The League supports the reauthorization and enhancement of the Secure Rural Schools program (P.L. 110-343). Reauthorization should maintain coupling between payments to boroughs and active natural resource management; and the connection between sustainable natural resource management and the stability and well-being of forest municipalities.

- **CLEAN WATER ACT**

While supporting Clean Water Act provisions that protect wetland habitats and rivers and streams of Alaska, we do NOT support federal efforts to change the definition of the Clean Water Act from "navigable" waters to "waters of the United States," and also oppose federal efforts to further expand the authority and responsibilities of the federal agencies in regard to these waters.

- **ARCTIC ISSUES**

The League supports ratification of the United Nation's Convention on the Law of the Sea. Until that ratification takes place, the U.S. cannot participate in deliberations which affect the national security; environmental concerns relating to the use of the seas; and to economic development for Alaska's coastal communities.

- **LAND USE DESIGNATIONS**

We oppose decisions on land use designations that are not completely reviewed through the proper Congressional system, already in place.

- **ENERGY EFFICIENCY GRANTS**

The League supports full funding of the Energy Efficiency and Conservation Block Grant (EECBG) Program to state and local governments.

- **DENALI COMMISSION**

The League supports reauthorization and appropriation of the Denali Commission to further construct and improve much-needed infrastructure throughout the State, especially in rural areas.



ALASKA MUNICIPAL LEAGUE

2012 STATEWIDE PRIORITIES

- **ENERGY**

We believe the legislature must aggressively facilitate energy efficiency and affordable energy for all Alaskans through:

1. The support of oil and gas, as it remains the primary source of energy for most of Alaska;
2. The encouragement of connectivity between communities, as well as incentives for energy project funding and energy efficiency;
3. An actual time certain process that selects and prioritizes projects;
4. Full funding of the PCE (Power Cost Equalization) Endowment fund through joint congressional and state appropriations;
5. The clarification of RCA's role and authority, as well as direction for RCA to adhere to their structured purpose;
6. Adequate funding for residential and small businesses.

- **PERS**

The League supports a sustainable salary base to pay off the PERS unfunded obligations. AS 39.35.625, and any other similar statutes or regulations that require termination studies, should be repealed. Simply following AS 39.35.255(a)(2) will provide a more efficient, cost effective and equitable method of ensuring that the required PERS salary base is maintained.

- **REVENUE SHARING**

The League supports the passage of SB 97 by the Legislature during the 2012 Legislative Session.

- **UNFUNDED MANDATES**

The League supports prohibition of state unfunded mandates in any form. This includes "optional" exemptions handed down to local governments that will diminish the local tax base.

- **TRANSPORTATION**

1. The dedication of funds for the Alaska Transportation Infrastructure Fund;
2. A matching grant component for acquiring federal funds and to help local governments to develop otherwise financially difficult projects;
3. A local government seat at the table during allocation considerations of the Transportation Infrastructure Fund.

A MEMO FROM SUSAN BOURGEOIS, CITY CLERK

DATE: February 29, 2012
TO: Mayor & City Council
SUBJECT: Resolution 02-12-10

The Council postponed action on Resolution 02-12-10 at the February 23, 2012 special meeting. In speaking with Lobbyist John Bitney during that meeting Council was assured it was not a time-sensitive issue and it could wait until March 7 for Council action. Bitney has provided answers to the questions that Council had posed concerning the resolution – see his attached memo here. Notice that he has suggested possible amendments to the resolution. I have re-written the Resolution including Bitney’s suggested amendments (the one with the watermark across it).

Since Council postponed this to the next regular meeting, Council should restate the motion that was made at the February 23 meeting –

M/Kacsh S/van den Broek to approve Resolution 02-12-10 a resolution of the Cordova City Council in support of House Bill No. 184 relating to the sharing of tax revenue from the fisheries business tax and fishery resource landing tax with municipalities.

Once the main motion is back on the table Council can amend the motion if it so chooses. An example would be: move to amend the motion to say to approve Resolution 02-12-10 as edited by City Lobbyist John Bitney, said resolution appearing on page ____ of the 03-07-12 regular meeting packet.

Required Action: Majority voice vote.

MEMORANDUM

February 28, 2012

TO: Mark Lynch, City Manager
FROM: John Bitney
SUBJECT: HB184

At the last City Council meeting, Resolution 02-12-10 was postponed for future consideration. Per your request, this memo is to provide more information on the legislation considered by the resolution, and to offer some suggestions and recommendations.

Background

HB184, sponsored by Rep. Peggy Wilson (R-Wrangell), would amend how fisheries business tax revenues are shared with local municipalities. There are two taxes – the Fisheries Business Tax and the Fisheries Resources Landing Tax. The bill would not change the taxes levied, but would amend the formula for how tax revenues are distributed.

The Fisheries Business Tax is a tax on fish processed and the Fisheries Resource Landing Tax is a tax on fish processed at sea beyond state waters and first landed in Alaska.

Under the current system, funds generated by the Fisheries Business Tax and the Resource Land Tax on fish processed and/or landed in a municipality are divided equally (50:50) between the state and the municipality.

On fish processed or landed outside of a municipality, half of the tax revenue is distributed among fishing communities located within the region where the processing or landing occurred. (For Cordova, this is within the Prince William Sound region.) The formula that divides the revenue between the communities within the region is locally determined by apportioning equal community shares and per capita shares. HB184 does not change this formula.

HB184 increases the share of taxes that are shared with municipalities to 75%. The bill states that the purpose of increasing the revenue to local municipalities is to help with the cost of operating and maintaining local ports and harbors.

HB184 is currently in the House Finance Committee waiting to be scheduled for a hearing.

Questions

- 1) What concerns have been expressed by coastal legislators about HB184?

HB184 was considered by the House Community & Regional Affairs Committee, and the committee report was signed as follows: Signing “Do Pass” – Rep. Cathy Munoz. Signing “No Recommendation” – Rep. Alan Dick, Rep. Neil Foster, Rep. Dan Saddler, Rep. Berta Gardner. Signing “Do Not Pass” – Rep. Alan Austerman.

Rep. Austerman (R-Kodiak) made his statement against the bill by expressing concerns how the bill would impact the ability of legislators who advocate for more funding for commercial fisheries management. While the state currently has a revenue surplus due to high oil prices, this will not always be the situation. Rep. Austerman expressed concern in committee that there will need to be state revenues available from fisheries taxes in the future to pay for the management of the resource.

2) Will the tax credit for processors come out of the state's share?

Per my discussion with the Department of Revenue, the short answer is Yes.

Tax credits for processors are for technology and other improvements related to the processing of salmon. Credits by the processor can be applied to an amount equal to 50% of the tax revenues. HB184 would share 75% of the taxes paid back to the municipality, and would not amend the amount of the credit the processor can apply.

Recommendation

Obviously, the resolution is the prerogative of the City Council and the Mayor. Per your request, below are my suggestions for consideration:

It makes good sense for the City Council to support legislation to increase state funding for the harbor. While legislators may have policy or political concerns, the Council is well justified in approving a resolution that makes a statement about the best interests of the community.

It is also prudent to be sensitive to the concerns of legislators. Therefore, I would be offering the following suggestions:

- After the 3rd Whereas that speaks to the need of funding for harbors, add a Whereas that speaks to the specific needs of the Cordova harbor.
- After the last Whereas that speaks to the provisions of HB184, add a Whereas that states that it would be the intent of the City of Cordova to use any additional fisheries taxes revenue to maintain and improve the harbor.
- Add an additional Be It Resolved that states " in the event the Alaska Legislature does not pass HB184, the Cordova City Council encourages the Legislature and the Governor to consider a major funding initiative towards improving harbors in small communities across the entire state."

Conclusion

Pass a resolution in support of the bill, but use the opportunity to convey a message about the local need for funding towards improvements and development of the Cordova harbor.



City of Cordova
602 Railroad Ave.
P.O. Box 1210
Cordova, Alaska 99574
Phone: (907) 424-6200
Fax: (907) 424-6000
Email: citymanager@cityofcordova.net
Web: www.cityofcordova.net

CITY OF CORDOVA

Office of City Manager

February 18, 2012

Memo to City Council
Re: HB184 Support Resolution

The attached Resolution supporting the passage of HB184 pertains to increasing the share of fish tax allocated to municipalities. The Harbor Commission passed a similar resolution, and recommended that Council do likewise. Other communities in Alaska, such as Petersburg, Ketchikan, and Wrangell, along with the Alaska Municipal League have passed similar supporting resolutions.

Thank you,

Mark Lynch
City Manager

**CITY OF CORDOVA, ALASKA
RESOLUTION 02-12-10**

A RESOLUTION OF THE CORDOVA CITY COUNCIL IN SUPPORT OF HOUSE BILL NO. 184 RELATING TO THE SHARING OF TAX REVENUE FROM THE FISHERIES BUSINESS TAX AND FISHERY RESOURCE LANDING TAX WITH MUNICIPALITIES.

WHEREAS, the majority of the public boat harbors in Alaska were constructed by the State during the 1960's and 1970's, and

WHEREAS, the State of Alaska in recent years has transferred ownership of most of these State owned harbors, many of which were at or near the end of their service life at the time of transfer, to local municipalities; and

WHEREAS, local municipalities are in need of additional funding to repair and in many cases replace the former State owned harbors; and

WHEREAS, these harbors represent critical transportation links and are the transportation hubs for waterfront commerce and economic development in Alaska, especially for communities directly supporting the commercial fishing industry, and

WHEREAS, under the current tax system, the State shares 50% of the revenues generated from the fisheries business tax and the fishery resource landing tax with the local municipalities where the fish are first landed and/or processed, and

WHEREAS, under provision of House Bill No. 184, the local municipalities' share of the revenues generated from the fisheries business tax and the fishery resource landing tax would increase to 75% with the intent that the additional revenue would help maintain and improve the harbor facilities.

NOW, THEREFORE, BE IT RESOLVED that the Cordova City Council supports House Bill No. 184 and urges passage by the Alaska Legislature and signature by the Governor.

PASSED AND APPROVED THIS 23rd DAY OF FEBRUARY, 2012.

James Kallander, Mayor

ATTEST:

Susan Bourgeois, City Clerk

**CITY OF CORDOVA, ALASKA
RESOLUTION 02-12-10**

A RESOLUTION OF THE CORDOVA CITY COUNCIL IN SUPPORT OF HOUSE BILL NO. 184 RELATING TO THE SHARING OF TAX REVENUE FROM THE FISHERIES BUSINESS TAX AND FISHERY RESOURCE LANDING TAX WITH MUNICIPALITIES.

WHEREAS, the majority of the public boat harbors in Alaska were constructed by the State during the 1960's and 1970's, and

WHEREAS, the State of Alaska in recent years has transferred ownership of most of these State owned harbors, many of which were at or near the end of their service life at the time of transfer, to local municipalities; and

WHEREAS, local municipalities are in need of additional funding to repair and in many cases replace the former State owned harbors; and

WHEREAS, Cordova's harbors are in dire need now of repairs and maintenance and docks and floats continued to be battered by rough weather especially in the winter months; and

WHEREAS, these harbors represent critical transportation links and are the transportation hubs for waterfront commerce and economic development in Alaska, especially for communities directly supporting the commercial fishing industry, and

WHEREAS, under the current tax system, the State shares 50% of the revenues generated from the fisheries business tax and the fishery resource landing tax with the local municipalities where the fish are first landed and/or processed, and

WHEREAS, under provision of House Bill No. 184, the local municipalities' share of the revenues generated from the fisheries business tax and the fishery resource landing tax would increase to 75% with the intent that the additional revenue would help maintain and improve the harbor facilities; and

WHEREAS, it is the intent of the City of Cordova to use additional fisheries tax revenues to assist the City with the financial burden that the maintenance and improvement of our harbors has become.

NOW, THEREFORE, BE IT RESOLVED that the Cordova City Council supports House Bill No. 184 and urges passage by the Alaska Legislature and signature by the Governor.

BE IT FURTHER RESOLVED THAT in the event the Alaska Legislature does not pass House Bill No. 184, the City Council of the City of Cordova, Alaska encourages the Legislature and the Governor to consider a major funding initiative towards improving harbors in small communities across the state of Alaska.

PASSED AND APPROVED THIS 7th DAY OF MARCH, 2012.

James Kallander, Mayor

ATTEST:

Susan Bourgeois, City Clerk

MEMO

DATE: February 13, 2012

TO: City Council

FROM: Harbormaster Muma

RE: HB 184

Attached you will find a copy of Resolution 02-12-01 of the Harbor Commission concerning HB 184. The Harbor Commission would like the City Council to also consider supporting this bill as it would create additional revenue which could be used to support harbor infrastructure.

**CORDOVA HARBOR COMMISSION
CORDOVA, ALASKA
RESOLUTION 02-12-01**

**A RESOLUTION OF THE HARBOR COMMISSION OF THE CITY OF
CORDOVA, ALASKA SUPPORTING HB 184 AND RECOMMENDING ITS
ULTIMATE PASSAGE.**

WHEREAS, the current tax structure shares any fisheries tax revenue equally between the State and the municipality where the fish is either processed or landed; and

WHEREAS, HB 184 would amend the fisheries business tax and fishery resource landing tax to where the municipality would collect 75% of the tax revenue effective January 1, 2012; and

WHEREAS, without the municipality and its support of the local fishing fleet and related harbor infrastructure there would be no fishery tax; and

WHEREAS, HB 184 contains language that would direct the additional revenue to support harbor infrastructure improvements; and

WHEREAS, any municipality receiving shared fisheries taxes would be required to submit an annual report to the legislature describing how these funds were spent and whether the funds were used for the local harbor; and

NOW THEREFORE BE IT RESOLVED, by the Harbor Commission of Cordova, Alaska that it unanimously supports House Bill #184 and its ultimate passage.

PASSED AND APPROVED THIS 8TH DAY OF FEBRUARY 2012.



Robert Beedle, Chairman

A MEMO FROM SUSAN BOURGEOIS, CITY CLERK

DATE: February 29, 2012

TO: Mayor & City Council

SUBJECT: CIP List/Resolution quarterly review

The Council has decided to revisit the Capital Improvements Projects Resolution and list at least quarterly. At the February 23 Special meeting Council asked the Clerk to put the resolution and list on the agenda at the next regular meeting, i.e. March 7, 2012. Council should discuss the list and if there are suggested additions, deletions or reordering of the priorities, Council can amend the resolution and still approve it tonight (i.e. March 7, 2012). Please see attached email from Lobbyist John Bitney with his recommendations.

Recommended motion: move to approve Resolution 03-12-11 a resolution of the City Council of the City of Cordova, Alaska designating Capital Improvement Projects.

Required Action: Majority voice vote.

From: Susan Bourgeois <cityclerk@cityofcordova.net>
To: John Bitney
Sent: Wednesday, February 29, 2012 1:46 PM
Subject: capital priorities

John,
Council has opted to revisit the capital priorities quarterly and they asked to look at our list at the March 7 meeting again. The resolution is attached. If you want to have input, just send me a quick email. If you don't suggest any changes to the list, that is fine too. I just want to have an answer if they ask, "well, what does Bitney think?"

Thanks,
Susan

Susan Bourgeois, City Clerk
City of Cordova, Alaska
PO Box 1210
Cordova, AK 99574
907-424-6248
Cell 907-253-6248

Susan,
At this point, we have submitted the list of projects to our legislators and the governor. In short - its too late to change things now.
To try and change something could/would create confusion. Obviously if there is a compelling reason to change the list - that's another story.
But at this point, my advice about the resolution is "let it ride".

The list is now in the hands of our legislators, and we need to work with them to help them do their job to get us as much funding as possible towards these priorities. To that extent, I recommend that the Mayor come to Juneau at his earliest convenience to have conversations with legislators about the level of funding that can be expected, and which projects have the best chance.

After those conversations have occurred, the Mayor will be able to provide the Council with the best advice on whether/how to proceed.

Hope that helps.
John

**CITY OF CORDOVA, ALASKA
RESOLUTION 01-12-02**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA,
DESIGNATING CAPITAL IMPROVEMENT PROJECTS.**

WHEREAS, the Cordova City Council has identified several Capital Improvement projects that will benefit the citizens of Cordova, and in several cases the entirety of Prince William Sound; and

WHEREAS, the City Council of the City of Cordova has identified the following Capital Improvement projects as being critical to the future well being and economy of Cordova and the surrounding area:

1. Hospital roof replacement & other minor exterior repairs
2. Electronic Health Records at CCMC
3. South Fill Expansion & Sawmill Avenue Extension
4. Shipyard Building
5. Shipyard Fill
6. G Float Replacement
7. Municipal Dock (Ocean Dock) Renovation
8. South Fill Sidewalks
9. Public Safety Building
10. Recreation Building
11. Water / Wastewater Plant upgrades
12. Ferry Trail

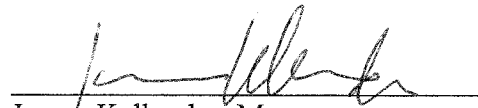
and;

WHEREAS, some or all of these projects will be submitted to State or Federal legislators and agencies as Capital Improvement projects in the City of Cordova, Alaska.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Cordova, Alaska, hereby designates the above listed projects as Capital Improvement projects.

PASSED AND APPROVED THIS 4th DAY OF JANUARY, 2012




James Kallander, Mayor

ATTEST:


Susan Bourgeois, City Clerk

**CITY OF CORDOVA, ALASKA
RESOLUTION 03-12-11**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA,
DESIGNATING CAPITAL IMPROVEMENT PROJECTS.**

WHEREAS, the Cordova City Council has identified several Capital Improvement projects that will benefit the citizens of Cordova, and in several cases the entirety of Prince William Sound; and

WHEREAS, the City Council of the City of Cordova has identified the following Capital Improvement projects as being critical to the future well being and economy of Cordova and the surrounding area:

1. Hospital roof replacement & other minor exterior repairs
2. Electronic Health Records at CCMC
3. South Fill Expansion & Sawmill Avenue Extension
4. Shipyard Building
5. Shipyard Fill
6. G Float Replacement
7. Municipal Dock (Ocean Dock) Renovation
8. South Fill Sidewalks
9. Public Safety Building
10. Recreation Building
11. Water / Wastewater Plant upgrades
12. Ferry Trail

and;

WHEREAS, some or all of these projects will be submitted to State or Federal legislators and agencies as Capital Improvement projects in the City of Cordova, Alaska.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Cordova, Alaska, hereby designates the above listed projects as Capital Improvement projects.

PASSED AND APPROVED THIS 7th DAY OF MARCH, 2012

James Kallander, Mayor

ATTEST:

Susan Bourgeois, City Clerk

- **Shipyard Fill** – As part of the City of Cordova’s CIP list, this project has been proposed to provide for additional area to further improve the current working area of the marine travel lift facility. The current area is approximately 2.5 acres and is marginal in the space needed to provide for maintenance and storage of vessels as well as for a proposed building for vessel maintenance during poor weather and winter months.

***Construction Total -- \$14,588,561**

***Project Total -- \$18, 213, 510**

***See attached estimate from CH2MHill**

- **Shipyard Building** – As part of the City of Cordova’s CIP list, the project has been proposed to provide for vessel maintenance and repairs during times of poor weather and/or during the winter months. A maintenance building would provide a controlled environment allowing vessel owners to complete maintenance projects that require several months without the weather becoming a concern.

***Construction Total -- \$2, 380,885**

***Project Total --\$3,523,380**

***See attached estimate from CH2MHill**

- **G Float Replacement** – This 900’ float is 30 years old and provides moorage for the largest vessels occupying the Cordova Harbor. This float also provides for the primary transient area in the harbor as well. This float was the original float constructed and installed approximately 2 years prior to the remainder of the New Harbor float system during the expansion of the early 80’s. This float is constructed of wooden components and due to its age is beginning to fail at a rapidly increasing pace. The project includes replacement of all components including utilities.

Project Total --\$2,000,000

- **Municipal Dock(Ocean Dock) Renovation** – Constructed in 1968, the only upgrade to this facility is the replacement of all fenders on the face of the dock in 1983. This project would include the replacement of all fenders, bullrail system and overhead lighting. All of these components are in dire need of an upgrade to allow the most efficient use of the facility by State ferries, barge traffic and commercial fishing vessels.

Project Total -- \$1,500,000

Shipyards Fill

Conceptual Construction Estimate

Item	Pay Unit	Unit Price	Quantity	Amount
Plug Existing Culvert	EA	\$2,000	1	\$2,000
Common Fill	CY	\$10	306516	\$3,065,157
Aggregate Base Course, Grading D-1 & NFS	TN	\$30	159626	\$4,788,778
Asphalt Concrete, Type II, Class B	TN	\$150	2004	\$300,667
Rip Rap	CY	\$50	44575	\$2,228,762
Stream Channel Excavation	CY	\$20	1852	\$37,037
Subtotal:				\$10,420,400
Mob/Demob (10%):				\$1,042,040
Contingency (30%):				\$3,126,120
Construction Total:				\$14,588,561

Project Estimate

Rounded Construction Cost	\$14,590,000
Engineering (5%)	\$729,500
Agency Review and Permitting (5%)	\$729,500
Construction Administration (8%)	\$1,167,200
Replatting and Easements	\$0
Geotechnical Investigation	\$100,000
Field Survey	\$30,000
Project Subtotal:	\$17,346,200
Scope Change Allowance (5%):	\$867,310
Project Total:	\$18,213,510

Shipyard Building
Conceptual Construction Estimate

Item	Pay Unit	Unit Price	Quantity	Amount
Foundation Excavation	CY	\$10	903	\$9,028
Aggreage Base Course, Grading D-1	TN	\$30	587	\$17,604
Concrete Foundation & Slab	CY	\$1,200	453	\$544,000
Steel Frame Building (Heated)	LS	\$790,000	1	\$790,000
5 Ton Crane	LS	\$140,000	1	\$140,000
Lighting Allowance	LS	\$50,000	1	\$50,000
Plumbing Allowance	LS	\$50,000	1	\$50,000
Power to Site Allowance	LS	\$100,000	1	\$100,000
Subtotal:				\$1,700,632
Mob/Demob (10%):				\$170,063
Contingency (30%):				\$510,190
Construction Total:				\$2,380,885

Project Estimate

Rounded Construction Cost	\$2,380,000
Engineering (12%)	\$285,600
Agency Review and Permitting (5%)	\$119,000
Construction Administration (20%)	\$476,000
Replatting and Easements	\$50,000
Geotechnical Investigation	\$30,000
Field Survey	\$15,000
Project Subtotal:	\$3,355,600
Scope Change Allowance (5%):	\$167,780
Project Total:	\$3,523,380

A MEMO FROM SUSAN BOURGEOIS, CITY CLERK

DATE: March 2, 2012
TO: Mayor & City Council
SUBJECT: Resolution 03-12-12

Resolution 01-12-05 was passed by Council on January 9, 2012 and it confirmed the disaster declaration by the Manager and the Mayor of January 6, 2012. The disaster declaration lasted 60 days set to expire on March 9, 2012. Resolution 03-12-12 is before you tonight to extend the disaster declaration for another 60 days which would last through May 7, 2012.

Recommended motion: A resolution of the City Council of the City of Cordova, Alaska, extending the Mayor's and the City Manager's disaster emergency declaration of January 6, 2012 due to excessive snowfall for an additional 60 days

Required Action: Majority voice vote.

**CITY OF CORDOVA, ALASKA
RESOLUTION 03-12-12**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA,
EXTENDING THE MAYOR'S AND THE CITY MANAGER'S
DISASTER EMERGENCY DECLARATION OF JANUARY 6, 2012
DUE TO EXCESSIVE SNOWFALL FOR AN ADDITIONAL 60 DAYS**

WHEREAS, on January 6, 2012 the Mayor and City Manager declared a disaster emergency in the community of Cordova and activated the emergency operations plan; and

WHEREAS, the City Council of the City of Cordova, Alaska pursuant to Cordova Municipal Code 3.45.060 ratified such action by approving resolution 01-12-05 on January 9, 2012; and

WHEREAS, the City Council of the City of Cordova, Alaska approved the disaster emergency declaration via Resolution 01-12-05 for a period of 60 days unless the Mayor declared the state of emergency absolved prior to the expiration of that 60 day period; and

WHEREAS, the Mayor has not declared the state of emergency absolved and has asked that Council extend the disaster declaration for 60 days from the date of this resolution (i.e. Resolution 03-12-12).

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Cordova, Alaska, does hereby extend the disaster emergency declaration of January 6, 2012 for 60 days from the date of this resolution (i.e. Resolution 03-12-12; therefore until May 7, 2012).

BE IT FURTHER RESOLVED THAT Any extension of the declaration of a disaster emergency beyond these extra 60 days shall require approval via another resolution of the City Council.

PASSED AND APPROVED THIS 7th DAY OF MARCH, 2012

James Kallander, Mayor

ATTEST:

Susan Bourgeois, City Clerk

**CITY OF CORDOVA, ALASKA
RESOLUTION 01-12-05**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA,
APPROVING THE MAYOR'S AND THE CITY MANAGER'S
DISASTER EMERGENCY DECLARATION OF JANUARY 6, 2012
DUE TO EXCESSIVE SNOWFALL.**

WHEREAS, on January 6, 2012 the Mayor and City Manager declared a disaster emergency in the community of Cordova and activated the emergency operations plan; and

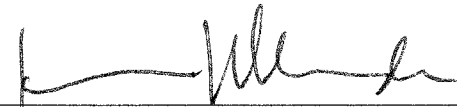
WHEREAS, the City Council of the City of Cordova, Alaska pursuant to Cordova Municipal Code 3.45.060 must ratify such action.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Cordova, Alaska, does hereby approve the disaster emergency declaration of January 6, 2012.

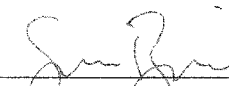
BE IT FURTHER RESOLVED THAT the City Council of the City of Cordova, Alaska does hereby approve the disaster emergency declaration for a period of 60 days from the date of this resolution unless the Mayor declares the state of emergency absolved prior to 60 days. Any extension of the declaration of a disaster emergency beyond 60 days shall require approval via resolution of the City Council.

PASSED AND APPROVED THIS 9th DAY OF JANUARY, 2012




James Kallander, Mayor

ATTEST:


Susan Bourgeois, City Clerk

copy

Disaster Declaration

WHEREAS, commencing on January 6, 2012 the City of Cordova, Alaska, sustained severe losses, and threats to life and property and threats resulting from extreme and excessive snowfall exceeding the capabilities of City, State, and private equipment and manpower, and

WHEREAS, the City of Cordova is a First Class City within the State of Alaska; and

WHEREAS, the City requests assistance with opening shelters, emergency management staff, laborers, snow removal equipment, and additional operators.

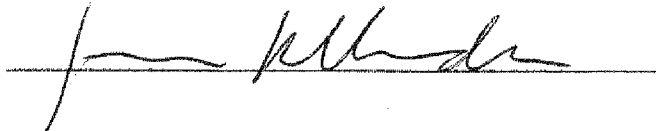
WHEREAS, the following conditions exist as a result of the disaster: Impassable streets, imminent threat of roof collapses, avalanches across major highways, closure of businesses, and potential loss of critical infrastructure. Attached herewith are estimates of the damages suffered in the area and types of assistance needed; and,

WHEREAS, the severity and magnitude of the emergency is sufficient to activate the Emergency Operations Center and initiate emergency powers, as needed.

THEREFORE, be it resolved that the City Council of Cordova does declare a state of Disaster Emergency to exist in Cordova, Alaska.

SIGNED this 6th day of January, 2012.

Mayor or Designated Alternate



STATE CAPITOL
PO Box 110001
Juneau, Alaska 99811-0001
907-465-3500
fax: 907-465-3532



550 West 7th Avenue #1700
Anchorage, Alaska 99501
907-269-7450
fax 907-269-7463
www.Gov.Alaska.Gov
Governor@Alaska.Gov

Governor Sean Parnell
STATE OF ALASKA

February 9, 2012

The Honorable Gary Stevens
President of the Senate
Alaska State Legislature
State Capitol, Room 111
Juneau, AK 99801-1182

The Honorable Mike Chenault
Speaker of the House
Alaska State Legislature
State Capitol, Room 208
Juneau, AK 99801-1182

Dear President Stevens and Speaker Chenault,

This letter is to inform you that on February 9, 2012 I declared a Disaster Emergency for the series of winter storms that produced heavy snowfall in Prince William Sound.

The 2012 Prince William Winter Storm Disaster caused widespread and severe threats to life and property beginning on January 6 and continuing through January 10, 2012. This disaster began with a series of winter storms producing heavy snowfall in mid-December 2011, approaching record seasonal levels. This, along with avalanches, disrupted transportation routes, and building collapses created serious threats to life and significant potential property damage.

I concur with the recommendations of the Disaster Policy Cabinet that there are insufficient regularly appropriated funds to recover from damages caused by this disaster. Funds from the Disaster Relief Fund should be used to cope with this disaster as infrastructure repairs and emergency response are critical to prevent serious threats to life, public health, and public safety.

Per AS 26.23.020 (k)(1), I am providing you the 2012 Prince William Sound Winter Storm Disaster Finance Plan outlining estimated costs of \$2,518,219 for your approval.

Pursuant to AS 26.23.020(k)(1), the Legislature's approval is required for expenditures in excess of \$1,000,000. Until the Legislature grants its approval, expenditures will be limited to \$1,000,000 per AS 26.23.020(i).

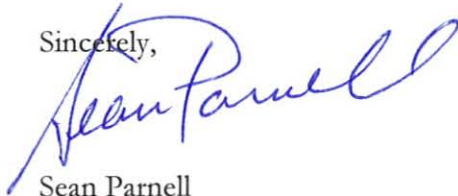
I will be requesting a joint federal/State Preliminary Damage Assessment to determine if this disaster warrants a request for federal assistance. The Federal Emergency Management Agency has very narrow, specific guidelines for federal disaster assistance for snow removal. Therefore, at this time it is unknown if Alaska will qualify for this assistance. If a request is warranted and federal disaster assistance authorized, I will provide you an updated Finance Plan.

The Honorable Gary Stevens
The Honorable Mike Chenault
February 9, 2012
Page 2

Finance Plans are being prepared for the 2011 West Coast Winter Storm Disaster and the 2011 Kenai Peninsula Windstorm Disaster to reflect federal disaster assistance. I anticipate submitting both of these Finance Plans to you for authorization over the initial \$1,000,000 in costs within the next few weeks. These actions will result in a significant reduction in the DRF.

With the costs of the 2011 West Coast Winter Storm Disaster, the 2011 Kenai Peninsula Windstorm Disaster, and the Prince William Winter Storm Disaster yet to be determined, and in anticipation of further disasters this spring, I have requested an additional \$3,000,000 in the supplemental bill to keep adequate funding for initial response.

Sincerely,



Sean Parnell
Governor

Enclosures

cc: The Honorable Bert Stedman, Co-Chair, Senate Finance Committee, Alaska State Senate
The Honorable Lyman Hoffman, Co-Chair, Senate Finance Committee, Alaska State Senate
The Honorable John B. Coghill, Alaska State Senate
The Honorable Albert Kookesh, Alaska State Senate
The Honorable Bill Stoltze, Co-Chair, House Finance Committee, Alaska State House of Representatives
The Honorable Bill Thomas, Co-Chair, House Finance Committee, Alaska State House of Representatives
The Honorable Eric A. Feige, Alaska State House of Representatives

**STATE OF ALASKA
DECLARATION OF DISASTER EMERGENCY**

WHEREAS, beginning in mid-December 2011 and continuing for several weeks thereafter, a series of winter storms produced heavy snowfall in the City of Cordova and other communities in Prince William Sound. The accumulation of snow during this period of time approached record seasonal levels, causing avalanches, disruption to transportation routes, and required several weeks of emergency snow clearing from roadways, critical infrastructure, and public, private, and commercial facilities; and

WHEREAS, the City of Cordova declared a local disaster declaration on January 6, 2012, that included a request for State disaster assistance for personnel, equipment, and other resources to assist with snow removal, sheltering, and emergency response activities; and

WHEREAS, snow removal actions in the City of Valdez, along the Copper River and Richardson Highways, and other areas within the Chugach Regional Education Attendance Area (REAA), have also incurred similar extraordinary costs; and

WHEREAS, snow load levels caused widespread and severe threats to life and property beginning January 6 and continuing through January 10, 2012; and

WHEREAS, the full extent of damages to public facilities, private residences and private property, and businesses are still being assessed and may not be fully known until spring; and

WHEREAS, each community impacted by the winter storm is a political subdivision within the State of Alaska; and

WHEREAS, the severity and magnitude of the emergency are beyond the timely and effective response and recovery capability of local resources, and repairs and emergency assistance are required; and

WHEREAS, there are insufficient regularly appropriated funds in the communities impacted by this series of storms to cover these requirements;

THEREFORE, on this 9th day of February, 2012, under authority granted by the Alaska Statutes, Section 26.23.020 (c), I hereby declare that a condition of disaster emergency exists in the Chugach REAA, and this condition is of sufficient severity and magnitude to warrant a disaster declaration in order to provide assistance.

FURTHER, the Commissioner of the Department of Military and Veterans Affairs (DMVA) is hereby authorized to utilize funds made available for these purposes, which are considered necessary for disaster assistance to include disaster public assistance, and necessary administrative and disaster management expenses. State funds are proposed to be spent under AS 26.23.020(i) and (k) and AS 26.23.050. The Commissioner of DMVA or his designee is the designated State Coordinator; and is further authorized to task, as necessary, the State departments and agencies in accordance with the State Emergency Operations Plan; and is further authorized to exercise, as necessary, the provisions provided under Alaska Statutes, Section 26.23.020 (g), (1), (2), (7), and (9).

By: _____

Sean Parnell
Governor

Memorandum

To: City Council
From: Sam Greenwood, City Planner
Date: 3/2/2012
Re: Land Disposal Maps

PART I. BACKGROUND:

In May, 2005 the Planning Commission decided that there should be standardized paperwork/packets/maps available to the public stating the necessary guidelines for lease/purchase of city property, among other things. Following the joint City Council and Planning Commission meeting on June 1, 2005 a Land Management Committee (LMC) was appointed by the Mayor consisting of one council member and three planning commission members.

From this committee the land disposal maps and Section 5.22 of CCM code was created. Land disposal has been occurring since this time and the maps had not be review or updated. The current Planning and Zoning commission determine there was a need to have a set of maps that show the current status of city property. The commission also felt the maps would be a useful tool for the public and staff. Below is the sequence of meetings that where the maps were review, discussed and updated.

- March 8th P&Z Meeting land disposal maps reviewed by
- April 12th P&Z Meeting review and update land disposal maps
- June 14th P&Z Meeting continue review and update of land disposal maps
- July 12th P&Z Meeting final review of land disposal maps, map designation terms and annual review and update policy of land disposal maps
- November 8, 2011 P&Z Meeting Resolution to city council to approve the land disposal maps and annul update schedule
- November 16th 2011 City Council meeting the P&Z 2011 land disposal map and annual update resolution was passed
- At the December 13th 2012 P&Z meeting the 2012 Land disposal maps update and resolution were approved and recommended to city council

PART II. GENERAL INFORMATION:

The maps are required be updated annually. At this time P&Z has approved the updates for 2012 and is recommending that the City Council approve the 2012 land disposal maps. These updates were made for 2012

1. Changed Lot 13 Block 13 Cordova Original Townsite to private ownership
2. Changed Lots 1-4, Block 42 Original Townsite to sale pending.

PART III. SUGGESTED MOTION:

“I move city council accept resolution 12-01 from the Planning and Zoning Commission.”

**CITY OF CORDOVA, ALASKA
PLANNING AND ZONING COMMISSION
RESOLUTION 12-01**

**A RESOLUTION OF THE PLANNING AND ZONING COMMISSION OF THE CITY OF
CORDOVA, ALASKA, RECOMMENDING 2012 LAND DISPOSAL MAPS TO
THE CITY OF CORDOVA'S CITY COUNCIL.**

WHEREAS, the City of Cordova's city manager and city planner are directed by the Cordova Municipal Code Section 5.22.040(C) – Application to lease or purchase the city manager shall refer an application from a qualified applicant to the city planner. If the city planner finds that the real property is available for lease or purchase, the city planner shall schedule the application for review by the planning commission not later than its next regular meeting; and City of Cordova's Planning and Zoning Commission directed by the Cordova Municipal Code Section 5.22.040(D) – Application to lease or purchase. The planning commission shall review the application, and recommend to the city council whether the city should accept the application, offer the real property interest for disposal by one of the competitive procedures in Section 5.22.060, or decline to dispose of the real property interest.

WHEREAS, the City of Cordova's Planning and Zoning Commission has determined that updating the initial land disposal maps from the 2006 land disposal committee and annually reviewing and recommending the maps for City Councils approval will enable the city manager and city planner to efficiently determine if land is available for purchase, lease or lease to purchase.

WHEREAS, the City of Cordova's Planning and Zoning Commission has identified these land disposal maps as the most current and update version of land disposal maps to be used in the land disposal process;


WHEREAS, having annually updated maps will benefit the citizens of Cordova by providing maps for public review; and

NOW, THEREFORE, BE IT RESOLVED THAT the City of Cordova's Planning and Zoning Commission hereby recommends the 2012 Land Disposal Maps to the City of Cordova's City Council.

PASSED AND APPROVED THIS 8th DAY OF NOVEMBER, 2011


Tom Bailer, Chairman

ATTEST:


Samantha Greenwood, City Planner

5 MILE LOOP AREA

DRAFT

City Properties

- AVAILABLE
- NOT AVAILABLE
- LEASED
- ATS
- SALE PENDING
- SNOW DUMP
- CITY
- Other Land Owners

Note: All proposals for lease or sale are subject to City Council review and approval



This map is for illustration purposes only. All distances are approximate. It is not intended as a survey.



0 260 520 1,040 1,560 2,080 Feet

This map created by
City of Cordova
Planning **65** Department
October 31, 2011

TIDEWATER DEVELOPMENT PARK & CORDOVA INDUSTRIAL PARK

DRAFT



Note: All proposals for lease or sale are subject to City Council review and approval.

This map is for illustration purposes only. All distances are approximate. It is not intended as a survey.

0 170 340 680 1,020 1,360 Feet

This map created by
City of Cordova
Planning Department
October 31, 2011

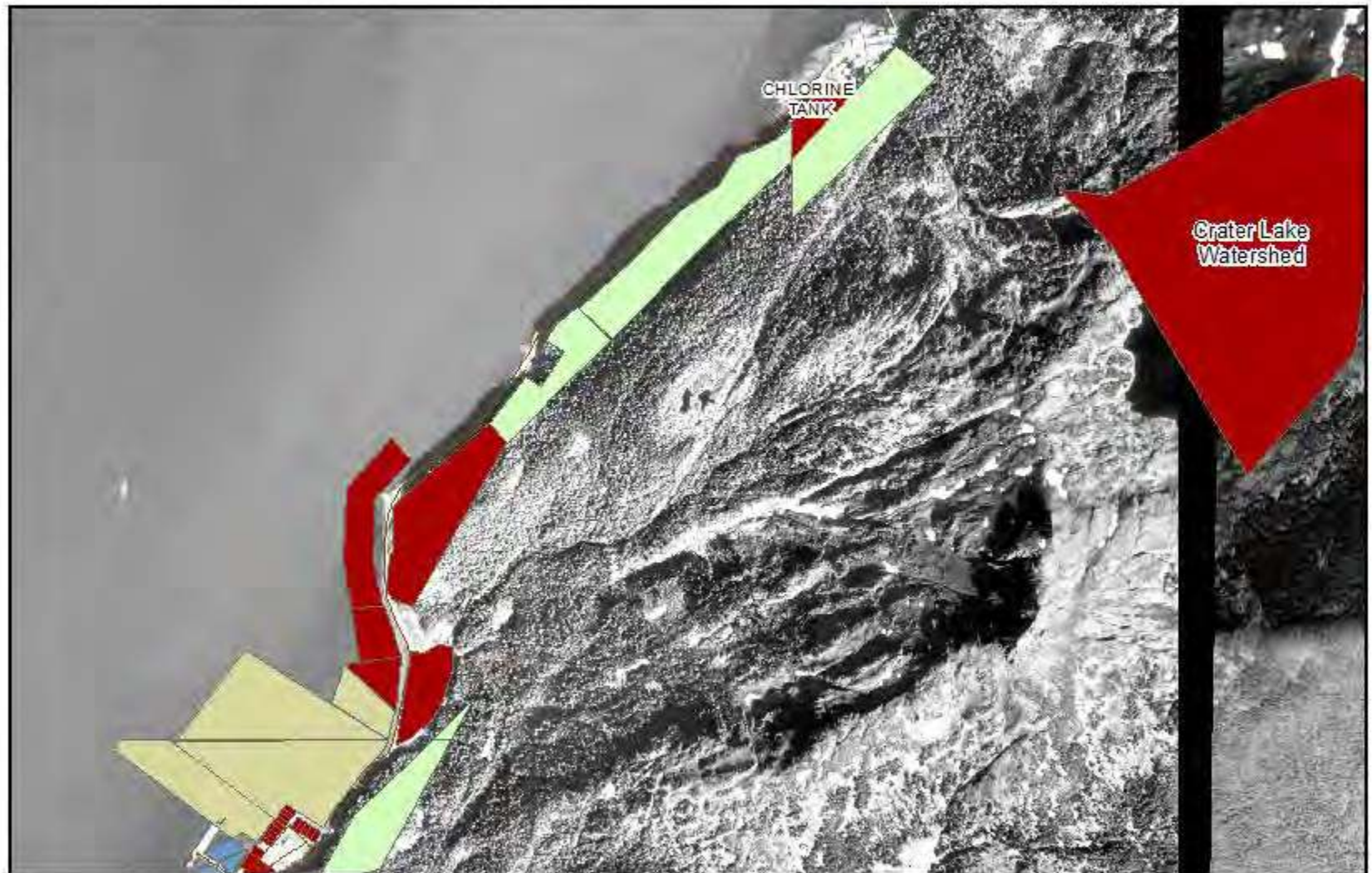
New England Cannery Road

DRAFT

City Properties
Status

- AVAILABLE
- NOT AVAILABLE
- LEASED
- ATS
- SALE PENDING
- SNOW DUMP
- CITY

Note: All proposals for lease or sale are subject to City Council review and approval



This map is for illustration purposes only. All distances are approximate. It is not intended as a survey.

0 550 1,100 2,200 3,300 4,400 Feet

This map created by
City of Corvallis
Planning Department
October 21, 2011

NORTH FILL DEVELOPMENT PARK AREA

DRAFT



Note: All proposals for lease or sale are subject to City/Council review and approval



This map is for illustration purposes only. All distances are approximate. It is not intended as a survey.

0 62.5 125 250 375 500 Feet

This map created by:
City of Cordova
Planning Department
October 31, 2011

OCEAN DOCK AREA

DRAFT

City Properties

- AVAILABLE
- NOT AVAILABLE
- LEASED
- ATS
- SALE PENDING
- SNOW DUMP
- CITY
- Other Land Owners

Note: All proposals for lease or sale are subject to City Council review and approval



This map is for illustration purposes only. All distances are approximate. It is not intended as a survey.

0 162.5 325 650 975 1,300 Feet

This map created by
City of Cordova
Planning Department
October 31, 2011

DRAFT

ODIAK PARK AREA



- Legend
- AVAILABLE
 - NOT AVAILABLE
 - LEASED
 - ATS
 - SALE PENDING
 - SNOW DUMP
 - CITY
 - Other Land Owners

Note: All proposals for lease or sale are subject to City Council review and approval



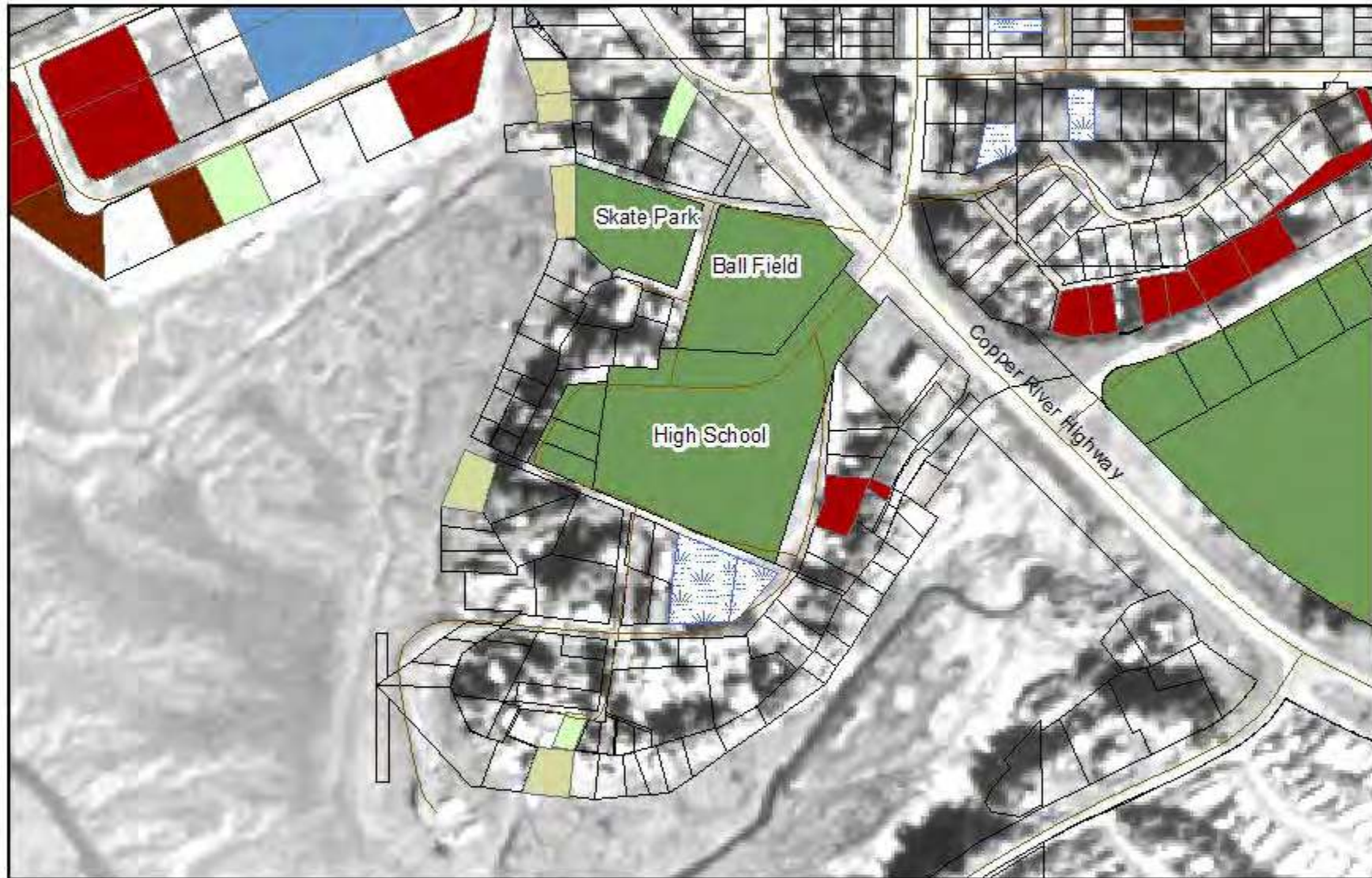
This map is for illustration purposes only. All distances are approximate. It is not intended as a survey.

0 190 380 760 1,140 1,520 Feet

This map created by
City of Cordova
Planning Department
October 31, 2011

ODIAK SLOUGH AREA

DRAFT



Note: All proposals for lease or sale are subject to City Council review and approval



This map is for illustration purposes only. All distances are approximate. It is not intended as a survey.

0 95 190 380 570 760 Feet

This map created by
City of Cordova
Planning Department
October 31, 2011

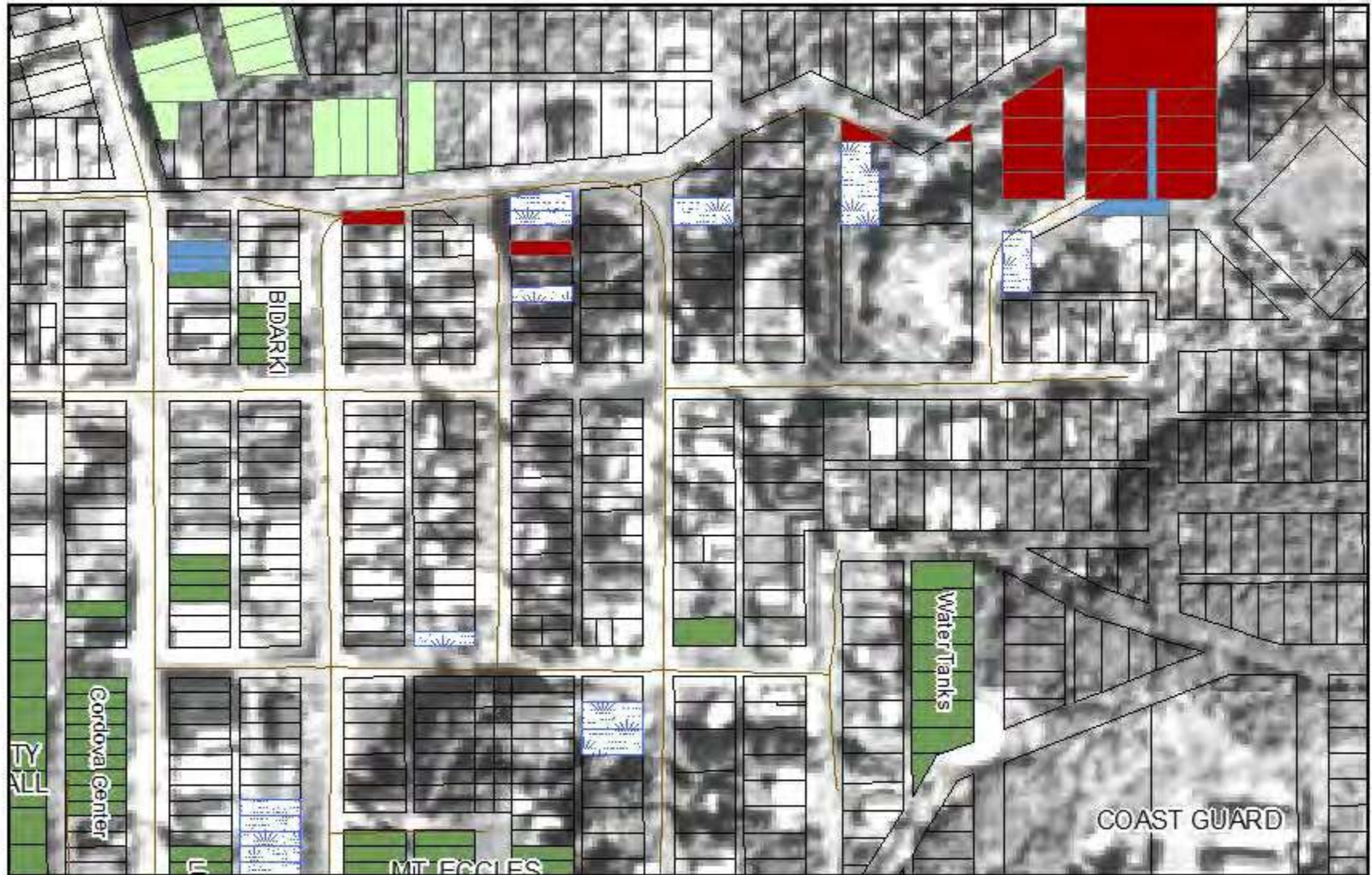
OLD TOWN AREA

DRAFT

City Properties

- AVAILABLE
- NOT AVAILABLE
- LEASED
- ATS
- SALE PENDING
- SNOW DUMP
- CITY
- Other Land Owners

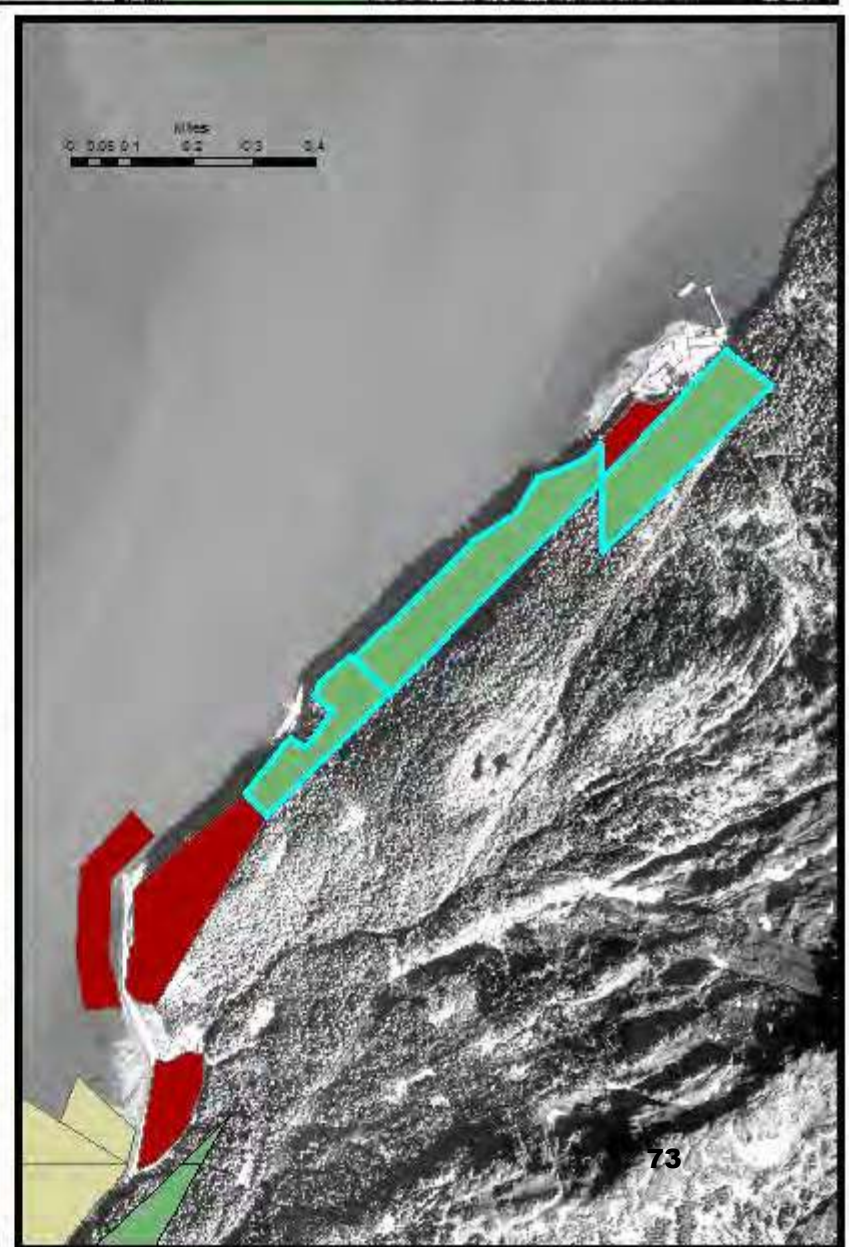
Note: All proposals for lease or sale are subject to City Council review and approval



This map is for illustration purposes only. All distances are approximate. It is not intended as a survey.

0 80 160 320 480 640 Feet

This map created by
City of Cordova
Planning Department
October 31, 2011



SOUTHFILL DEVELOPMENT PARK

DRAFT



Note: All proposals for lease or sale are subject to City Council review and approval

This map is for illustration purposes only. All distances are approximate. It is not intended as a survey.

0 87.5 175 350 525 700 Feet

This map created by
City of Cordova
Planning Department
October 31, 2011

WHITSHED ROAD AREA

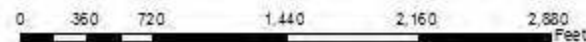
DRAFT



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October 9, 2011

Pending agenda:

Council Work Session with State of AKDOT&PF – the advertising is calling it a “**Town Hall Meeting**” in Cordova to discuss/answer community questions about CRH 36 mile bridge closure/repair **March 8, 2012** – 6pm in the Library Meeting Room (Mt. Eccles Commons was not available)

Council Special Meeting to certify the results of the March 6, 2012 Regular Election will be on **March 15, 2012** at 7pm in the Library Meeting Room

Council Work Session with State of Alaska Department of Transportation and Public Facilities – specifically, **Captain Michael Neussl**, Deputy Commission, Marine Operations – confirmed for **March 22, 2012** – 6pm Mt. Eccles Commons

Capital Priorities List Meeting – **March 2012 (i.e. tonight), June 2012, September 2012, December 2012**

Committees:

Cordova Center Committee: Tim Joyce, Sylvia Lange, VACANCY, Darrel Olsen, Larue Barnes, VACANCY, Valerie Covell, David Roemhildt, Dan Logan, Nancy Bird, and Cathy Sherman

Fisheries Advisory Committee: David Reggiani, PWSAC; Ken Roemhildt, Seafood Sales; Jim Holley, AML; Torie Baker, Marine Advisory Program Coordinator; John Bocci; and Jeremy Botz, ADF&G

Cordova Trails Committee: Elizabeth Senear, VACANCY, Jim Kallander, Toni Godes, and David Zastrow

Public Services Building Design Committee: David Reggiani - Chairman, Chief Bob (Griffiths), Martin Moe, Jim Kacsh, Dick Groff, Mike Hicks, Tom Bailer

Calendars: 3 months’ worth of calendars attached hereto

March 2012

April 2012

May 2012

March 2012

Sun	Mon	Tue	Wed	Thu	Fri	Sat
Location Legend CH—City Hall Conference Room LMR—Library Meeting Room HSL—High Sch Lib				1	2	3
4	5	6 ELECTION DAY Polls open 7am—8pm Library Mtg Room P&Z Mtg 7pm CH	7 7:30 reg mtg LMR	8 6:00 WKSN Town Hall mtg w-DoT in re 36 mi bridge Mt. Eccles Commons	9 2012 Property Tax Assessment Notices in the mail (30 day appeal period begins)	10
11	12 —spring break—	13 —spring break—	14 HSB 7pm LMR Sch Bd 7pm HSL Hrbr Cms 7pm CH —spring break—	15 7:00 spec mtg to certify election results —spring break—	16 —spring break—	17
18	19	20 5:30 Prks & Rec LMR	21 7:15 pub hrg (maybe) LMR 7:30 reg mtg LMR	22 6:00 AMHS work session w Neussl LMR	23	24
25	26 Seward's Day—City Hall Offices Closed	27	28	29	30	31 <div>77</div>

April 2012

Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3	4 7:15 pub hrg (maybe) LMR 7:30 reg mtg LMR	5	6	7
8	9 Last day to appeal property assessments	10 P&Z Mtg 7pm CH	11 Sch Bd 7pm HSL Hrbr Cms 7pm CH	12	13	14
15	16 7pm BOE meeting LMR	17 5:30 Prks & Rec LMR	18 7:15 pub hrg (maybe) LMR 7:30 reg mtg LMR	19	20	21
22	23	24	25	26	27	28
29	30					Location Legend CH—City Hall Confer- ence Room LMR—Library Meeting Room HSL—High School Lib

May 2012

Sun	Mon	Tue	Wed	Thu	Fri	Sat
Location Legend CH—City Hall Conference Room LMR—Library Meeting Room HSL—High Sch Lib		1	2 7:15 pub hrg (maybe) LMR 7:30 reg mtg LMR	3	4	5
6	7	8 P&Z Mtg 7pm CH	9 Sch Bd 7pm HSL Hrbr Cms 7pm CH	10	11	12
13	14	15 5:30 Prks & Rec LMR	16 7:15 pub hrg (maybe) LMR 7:30 reg mtg LMR	17	18	19
20	21	22	23	24	25	26
27	28 Memorial Day holiday—City Hall Offices Closed	29	30	31		Location Legend CH—City Hall Conference Room LMR—Library Meeting Room HSL—High Sch Lib