

**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**  
**APRIL 04, 2012 @ 7:30PM**  
**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. Record unexcused absence of Robert Beedle from the 2/1/12 Regular Meeting
5. Record unexcused absence of Bret Bradford from the 3/7/12 Regular Meeting
6. Council concurrence of Mayor's appointment/ reappointment of members..... (voice vote)(page 1)  
to the E-911 Committee
7. Proclamation of Appreciation to Dixon Sherman..... (page 3)
8. Resolution 04-12-22..... (page 4)

A resolution of the City Council of the City of Cordova, Alaska, authorizing a 2012 budget amendment reducing account #101-902-57017 in the amount of four hundred thousand dollars (\$400,000), and authorizing an increase in the Line of Credit to Cordova Community Medical Center in the amount of four hundred thousand dollars (\$400,000), to a total of nine hundred thousand dollars (\$900,000)

**H. APPROVAL OF MINUTES**

9. Minutes of January 18, 2012 City Council Regular Meeting..... (page 6)
10. Minutes of March 7, 2012 City Council Regular Meeting..... (page 11)
11. Minutes of March 15, 2012 City Council Special Meeting..... (page 19)

**I. CONSIDERATION OF BIDS - none**

**J. REPORTS OF OFFICERS**

12. Mayor's Report
13. Manager's Report..... (page 21)
14. City Clerk's Report..... (page 22)
15. Staff Reports
  - a. **Josh Hallquist**, COR, Cordova Center Project
  - b. **Cathy Sherman**, Cordova Center Phase 2
  - c. **John Bitney**, City Legislative Lobbyist..... (page 23)
  - d. **Moe Zamarron**, Director of Public Works..... (page 25)

## **K. CORRESPONDENCE**

- 16. Letter from Chenega IRA Council requesting donation 02-01-12..... (page 26)
- 17. Letter from DCCED, DCRA flood program 02-29-12..... (page 27)
- 18. Bristol Bay Borough Resolution in re J-1 Visa Program 03-19-12 ..... (page 29)
- 19. Letter from Mayor to Covell in re E-911 03-21-12 ..... (page 31)
- 20. Letters from Mayor thanking previous HSB members for their service 03-21-12 ..... (page 32)
- 21. Letters from Mayor to Juneau in re 2013 capital requests 03-21-12 ..... (page 35)
- 22. Letter from Mayor to Chairman Torgerson of the Redistricting Board 03-23-12 ..... (page 43)
- 23. Letter from Senator Murkowski to OMB and Secretary of State 02-12 ..... (page 44)
- 24. Follow up letter from Senator Murkowski to OMB (with attached ltrs from Alaska) 03-12 ..... (page 47)
- 25. Letter from DCCED, Grants Administration in re EVOS grant..... (page 59)
- 26. Letter from Dept of Revenue, Oil & Gas in re TAPS 2007-2009 settlement..... (page 60)
- 27. Report from Harvill to Mayor in re PWSSC, corp permitting, fill project..... (page 67)
- 28. Letter from Lynch to Hoffman of PWSSC in re Harvill report to Mayor..... (page 70)

## **L. ORDINANCES AND RESOLUTIONS**

- 29. Resolution 04-12-23..... (voice vote)(page 72)  
A resolution of the City Council of the City of Cordova, Alaska, authorizing a budget amendment to transfer twenty thousand dollars (\$20,000) to the Cordova School District for the purpose of purchasing and installation of high efficiency lighting fixtures at the Cordova High School, to be recorded on the City's books in account # 101-902-57004, School Capital projects

## **M. UNFINISHED BUSINESS**

- 30. Customer dispute of utility bill (CMC 14-04-100 billing errors and disputes)..... (voice vote)(page 74)

## **N. NEW & MISCELLANEOUS BUSINESS**

- 31. Council concurrence of Mayor's appointment to fill vacancy..... (voice vote)(page 91)  
as Cordova's Rep on PWSRCAC
- 32. Pending Agenda and Calendar..... (page 93)

## **O. AUDIENCE PARTICIPATION**

## **P. COUNCIL COMMENTS**

- 33. Council Comments

## **Q. EXECUTIVE SESSION**

- 34. Cordova Center Financial Update
- 35. Union contract negotiations
- 36. City Manager goals & expectations

## **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.**

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## A MEMO FROM SUSAN BOURGEOIS, CITY CLERK

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DATE: March 27, 2012  
TO: Mayor and City Council  
SUBJECT: E-911 Committee

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Resolution 01-11-01 created the E-911 committee. At the March 21, 2012 Regular Meeting, Council opted to revive the E-911 Committee with a renewed purpose and varied tasks to explore and to report back to Council. Some staff members have changed and therefore, some of the committee members have been replaced. Council is asked to concur with the appointments/reappointments to the E-911 committee as follows:

Police Chief Bob Griffiths – chair	Bret Bradford
Fire Chief Mike Hicks	George Covell
Dick Groff	Gary Graham
David Allison	

Staff who will also attend committee meetings – Fire Marshal Paul Trumblee, Communications Clerk Leader Nancy Gentry, Deputy City Clerk Robyn Kincaid

RECOMMENDED MOTION: Move to approve Mayor Kallander's appointments/reappointments to the E-911 Committee.

REQUIRED ACTION: Majority voice vote or unanimous roll call vote on the Consent Calendar.

**CITY OF CORDOVA, ALASKA  
RESOLUTION 01-11-01**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA,  
AUTHORIZING CREATION OF THE E-911 RFP REVIEW COMMITTEE**

**WHEREAS**, City Council authorized an E-911 surcharge by Resolution as a means to fund a reliable E911 system for the City of Cordova; and

**WHEREAS**, a request for proposals was issued by the City seeking a company to supply, install, train, and maintain an E911 system for the City; and

**WHEREAS**, City Council supports establishing a committee of local citizens to review E911 proposals and advise Council concerning the best overall choice for the City; and

**WHEREAS**, the Police and Fire Facilities Committee shall consist of 7 members and remain in force until such time that the Committee files its final report to Council concerning E911.

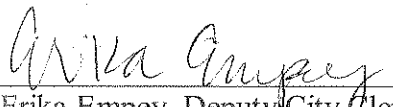
**NOW, THEREFORE, BE IT RESOLVED THAT** the City Council of the City of Cordova, Alaska, hereby authorizes the creation of an E911 Committee to review E911 proposals, and advise City Council on the best overall choice for the City.

**PASSED AND APPROVED THIS 5TH DAY OF JANUARY, 2011.**

  
\_\_\_\_\_  
Dave Reggiani, Vice Mayor



ATTEST:

  
\_\_\_\_\_  
Erika Empey, Deputy City Clerk

# CITY OF CORDOVA, ALASKA PROCLAMATION

## PROCLAMATION OF APPRECIATION TO DIXON SHERMAN

**I, Mayor James Kallander, do hereby issue this  
Proclamation of Appreciation to Dixon Sherman  
for his valuable contribution to the citizens of Cordova and  
the students of the Cordova School District.**

**WHEREAS, Dixon Sherman** was elected to the School Board of the Cordova School District in March 2006 and again in March 2009; and

**WHEREAS,** he has spent many personal hours in regular and special meetings as well as many work sessions; and

**WHEREAS,** he has worked toward a better community for the students, teachers, parents and all the citizens of Cordova, Alaska; and

**WHEREAS, Dixon Sherman** has proven himself to be a man who takes his civic duty very seriously as demonstrated by his serving on various boards and commissions for the City of Cordova such as Parks and Rec, Sound Alternatives and School Board for the last **23 years**; and

**WHEREAS,** even in retirement, he has selflessly continued to serve others instead of only opting to enjoy his free time aboard the *Puffin*.

**NOW, THEREFORE BE, IT RESOLVED** that the Mayor, City Council members and citizens of Cordova do hereby express their sincere appreciation to **Dixon Sherman** for his time and effort while serving as a School Board Member for the Cordova School District.

**SIGNED THIS 4<sup>th</sup> DAY OF APRIL, 2012.**



  
James Kallander, Mayor





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# CITY OF CORDOVA

## *Office of City Manager*

March 28, 2012

Memo to City Council

Re: Budget Amendment and Increase in Line of Credit to CCMC

The attached Resolution reduced the CCMC/Providence Management Contract line of Cordova's 2012 budget by \$400,000, and increases the available line of credit by \$400,000, to a total of \$900,000, which is the \$500,000 previously authorized and includes the \$400,000 that has been given to CCMC so far this year.

Thank you,

Mark Lynch  
City Manager

**CITY OF CORDOVA, ALASKA  
RESOLUTION 04-12-22**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA, AUTHORIZING A 2012 BUDGET AMENDMENT REDUCING ACCOUNT # 101-902-57017 IN THE AMOUNT OF FOUR HUNDRED THOUSAND DOLLARS (\$400,000), AND AUTHORIZING AN INCREASE IN THE LINE OF CREDIT TO CORDOVA COMMUNITY MEDICAL CENTER IN THE AMOUNT OF FOUR HUNDRED THOUSAND DOLLARS (\$400,000), TO A TOTAL OF NINE HUNDRED THOUSAND DOLLARS (\$900,000).**

**WHEREAS**, the City Council of the City of Cordova, Alaska, has adopted the City Operating Budget and appropriated funds for FY12 for the period of January 1, 2012 to December 31, 2012, and

**WHEREAS**, the initial budget appropriated \$800,000 for CCMC/Providence Management Contract, and

**WHEREAS**, it is anticipated that only \$400,000 will be needed to cover the cost of the CCMC/Providence Management Contract, and

**WHEREAS**, the City Council previously authorized a line of credit in the amount of \$500,000 to Cordova Community Medical Center.

**NOW, THEREFORE BE IT RESOLVED THAT** the City Council of the City of Cordova, Alaska, hereby authorizes a 2012 budget amendment reducing account #101-902-57017 in the amount of Four Hundred Thousand dollars (\$400,000), and authorizing an increase in the line of credit to Cordova Community Medical Center in the amount of Four Hundred Thousand dollars (\$400,000) to a total of Nine Hundred Thousand dollars (\$900,000).

**PASSED AND APPROVED THIS 4<sup>th</sup> DAY OF APRIL, 2012.**

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James Kallander, Mayor

**ATTEST:**

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Susan Bourgeois, City Clerk

**CITY COUNCIL SPECIAL MEETING  
JANUARY 18, 2012 IMMEDIATELY FOLLOWING  
COUNCIL REGULAR MEETING @ 7:00 PM  
PWSAC CONFERENCE ROOM – 500 FIRST ST  
MINUTES**

**A. CALL TO ORDER**

*Vice-Mayor David Reggiani* called the Council Special Meeting to order at 7:22 pm on January 18, 2012 in the PWSAC Conference Room.

**B. ROLL CALL**

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

**C. APPROVAL OF AGENDA**

*M/Kacsh S/van den Broek* to approve the Agenda

Council struck #12 from the Agenda

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

**D. DISCLOSURES OF CONFLICTS OF INTEREST - None****E. COMMUNICATIONS BY AND PETITIONS FROM VISITORS**

1. Audience Comments regarding agenda items - None

**F. REPORTS OF OFFICERS**

2. Mayor's Report - None

3. Manager's Report - None

4. City Clerk's Report

*Bourgeois* brought to Council's attention her leave request awaiting their approval. Council approved the leave request.

5. Staff Reports – Quarterly Reports, 4Q 2011

a. Chief of Police, **Bob Griffiths**

**G. CORRESPONDENCE**

6. Letter from Senator Murkowski in re Secure Rural Schools

**H. NEW BUSINESS**

7. Resolution 01-12-08

A resolution of the City Council of the City of Cordova, Alaska, authorizing public use of City snow storage areas (a.k.a. snow dumps) for the remainder of winter 2012

*M/Bradford S/Kacsh* to approve Resolution 01-12-08, a resolution of the City Council of the City of Cordova, Alaska, authorizing public use of City snow storage areas (a.k.a. snow dumps) for the remainder of winter 2012

*Reggiani* stated that this will help citizens dispose of excess snow. Open up snow dumps in and around the neighborhoods. *Zamarron* expressed his concern of a potential danger. *Lynch* informed Council that City Attorney *Holly Wells* warns against liability concerns too. *Bill Howard*, City of Cordova Streets Department, informed Council on the safety issues regarding citizens using the City snow dumps. If the dumps are full when the operators get there in the morning to clear the streets then they have to leave snow in the streets and then they run into issues with single lane streets. They use ramps in a lot of the dumps and if someone is dumping snow into them without understanding how they work they could fall



through or go over the edge. A lot of times people are not just clearing their driveways but their whole yards and dumping the snow into the street. Then the City gets complaints of the streets being blocked. We have added a lot of streets the past couple years making it at least a 12-hour day for 4 operators to get the streets cleared. We don't want people to fall over the edges of the dumps and we want to be able to keep the streets cleared. We are using the same equipment we had 20 years ago with much more area to clear. **Cheshier** stated that people's eaves are being clogged up so they can't shed and he is worried about people's roofs when the snow has no place to go anymore. His main impetus was that people can't get their roofs cleared because they are out of places to put the snow. **Beedle** stated that he didn't think there was a need for this resolution because people are going to put the snow in the dumps and the streets anyway. We have a good working relationship with the local contractors. **Reggiani** stated that part of the resolution is to clarify. **Beedle** stated that he would like to leave it as is and educate people to not put the snow in the middle of the street. **Bradford** stated that people are running out of room in their own snow dumps and most of them are not designed like the City snow dumps to have the snow removed later. He is in support of the resolution. **Beedle** reiterated that he did not see the need for the resolution. People are going to do what they are going to do whether we pass a resolution or not. **Lynch** pointed out that there is liability adding that if we want to do this the attorney would draft a liability packet that would take 5 hours for them to put together. The liability packet would have to be filled out by each person before they can dump into the City snow dump. **Reggiani** stated that in consideration of the snow emergency we just went through people are not going to be able to remove the snow from their homes and it will quickly become a life safety issue again. We need an orderly way to move the snow, this is a unique activity for Cordova to have to remove snow from the snow dumps. **Kacsh** stated that he is not comfortable with the liability of everyone pushing their snow into the City snow dumps. He thinks it will cost us more in the long run in operating crew pay and legal fees. It is an extraordinary year but thinks people have to deal with snow the best way they can. **Cheshier** stated that in his mind it will be a coordinated effort with Wilson and Sjostedt. Allowing the citizens to move snow to the City dump will help keep it orderly and out of the streets. **Reggiani** pointed out that if the City is involved then we open up emergency reimbursement opportunities for expenses that the private citizens would not be able to enjoy otherwise. **Kacsh** agreed with the coordination but not with the resolution form. It could simply be an agreement with the snow removal companies who are aware of the hazards. **Bradford** suggested that citizens use the City snow dump at their own risk and maybe we should word the resolution to that effect. **Beedle** opined that this issue could be better handled with education than a resolution. He would like to see more organization rather than just open up the snow dumps to everyone to use. **Lynch** suggested a dedicated phone line for people to call in when they will be removing snow from their property so the removal can be more organized. **Sherman** stated that we are over complicating the issue and suggested letting the City staff coordinate with the neighborhoods. The City staff is competent to handle the job and have worked well with the contractors the last ten days. **Bradford** stated that he does see great coordination between the City and the contractors but there is a disconnect from the average citizen. **Reggiani** stated that the City staff does do a good job but to add more to their work load is not fair. He added that he will support the resolution. This will help the community be self-reliant. We want to keep the streets as clear as possible. **Cheshier** asked if **Bill Howard** had any suggestions because he doesn't want to burden to the City crew with more. He is seeing snow in all kinds of places that needs to go somewhere. A bobcat can't fill a dump truck and take it down to the water. More snow needs to be trucked until we are out of the woods. We have a lot of winter coming up still. **Bill Howard** stated that a consideration will be when the melt down comes where is the runoff going to go. We don't want to flood houses or wash out roads if the drains aren't unplugged. The snow dumps were full by the middle of December this year. **John Baenen** stated that he agrees with **Cheshier**. They need to continue to haul from the snow dumps because they are full. He is leery to put the snow he removes in the dumps because they fill up so fast and then everyone is backed up. He added that his customers are out of money, they can't afford to truck snow. They need to

get the snow to the nearest dump and then FEMA needs to pay to haul it down to the ocean. **Cheshier** stated that that is where he would like this to go. He said to use the emergency situation to keep going. He knows people need to clean out their eaves. It has been bad but it'll be really bad when we get this much more snow. **Baenen** added that **Howard** doesn't have time to clear the streets like normal and clean out the snow dumps. Council needs to help them by getting contractors down there to get it cleared out while it's still under the emergency status. It won't take much to get us back into an emergency situation.

**M/van den Broek S/Kacsh** to amend the resolution at the end of the "Therefore" changing the period to a comma and adding "subject to coordination with and direction by the Public Works department".

**van den Broek** stated that this will help resolve some of the concerns staff had and would keep people from dumping snow in the snow dumps willy nilly by getting permission. It will keep us from criminalizing our citizens for taking care of the problem. **Beedle** stated that he would like to see where they could block off certain snow dumps to minimize some liability. **Reggiani** suggested that is where some of the coordination and direction from Public Works would come into play. **Bradford** stated that he liked the addition from **van den Broek**, adding that it will help deal with a lot of the issues that could arise. **Cheshier** stated that he is worried about over burdening staff with this extra step and asked who people call to get this direction. **Sherman** stated that they will come up with a number and advertise it. **Cheshier** stated that he just wants some way for people to coordinate with the City and not mess the City up in their snow removal processes. **Lynch** asked if he is going to tell the attorneys if we are taking their advice on the liability packet. **Reggiani** asked if the liability goes away because we are coordinating through the City. **Lynch** responded that it does not because we are still giving people permission to enter our snow dumps. We are taking all the risk if we don't get them to sign something. We also need to define when the end of "Winter 2012" is in order to have a cutoff date. **Bradford** suggested June 21<sup>st</sup> as it is the first day of summer. **Reggiani** suggested that there was a reason behind not putting a date because we don't know when this will end. The State reimbursement should cover the whole winter. **Lynch** stated that it is his understanding that it will have to be another declaration. **Cheshier** stated that some people can afford to have a loader come in and remove their snow but not to hire a dump truck to haul it down to the ocean. Maybe they should give permission for a truck to take snow or have a place for the businesses that remove snow to go down to the ocean dump. He doesn't know what the solution is but feels like the City is obligated to help people get rid of the snow around their eaves. It should be a City expense under this emergency situation because people need help and more are going to need it real bad soon. **Kacsh** asked if the City has been hiring local contractors to help with City snow removal and helping to remove snow from the snow dumps. **Lynch** responded that if a person needed help from the contractors to save property then that takes priority otherwise the City has been contracting all the trucks they can get their hands on. The State sent in a company to reduce the snow dumps. We will continue to use our own people and the local contractors as much as possible. He voiced the concern that he doesn't know how much equipment the contractors have available and doesn't want to be contracting equipment to reduce snow dumps that a citizen may be trying to get ahold of especially if it is to save property. The City is trying to balance that need. **Bradford** asked if there was "at your own risk" language can be added to the resolution could that eliminate the liability issue. **Lynch** responded that he didn't believe it would. **Reggiani** stated that he is in favor of the amendment. It is a good solution and that coordination and seeking direction from Public Works will go a long ways.

Vote on the amendment: 6 yeas, 0 nays, 1 absent (Allison). Motion passes.

**Bradford** asked if the snow dumps that are closed could be barricaded. **Reggiani** suggested that could be encompassed in the coordinating the Public Works department will be doing because some snow dumps can't be emptied like some others can.

Vote on main motion: 5 yeas, 1 nay (Kacsh), 1 absent (Allison). Motion passes.

8. Council action authorizing City Manager's execution of letter of commitment regarding CMMI Health Care Innovation Challenge Funding

**Cheshier** asked if this is authorizing us to get free money. **Lynch** responded in the affirmative. **Cheshier** voiced his approval of the letter of commitment. **Lynch** stated that he put it on the agenda just to be safe but there actually is no financial commitment involved. This just authorizes Providence to go after these grant funds and if they get them it will actually pay all the costs for the first 3-years. The only financial commitment is that after the 3-years we would take over the cost of the operation. He added that he would still like to have Councils approval on the commitment.

**M/Kacsh S/Bradford** to authorize the City Manager to execute the letter of commitment regarding CMMI Health Care Innovation Challenge Funding

**van den Broek** stated that he is aware that we need to initiate an Electronic Health Records System and asked if this would lock the City into a particular software package of some kind. **Lynch** responded that this is just for the grant and it is his understanding that the system we will get is whatever Providence wants to get. This is just us saying we will go along with them in asking for some funding. **Kacsh** stated that it is his understanding that there really are only 3 choices on systems and of the 3 only 2 are viable options. 1 Providence already uses and the other is similar to what we already use now. Either way no matter which one gets chosen it will work. **Cheshier** stated that it looks like it's just a patient monitoring system online for monitoring people out in the bush and not an EHR system. **Reggiani** agreed that it is an electronic ICU. **van den Broek** stated that he had made the assumption that the two systems would have to be compatible in some way otherwise there will be data in two different systems. **Lynch** agreed that **Cheshier** is correct he just didn't understand the difference between the two. **Bradford** clarified that there is no up-front costs but that we are committed to keep funding whatever program they start after the 3-years is up. **Lynch** agreed that that is his understanding.

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

Council took a 5 minute recess at 8:25 pm; Council came back at 8:30 pm

9. Pending Agenda and Calendar

Hospital Governance Work Session 7-9 pm January 31<sup>st</sup> or February 1, 2012; **Holly Wells** will be gone February 11-27, 2012; DOT 36 mile bridge Work Session probably in March; Week of March 12<sup>th</sup> is Spring Break

**I. AUDIENCE PARTICIPATION**

**JR Lewis** stated that once everything falls into place with the resolution anything that is going to be different and how it should be done should be publicized. He really liked the announcements on the snow. Maybe he can coordinate with **Sherman** to keep some information flowing. **Sherman** stated that one thing they took away from the emergency was that those announcements worked really well. We might just keep them up, not three times a day, but keep them going. **Lewis** added that if someone wanted to come in and say what to do in normal circumstances but this is how it has changed that could be helpful to the public at large.

**Bill Howard** stated that they should be ready to haul more snow and that the City is not equipped to do so much handling of snow as it stands.

**J. COUNCIL COMMENTS**

**Cheshier** stated that those that were involved in getting the announcements out did a good job. They were very helpful. There was a lot going on in the last few weeks and he thinks we should keep it going. Even if it is just to say where to put the snow.

**Beedle** stated that he ran into **Zamarron** at airport who was going up to get some training. He is glad to see the City personnel getting additional training; he thinks it will benefit us all. He thanked **Lewis** for his comments. He commented that the ICS personnel coordination was incredible. There was a lot of volunteer shoveling besides the National Guard and he thanks them.

**Reggiani** said “Wow!” adding that he filled in for the Mayor in the EOC and it was really neat to see the community come together in times of need. It was tremendous seeing our staff at work, all the section chiefs doing their part. All volunteers that put in countless hours away from their normal jobs, working 12-18 hours a day at City Hall was really neat to see. It was well run with very few hiccups.

## K. EXECUTIVE SESSION

10. Attorney advice regarding CASI

**M/Kacsh S/Bradford** to enter into executive session to discuss attorney advice regarding CASI. Subjects that may be discussed are matters the immediate knowledge of which would clearly have an adverse effect upon the finances of the government.

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

Council entered executive session at 8:52 pm; Council came out of executive session at 9:00 pm

11. Cordova Center financial update

**M/Bradford S/Kacsh** to enter into executive session to hear a Cordova Center Financial update. Subjects that may be discussed are matters the immediate knowledge of which would clearly have an adverse effect upon the finances of the government.

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

Council entered executive session at 9:01 pm; Council came out of executive session at 9:21 pm

~~12. Union contract negotiations update~~

## L. ADJOURNMENT

**M/Bradford S/van den Broek** to adjourn the work session

Hearing no objection the meeting was adjourned at 9:22 PM.

Approved:

Attest: \_\_\_\_\_  
Robyn Kincaid, Deputy City Clerk

**CITY COUNCIL REGULAR MEETING  
MARCH 7, 2012 @ 7:30 PM  
LIBRARY MEETING ROOM  
MINUTES**

**A. CALL TO ORDER**

*Mayor James Kallander* called the Council Regular Meeting to order at 7:30 pm on March 7, 2012, in the Library Meeting Room.

**B. INVOCATION AND PLEDGE OF ALLEGIANCE**

*Mayor Kallander* led the audience in the Pledge of Allegiance.

**C. ROLL CALL**

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

**D. APPROVAL OF REGULAR AGENDA**

*M/Reggiani S/Allison* to approve the Regular Agenda.

Vote on motion: 5 yeas, 0 nays, 2 absent (Kacsh, Bradford). Motion passes.

**E. DISCLOSURES OF CONFLICTS OF INTEREST**

*Beedle* noted a possible conflict with #16. *Mayor Kallander* stated that as *Beedle* will not financially gain from any discussion he does not have a conflict.

*Kacsh* joined the meeting at 7:35 pm

**F. COMMUNICATIONS BY AND PETITIONS FROM VISITORS**

1. Guest Speakers - none

2. Audience comments regarding agenda items

*Mike Butler*, 1215 Lake Ave, spoke in regard to item 12 on the agenda. He stated he didn't understand the process and was under the impression that he would be given the opportunity to speak to Council tonight. He would like to see if it could get on a future agenda. *Mayor Kallander* stated that he does not have an objection to *Butler* presenting to Council now if he can keep it short. *Butler* thanked the Mayor. A little before 5pm he got served papers notifying him of an injunction the City had filed against him for the florist shop. He stated that the florist shop conducted business February 13<sup>th</sup> and 14<sup>th</sup> but has not conducted business since February 15<sup>th</sup>. He handed out a spreadsheet to Council representing his financial status with the City. He told Council that he owes, as of today, a little less than \$4K, of which, \$2600 is a water bill. That represents a little more than 1 month's billing. He explained to Council a little bit of the sequence of events with his businesses. He said "We have been late but we have always come through." Come May they will be full, every apartment will be rented out. He stated that the problems are all fixable they have just all come about at a bad time. He would like to be all caught up by the end of May and at the latest June but in order to do that he has to get a business license. He opined that he can get out of this but not without Council's help. He would like to have a meeting to discuss potential solutions in the way of getting his business license reinstated.

3. Chairpersons and Representatives of Boards and Commissions

**Harbor Commission**, *Beedle* reported that *Karen Swartzbart* gave a presentation on cleanup of the harbor and asking for signage. They will be talking about the harbor development plans and a direction for the future at the next meeting. They discussed the North Fill Boat Ramp and boardwalks for the

harbor. They also talked about House Bill 184 adding that it could be up to \$376K more based on 2010 numbers. Next meeting is Wednesday at City Hall.

**Health Services Board, Allison** reported that at their meeting on Wednesday at 7pm **Susan Humphrey-Barnett** will report and update where Providence is at and when the new administrator will start work.

**P&Z, Reggiani** reported that they had a work session last Tuesday and another last night on City Code Chapter 18 (zoning) changes. It is now finished and being edited by **Greenwood** and the attorneys. They had a regular meeting last night and discussed the water line issue. The recommendation will come to Council at the March 21<sup>st</sup> regular meeting that the property line should be the defining line for responsibility. They also passed a resolution that recommends the formal planning for the expansion of the South Fill Development Park which will require the City Council to designate funding. **van den Broek** asked if there had been a lot of public input. **Reggiani** responded that they had lots of neighbors in attendance and the Watershed group. **van den Broek** inquired about the impressions from the attendees. **Reggiani** responded that he thinks there is concern but a well-publicized process will help things. **Kacsh** asked if there had been money set aside in the 2012 budget for the planning. **Reggiani** stated he didn't recall but that it is on the CIP list. **Mayor Kallander** suggested they wait to see what the legislature does.

**School Board, van den Broek** reported that they have a number of special meetings scheduled for March as they are accepting applications and conducting interviews to fill the Superintendent position. They hope to have a contract offer out by March 21<sup>st</sup>. **Mayor Kallander** stated that there will be an opportunity for the candidates to meet Council. **Bourgeois** stated that all the school board agendas and packets are available on the city website.

**Student Council, Carl Ranney**, reported that they had a meeting Monday. Nothing has happened since Homecoming. **Allison** added that as far as high school basketball, Cordova girls were 3<sup>rd</sup> and the boys were 4<sup>th</sup> in the district, stepping up two places from where they ended the regular season. Jr. High volleyball also just ended.

## G. APPROVAL OF CONSENT CALENDAR

**Mayor Kallander** stated that the consent calendar was before the Council.

### 4. 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

### 5. 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

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.

**Kacsh** stated that he would like the Student Council to vote with Council when present.

## H. APPROVAL OF MINUTES

**M/Reggiani S/van den Broek** to approve the minutes.

### 6. Minutes of 01-31-12 City Council Work Session

### 7. Minutes of 02-23-12 City Council Special Meeting

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

## I. CONSIDERATION OF BIDS - none

## J. REPORTS OF OFFICERS

### 8. Mayor's Report

**Mayor Kallander** reported that the House has passed the supplemental budget, which included \$2M for the hospital roof. The Governor could approve it as early as March 15<sup>th</sup>. **Bill Thomas** carried the water for

this bill and can take full responsibility for getting this passed. Another **Bill Thomas** bill was to name the bridges. **Thomas** gave a very moving speech before the house in support of the bridge bill. In regard to the housing shortage in Cordova he met with Alaska Housing Finance Corporation to investigate potentially increasing housing in Cordova. There are 3 assistance programs for housing that might work for Cordova in providing housing assistance for teachers, police and healthcare workers. He looked into the healthcare program and it could require some matching money but as little 20% from the City. We currently supply housing for temporary employees for the hospital in places, which sometimes sit empty, costing the hospital upwards of \$100K a year. Talking with Providence on this issue they foresee needing temporary help for a while but would like to see permanent employees residing in Cordova. It would be more cost effective, if we built a building, that it be used for housing initially and then transition into assisted living homes for people before they get into long term care. If we built the facility adjacent to the hospital then the healthcare workers could provide assistance to those staying there (once it is an assisted living facility). He added that this is very common. A recommendation from Providence is that a four-plex with 4-two bedroom units would substantially help take care of the needs at the hospital. **Mayor Kallander** stated that this is as far as he is going to investigate on this issue without Council's wish to support such a project. If Council supports this then we will want to do a cost analysis and make sure the whole thing is viable. It could be misconstrued that the City would be in competition with the private sector for housing. However, this would be more cost effective and reliable for the City to own its own housing for healthcare workers and would free up other housing in the community. **Mayor Kallander** asked for concurrence to look further into the project. **Kacsh** stated that he would like to further explore the options. \$100K annually on housing is \$1M in 10-years so it wouldn't take to long for it to pay for itself. **Beedle** asked if the local contractors had been contacted about housing solutions. **Mayor Kallander** replied that the hospital contracts with a number of private sector renters now. **Beedle** furthered that since they were looking at new construction that the contractors might be a good resource. His is concerned about competing with the private sector. **Lynch** added that the City from time to time, historically, has provided housing for up to 6-months for new employees. **Reggiani** stated that he thought it was a great idea and would like to see the numbers. **Cheshier** agreed with **Reggiani**. **Allison** stated that the dual use of it would be great. Back in 1991 the HSB talked about assisted living homes. The community is aging and having a place to house people before they get moved into the nursing home makes sense. **Beedle** does like the assisted living options in town. It would be a lot better and healthier for the locals to be able to stay in the community. **Mayor Kallander** agreed with **Beedle** stating that if they could find property adjacent to the hospital the health care workers could just walk over to provide care and would greatly cut down on expenses. Council concurred that it would be worth looking into for a little ways down the road. **Mayor Kallander** stated that he will be in Juneau the 15<sup>th</sup> to the 17<sup>th</sup> working towards additional funding for our CIP list items. He added that he is aware of Council's preferred management scenario for health care. So he will talk to PERS and run the public corporation idea by them to make sure everything is still good. Portland, Oregon received their waiver on LT2 so he will be making calls to DEC tomorrow. There is increased optimism for us to get a waiver.

#### 9. Manager's Report

**Lynch** passed out a memo from Providence recommending the hire for the new administrator which includes her start date of April 8<sup>th</sup>. HSB will get the resolution to remove the current administrator then Council will get the resolution. He asked **Royal** to give him an update on the costs of the snow emergency since January 1<sup>st</sup>. He handed out a spreadsheet showing the costs. Once he heard that they were going to get the funding for the Hospital roof he contacted CH2MHill who did the preliminary work last year. The architect drawings and engineer work has not been completed yet. He handed out a spreadsheet showing the estimated cost, adding that they can start virtually immediately. **Lynch** stated that he needs Council's yea or nay to proceed with CH2MHill formally. If Council does not want to go through CH2MHill it will



take more time to find a new architect and engineering company. **Kacsh** stated that he has no problem with CH2MHill but does not like skipping the RFP process. **Mayor Kallander** stated that he shares **Kacsh's** concerns but wonders how much difference there really is between what has transpired with the quote process and going through the RFP process. It may be just as effective as the RFP process considering the time crunch. **Reggiani** stated that he has no problem with CH2MHill doing the project and added that with the time crunch it sounds like we need to jump on this so we don't run out of time. **Mayor Kallander** stated that there are some savings available with project management and such. He asked Council how they felt about going through the RFP process or proceeding with CH2MHill. The RFP process will take 6-8 weeks itself. **Lynch** stated that if Council approves using CH2MHill they could start two weeks sooner than planned. **Mayor Kallander** cautioned against fast tracking too much and pre-spending when the Governor has not yet approved the supplemental budget. They should know by the next meeting if it has been approved so Council can vote on it then. **Beedle** stated he does have some concerns with not going through the RFP process. CH2MHill is a fine company but this is a lot of money. The RFP could bring in lower bids. **Mayor Kallander** asked **Lynch** to bring estimates to the next meeting as the RFP process itself will cost money. **Allison** stated that maybe some clarification on the difference between the quote and RFP processes would help the decision. You ask several companies to give you a quote, similar to putting out an RFP. Doing quotes allow us to handle things differently with code and is quicker. A quote is on something specific and an RFP could be on whatever they want to do. **Mayor Kallander** agreed that that are some differences but he doesn't know that it warrants the delay. **Reggiani** opined that when you find a good engineering/architect company you stick with them. We have worked with a lot of different companies and we have had some different results. We have been very happy with CH2MHill.

**Lynch** returned to his report stating that already this year we have incurred some higher expenses than planned not only in snow removal but also in legal fees. The majority of it is attributed to the Union Contract negotiations and the issues with the sales tax and business licenses. We won't really know until next month how much those costs will be. He has a confidential packet to discuss with Council in an executive session on sales tax and business licenses. That executive session will be at the March 21 Regular Council meeting. **Lynch** reported that he contacted **Jason Borer** at the Eyak Corporation who has a new executive director coming soon. He informed **Lynch** that the Eyak Corporation has some money they are looking at putting into low income housing. When the new director started the end of March they will be having a discussion on that possibility. **Beedle** asked how the breakwater proposal is going. **Lynch** responded that the proposals are in and a committee has reviewed them and ranked them. He can't release any details but he can say that the highest ranking proposal was from Eagle Contracting but they are still in negotiations about some aspects of the proposal. **Beedle** asked when it would be wrapped up. **Mayor Kallander** responded that they are waiting on the Corps permit. The Audubon society has submitted a letter of protest. **Greenwood** stated that she had talked to **Mr. Hewitt**, who is our Corps representative, who told her that his portion of it is in his boss's box. If the boss is okay with it than we should hear back from them sometime next week, if the boss has issues than it could be longer. **Greenwood** explained the process of permitting with the Corps. **Reggiani** stated that he appreciates the financial update from **Lynch**. He asked if perhaps the reports are misleading in that there may be more outstanding items. **Lynch** responded that there are outstanding items. **Reggiani** asked if someone is tracking hours and invoices that are outstanding. **Zamarron** stated that the contractors turn in 214's, which is an accounting of time, but is not an invoice. It is possible to get a ballpark figure from those 214's. **Mayor Kallander** asked **Lynch** to get Council ballpark figures for the next meeting. **Kacsh** asked if we know the monetary totals of damage around town. **Greenwood** responded that it is estimated to be between \$5-6M which includes everything: City, business, and private. **Lynch** added that he had heard from PWSEDC that they had identified 30 structures between Valdez and Cordova for the SBA. Anything over \$25K will trigger that so we should be hearing of an SBA declaration soon that will open up small business loan availability. **Mayor**

**Kallander** asked for a follow up at the next meeting with estimates. **Reggiani** asked about the union contract grievance on the Police Chief doing work that the union considers bargaining unit work. **Lynch** replied that the union feels that ANY department head should not be doing the duties that could be done by a union employee. They have started with the Police Chief. He is not supposed to make arrests, he is not supposed to patrol the streets, he is just supposed to sit in his office and supervise according to the union. That is the latest in the series and probably won't be the last. We have always had a working Chief and we intend to keep it that way.

#### 10. City Clerk's Report

**Bourgeois** reported on the elections stating that there are at least 53 left to count maybe up to 70. These will be counted on the 14<sup>th</sup> at 10:00 am at City Hall. Proposition 1 currently has the "no's winning by 14 votes. The only other race was **EJ Cheshier** and **Bob "Moose" Henrichs** which **EJ Cheshier** won. Everyone else was uncontested. In the middle of the election time Deputy Clerk **Robyn Kincaid** has been busy with assessment notices and foreclosures. Friday assessment notices went in the mail, triggering a month for people to appeal which put the deadline at April 9<sup>th</sup>. Properties that went up this year are commercial buildings, which raised assessed values by \$4M which really is only \$40K more in taxes with our low mill rate. 2011 foreclosure list has been published and has 7 properties on it. It will run in the newspaper for 4 weeks. 4 of those 7 properties still owe for 2010 and the expiration of the redemption period for those properties, the last chance for those owners to pay the taxes, is in May. **Beedle** asked if any of the property owners were elderly. **Bourgeois** responded that they are not. **van den Broek** asked what the next step in the foreclosure process is if these property owners don't pay the taxes by May. **Bourgeois** responded that the last day of the expiration of the redemption period in May it will automatically, by deed, become the City's property. The City has not taken property in a lot of years. The last few taken have been just land but all these are actual buildings. The City went away from taking trailers in the foreclosure process because it was a hassle. Council will have the opportunity to evaluate what they would like to do with the building if we get that far along in the process. **Bourgeois** stated that everyone should thank the election board members as they did a very professional job. They were **Diana Rubio** as Chair, **Ann Schultz**, **Becky Chapek**, **Ruth Steele** and **Sue Shellhorn**.

#### 11. Staff Reports

- a. **Josh Hallquist**, COR, Cordova Center Project
- b. **Cathy Sherman**, Cordova Center update

**Sherman** reported for **Hallquist** as well. They are concentrating on framing and soffit work for the majority of the time. The stone mason is back and working on the west wall. The siding should arrive the week of the 23<sup>rd</sup>. Rainproof roofing will be back at the end of the month. The yellow cedar for the trim and outside posts is at the mill and should be shipped up soon too. They are working on organizing a team meeting for early April to work on construction close out. They are looking at substantial close out being May 8<sup>th</sup>. MRV will be back on site next week. They should have the complete review of the drawings for Phase II constructability and estimates by April 30<sup>th</sup>. All of the RFQ's for art are in. 67 artists put in proposals: 28 were Cordovans, 26 are from elsewhere in Alaska, 4 are from the lower 48 and 2 are Canadian. There will be two or three meetings to weed through the proposals. They would need over \$2M to purchase all the art that was proposed, which is of course over budget, so they will have to weed them down a bit. They hope to have requests out to the artists for the full proposals by May 1<sup>st</sup>. **Sherman** would like to have a Cordova Center Committee to finish up with Phase II to include 1 or 2 Council members. The committee would help her forward the corporate sponsorship which could involve some local business leaders and maybe some City Council members in fine tuning our final ask for money from corporate sponsors. **Kacsh** asked if she had ideas of who she would like to have on the committee or volunteers already. **Sherman** replied that she did not but would like people who would be comfortable approaching potential corporate sponsors.

**K. CORRESPONDENCE**

12. Public Statement regarding Porterhouse Apartments
13. Letter from Mikunda Cottrell in re *Government Auditing Standards*
14. Letter from Karen Rehfeld, Director OMB in re supplemental budget request
15. Email from Mary Anne Bishop in re article on AIGCO
16. Letter from DNR in re Pioneer Igloo & AK Historical Commission Spring 12 agenda
17. Letter from State petroleum assessor in re oil & gas props in Cordova
18. AML Federal Priorities 2012

**Beedle** asked about the memo in the packet on properties assessed value. **Bourgeois** informed Council that it is the one oil and gas property in town; it's the Alyeska property over by AML. The State Department of Revenue does assessing for oil and gas properties. **Allison** asked if the Historic Preservation Commission is the same as the Cordova Historical Society. **Sherman** responded that they are different. The commission still exists on the books but they have not been active. The Historical Society has acted in their stead in the past.

**M/Reggiani S/van den Broek** to take a recess

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

Council took at recess at 8:49 pm and came back at 8:55 pm

**L. ORDINANCES AND RESOLUTIONS**

## 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.

This resolution was postponed from the February 23, 2012 Special Meeting to the next regular meeting. Council put the motion back on the table by reading the pending motion into the record.

**M/Reggiani 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.

**M/Reggiani S/van den Broek** to amend resolution 02-12-10 to include the recommendations by John Bitney adding a WHEREAS and a BE IT FURTHER RESOLVED THAT.

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.

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.

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

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

## 20. Resolution 03-12-11

A resolution of the City Council of the City of Cordova, Alaska, designating capital improvements projects

After reading the comments in a memo from John Bitney, City Lobbyist, Council decided not to change Capital Priorities while the legislature was in-session and therefore took no action on this resolution.

## 21. 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.

**M/Allison S/Beedle** to approve 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

**Lynch** explained that extending could assist with additional costs being reimbursed.

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

#### **M. UNFINISHED BUSINESS - None**

#### **N. NEW & MISCELLANEOUS BUSINESS**

22. Council approval of P&Z Resolution in re Land Disposal Maps

**M/Allison S/Cheshier** that the City Council accept Resolution 12-01 from the Planning and Zoning Commission.

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

23. Pending Agenda and Calendar

Work session with **Zamarron** concerning recycling/refuse matters was scheduled to start at 7pm on March 21 and then the Regular meeting would begin immediately following that.

March 8<sup>th</sup> DOT work session 6 pm at Mt. Eccles Commons

#### **O. AUDIENCE PARTICIPATION**

**Mike Butler**, 1215 Lake Ave, submitting application is the easy part it's been unreasonable. A small problem has turned into an impossible problem.

#### **P. COUNCIL COMMENTS**

24. Council Comments

**Kacsh** thought it was time to explore an electric boiler for pool which could run off of waste electricity from CEC.

**Reggiani** commented on George Covell's letter on the E-911 surcharge would like to see a resolution at the next meeting suspending that surcharge. **Cheshier** seconded the request.

**Allison** commented on fish tax. We are losing money to the processors, which might not be such a bad thing but we need to market ourselves as doing that – especially to the Processors. He was referring to the capital projects tax credit program which the state funds out of Fisheries Taxes now. If this bill we supported tonight passes, we will be helping them even more and need to be recognized for that. He wants to ask someone and maybe it's the SRTS people what are the one way signs all about? He also inquired as to when the HSB will be changed and how?

**Cheshier** commented that it was nice to get a couple of days break on snow, ay **Moe** (Zamarron)?

**Beedle** E-911 he would like to more information before we set it aside. He thanked the City crew for plowing great. He also hoped that people walking in the evening would wear reflective gear – he has seen dogs with reflective collars but people dressed all in black on narrow roads – scary situation.

#### **Q. EXECUTIVE SESSION**

Council took a recess at 9:24 pm and came back at 9:34 pm

25. Cordova Center Financial Update – Reggiani mentioned that this executive session was not necessary tonight.

26. Union contract negotiations

**M/Reggiani S/van den Broek** to discuss the union contract negotiations. Subjects that may be discussed are matters the immediate knowledge of which would clearly have an adverse effect upon the finances of the government.

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

Council entered executive session at 9:35 pm; Council came out of executive session at 10:21 pm.

**Mayor Kallander** stated that Council had a discussion with the Manager and Assistant Manager in the executive session and gave them direction on how to proceed with Union negotiations.

27. City Clerk Contract review

**M/Reggiani S/Allison** to discuss the Clerk's contract review; subjects that may be discussed are matters the immediate knowledge of which would clearly have an adverse effect upon the finances of the government.

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

Council entered executive session at 10:21 pm; Council came out of executive session at 11:04 pm.

**Mayor Kallander** stated that Council discussed the Clerk's contract with and Council has withdrawn its proposed amendment to the Clerk's contract.

## **R. ADJOURNMENT**

**M/Allison S/Reggiani** to adjourn the regular meeting at 11:05 pm

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

Approved: April 4, 2012

Attest: \_\_\_\_\_  
Robyn Kincaid, Deputy City Clerk

**CITY COUNCIL SPECIAL MEETING  
MARCH 15, 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 March 15, 2012 in the Library Meeting Room.

**B. ROLL CALL**

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

**C. APPROVAL OF AGENDA**

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

Hearing no objection, motion passed.

**D. DISCLOSURES OF CONFLICTS OF INTEREST – None**

**E. COMMUNICATIONS BY AND PETITIONS FROM VISITORS**

1. Audience comments regarding agenda items - None

**F. NEW BUSINESS**

2. Resolution 03-12-16

Certification of the official results of the March 6, 2012 General Election

*M/Kacsh S/Bradford* to approve Resolution 03-12-16 a certification of the official results of the March 6, 2012 General Election.

Vote on motion: 5 yeas, 0 nays, 2 absent (van den Broek, Reggiani). Motion passes.

3. Swearing in of Council members and School Board members – *Bret Bradford*, *EJ Cheshier*, *Dan Reum* and *Pete Hoepfner* were stated and signed an oath and were sworn into office by the City Clerk.

4. Resolution 03-12-17

A resolution of the Cordova City Council authorizing the City Manager to sign an amendment to the agreement with the State of Alaska concerning participation of hospital employees in the Public Employees Retirement System of Alaska

*M/Bradford S/Kacsh* to approve Resolution 03-12-17 a resolution of the Cordova City Council authorizing the City Manager to sign an amendment to the agreement with the State of Alaska concerning participation of hospital employees in the Public Employees Retirement System of Alaska.

*Bradford* said good job to *Mark Lynch* and asked if it went smoothly. *Lynch* said that it did go fairly smoothly but we did have to do the termination study although so far we have not been charged for it. He mentioned that the hospital would have to continue to pay 24.16% of the salary of that position to PERS for the unfunded liability which would probably be forever (PERS says 30 years but it really could be longer). *Bradford* asked about a CFO and *Cheshier* said that Providence would be hiring a CFO – they are searching presently. The CEO starts April 8 – Theresa Carte.

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

There was no Audience participation agenda item but **Pete Hoepfner** was interested in updating Council on the school superintendent search. He said that the three superintendent candidates would be in town this weekend for interviews and to meet community members, teachers, students. Council was invited to the Monday night open public session from 7:00 pm – 8:15 pm at Mt. Eccles.

#### **G. COUNCIL COMMENTS**

**Bradford** thanked **Mark** and **Jim** and **Bitney** who all worked on the PERS thing to make that happen.

**Cheshier** wanted to reiterate for **Bradford's** sake because he had been gone, that there was a three part interview process for the new hospital administrator and each interview group unanimously picked **Theresa Carte**. **Bradford** was glad to hear it.

#### **H. ADJOURNMENT**

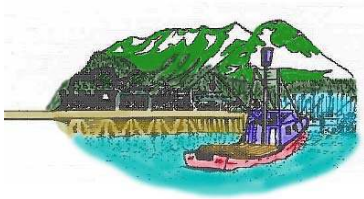
**M/Kacsh S/Bradford** to adjourn.

Hearing no objection the meeting was adjourned at 7:42 pm.

Approved: April 4, 2012

Attest: \_\_\_\_\_  
Susan Bourgeois, City Clerk





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602 Railroad Ave.  
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# CITY OF CORDOVA

## *Office of City Manager*

March 28, 2012 Manager's Report (for 04/07/12 Council meeting)

**Personnel issues:** We are still working on filling positions in Public Works. Finance has hired a temporary person to fill in for Tracy Merritt while she is out on medical leave.

**Union Contract/Grievances:** This continues to consume a majority of my time. 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. We are working on a potential use of FMCS (Federal Mediation and Conciliation Service) to help potentially settle grievances at a lower cost than arbitration. I am optimistic that we may be able to settle contract negotiations soon, and possibly one or more of the grievances.

**Hospital Contract:** Providence has begun CCMC management. The new CCMC Administrator will start April 8<sup>th</sup>.

**Hospital Roof:** The Governor signed the supplemental budget which included the money for the hospital roof on March 26<sup>th</sup>. I signed the agreement with CH2MHILL on March 28<sup>th</sup> to get the project going.

**Sound Developer / Spartan:** Both boats are cut up and stockpiled. Metal should be removed from stockpile soon. Trench should be filled by the end of March. I solicited 3 quotes and hired the lowest (Eagle Contracting) to fill the trench.

**Harbor Study & Boardwalks:** Dee High of DHI Engineering is tentatively scheduled to come to Cordova on April 2<sup>nd</sup> to view and discuss the conceptual phase of these projects.

**Breakwater/Fill:** Proposals have been returned and I am in the negotiation process (CMC 5.12.130(E)) with Eagle Contracting, who had the highest scored proposal. Details of the successful proposal will be announced once negotiations are completed (CMC 5.12.130(D)). Currently we are awaiting results of rock testing from the City Quarry and Eagle's Quarry.

**North Fill Floating Dock:** RFP had been advertised, and to date I have sent out RFP packets to 23 companies. Proposals are due by April 20<sup>th</sup>.

**Snow Emergency:** Snow hauling has ceased and we are winding down. However, Finance is still very busy working with the State to finalize costs and reimbursements.



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Fax: 907.424.6000  
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E-mail: [cityclerk@cityofcordova.net](mailto:cityclerk@cityofcordova.net)

## CITY CLERK'S REPORT TO COUNCIL

*April 04, 2012 Regular Council Meeting*

**Date of Report:** March 29, 2012

### **Things I have been working on:**

- signed paychecks/other AP checks
- prepared agendas and packets for regular meeting on April 4 (prepared resolutions, memos, etc.) and work session on April 5, 2012
- assessment notices were sent March 9; **two** appeals as of writing of this report – and a handful of phone calls; last day to appeal April 9 – BOE meeting April 16
- 2011 foreclosures ad has run – next the Deputy Clerk will move on to the EOR of the 2010 (expiration of the redemption period) delinquencies – last day to redeem those properties is May 18, 2012 (3 properties remain delinquent for 2010)
- contacted Valdez and Whittier to set up a teleconference in re adjusting the split of fisheries business taxes for 2012 – worked on this last year and we went with the customary split – this year looking to get more for Cordova (this is especially important if HB 184 passes)
- Deputy Clerk prepared agenda and packet for first (revived) E-911 Committee meeting for April 2, 2012 – new membership and tasks listed tonight in Consent Calendar
- coordinated with State DoT folks for work session in re 36 mile bridge on Thursday night (tomorrow) April 5, 2012 5:30 pm at Mt. Eccles
- worked with Commissioner Luiken's office to plan for his visit and meeting with Mayor Kallander on March 28, 2012
- prepared proclamation for tonight's packet
- prepared notice for PWSRCAC vacancy - advertised
- handled a records request regarding Providence hospital management contract
- Deputy Clerk calculated amounts owing by Alyeska regarding 2007-2009 (see letter in correspondence form Oil & Gas Assessor) appeal and sent bill for \$ 138,326.82 which is due to us by May 4, 2012 (another windfall)

**City of Cordova  
Legislative Update  
March 24, 2012**

**Summary**

There are three weeks remaining in the legislative session to get everything done by the April 15 deadline.

The Senate Finance Committee is focused almost exclusively changes to oil and natural gas taxes. Expectations are that they will try to bring a bill to the Floor late next week.

The House spent the past week on a bill (HB9) to speed up the process for developing an in-state natural gas pipeline.

**Capital Budget**

House Bill 307 (the Supplemental Budget) passed the legislature and approved \$2 million for replacement of the Cordova hospital roof. HB307 is currently on Governor Parnell's desk waiting for his signature. This will fund the top priority project on the capital project list.

The remaining capital projects have been moved up in the same priority order. These projects will be considered for the Capital Budget, which should see a first draft written by the Senate Finance Committee. It will then pass over to the House for any final changes.

**Redistricting**

The Supreme Court issued a decision on March 14 to remand to the Fairbanks Superior Court the task of working with the Redistricting Board to change boundaries on certain districts. The Redistricting Board will meet next week to redraw some of the districts in Fairbanks and Western Alaska in an attempt to get approval from the court.

Any changes to the plan will have to be resubmitted to the federal Department of Justice for approval – a process that can take up to 60 days. One concern whether a final plan can be adopted by the candidate filing deadline of June 1<sup>st</sup>. The Supreme Court stated in their ruling that if a plan isn't finished by June 1<sup>st</sup>, candidates may file under the plan adopted by the Redistricting Board.

The bottom line is that Cordova will likely be in House District 35 with the community of Kodiak for the 2012 Election. There are likely to be changes in the neighboring House Districts 36 – 38 in Bristol Bay/Western Alaska that will impact Cordova's Senate District.

**Senate Bill 100**, a bill that would eliminate PERS termination studies, is scheduled for a hearing in Senate Finance Committee on Friday, March 30<sup>th</sup>, at 1:00PM. This bill is a major issue for AML, and many municipalities are expected to testify in support. The Dept. of Administration has testified at previous hearings in opposition to the bill.

**House Bill 294** would increase the monthly allowance of electricity eligible for PCE from 500 kw to 700kw. The bill moved to the House Finance Committee last week, and is being discussed as being part of a package of proposals to deal with high energy costs. Other proposals include providing a fuel vouchers, and subsidizing major generation projects (gas pipeline, Susitna dam, etc.). An “energy package” is expected to be part of the capital budget discussions.

**House Bill 261**, by Rep. Bryce Edgmon (D-Dillingham), would modify Commercial Fishing Loans for entry permits by increasing the loan amount from \$100,000 to \$200,000. Last week HB261 moved out of the House Finance Committee, and is now waiting for a vote on the House Floor.

**House Bill 347** was introduced two weeks ago, and is in the House Judiciary Committee. The bill would prohibit the use of municipal funds to support or oppose efforts to circulate petitions for a ballot initiative, to influence the outcome of an election concerning an initiative. HB347 is sponsored by Rep. Kurt Olson (R-Soldotna), and is opposed by AML.

**House Bill 325**, the bill to reinstate the Alaska coastal management program, is not scheduled for any hearings. If the bill does not pass, an initiative to reinstate the program will be on the ballot for the 2012 Election.

**House Bill 184**, the bill to increase the percentage of fisheries business tax that are shared with municipalities, is not scheduled for hearings in the House Finance Committee.

**House Bill 60**, a bill to allow geoduck farming in Prince William Sound, Yakutat, & Kodiak, is still pending in the Senate Finance Committee. It is not scheduled for any hearings at this time.

**House Bill 246**, a bill naming bridges along the Copper River Highway, has passed the House and moved out of the Senate Transportation Committee last week. It is now waiting for a hearing in the Senate Finance Committee.

## **Conclusion**

The major issues to watch in the final days are 1) whether the House and Senate can reach an agreement on oil/gas taxes, 2) funding increases for education, and 3) funding for capital projects.

While there are many bills pending, very few of them are expected to pass.

# Memo

**To:** Mayor and City Council  
**From:** Moe Zamarron, Director Public Works  
**CC:** Mark Lynch, City Manager;  
**Date:** March 29, 2012  
**Re:** Feedback concerning proposed solid waste upgrades

---

In response to a presentation concerning proposed solid waste program upgrades Council requested that public feedback be gathered and reported back to Council. This is the first step in the process of sizing and tailoring the plans to the preferences of the residents of Cordova.

The results of informal queries will be presented for discussion at the April 4, 2012 meeting of City Council.

Thank you,  
Moe Zamarron



# Chenega IRA Council

Post Office Box 8079      Chenega Bay, Alaska 99574-8079

Phone: (907) 573-5132/5212      Fax: (907) 573-5120

February 1, 2012

RECEIVED

FEB 11 2012

City of Cordova

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

Re: 2012 Chenega Memorial Donation Request

Dear Sir or Madam,

The date of the annual Chenega Memorial Service is June 8, 2012; the Native Village of Chenega and the Chenega IRA Council have begun preparations for this service and celebration, which will be held again at the Old Chenega Site on Evans Island.

Larry Evanoff, Chenega IRA Council President, explains in a 2004 statement why we go back to the old village site for this Memorial Day Event:

"I would like to share a little history with you regarding this special event. Chenega Island was founded in the early 1700's and is known as one of the oldest Native settlements in Prince William Sound dating back at least 200 years. The residents of Chenega were Alutiiq or better known as Aleut people. The March 27, 1964 earthquake and tsunami destroyed the village, of the 80 village residents only 26 survived. It is those lives lost that we pay our deepest respect and honor their memory.

In 1984, the survivors of Chenega resettled 25 miles southeast on Evans Island. Every year since 1976, we hold a memorial service for those lost in the quake and pay respects to them."

On behalf of the Native Village of Chenega and the Chenega IRA Council, we are asking for donations to help make this memorial/celebration another successful day. Please fill out the form on the reverse side of this letter and mail it back to the Chenega IRA Council office at before May 1, 2012. Your contributions are tax disutable and are greatly appreciated. Please feel free to contact Sandra Angaiak at 907-573-5132 or email [s.angaiak@nativevillageofchanega.com](mailto:s.angaiak@nativevillageofchanega.com) if you have any questions or require more information.

On behalf of the Native Village of Chenega and the Chenega IRA Council, we thank you in advance for your support in making our Memorial Day Service and Celebration event a success.

Respectfully,

Sandra Angaiak  
Tribal Administrator Assistant  
Chenega IRA Council





STATE OF ALASKA  
DEPARTMENT OF  
**COMMERCE**  
COMMUNITY AND  
ECONOMIC DEVELOPMENT

Division of Community and Regional Affairs

*Sean Parnell, Governor*  
*Susan K. Bell, Commissioner*  
*Scott Ruby, Director*

February 29, 2012

Honorable  
Mayor James Kallander  
P. O. Box 1210  
Cordova, AK 99574

RE: National Flood Insurance Program Community Assistance Visit - October 25 - 28, 2011.

Dear Mayor Kallander:

I appreciated the opportunity to meet with your city staff October 25 - 28, 2011 to discuss the City of Cordova's participation in the National Flood Insurance Program (NFIP). The meeting, called a Community Assistance Visit (CAV) was conducted with Sam Greenwood, City Planner. This letter summarizes findings during this Community Assistance Visit (CAV) with recommendations for the city to enhance your compliance with the National Flood Insurance Program (NFIP).

A primary purpose of the visit was to assure enforcement of the City of Cordova's flood reduction ordinance. Sustained enforcement enables the Federal Emergency Management Agency (FEMA) to continue allowing the sale of flood insurance in the city. These visits are also intended to provide the most current information on NFIP regulations, and to give your staff an opportunity to raise question and discuss issues concerning Cordova's floodplain management program.

Our visit was productive and officials at the meeting were those who have key responsibilities in the permitting of any development that might occur in Cordova's floodplain. Our fieldwork showed no potential violations, but highlighted opportunities to submit Letter of Map Amendments (LOMA) or Letter of Map Revision (LOMR).

The following summary of my visit, conveyed during the summary meeting with Mark Lynch, City Manager and Sam Greenwood, City Planner:

- (1) The current flood protection regulations, 19.04 updated September 2007. I reviewed the city ordinance and a matrix was available to the city planner.
- (2) Development proposing changes to the Special Flood Hazard Area (SFHA) can change relevant information on the Flood Insurance Rate Map (FIRM). To avoid higher flood insurance cost and ensure accurate map changes are reflected, recommend permit approval be contingent on the submission of a Letter of Map Revision (LOMR), in accordance with FEMA standards.



**Department of Commerce, Community and Economic Development**

State of Alaska

Division of Community & Regional Affairs

Page 2

- (3) City of Cordova currently has an inadequate Flood Insurance Rate Map (FIRM). FEMA is in the initial phase of a RiskMap project. The discovery meeting was held and LiDar is being flown to produce refined topographic information. This information will be essential for the update of the FIRM and will resolve missing topographic features identified on the current map. Missing topographic features are resident in the city map and an aerial photograph from 1973.
- (4) City of Cordova is currently updating the Hazard Mitigation Plan.
- (5) Recommend the City of Cordova explore, following the FIRM update, the Community Rating System (CRS) program. The CRS program is an incentive program that provides flood insurance premium discounts.

FEMA in coordination with the State of Alaska's Division of Community and Regional Affairs would like to place an emphasis on training and equipping your staff with the tools they need to implement and enforce your flood reduction ordinance. The city planner took advantage of the training session offered in September 2011 in Anchorage. We applaud the city for taking the proactive measure to educate staff and manage your floodplains in accordance with the 44 CFR 60.3 regulations.

Should you have any questions regarding this visit, please call me at 907-269-4583.

Sincerely,



Taunnie L. Boothby, CFM  
State NFIP Coordinator /Planner

cc: Jamie Huff, FEMA Region X, Bothell, WA  
Mark Lynch, City of Cordova, City Manager  
Samantha Greenwood, City of Cordova, City Planner



# *Bristol Bay Borough*

## **BRISTOL BAY BOROUGH RESOLUTION NO. 2012-03**

### **A RESOLUTION OF THE BRISTOL BAY BOROUGH EXPRESSING SUPPORT FOR THE CONTINUED ISSUANCE OF J1 STUDENT VISAS TO WORKERS IN SEAFOOD PROCESSING FACILITIES**

**WHEREAS**, seafood processing facilities in Alaska rely upon workers from other countries with J-1 student visas to operate during the fishing season;

**WHEREAS**, the U.S. Department of State may issue an interim final regulation that would prevent the issuance of J-1 student visas to workers in seafood processing facilities this fishing season;

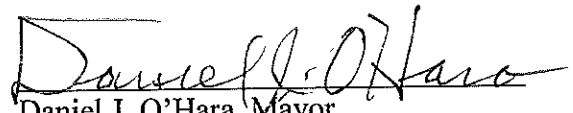
**WHEREAS**, this interim final regulation may become effective immediately without giving the public any opportunity to comment;

**WHEREAS**, this regulation may become effective without allowing seafood processing facilities a reasonable amount of time to recruit and hire workers to replace those workers for the upcoming fishing season who have obtained, or plan to obtain, a J-1 student visa;

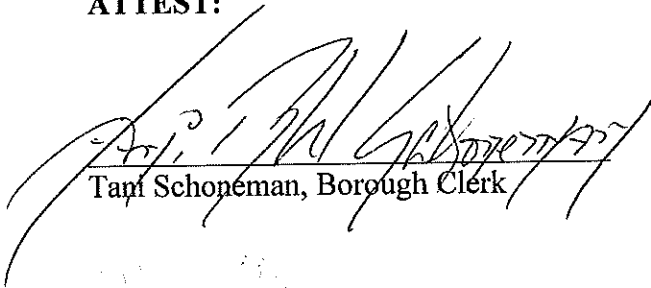
**WHEREAS**, any failure to have a sufficient number of workers in a seafood processing facility would reduce the operating hours and production capacity of the facility and result in delivery limits being placed on the fishermen supplying the facility and in lost tax revenue to local communities.

**NOW, THEREFORE, BE IT RESOLVED** that the Bristol Bay Borough expresses support for the continued issuance of J1 student visas to workers in seafood processing facilities and urges the U.S. Department of State not to issue a regulation preventing workers in seafood processing facilities from obtaining J-1 student visas.

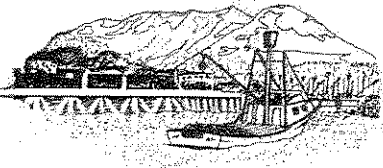
**PASSED AND ADOPTED** by a duly constituted quorum of the Bristol Bay Borough Assembly this 19<sup>th</sup> day of March, 2012.

  
Daniel J. O'Hara, Mayor

**ATTEST:**

  
Tam Schopeman, Borough Clerk

# CITY OF CORDOVA



March 21, 2012

George Covell  
PO Box 984  
Cordova, AK 99574

Dear George,

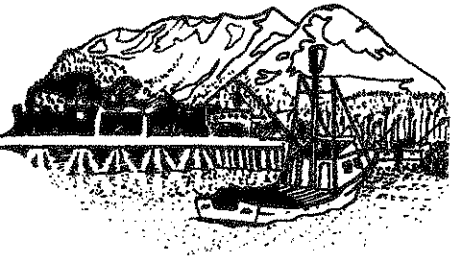
The City of Cordova thanks you for your concern and the effort you put forward to express your opinion concerning the issue of the E-911 surcharge in Cordova. Your letter dated March 4, 2012 is greatly appreciated. It has been forwarded to the City Council members and placed in a City Council agenda packet for other community members to see. Please continue to keep the City and the Council informed of your opinions and suggestions on matters such as this that concern Cordovans.

Respectfully,

A handwritten signature in black ink, appearing to read "Jim Kallander".

Jim Kallander, Mayor  
City of Cordova

# CITY OF CORDOVA



March 21, 2012

Nichole Hunt  
Coding Concepts, LLC

RE: Health Services Board

Dear Nichole:

I am pleased to release you from your service on the Health Services Board. Your selfless devotion of time and energy to the Board is noted and appreciated. As you are well aware, the hospital is in new, capable hands and we are moving toward an era of professional management and improved health care for Cordova. Please know that you were a great contributor toward these long awaited changes.

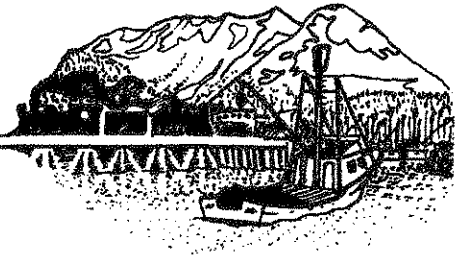
The Council and I thank you for your willingness to serve on the Board. Volunteers for positions on all the varied City boards and commissions are greatly needed and appreciated. Please continue to stay involved and consider service again in the future.

Respectfully,

Jim Kallander  
Mayor

JK:sb

# CITY OF CORDOVA



March 21, 2012

Kristin Carpenter  
PO Box 1430  
Cordova, AK 99574

RE: Health Services Board

Dear Kristin:

I am pleased to release you from your service on the Health Services Board. Your selfless devotion of time and energy to the Board is noted and appreciated. As you are well aware, the hospital is in new, capable hands and we are moving toward an era of professional management and improved health care for Cordova. Please know that you were a great contributor toward these long awaited changes.

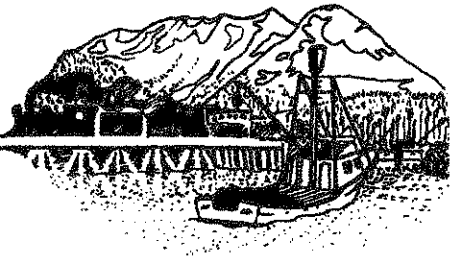
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Respectfully,

Jim Kallander  
Mayor

JK:sb

# CITY OF CORDOVA



March 21, 2012

Tim Joyce  
PO Box 555  
Cordova, AK 99574

RE: Health Services Board

Dear Tim:

I am pleased to release you from your service on the Health Services Board. Your selfless devotion of time and energy to the Board is noted and appreciated. As you are well aware, the hospital is in new, capable hands and we are moving toward an era of professional management and improved health care for Cordova. Please know that you were a great contributor toward these long awaited changes.

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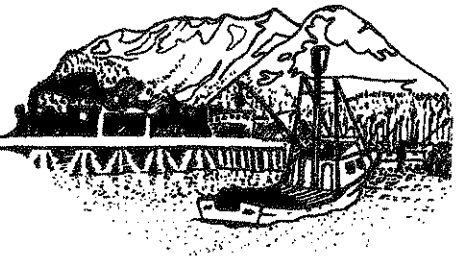
Respectfully,

Jim Kallander  
Mayor

JK:sb



# CITY OF CORDOVA



March 21, 2012

Representative Bill Thomas, Co-chair  
Representative Bill Stoltze, Co-chair  
House Finance Committee  
State Capitol Building  
Juneau, Alaska

Dear Co-chairmen:

Thank you for all your efforts and support to assist Cordova during the extreme snowfall we've faced this winter. The roof on the hospital was damaged so extensively that a complete replacement must occur by September of this year. The supplemental appropriation in House Bill 307 will allow that to happen.

At the beginning of session, the Cordova City Council approved a priority list of capital projects. As the Legislature and the Governor consider the FY13 capital budget, the priority list from the City of Cordova needs to reflect the funding received for the hospital roof in the supplemental.

Below are three top priority projects (shown in order) with some updated project numbers for the CAPSIS system. Please consider these projects as our priorities for FY13 capital funding.

<u>PROJECT</u>	<u>AMOUNT</u>
1. Hospital Electronic Health Records	\$750,000
2. South Fill Expansion Planning & Design	\$100,000
3. Ship Yard Building	\$2,600,000

## Project Summary

1. Hospital Electronic Health Records. The hospital is working to adopt an electronic health records system in order to respond to incentives and requires of 2009 federal requirements.
2. South Fill Expansion Planning & Design. The South Fill project represents the long-term economic expansion opportunity for Cordova's harbor and waterfront. The City Council is in the process of authorizing the planning and design to begin on this project. This funding will help the City to begin to design the project and engage the public in planning how the project will proceed.

3. Ship Yard Building. A ship yard building has been identified as a facility that will provide local job opportunities to renovate and maintain large size vessels during winter months or extended periods of poor weather.

Please contact me directly if you have any questions or need additional information.

Sincerely,

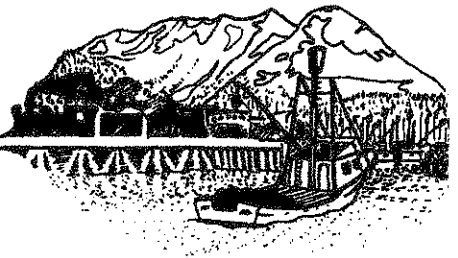
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Jim Kallander, Mayor  
City of Cordova

CC:

Senator Gary Stevens, President of the Senate  
Representative Mike Chenault, Speaker of the House  
Senator Bert Stedman, Co-chair Senate Finance Committee  
Senator Lyman Hoffman, Co-chair Senate Finance Committee  
Senator Albert Kookesh  
Karen Rehfeld, OMB Director

# CITY OF CORDOVA



March 21, 2012

Senator Gary Stevens, President  
Alaska State Senate  
State Capitol Building  
Juneau, Alaska

Dear President Stevens:

Thank you for all your efforts and support to assist Cordova during the extreme snowfall we've faced this winter. The roof on the hospital was damaged so extensively that a complete replacement must occur by September of this year. The supplemental appropriation in House Bill 307 will allow that to happen.

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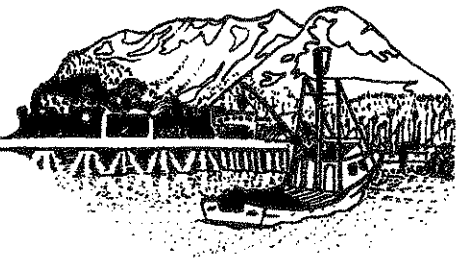
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Senator Albert Kookesh  
Karen Rehfeld, OMB Director

# CITY OF CORDOVA

March 21, 2012



Senator Albert Kookesh  
Alaska State Senate  
State Capitol Building  
Juneau, Alaska

Dear Senator Kookesh:

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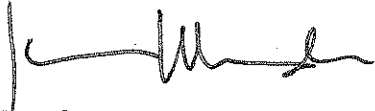
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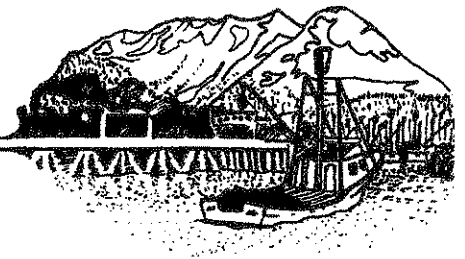
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Representative Bill Stoltze, Co-chair House Finance Committee  
Karen Rehfeld, OMB Director

# CITY OF CORDOVA



March 21, 2012

Senator Lyman Hoffman, Co-chair  
Senator Bert Stedman, Co-chair  
House Finance Committee  
State Capitol Building  
Juneau, Alaska

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Jim Kallander, Mayor  
City of Cordova

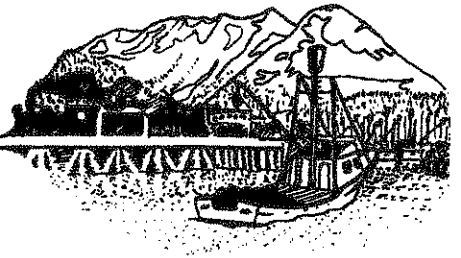
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Senator Albert Kookesh  
Karen Rehfeld, OMB Director



# CITY OF CORDOVA

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March 23, 2012

John Torgerson, Chairman  
Alaska Redistricting Board  
411 W. 4<sup>th</sup> Avenue, Suite 302  
Anchorage, Alaska 99501

Dear Chairman Torgerson:

At the start of the redistricting process, the community of Cordova was worried. We are a coastal community with a history of being "caught in the middle" during each and every redistricting process.

Our community got involved early in the process and worked constructively with the Redistricting Board. We sent letters, participated in your public hearings, followed your meetings, and in the end, the Board listened and was respectful to the wishes of the community. Cordova didn't get everything it wanted, but we appreciated that you came to our community, listened to our concerns, and made every effort to adopt a good plan.

This letter is to express appreciation for all the efforts of the Redistricting Board. There are many communities such as Cordova who acknowledge the difficult task you've been assigned.

The Redistricting Board is now faced with a court mandate to change the plan. As you work through this litigation, I appreciate this opportunity to reiterate that Cordova supports remaining in district with coastal communities who are socio-economically similar. Combining us in a district with the community of Kodiak appears to make the most sense given all the complexities of state and federal requirements.

Thank you again for all your efforts. It would be nice for all of us if the redistricting process could be completed before all the snow from this winter melts.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Kallander".

Jim Kallander, Mayor  
City of Cordova

LISA MURKOWSKI  
ALASKA

COMMITTEES:  
ENERGY AND NATURAL RESOURCES  
RANKING MEMBER  
APPROPRIATIONS  
HEALTH, EDUCATION, LABOR,  
AND PENSIONS  
INDIAN AFFAIRS

## United States Senate

WASHINGTON, DC 20510-0203  
(202) 224-6665  
(202) 224-5301 FAX

510 L STREET, SUITE 600  
ANCHORAGE, AK 99501-1956  
(907) 271-3735

101 12TH AVENUE, ROOM 329  
FAIRBANKS, AK 99701-6278  
(907) 456-0233

805 FRONTAGE ROAD, SUITE 105  
KENAI, AK 99611-9104  
(907) 283-5808

4079 TONGASS AVENUE, SUITE 204  
KETCHIKAN, AK 99901-5526  
(907) 225-6880

851 EAST WESTPOINT DRIVE, SUITE 307  
WASILLA, AK 99654-7142  
(907) 376-7665

February 10, 2012

Mr. Jeffrey Zients  
Acting Director  
Office of Management and Budget  
725 17th Street, NW  
Washington, DC 20503

Dear Mr. Zients:

I understand the Office of Management and Budget is currently reviewing the Department of State's proposed interim final rule to exclude the manufacturing sector from the J-1 Visa Summer Work Travel program (J-1). The Department includes seafood processing facilities in this interim final rule.


I strongly object to the use of the interim final rulemaking process to exclude seafood processing from the J-1 program. Such a rulemaking should only be taken with advance public notice and the opportunity for comment from the affected sectors. There is no compelling reason to use the interim final rulemaking process for the Alaska seafood processing industry and such action would be extremely disruptive to 2012 summer season fisheries.

Recruitment for 2012 employment has already begun. Just months before the summer salmon season, J-1 students could not be easily replaced. This abrupt reduction in the available workforce would impact not just the participating students and processing companies but fishermen who depend on these processors to sell their catch and the communities in which these facilities operate. Remote Alaska communities where the local economy largely depends on relatively small processing facilities are likely to suffer the greatest hardship.

The attached letter to Secretary Clinton expands on my concerns and suggests an alternative approach to addressing any issues regarding the J-1 program in the Alaska seafood industry. Given the harm this sudden decision could inflict on the largest private sector employer in my state, I request you reject the proposal for an interim final rulemaking and direct the State Department to proceed with a formal process of proposed rulemaking which includes advance notice and comments from the affected seafood sector.

Thank you for your attention to this matter. If you have any questions regarding this, please contact Stefanie Moreland in my office at 202-224-6665.

Sincerely,

  
Lisa Murkowski  
United States Senator

LISA MURKOWSKI  
ALASKA

COMMITTEES:  
ENERGY AND NATURAL RESOURCES  
RANKING MEMBER  
APPROPRIATIONS  
HEALTH, EDUCATION, LABOR,  
AND PENSIONS  
INDIAN AFFAIRS

## United States Senate

WASHINGTON, DC 20510-0203  
(202) 224-0665  
(202) 224-5301 FAX

510 I STREET, SUITE 600  
ANCHORAGE, AK 99501-1956  
(907) 271-3735

101 12TH AVENUE, ROOM 329  
FAIRBANKS, AK 99701-6278  
(907) 456-0233

805 FRONTAGE ROAD, SUITE 105  
KENAI, AK 99611-9104  
(907) 283-6808

4079 TONGASS AVENUE, SUITE 204  
KETCHIKAN, AK 99901-5526  
(907) 225-6880

851 EAST WESTPOINT DRIVE, SUITE 307  
WASILLA, AK 99654-7142  
(907) 376-7665

February 6, 2012

Honorable Hillary Rodham Clinton  
Secretary of State  
2201 C Street NW  
Washington, DC 20520

Dear Madam Secretary:

I write to express concern about the Bureau of Educational and Cultural Affairs' plan to exclude seafood processing facilities, as well as all manufacturing facilities, from participation in the Summer Work Travel Program through an Interim Final Rule which could take effect in March 2012. I understand the Bureau of Educational and Cultural Affairs obtained approval for this plan in a memorandum from Principal Deputy Assistant Secretary Adam Ereli to Assistant Secretary Ann Stock dated January 18, 2012.

Excluding manufacturing facilities from the J-1 visa program, including seafood processing plants, without notice and the opportunity for public comment would be a mistake. Ideally, this notice and comment process would involve an Advance Notice of Proposed Rulemaking, which would enable the affected industries to enter into a dialogue with the Bureau of Educational and Cultural Affairs on what is working, what is not, and how the program can be improved.

I understand that some in the Bureau may be concerned that Alaska's seafood industry does not offer an appropriate American cultural experience. I am inclined to suggest that this is a biased view. Yes, the seafood industry involves hard work in challenging environments, but it is this kind of hard work that has historically been central to the American cultural experience, and it is work that provides opportunities to explore some of the most unique and beautiful areas in the country. Further, even if the Bureau is correct, the better course is for the Bureau to work with the seafood processing industry to determine how to improve that aspect of the foreign student's experience. I know Alaska's seafood processing industry is anxious to enter into this dialogue with the Bureau.

On a more practical level, the exclusion of seafood processing facilities from the J-1 program in this spring could have a severe adverse effect on the upcoming summer commercial fishing season in Alaska. While I have yet to survey all of the seafood processing companies in Alaska that employ J-1 students, my initial assessment is that implementation of the contemplated regulation just as the fishing season is beginning would throw the industry into turmoil, with the greatest adverse effect felt by the smallest players.

I understand that Alaska's seafood processing industry does not believe it could recruit US workers in the numbers needed to fill the void left by the loss of J-1 participants. Companies that are unable to find enough qualified replacement workers would be unable to operate at full capacity. They would not be able to purchase all of the salmon that fishermen have to offer. This would hurt the fishermen and Alaska communities as well as the processors.

The Administrative Procedure Act expects that agencies will listen to affected stakeholders through a formal process of notice and comment before promulgating regulations that affect them. Congress instituted the notice and comment requirement to ensure that agencies do not make up their minds on important policy questions in a vacuum. The Interim Final Rulemaking mechanism is not intended to supplant the notice and comment requirements of the Administrative Procedure Act. This mechanism provides a limited exception for advance notice and the opportunity to comment when critical interests are at stake and time is of the essence. I am aware of no reason that this is the case with the J-1 program in Alaska's seafood processing industry, and I have seen no evidence to suggest that exclusion of the seafood processing industry in 2012 would prevent immediate adverse effects on the health, safety or welfare of participating students.

I respectfully request that you enable Alaska's seafood processing industry to fully participate in the dialogue regarding possible changes to the J-1 Summer Work Travel program before changes are made to the program and that you establish a framework for dialogue with the industry with respect to participation in future years. If your staff requires further information, please have them contact Nathan Bergerbest, my Senior Counsel, or Stefanie Moreland, my Legislative Assistant for Fisheries at (202) 224-6665. Thank you for considering my views on this subject.

Sincerely,

A handwritten signature in black ink, appearing to read "Lisa Murkowski", written in a cursive style.

Lisa Murkowski  
United States Senator



## United States Senate

WASHINGTON, DC 20510-0203  
(202) 224-6665  
(202) 224-5301 FAX

March 22, 2012

510 L STREET, SUITE 600  
ANCHORAGE, AK 99501-1956  
(907) 271-3735

101 12TH AVENUE, ROOM 329  
FAIRBANKS, AK 99701-6278  
(907) 456-0233

800 GLACIER AVENUE, SUITE 101  
JUNEAU, AK 99801  
(907) 586-7277

805 FRONTAGE ROAD, SUITE 105  
KENAI, AK 99611-9104  
(907) 283-5808

4079 TONGASS AVENUE, SUITE 204  
KETCHIKAN, AK 99901-5526  
(907) 225-6880

851 EAST WESTPOINT DRIVE, SUITE 307  
WASILLA, AK 99654-7142  
(907) 376-7665

Mr. Sunstein, Administrator  
Office of Information and Regulatory Affairs  
Office of Management and Budget  
1650 Pennsylvania Avenue NW, Room 262  
Washington, DC 20503

Dear Mr. Sunstein:

Thank you for discussing the State Department's plan to implement significant changes in the Summer Work Travel Program through an Interim Final Rule (RIN 1400-AD14) with me. As we discussed, this Interim Final Rule will preclude students participating in the Summer Work Travel program from working in the seafood processing industry, which could detrimentally impact the industry.

I believe that it is inappropriate to implement these changes without full notice and comment rulemaking. I am seriously concerned that the State Department has already begun to implement its change in thinking by discouraging organizations that place Summer Work Travel participants from working with Alaska's seafood processing industry.

Moreover, immediate implementation of the rule will have extremely deleterious economic effects on Alaska's 2012 salmon season and those impacts will not be limited to processors but will also flow down to individual fishermen. The economic activity generated by harvesting and processing the full allowable catch is vital to healthy fishing communities. I have received letters and calls from communities from Southeast Alaska to Western Alaska urging this process to change the J-1 program be slowed down in order to allow everyone to adapt and to not disrupt the salmon season. These communities have also pointed out the mutual benefit of having J-1 program students in their communities. In support of this position I have attached letters from the City of Cordova, the City of Seward, the Southwest Alaska Municipal Conference, and members of the Alaska State Legislature.

This response is not surprising to me. Fishermen require a market, and a labor shortage in the processing sector would negatively impact those markets. Alaska's highest volume salmon fisheries are seasonal. Some occur in very short windows while the fish are returning to spawn. Fishing opportunities depend on returns, and vary from year to year. Many fisheries have steep peaks in returns, harvests, and production. These peaks require the harvesting and processing capacity be in place to take full advantage of allowable harvests. The processors need to be ready to receive the fish when they arrive and plan their workforce needs around these peaks. They cannot buy fish from Alaska's fishermen if they do not have adequate staff to process the fish.

Some of the processors most vulnerable to the State Department's Interim Final Rule are located in the most remote parts of Alaska whose residents are predominantly Alaska Native. I submit that implementation of the Interim Final Rule could have a disproportionately adverse effect on Alaska Native fishermen who rely on income from commercial fishing to sustain their year round subsistence lifestyles. In communities dependent on subsistence activities for survival, income from commercial fishing activity is often what is used to support equipment purchases and fuel necessary for subsistence fishing and hunting year-round.

However, even in less remote parts of Alaska the adverse impact could be significant. The larger processors which have Human Resources Departments may be in a stronger position to recruit replacement workers than the small businesses which will find it impossible to adapt to rapid changes in the regulatory environment. Those that are in a position to rapidly hire may experience high failure rate among these new hires. The processors report that they have mitigated this risk in the J-1 program by refining their J-1 program recruitment process and relationships with sponsors over time. If the J-1 recruitment opportunity is no longer available the processors will require substantial time to find the right labor market and tailor their recruiting practices to ensure they have workers who will fulfill their employment contracts and meet their company performance standards.

I strongly encourage Alaska's processors to meet these needs by hiring local residents and other Alaskans. But in many cases, particularly in the remotest corners of Alaska, it may not be possible to recruit the necessary workforce without reliance on the Summer Work Travel program. While I understand concerns have been raised about the program, I believe it is imperative that the Department of State and Office of Management and Budget use a transparent process informed by public comment to evaluate any changes proposed to the program.

In conclusion, the State Department's actions have caused severe disruption for processing businesses in Alaska planning for their 2012 salmon season, which has and will continue to have ripple effects through other sectors and fishing communities in Alaska this year. I again urge you to reject the proposal for interim final rulemaking excluding seafood facilities from the J-1 program and direct the Department to proceed with a full notice and comment rulemaking which will allow participation from all interested parties.

Sincerely,



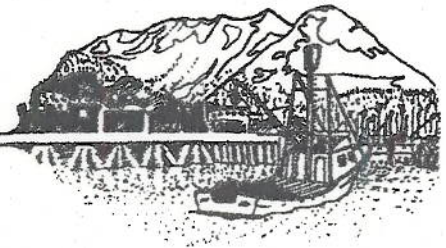
Lisa Murkowski  
United States Senator

Enclosures

cc: Mr. Jeffrey Zients, Acting Director of the Office of Management and Budget  
The Honorable Hilary Clinton, Secretary, of the Department of State



# CITY OF CORDOVA



March 15, 2012

Senator Lisa Murkowski  
709 Hart Senate Building  
Washington, DC 20510

SUBJECT: J-1 Visa Program

Senator Murkowski:

I am writing to express Cordova's concern regarding the proposed changes to the J-1 Visa Program.

Cordova is a remote community in Alaska of about 2,300 year round residents. During the fishing season (April/May until September/October) our population more than doubles with the influx of fishermen and laborers for the four fish processing plants located in Cordova. Commercial fishing is the mainstay of Cordova's economy; in 2010 we ranked 8<sup>th</sup> in the nation for seafood production by volume.

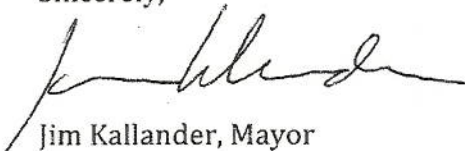
Needless to say, labor for the seafood processors is as important to the fishing industry as are robust fish returns. Cordovans are very concerned about the potential loss of labor if changes to the J-1 program occur. It is particularly disheartening that these changes might occur at this late date, when the season is almost upon us. The processors have already invested time and money on recruiting trips to secure student-workers from varied European countries who will fully-staff their busy plants this summer. Annually, our processors host about 450 students for the summer season through the J-1 program. These industrious employees typically gross between \$6,000 and \$10,000 for a summers' work. Additionally, about 500 more fish processing plant employees come to Cordova from elsewhere in the United States and various Central and South American countries. It has been impossible for our processors to recruit a full labor force from the United States alone for many years. They have reported that most US residents will not leave their homes for a 4 - 5 month job.

The J-1 program is vitally important to Cordova's economy. However, it is also important to Cordova for other reasons. The J-1 program provides a great cultural opportunity for these students, who from our experience, come from primarily Eastern European countries. These students have become an important part of the Cordova community, and we are certain we have become important to them. They

integrate well into Cordova society; we meet them on our hiking trails, on our City soccer field and at community events such as our 4<sup>th</sup> of July Picnic and Salmon Festival. Cordova's youth also benefit when they hear different languages spoken and learn tolerance and acceptance when they see these students who look, dress and act a bit differently. Recently, a foreign student who had come to Cordova through the J-1 program married a local man and will soon be making a life here for herself, her husband and their new baby. These students often already speak English or are learning English and are eager to converse with and practice on the locals.

I think it is abundantly clear how critically important the J-1 program is to the Alaska fishing industry in general and more specifically to Cordova. In talks I have had with the four processors here it has become evident that the small and mid-size companies will suffer the most if the J-1 program is changed and causes a drastic labor shortage. Without extremely strong Human Resources departments these companies will not be able to recruit enough labor at this late date. I am very concerned that Cordova's fishing fleet will not be able to harvest all of the resources available due to a labor shortage. A failure of even a portion of the fishing season compounds itself into every facet of Cordova's economy. We would experience loss of jobs for fishermen as well as the rest of Cordova's industries such as shipping, retail, service, hospitality and tourism. We ask that you give this issue which could be crippling to Cordova, your immediate attention.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Jim Kallander', written over a horizontal line.

Jim Kallander, Mayor  
City of Cordova

cc: Senator Mark Begich  
Representative Don Young





## City of Seward

P.O. Box 167  
Seward, Alaska 99664-0167

Main Office (907) 224-4050  
Facsimile (907) 224-4038

City of Seward, Alaska  
1963 1965 2005



15 March 2012

Senator Lisa Murkowski  
709 Hart Senate Building  
Washington, DC 20510

Senator Mark Begich  
111 Russell Senate Office Building  
Washington, DC 20510

Representative Don Young  
2314 Rayburn House Office Building  
Washington, DC 20510

Subject: J-1 Visa program changes

Honorable Senators and Congressman,

I am writing to voice our City's concerns with the proposed changes to the J-1 Student Visa program and the impacts those changes would have on our local economy.

This has been presented as a means of saving jobs for Americans, when in fact here it would threaten jobs for our local workforce. As an example, our largest seafood processing plant employees 300-400 workers during peak season. At best, they are able to fill half those positions from the domestic pool; the others are filled mainly by the student-workers in the J-1 program. If half the workforce is absent that simply means that production will be cut back here and either take place somewhere else or not at all. The processors compete in a global economy, so the thought that if domestic producers would just pay a higher wage that the jobs would be filled is over-simplistic. Instated, the local product would be non-competitive in the world market.

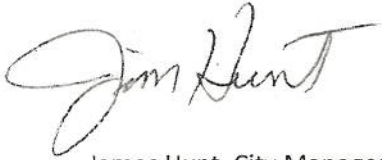
Seward has in recent years been among the top ports in the country in terms of seafood value landed at the docks, and so the industry is a key component of our local private economy and government tax base. Our success depends on their success. Therefore, we see the potential harm the proposed limitations on the visa program will have on the local processors as also harmful to other sectors of the local economy.

We should also remember that these student workers are not career employees as are many of the local hires. The program only allows participation for one year, and restricts the students to daytime work only, with no overtime. This leaves ample time for them to explore our county and experience our way of life during their brief visit. Many employers include housing, often with the domestic workers, and both are enriched by the shared-quarters arrangement.

Alaska has set the standard for responsible fisheries management and deserves to reap the rewards for its stewardship. We've learned that the fisheries business is time sensitive and seasonal, and the chances of making up for lost opportunity are poor. A labor shortage brought on at this late date just as

processors are gearing up for the season is opportunity not just lost but forfeited if the proposed changes are enacted as proposed. We ask for your consideration of and attention to this issue of critical importance to our seafood industry and local economy.

Sincerely,

A handwritten signature in cursive script that reads "Jim Hunt". The signature is written in dark ink and is positioned above the printed name.

James Hunt, City Manager

Seward, Alaska



## **Southwest Alaska Municipal Conference**

3300 Arctic Boulevard, Suite 203 Anchorage, AK 99503 p: 907.562.7380 [www.swamc.org](http://www.swamc.org)

Alaska Peninsula  
Aleutian Chain  
Bristol Bay  
Kodiak Island  
Pribilof Islands

March 16, 2012

Honorable Hillary Rodham Clinton  
Secretary of State  
2201 C Street NW  
Washington, DC 20520

Dear Madam Secretary:

I am writing to express concern about the Bureau of Educational and Cultural Affairs' (Bureau) plan to exclude seafood processing facilities from participation in the J-1 Visa Summer Work Travel program through an Interim Final Rule which could take effect in March 2012. We ask that you please consider the Administrative Procedures Act, which provides for a notice and comment period process so affected stakeholders may engage with agencies before promulgating regulations that may adversely affect them.

Excluding seafood processing facilities from the J-1 Visa program without notice and the opportunity for public comment would likely displace 3,000 to 5,000 student workers who have already signed on for employment, and more crucially, leave Alaska's processing sector vulnerable to labor shortages for the approaching season. Ideally, a notice and comment process would involve an Advance Notice of Proposed Rulemaking, which would encourage the affected industries to enter into a dialogue with the Bureau on what is working, what is not, and how the program can be improved. This would provide a democratic means to address valid concerns on behalf of the Bureau without compromising the vitally important processing sector of Alaska's fishing industry, not to mention this truly Alaskan experience for Foreign Student Workers.

The Southwest Alaska Municipal Conference (SWAMC) represents and works closely with over 50 communities of Southwest Alaska, many of whom are familiar with the Summer Work Travel program and the mutual benefits it brings to local communities and foreign students traveling abroad for the Alaska experience. The work can be long, but at the end of the day a good wage is paid and these students have an opportunity to experience a remote, culturally and geographically abundant region of America. Madam Secretary, you may understand this better than others due to your similar experience working in Alaska years ago.

While the culture that is shared between our communities and foreign student workers is important, what is truly vital is the health of our fisheries. Any labor shortages in the processing sector will have a direct impact of forgone harvest for fishermen who will not be able to sell all their catch due to disruptions in processing capacity. Knock-on effects will hurt local governments, individuals and business that rely on the influx of money provided by the summer salmon season.

As you review the J-1 Visa Summer Work Travel program and consider necessary adjustments to meet the program's intended goals, we ask you to acknowledge the value of the program to our communities. This is especially true for the smaller villages, which rely on the program to effectively execute their summer salmon fisheries. Please remember that the unintended consequences of revisions to the program could very well hurt Americans reliant on their continued ability to harvest and process our fisheries resources.

Thank you for heeding our concerns.

Sincerely,

A handwritten signature in dark ink, appearing to read "Andy Varner", written over a horizontal line.

Andy Varner,  
Executive Director

A handwritten signature in dark ink, appearing to read "Shirley Marquardt", written over a horizontal line.

Shirley Marquardt,  
President

CC: Director Jeffrey Zients, Office of Management and Budget  
Senator Lisa Murkowski  
Senator Mark Begich  
Representative Don Young



# Alaska State Legislature

Official Business



State Capitol  
Juneau, Alaska  
99801-1182

March 21, 2012

The Honorable Lisa Murkowski  
709 Hart Senate Building  
Washington, D.C. 20510

The Honorable Mark Begich  
111 Russell Senate Building  
Washington, D.C. 20510

The Honorable Don Young  
2314 Rayburn House Building  
Washington, D.C. 20515

## Members of the Alaska Congressional Delegation:

As members of the Alaska State Legislature, we would like to express our concerns regarding the consequences of the State Department's recent decision to exclude the manufacturing sector from the J-1 Visa Summer Work Travel program. This program is used extensively by seafood processors, and the elimination of the J-1 program from this sector will have a trickledown effect, thereby impacting every area of the industry in Alaska.

It is our responsibility to protect Alaska's economy. An industry labor shortage will place Alaska's commercial fishermen on limits which will slow productivity and damage the livelihoods of thousands of Alaskans, as well as the domestic and foreign seafood markets. Further, without knowing if the J-1 Visa program will be in place for 2012, processors are left in a state of uncertainty about how to proceed with their mobilization plans.

While it is always the priority of the Legislature to see Alaskans employed as much as possible, the fact is workers in the J-1 program help to fill a vital niche in the seafood business. For many Americans, working in a remote location away from their families is a major inhibitor to their interest in such work, making local and domestic recruitment difficult for the industry. Many J-1 workers are seeking this very type of opportunity and are motivated to work far from home. The J-1 visa program has also had a positive influence on visa holders and Alaskans alike through cultural exchanges that strengthen ties and assist in the development of future partnerships. For these reasons, the well-established rapport between J-1 visa workers and Alaska's seafood industry has always been a healthy and productive give-and-take relationship.

We thank you for the efforts you have undertaken on this issue. On behalf of Alaska's seafood industry, Alaskan commercial fishermen, and our coastal economy, we urge you to continue to strongly advocate to keep the J-1 program within the manufacturing sector. We will continue to monitor this issue and are ready and willing to assist you in any efforts to avert this impending labor crisis.

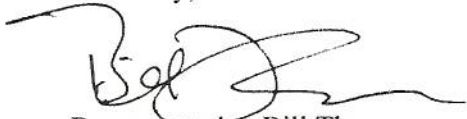
# Alaska State Legislature

Official Business



State Capitol  
Juneau, Alaska  
99801-1182

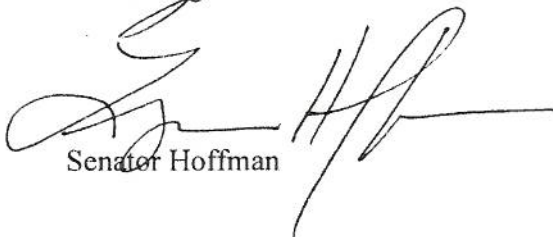
Sincerely,

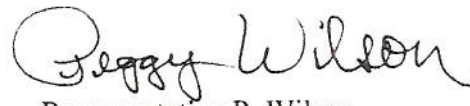
  
Representative Bill Thomas


  
Representative Edgmon

  
Representative Kerttula

  
Senator Egan

  
Senator Hoffman

  
Representative P. Wilson

  
Representative Herron

  
Representative Seaton

  
Senator Olson



## **COPPER RIVER SEAFOODS**

1118 East 5<sup>th</sup> Avenue · Anchorage, AK 99501

Phone: (907)522.7806 · (888)622.1197 · Fax: (907)274-0348

[www.CopperRiverSeafoods.com](http://www.CopperRiverSeafoods.com)

February 6, 2012

Honorable Senator Lisa Murkowski  
Office of Lisa Murkowski  
709 Hart Senate Building  
Washington, DC 20510

Dear Senator Murkowski,

We request your assistance with a situation that is time sensitive and critical to our business. We need your help in conveying to the United States Department of State that they should reverse their decision to suspend abruptly the J-1 Foreign Student Exchange Student Program for Alaska businesses this summer. This suspension will harm the Alaska economy (and our manufacturing business in particular). We had planned to have 155 Czech students participating in our J1 Visa program for Summer 2012.

We realize that the US State Department is reviewing the J1 program for infractions by other businesses locating in Pennsylvania, and as a result, is performing a national review of the J-1 program. Our business is unable to adapt so rapidly to such an abrupt suspension of what had been a healthy program for growing our Alaska workforce and giving the J-1 students valuable exposure to the State of Alaska. We are less than 3 months from the start of our seafood season and 155 students have already submitted their paperwork and made arrangements for travel. They have been meeting with our staff throughout the entire Fall and Winter season to make certain expectations for work/travel are in compliance with the intent of the J1 Visa Program. It will be harmful to them, to our business, and to the Alaska economy if they are not permitted to come to Alaska this summer.

Copper River Seafoods has been proactive in reducing its dependency on the J1 Work Travel Program, as demonstrated below:

Copper River Seafoods Comparison of J-1 Work Travel Program Employees per Year					
Employment Year	2008	2009	2010	2011	2012 (Projected)
Number of J-1 Work Travel Program Employees	150	180	230	250	155
Total Number of Employees	391	444	467	550	600

Additionally, CRS is working as rapidly as possible to employ proactive measures to support a stronger, higher skilled, Alaska-based labor force, as follows:





### **COPPER RIVER SEAFOODS**

1118 East 5<sup>th</sup> Avenue · Anchorage, AK 99501

Phone: (907)522.7806 · (888)622.1197 · Fax: (907)274-0348

[www.CopperRiverSeafoods.com](http://www.CopperRiverSeafoods.com)

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- Accelerating our workforce development program as demonstrated by our newly approved US Department of Labor, Certified Apprenticeship Program and active engagement in Alaska's Department of Labor, STEP Program.
- Changing out manual systems for manufacturing and replacing with technologies to increase efficiencies and be less dependent on seasonal employment.
- Stronger partnerships with vendors, buyers, suppliers and regional development organizations to leverage manufacturing resources.

With that said, we are unable to fully reduce our dependence on the Work and Travel Program for 2012. Even the interruption of our current recruitment efforts will have a negative effect on our ability to meet business obligations.

**We need your support in expediting approval of these 155 students to complement the over 450 additional statewide workforce employed by Copper River Seafoods, Inc.**

Attached is a copy of the directive from our primary Sponsor Agency, as well as a copy of the pamphlet we use for recruitment.

Sincerely,

Robin Richardson

Chief Business Development Officer, Copper River Seafoods, Inc.

Attachment: Copper River Seafoods Pamphlet  
CCI Directive – Center for Cultural Interchange





STATE OF ALASKA  
DEPARTMENT OF  
**COMMERCE**  
COMMUNITY AND  
ECONOMIC DEVELOPMENT

*Sean Parnell, Governor*  
*Susan K. Bell, Commissioner*  
*Scott Ruby, Director*

Division of Community and Regional Affairs  
Grants Section

March 21, 2012

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

**Re: Grant #11-EV-001, Cordova Center Project**

Dear Mayor Kallander;

On March 15, 2012, Scott Ruby, Jolene Julian and I met with you and other city representatives to discuss the Cordova Center Project funded partially through grants administered by the division of Community and Regional Affairs. We thoroughly enjoyed our visit to your community and appreciated the time and cooperation shown to us.

During the meeting we learned there were several project costs incurred by the city once the Cordova Center project was approved for funding by the Exxon Valdez Oil Spill Trustee Council in May 2008. These costs were incurred before the start date of the grant agreement, which is December 14, 2010. Costs included land purchase, engineering and design costs, and the city's cost of carrying out all related tasks. We were asked if these types of costs would be considered for reimbursement under the EVOS grant. We agreed to follow up with EVOSTC for an answer.

We are happy to report that EVOSTC was amenable to this request and the city can request reimbursement for eligible project costs incurred since May 2008.

If we can be of any further assistance, please let us know.

Sincerely,

  
Jill Davis  
Grants Administration Manager

cc: Scott Ruby, DCRA  
Jolene Julian, DCRA  
Cathy Sherman, City of Cordova  
Elise Hsieh, EVOSTC

# 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](http://www.tax.state.ak.us)

March 27, 2012

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

Dear Mayor Kallander:

I have mailed your City Manager a copy of the 2007, 2008, and 2009 supplementary assessment rolls for oil and gas properties located within the City of Cordova, taxable under AS 43.56.


The total supplementary assessed values are: \$4,187,810, \$3,358,730, and \$203,950.

The values listed on the supplemental assessment rolls are taken from the Alaska Superior Court's March 6, 2012 Final Judgment, which established the valuation of the TAPS for ad valorem tax purposes under AS 43.56.060(e)(2) for the 2007, 2008, and 2009 tax years. A copy of the determination has also been provided.

These supplemental property tax rolls are being issued in accordance with the Superior Court's directive that "[t]he Alaska Department of Revenue shall issue supplemental certified assessment rolls reflecting the 2007, 2008, and 2009 value of TAPS."

Because these supplemental tax rolls have been prepared under direct order of the Superior Court, which retains jurisdiction of this matter, the appeal procedures set forth in either AS 43.56.110, AS 43.56.120, 15 AAC 56.030, 15 AAC 56.040, and 15 AAC 56.047 do not apply. Any appeal(s) of these supplemental tax rolls shall be made directly to the Alaska Superior Court and the Alaska Supreme Court.

Sincerely,

  
James H. Greeley, Jr.  
State Petroleum Property Assessor

cc: Mark Lynch, City Manager

## State of Alaska - 2007 Notice of Supplemental Assessment Roll - "TAPS Property"

Alyeska Pipeline Service Company  
 900 E. Benson Blvd.  
 PO Box 196660  
 Anchorage, AK 99519-6660  
 Attn: Cathy Taylor  
 Accounting Director

92-0039154

Jurisdiction	Account	Superior Court Determination	2007 Original Assessment	Supplemental Assessment
Unorganized	001-000-0067	3,823,754,860	1,955,340,120	1,868,414,740
Unorganized	001-000-0068	2,112,000	2,112,000	0
North Slope Borough	002-000-0413	2,160,696,680	1,104,907,890	1,055,788,790
North Slope Borough	002-000-0415	803,000	803,000	0
Fairbanks North Star Borough	003-001-0051	22,397,000	22,397,000	0
Fairbanks North Star Borough	003-001-0093	465,122,630	237,848,130	227,274,500
Fairbanks North Star Borough	003-003-0049	38,420,600	19,647,010	18,773,590
Fairbanks North Star Borough	003-005-0094	38,809,180	19,845,710	18,963,470
Fairbanks North Star Borough	003-008-0089	16,757,400	8,569,180	8,188,220
Fairbanks North Star Borough	003-009-0095	5,051,510	2,583,170	2,468,340
Fairbanks North Star Borough	003-011-0120	11,463,040	5,861,810	5,601,230
Fairbanks North Star Borough	003-012-0144	4,954,360	2,533,500	2,420,860
Fairbanks North Star Borough	003-012-0145	3,108,620	1,589,640	1,518,980
Fairbanks North Star Borough	003-012-0146	2,622,900	1,341,260	1,281,640
Fairbanks North Star Borough	003-014-0147	4,080,060	2,086,410	1,993,650
Municipality of Anchorage	004-001-0241	148,586,560	75,982,190	72,604,370
Municipality of Anchorage	004-001-0244	29,043,840	14,852,050	14,191,790
Municipality of Anchorage	004-003-0240	241,199,800	123,341,502	117,858,298
Municipality of Anchorage	004-003-0243	5,503,370	2,814,240	2,689,130
City of Valdez	006-003-0020	1,755,314,470	897,609,010	857,705,460
City of Valdez	006-003-0023	8,304,000	8,304,000	0
City of Valdez	006-003-0027	142,344,740	72,790,330	69,554,410
City of Valdez	006-003-0028	699,000	699,000	0
City of Whittier	011-000-0100	1,279,920	654,510	625,410
City of Cordova	012-000-0001	8,570,460	4,382,650	4,187,810
Total		8,941,000,000	4,588,895,312	4,352,104,688

1 - The Superior Court determined TAPS assessed value for 2007 in the amount of \$8,941,000,000. This did not affect the value allocation to TAPS material and supplies accounts, which are derived from the Alyeska property tax return. Therefore, the only amended assessments pertain to TAPS non material and supplies accounts.

## State of Alaska - 2008 Notice of Supplemental Assessment Roll - "TAPS Property"

Alyeska Pipeline Service Company  
 900 E. Benson Blvd.  
 PO Box 196660  
 Anchorage, AK 99519-6660  
 Attn: Cathy Taylor  
 Accounting Director

92-0039154

Jurisdiction	Account	Superior Court Determination	2008 Original Assessment	Supplemental Assessment
Unorganized	001-000-0067	4,134,119,300	2,631,959,100	1,502,160,200
Unorganized	001-000-0068	2,014,000	2,014,000	0
North Slope Borough	002-000-0413	2,601,277,990	1,656,086,040	945,191,950
North Slope Borough	002-000-0415	1,345,000	1,345,000	0
Fairbanks North Star Borough	003-001-0093	545,737,100	346,359,350	199,377,750
Fairbanks North Star Borough	003-003-0049	62,580,050	43,035,510	19,544,540
Fairbanks North Star Borough	003-005-0094	49,012,440	31,203,440	17,809,000
Fairbanks North Star Borough	003-008-0089	21,163,070	13,473,330	7,689,740
Fairbanks North Star Borough	003-009-0095	6,379,590	4,061,520	2,318,070
Fairbanks North Star Borough	003-011-0120	14,476,770	9,216,540	5,260,230
Fairbanks North Star Borough	003-012-0144	6,256,910	3,983,420	2,273,490
Fairbanks North Star Borough	003-012-0145	3,925,900	2,499,400	1,426,500
Fairbanks North Star Borough	003-012-0146	3,312,480	2,108,870	1,203,610
Fairbanks North Star Borough	003-014-0147	8,152,750	6,280,460	1,872,290
Fairbanks North Star Borough	003-015-1515	22,706,130	20,844,390	1,861,740
Municipality of Anchorage	004-001-0241	34,461,570	21,939,730	12,521,840
Municipality of Anchorage	004-001-0244	2,543,870	1,619,530	924,340
Municipality of Anchorage	004-003-0240	55,941,280	35,614,650	20,326,630
Municipality of Anchorage	004-003-0243	482,020	306,880	175,140
City of Valdez	006-003-0020	1,893,306,270	1,205,360,620	687,945,650
City of Valdez	006-003-0023	9,848,000	9,848,000	0
City of Valdez	006-003-0027	153,505,080	97,727,970	55,777,110
City of Valdez	006-003-0028	828,000	828,000	0
City of Whittier	011-000-0100	1,380,810	879,080	501,730
City of Cordova	012-000-0001	9,243,620	5,884,890	3,358,730
Total		9,644,000,000	6,154,479,720	3,489,520,280

1 - The Superior Court determined TAPS assessed value for 2008 in the amount of \$9,644,000,000. This did not affect the value allocation to TAPS material and supplies accounts, which are derived from the Alyeska property tax return. Therefore, the only amended assessments pertain to amended assessments pertain to TAPS non material and supplies accounts.

## State of Alaska - 2009 Notice of Supplemental Assessment Roll - "TAPS Property"

Alyeska Pipeline Service Company 92-0039154  
 900 E. Benson Blvd.  
 PO Box 196660  
 Anchorage, AK 99519-6660  
 Attn: Cathy Taylor  
 Accounting Director

Jurisdiction	Account	Superior Court Determination	2009 Original Assessment	Supplemental Assessment
Unorganized	001-000-0067	3,897,680,800	3,811,680,410	86,000,390
Unorganized	001-000-0068	1,511,000	1,511,000	0
North Slope Borough	002-000-0413	2,448,771,540	2,394,740,620	54,030,920
North Slope Borough	002-000-0415	1,692,000	1,692,000	0
Fairbanks North Star Borough	003-001-0093	493,871,140	482,908,550	10,962,590
Fairbanks North Star Borough	003-003-0049	57,343,380	56,286,820	1,056,560
Fairbanks North Star Borough	003-005-0094	43,251,600	42,297,280	954,320
Fairbanks North Star Borough	003-008-0089	18,675,600	18,263,530	412,070
Fairbanks North Star Borough	003-009-0095	5,629,750	5,505,530	124,220
Fairbanks North Star Borough	003-011-0120	12,775,190	12,493,310	281,880
Fairbanks North Star Borough	003-012-0144	5,521,480	5,399,650	121,830
Fairbanks North Star Borough	003-012-0145	3,464,460	3,388,020	76,440
Fairbanks North Star Borough	003-012-0146	2,923,140	2,858,640	64,500
Fairbanks North Star Borough	003-014-0147	7,547,100	7,446,770	100,330
Fairbanks North Star Borough	003-015-1515	23,845,090	23,736,340	108,750
Municipality of Anchorage	004-001-0241	74,724,490	73,075,740	1,648,750
Municipality of Anchorage	004-001-0244	9,757,480	9,542,180	215,300
Municipality of Anchorage	004-003-0240	121,299,890	118,623,460	2,676,430
Municipality of Anchorage	004-003-0243	1,848,890	1,808,100	40,790
City of Valdez	006-003-0020	1,843,422,120	1,802,747,930	40,674,190
City of Valdez	006-003-0023	11,388,000	11,388,000	0
City of Valdez	006-003-0027	149,176,190	145,884,690	3,291,500
City of Valdez	006-003-0028	958,000	958,000	0
Matanuska-Susitna Borough	007-007-2100	1,119,350	1,094,650	24,700
City of Whittier	011-000-0100	1,558,810	1,524,420	34,390
City of Cordova	012-000-0001	9,243,510	9,039,560	203,950
Total		9,249,000,000	9,045,895,200	203,104,800

1 - The Superior Court determined TAPS assessed value for 2009 in the amount of \$9,249,000,000. This did not affect the value allocation to TAPS material and supplies accounts, which are derived from the Alyeska property tax return. Therefore, the only amended assessments pertain to TAPS non material and supplies accounts.

IN THE SUPERIOR COURT FOR THE STATE OF ALASKA

THIRD JUDICIAL DISTRICT AT ANCHORAGE

BP PIPELINES (ALASKA) INC.,  
EXXONMOBIL PIPELINE COMPANY,  
UNOCAL PIPELINE COMPANY, and  
CONOCOPHILLIPS TRANSPORTATION  
ALASKA, INC. and KOCH ALASKA  
PIPELINE COMPANY, LLC, Owners, and  
ALYESKA PIPELINE SERVICE COMPANY,  
as Agent for the Owners,

FAIRBANKS NORTH STAR BOROUGH  
and CITY OF VALDEZ,

Appellants/Cross-Appellants,

vs.

STATE OF ALASKA DEPARTMENT OF  
REVENUE, STATE ASSESSMENT REVIEW  
BOARD, and NORTH SLOPE BOROUGH,

Appellees.

Case No. 3AN-06-8446 CI  
(Consolidated)  
(2007, 2008, 2009)

#5266  
**FINAL JUDGMENT ENTERED UNDER CIVIL RULE 54(b)  
(2007, 2008, 2009 TAX YEARS)**

Having determined that there is no just reason for delaying entry of judgment on the 2007 thru 2009 appeals, the Court directs the final judgment shall be entered under Civil Rule 54(b).

FINAL JUDGMENT is hereby entered under Civil Rule 54(b) as follows:

Based on the Findings of Fact and Conclusions of Law made in this Court's Decision Following Trial De Novo (2007, 2008, and 2009 Assessed Valuations of the

FINAL JUDGMENT ENTERED UNDER CIVIL RULE 54(b) (2007, 2008, 2009 TAX YEARS)  
*BP Pipelines (Alaska) Inc. v. State of Alaska*, Case No. 3AN-06-8446 CI (2007-2009)

Page 1 of 3

JAN 11 2012

LAW OFFICES

WALKER & LEVESQUE  
LLC  
731 N Street  
Anchorage, Alaska 99501

Phone: (907)278-7000  
Fax: (907)278-7001



Trans Alaska Pipeline System) dated December 30, 2011, the value of the Trans Alaska Pipeline System ("TAPS") for ad valorem tax purposes under AS 43.56.060(e)(2) for the 2007, 2008 and 2009 tax years is \$8.941 billion, \$9.644 billion, and \$9.249 respectively.

The Alaska Department of Revenue shall issue supplemental certified assessment rolls reflecting the 2007, 2008 and 2009 value of TAPS within 30 days of the date of this Final Judgment Entered Under Civil Rule 54(b), which shall form the basis for the affected municipalities to issue new tax bills, and for the calculation by the Department of any applicable tax credits under AS 43.56.010(d).

Interest on the additional taxes due as a result of such supplemental assessment "runs from the due date in the year of the original assessment rather than from the date of reassessment," and no penalty shall be applied to any additional taxes owed and timely paid after an error free assessment issues. *Cool Homes, Inc. v. Fairbanks North Star Borough*, 860 P.2d 1248, 1258 (Alaska 1993). *See also North Slope Borough v. Sohio Petroleum Corp.*, 585 P.2d 534, 546 (Alaska 1978). Interest paid on additional taxes owed to the Department, the Fairbanks North Star Borough, North Slope Borough, and the City of Valdez for the 2007, 2008 and 2009 tax years shall be calculated based on a due date of June 30, 2007, June 30, 2008 and June 30, 2009. *See* 15 AAC 56.065 (AS 43.56 taxes due to the department by June 30); AS 43.56.010(d) and 15 AAC 56.050 (oil and gas taxpayers must pay municipalities by June 30 to receive a credit on taxes paid to the Department). Such interest shall be calculated at the rate of 8 percent per annum. *See* AS 43.56.160; Fairbanks North Star Borough Municipal Code 3.32.010.A; North Slope

LAW OFFICES


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Borough Municipal Code § 3.25.050(B); City of Valdez Resolution Nos. 06-105, 07-88, and 09-05.

The date of distribution of this Final Judgment Entered under Civil Rule 54(b) shall be the controlling date for the purposes of appeal and other actions based on a final judgment.

DATED this 6<sup>th</sup> day of March, 2012.

  
\_\_\_\_\_  
Superior Court Judge  
ANDREW GUIDIC

**CERTIFICATE DISTRIBUTION 3/8/12**

I hereby certify that on this \_\_\_\_\_ day of ~~January~~, 2012  
a copy of the above was mailed to each of the  
following at their address of record:

✓F. Steven Mahoney, Esq., ✓Ralph H. Palumbo, Esq.  
✓James M. Seedorf, Esq., ✓Michael R. Garatoni, Esq.  
✓Dawn R. Gabel, Esq., ✓Kenneth J. Diemer, Esq.,  
✓Robert M. Johnson, Esq., ✓Martin T. Schultz, Esq.  
✓Rebecca D. Kruse, Esq., ✓Rene Broker, Esq.,  
✓Robin O. Brena, Esq., ✓Kevin Clarkson, Esq.,  
✓Laura S. Gould, Esq., ✓Anthony S. Guerriero, Esq.  
✓Mauri Long, Esq. and ✓Jessica Dillon, Esq.

  
\_\_\_\_\_  
Deputy Clerk/Secretary

LAW OFFICES

WALKER & LEVESQUE  
LLC  
731 N Street  
Anchorage, Alaska 99501

Phone: (907)278-7000  
Fax: (907)278-7001



You asked me to give you a report on my understanding of what transpired with the Corp Permit work on the breakwater fill and commitments made during the process.

When I first went on the PWSSC Board, I spent a lot of time reviewing documents, and it was obvious that PWSSC staff had not addressed their lease for Parcel Lot 1 Blk 1 next door to Ocean Beauty. Two full years had passed on the lease, nothing had been done, and the Board was not even aware of all the ramifications. When I brought it up at my first Board Meeting I was admonished for bringing up such a topic.

I had no idea it was a parcel that Ocean Beauty desired to expand their operation. PWSSC had violated the terms of the lease, since they failed to file a timely plot plan. I worked with the City and PWSSC to get them into compliance with a plot plan, so they could finalize the lease on Lot 1 Blk 1. PWSSC has until a year from this July to have the proposed \$8 million structure completed per their last year's Planning Commission presentation in order to be in compliance with the terms of their lease. Until April 2011 it was PWSSC's intent to build on Lot 1 Blk 1 per the lease agreement and plot plan with a possible extension into ATS 220. In April the City floated the idea of PWSSC walking from Lot 1 Blk 1, so Ocean Beauty could expand, and moving into the current City Hall. This idea was soundly rejected by PWSSC.

On Aug. 3, 2011 PWSSC addressed the City for Lot 1 Blk 1 and to expand the area to include the current PWSSC location, which PWSSC has leased from the City for the last 20 years for a dollar a year. On Aug. 16, 2011, there was a meeting with Nancy, RJ and me from PWSSC and Mark Lynch, Sam Greenwood and Dale Muma on expanding the current PWSSC location and possible filling all or part of the current PWSSC location area. During the meeting there was a concern with the Harbor Master's July 21, 2011 e-mail addressing the Harbor's need for the same area. Dale expressed a need to expand the harbor area and the area under the current PWSSC was the only likely area.

During that meeting RJ kept repeating that PWSSC had contributed jobs and millions of dollars to the City, and it was time for the City to step up and contribute since the City had done nothing to support PWSSC. That got Mark upset, and he explained to RJ that since he was manager he had bent over backward to help PWSSC who has not followed the terms of their lease, paid any taxes, rent, etc., all of which are expected from all other organizations. Realizing that PWSSC identity in the City was as I told the Board, Nancy asked me to pursue a deal with the City under the terms outlined above at the Aug 3 meeting.

On July 1, 2011 the State gave the City a \$1.5 million grant to build the Corp of Engineers approved jetty breakwater. In early Sept., you and I had the idea of expanding the Corp Jetty extension to fill the entire area under consideration, and you asked me to work with the City to finalize an Amended Corp permit which addressed additional fill. I had a meeting with Mark, Sam and Dale on Sept. 15<sup>th</sup> and finalized the basic concept idea. I was the only person from PWSSC present, and we discussed PWSSC walking from Lot 1 Blk 1 lease, working with the City to get the new Corp Permit, and the City selling PWSSC the new fill spot for the amount it cost to fill over the \$1.5 million dollar grant from the State. There was no discussion with any other PWSSC members to my knowledge, and any formal agreement was subject to PWSSC Board and City of Cordova City Council approval.



I presented the idea of the PWSSC moving to the new fill area at the Sept. 24, 2011, PWSSC Board Meeting and they fully agreed, but would not commit to walking from the Lot 1 Blk 1 parcel. On three additional occasions I addressed the issue of pursuing the finalization of the fill land purchase with the city and walking from the Lot 1 Blk 1, and Katrina and RJ refused to proceed with the land negotiations or agree to walk from Lot 1 Blk 1.

On Nov. 8, 2011 I made a presentation to the Planning Commission and was the only person in attendance other than the Commissioners. They approved the Motion to dispose of Lot 7A Block 14 Tidewater Development Park. On Nov. 16, 2011 I made a presentation to the City Council, and I was the only person who spoke on the agenda item. The agenda Item 14, that the City dispose of Lot 7A Block 14 Tidewater Development Park for not less than fair market value as outlined in chapter 5.22.060 using disposal method #1 (negotiate an agreement with the person or entity who applied to lease or purchase the property) was approved by a 7-0 vote.

Between Sept. 20<sup>th</sup> and Nov. 21, 2011, I prepared a rough draft for the Corp permit and submitted it to all the PWSSC Board Members and City Staff requesting ideas and thoughts. I had input from Mark, Sam and Dale from the City, input from Chuck Meacham and Clarence Pautzke of the PWSSC Board, and input from PWSSC Staff, all of which were very helpful. I was going to use pictures I took from your helicopter, but RJ had already edited some aerial views for an earlier presentation on the Lot 1 Blk 1, so I asked him to make some modifications, and I used them in the application. When I had the total application approved by the PWSSC and the City, I made up a final draft and asked Fireweed Graphics to put them together for me, but PWSSC said they had the equipment to do the job, so they made up 20 copies.

I made three trips to Anchorage to meet with the Corp and visit with Mr. Dee High of DHI Engineering, all at my own expense, and no one attended any of the meetings except the one noted below with Riki. On Sept. 20<sup>th</sup> I met with Sharron Morgan, the District Manager of the Corp, and she was very helpful. She supplied me with all the necessary information and on several occasions help with the drafting of the Amended Corp Permit document. I stressed to her and others at the Corp that while I was preparing the documents, it the City's amended permit and Sam Greenwood in the City Planning department had the final say.

On Nov. 21, I met with Steve Lindamood of the Corp, and gave him the original and five copies of the final fill amended application from the City. Riki Lebman, who lives in Anchorage and is a PWSSC Board Member, requested to go with me, but she had nothing to do with the Corp permitting process or to contribute on the substance of the meeting.

After the meeting with Steve I had several phone calls and e-mails with him and Jack Hewitt, the final person to work on the City application, pushing them to get the final permit. The Corp requested a Certified Engineering report during those phone calls. To expedite the process I had my engineering firm, DHI, prepare the work, and I assured him I would pay him if no one else agreed to pay. I asked Leo Americus to help with survey base points and elevations, and used your boat the Miss Emily to do the depth findings. DHI billed PWSSC the \$9,200, which they paid. It is my belief this should be a City expense, and PWSSC should be reimbursed.



On the final day of the Corp comment period, the Audubon Society of PWS, which is headed by Mary Ann Bishop, an employee of PWSSC, issued a letter dated Jan. 23, 2012 to the Corp. This letter resulted in an extended delay in the permitting process, since it could not be processed during the publication period, and caused added conditions that will increase the overall construction cost on the fill project.

The low bidder Eagle Construction Co. at \$1.5 million was in line with the State grant that would have allowed the City to meet its commitments between the City and PWSSC. However, Eagle has a \$.5 million contingency clause believing the newly imposed conditions will add \$150,000 to \$400,000 to the construction cost to do the fill. We all are concerned that this cost overrun will jeopardize the entire project, and require the City to go back to the original Corp jetty project and not fill the entire area, or get a commitment from PWSSC to cover any cost over runs.

Other than the information mentioned above, no one from PWSSC besides myself was involved in the drafting of the final Corp Permit, City Applications or meetings and there were no formal commitments made by the City or PWSSC involving the permitting or fill area after completion, only verbal commitments. I believe the City has complied with all of their commitments having formal hearing processes on the sale and fill of the property. For reasons I do not fully understand, Katrina or RJ are not willing to negotiate the purchase per the City Council Nov. 16, understanding or agree to walk from Lot 1 Blk 1 per my understanding of the verbal commitments. On numerous occasions I asked them to proceed with finalizing the sales agreement that was approved by the City Council on Nov. 16th, but they refused.

In conclusion, it is my belief that the PWSSC could be a great asset for the community if they concentrated on scientific research, and the community should do all possible to help them in that direction. However as one past PWSSC Board Member put it, "The PWSSC lacks identity and as a result assumes the identity of its staff." Most of the PWSSC employees get involved in local environmental and community development issues and it appears to be at PWSSC's direction. The PWSSC Board does not fully understand its employee activities, but in a small town everyone knows it is the PWSSC identity, and as such the organization suffers as a result of the actions of its employees.

I hope this answers your questions, and if anyone disagrees with my assessment, I would appreciate discussing the issues with them.



John Harvill  
P.O. Box 1569  
Cordova, AK 99574  
Phone: (907) 424-45412  
e-mail: harvill@ctcak.net



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](mailto:citymanager@cityofcordova.net)  
Web: [www.cityofcordova.net](http://www.cityofcordova.net)

# CITY OF CORDOVA

## *Office of City Manager*

March 29, 2012

Katrina Hoffman  
President and CEO, Prince William Sound Science Center

Re: 3-20-2012 Harvill Report to Kallander

Katrina,

I have read the report that was sent from Mr. Harvill to Mayor Kallander, and the portions of the report that I was involved in seem to be accurate overall. There are a couple of items that I can clarify, and some I will add my perspective to.

First I would like to say that this is a public document, since it was addressed to the Mayor concerning an item of City business. I was not sure what you meant when you asked if this letter was an “actionable” item, but as a public record it would be available to anyone who requests it. Normally communications to the Mayor are included in City Council packets under communications, and can be discussed if Council or public choose to do so. With that said, let me clarify my understanding of my discussions with Mr. Harvill.

It was my understanding that Mr. Harvill was asked by then PWSSC Executive Director Nancy Bird to work with me on developing options which might lead to a negotiated proposal that could be submitted to both City Council and the PWSSC Board for final consideration. The discussions that followed were not intended to bind the City or PWSSC without the final approval of both Boards. With that in mind, I would like to clarify a couple of things from my perspective:

1. The Grant that the City was awarded for the Breakwater was \$1.4 million, not \$1.5 million.
2. My understanding, concerning the matter of cost to PWSSC, was that the City would publish an RFP with two options (which has been done, and proposals received). One option in the RFP would be for the Breakwater alone, and the second option would be for the Breakwater plus an additional fill pad that the Science Center could bring forth a proposal to build on in lieu of Lot 1, Block 1. The discussion was that PWSSC might purchase the additional fill portion for the cost differential between the two options. At the time the estimate from the Corps of Engineers was \$4.5 million for the Breakwater alone, and we didn't have any formal estimate for the additional fill.

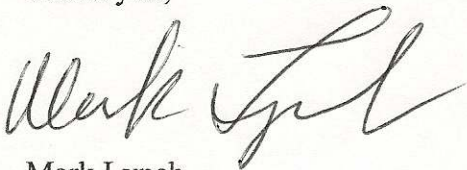


3. The proposed amounts, referred to by Mr. Harvill, from Eagle Contracting are approximate, and the city is currently in "Value Engineering" negotiations with Eagle Contracting to finalize the project objectives and costs. Under City Code section 5.12.130(D) the proposals are not open to public inspection until after these negotiations are complete and a final agreement is approved by City Council and a notice of intent to award is issued.

Also, if PWSSC incurred any expense associated with the design work on this fill pad, please forward receipts to me and I will be happy to reimburse them.

I hope my comments help clarify the past discussions as described by Mr. Harvill. I look forward to continuing this effort in hopes that a plan can be developed with PWSSC concerning the potential purchase of this fill pad. Please let me know how you would like to proceed.

Thank you,

A handwritten signature in black ink, appearing to read "Mark Lynch", written in a cursive style.

Mark Lynch  
City Manager



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](mailto:citymanager@cityofcordova.net)  
Web: [www.cityofcordova.net](http://www.cityofcordova.net)

# CITY OF CORDOVA

## *Office of City Manager*

March 28, 2012

Memo to City Council  
Re: School Energy Efficiency upgrades

The attached Resolution was requested by Jim Nygaard to purchase and install energy efficient lighting at Cordova High School. He will be at the meeting to provide additional information and to answer questions.

Thank you,

Mark Lynch  
City Manager

**CITY OF CORDOVA, ALASKA  
RESOLUTION 04-12-23**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA, AUTHORIZING A BUDGET AMENDMENT TO TRANSFER TWENTY THOUSAND DOLLARS (\$20,000) TO THE CORDOVA SCHOOL DISTRICT FOR THE PURPOSE OF PURCHASING AND INSTALLATION OF HIGH EFFICIENCY LIGHTING FIXTURES AT THE CORDOVA HIGH SCHOOL, TO BE RECORDED ON THE CITY'S BOOKS IN ACCOUNT # 101-902-57004, SCHOOL CAPITAL PROJECTS.**

**WHEREAS**, the Cordova School District has recently undergone an energy audit, and

**WHEREAS**, the energy audit found that replacement of lighting fixtures at the Cordova High School would reduce energy costs significantly, and

**WHEREAS**, the estimated cost of the energy improvements is Sixty Thousand dollars (\$60,000), and

**WHEREAS**, the School District has Forty thousand dollars (\$40,000) left from 2011 capital funds to commit to the project, and

**WHEREAS**, an additional Twenty Thousand dollars (\$20,000) is needed to complete the project.

**NOW, THEREFORE, BE IT RESOLVED THAT** the City Council of the City of Cordova, Alaska, hereby authorizes a budget amendment to transfer Twenty Thousand dollars (\$20,000) to the Cordova School District for the purpose of purchasing and installing high efficiency lighting fixtures at the Cordova High School, to be recorded on the City's books in Account # 101-902-57004, School Capital Projects.

**PASSED AND APPROVED THIS 4<sup>th</sup> DAY OF APRIL, 2012**

\_\_\_\_\_  
James Kallander, Mayor

**ATTEST:**

\_\_\_\_\_  
Susan Bourgeois, City Clerk

# Memo

To: Mayor and City Council  
From: Moe Zamarron, Director of Public Works  
CC: Mark Lynch, City Manager  
Date: December 28, 2011  
Re: Arvidson Water Line Request for Information

The Cordova Public Works Department was asked by Council to provide background information concerning the Arvidson water connection on Third Street between Adams and Lake Avenue. Attached is a sketch showing the existing water connections in this area.

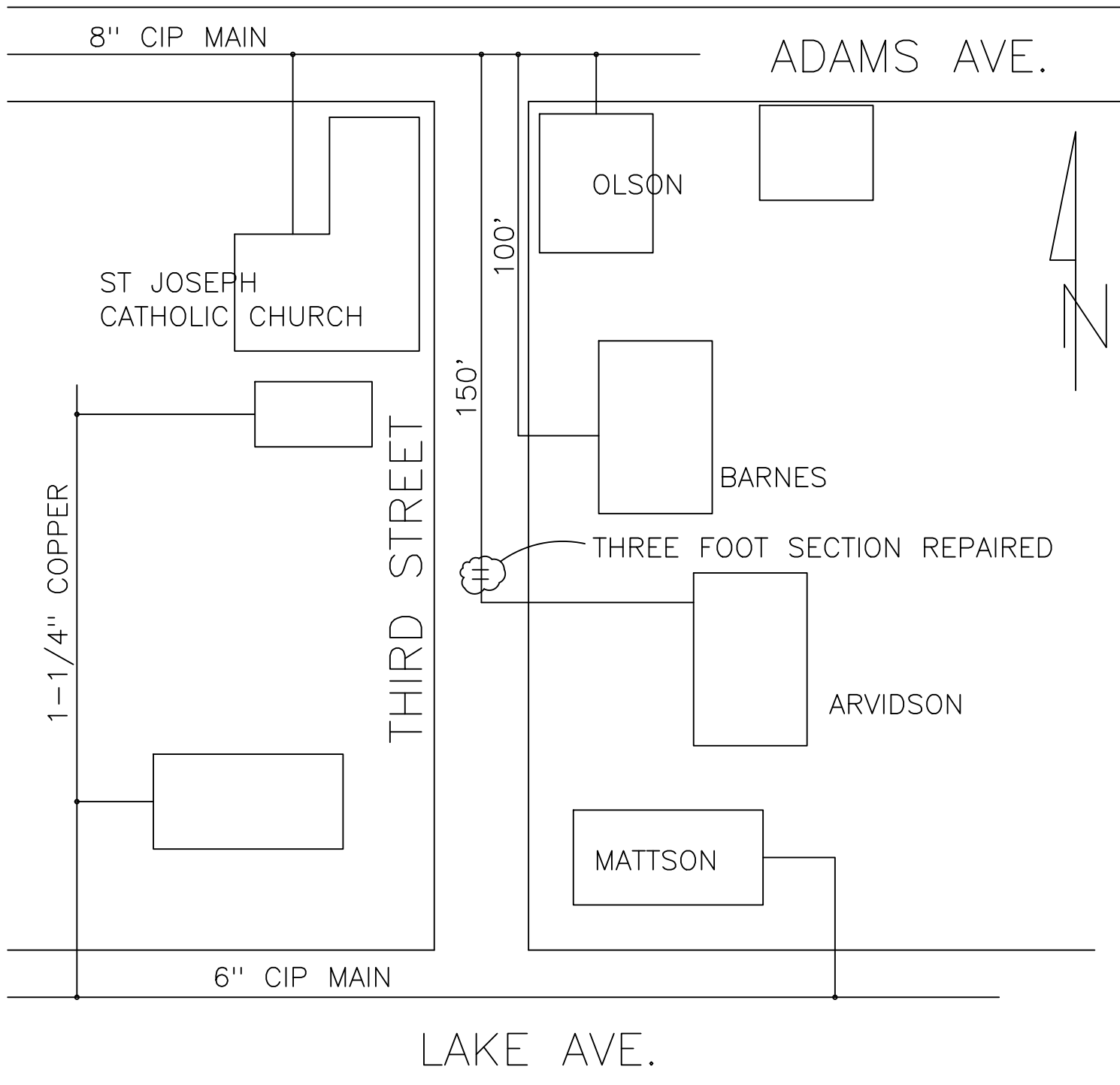
There is an 8" main located on Adams Avenue and 6" main located on Lake Avenue. Third Street has no main so the service connections for the Barnes and Arvidson properties are located in the City right of way from the property lines to Adams. Two other properties attach to a 1-1/4 copper line to the west.

Thank you,  
Moe Zamarron  
Director of Public Works  
City of Cordova



Photo on left is a close up of the hole and the photo on the right shows the overall condition for 4" of pipe. This is how it probably looks for all 150' from the residence to the main. A 3' section was replaced during this repair.





November 28, 2011

Susan Bourgeois  
City Clerk  
City of Cordova  
P.O. Box 1210  
Cordova, Alaska 99574

RE: Water pipe repair bill and request to be put on City Council Agenda for next council meeting.


Dear Susan:

The City Manager denied my request for a refund from a bill I received and paid under protest from the city for a water pipe repair in the amount of \$2,223.13. *(See Attached)* Therefore, I am once again requesting to be put on the city council agenda for the next meeting. I have two requests for the council members:

1. I would like a full refund of the \$2,223.13 I paid for the repairs.
2. I would like the city to change the section of code that controls this issue. Curbside responsibility is reasonable; the current section is outrageous and discriminatory.

I hope to have council vote on issue number 1 at the meeting.

Thank you,



Joe Arvidson  
P.O. Box 1696  
Cordova, AK 99574

Attachments: Letter of Denial from City Manager Mark Lynch



# CITY OF CORDOVA

## Office of City Manager

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](mailto:citymanager@cityofcordova.net)  
Web: [www.cityofcordova.net](http://www.cityofcordova.net)

November 15, 2011

Joe Arvidson  
P.O. Box 1696  
Cordova, AK 99574

Mr. Arvidson,

I received your letter dated November 3, 2011 concerning your appeal of special utility charges as allowed by City Code 14.04.100(B). I have reviewed your case and I am sending this letter as a response to your appeal within the 10 working day limit established in that same section of Code.

I see from the documents that you enclosed that you have seen the section of Code that requires you to submit any dispute concerning utility billing directly to the City Manager not later than the third billing period after the billing period you are disputing, and explain the reasons why you feel the billing is in error. I do not see where you contest the amount of the billing, but you appear to contest the fairness of the bill. As I am sure you are aware, I do not make code, nor does it matter if I agree with Code. My job is to enforce the Code that Council enacts and the rates they set. I have no authority to change Code. I appreciate that you have sent copies of Codes from other Alaskan cities, but they have no bearing on my decision or my duty to enforce Cordova Code as it now exists.

Under our Code a dispute clearly must be filed directly with the City Manager in order to start the process described in CMC 14.04.100, in which we are now involved. I am sure you realize the importance of adhering carefully to our laws and the process set forth therein. These laws are not new, and all residents of our community have been abiding by them for years. Since I have been in Cordova as City Manager I have made it a top priority to treat all residents equally and fairly. Fairness to all our residents dictates that I enforce our City Code and our utility repair fees as established annually by Council on our fee schedule, since not doing so would place an unfair burden on utility customers as a whole.

CMC 14.04.070(F) is very clear concerning the responsibility of the customer to maintain and repair water and sewer line connections:

*The customer is responsible for repairing and maintaining each connection by which the customer receives city water or sewer service. If the customer does not perform any necessary repair or maintenance of a connection, the city, upon twenty-four hours' written notice, or immediately if the public health requires it, may commence such repairs and maintenance and charge the costs thereof to the customer.*

Cordova is a Home Rule municipality, and under Article X, Section 11 of the Alaska Constitution "may exercise all legislative powers not prohibited by law or by charter." I am aware of no provisions of State law or the City's Charter that prohibits the City's adoption of the rule in CMC 14.04.070(F) making the customer responsible for repairs of the entire water connection between the water main and the customer's premises.

After reviewing your dispute it seems clear that Cordova's Code was properly followed and the billing was correctly calculated. Therefore, your request for a refund is respectfully denied.

Thank you,

Mark Lynch  
City Manager

**CITY OF CORDOVA**

602 Railroad Ave

PO Box 1210

Cordova AK 99574

Phone: 907-424-6200 Fax:

**INVOICE**

Date	Number	Page
09/08/2011	477	1

**Bill To:** Arvidson, Joe and Margaret  
P.O.Box 1696  
Cordova AK 99574

**Customer No.** 1299**Contact:****Terms:** Open Terms

Quantity	Description	Unit Price	Net Amount
1	Water leak repair due to electrolosis	2,097.29	2,097.29
1	SALES TAX	125.84	125.84
		<b>Amount</b>	2,223.13
		<b>Freight</b>	
		<b>Balance Due</b>	<u>2,223.13</u>



# Service Work Order

Public Works Department

City of Cordova  
602 Railroad Avenue  
Cordova AK 99574  
Ph: 907-424-6200

[www.cityofcordova.net](http://www.cityofcordova.net)

Division: Water Work Order No: 072811JMA  
Billing Address: P.O. Box 1696 Date Requested: 7/28/2011  
Address of Work: 710 Third St. Date Completed: 7/28/2011  
Customer Name: Joe & Margaret Arvidson Account #: 129301  
Requested By: Malvin Fajardo

**NOTE: Clearly explain to customer that they will be responsible for payment of charges.**

## DESCRIPTION OF WORK:

Water leak repair due to electrolosis (corrosion). Note labor for Malvin & Joel not charged.

Worker Name	Regular Hours	Overtime Hours	Hourly Rate	Total
Brian Arnold	4.00	0.00	\$ 67.00	\$ 268.00
Kris Conway	4.00	0.00	\$ 67.00	\$ 268.00
	0.00	0.00	\$ -	\$ -
Malvin Fajardo	2.00	0.00	\$ -	\$ -
Joel Felix	2.00	0.00	\$ -	\$ -
	0.00	0.00	\$ -	\$ -
Equipment	Hours		Hourly Rate	
Plate compactor	1.00		\$ 65.00	\$ 65.00
1.5" pump	1.00		\$ 75.00	\$ 75.00
	0.00		\$ -	\$ -
	0.00		\$ -	\$ -
Materials / Services	Number Each		Cost Each	
1" copper / foot	3.00		\$ 6.05	\$ 18.15
1" compression fitting	2.00		\$ 35.33	\$ 70.66
	0.00		\$ -	\$ -
Eagle Contracting (see attached for detalis)	1.00		\$ 1,332.48	\$ 1,332.48
	0.00		\$ -	\$ -
Sub Total				\$ 2,097.29
6% Sales Tax				\$ 125.84
Please pay this amount: <b>GRAND TOTAL</b>				<b>\$ 2,223.13</b>

Customer

Approval: \_\_\_\_\_

(signature)

Date: \_\_\_\_\_

## CITY USE ONLY

Review Date: \_\_\_\_\_

Reviewed By: \_\_\_\_\_

*Malvin Fajardo*

Billing Date: 8/25/2011

AR# 1299



Eagle Contracting Corporation  
P.O. Box 1128  
Cordova, AK 99574  
(907)424-7702

# Invoice

DATE INVOICE #  
8/3/2011 8132

## BILL TO

City Of Cordova  
PO Box 1210  
Cordova AK 99574

P.O. NO. TERMS PROJECT  
Net 15 Water Dept. Repair on 3rd // ...

QTY	DESCRIPTION	RATE	AMOUNT
2	Peterbilt Black 86 Dump Truck w/LB-1 MOBE E-5 to from site 7/28/11	140.00	280.00
3.5	Hitachi Excavator EX 75 Dig Broken Waterline 7/28/11	125.00	437.50
1	Volvo L120 Loader Deliver Fill 7/28/11	125.00	125.00
	subtotal		842.50
	Fuel surcharge 20%	168.50	168.50
12	Screened Aggregate from Eagle Yard	26.79	321.48

RECEIVED

Arvidson water leak  
@ 3<sup>rd</sup> st.  
AUG 05 2011  
City of Cordova

504-402-54020

\$1,332.48 per  
8/10/11

Interest of 1.5% per month will be charged on all past due invoices  
k.a.b.

Total \$1,332.48  
Payments/Credits \$0.00  
Balance Due \$1,332.48



CARL J ARVIDSON  
MARGARET R ARVIDSON  
PO BOX 1696  
CORDOVA, AK 99574-1696  
PH 907-424-5466

WELLS FARGO BANK, N.A.  
www.wellsfargo.com  
89-5/1252

3741

10/18/2011

PAY TO THE  
ORDER OF

City Of Cordova

\$\*\*2,223.13

Two Thousand Two Hundred Twenty-Three and 13/100 \*\*\*\*\* DOLLARS

City of Cordova  
P.O. Box 1210  
Cordova, Alaska 99574

MEMO

PAID UNDER PROTEST-EXPECT REIMBURSED

⑈000000374⑈ ⑆125200057⑆ 6375025357⑈

AUTHORIZED SIGNATURE

Details on Back

Security Features Included

CITY OF CORDOVA  
UTILITY SERVICES OFFICE  
P.O. BOX 1730 CORDOVA, AK 99574  
(907) 424-6212

## SHUT-OFF NOTICE

DATE 10/14/11 MTR. NO.  
ACCT. NO. 1229  
NAME Joe & Margaret Arvidson  
SERVICE ADDRESS  
710 Third Street

Payment on this account must be  
received on or before October 21st  
at 11:00 a.m. If full payment is  
not received your services will be  
discontinued.

WATER SERVICE WILL BE SHUT OFF DUE  
TO DELINQUENT UTILITY ACCOUNT.

PETERSBURG CITY CODE  
CHAPTER 14.04 WATER

14.04.010 - Delivery of supply.

The city will exercise reasonable diligence and care to deliver a continuous and sufficient supply of municipal water to all users at a proper pressure and to avoid any shortage or interruption in delivery. The city will exercise reasonable diligence to supply safe and potable water at all times.

(Ord. 874 § 3 (part), 2005)

**14.04.020 - Ownership of system and equipment—Service and maintenance.**

- A. All water mains, valves, fittings, hydrants, meters and other equipment and appurtenances, except individual customer service lines that bring the municipal water supply from the property line to a structure, shall be the property of the city. The city will not pay rent or any other charges for meters or other water facilities, including housings and connections, located on private or public property.
- B. The city shall maintain the water system up to individual property lines and the maintenance shall be performed by authorized employees or agents of the city.
- C. The location of meters and service lines shall be at the discretion and approval of the public works director.
- D. Individual property owners shall own, install and maintain service lines from property lines to structures. Leaking service lines, frozen lines and all other water supply problems located between the property line and the structure are the sole responsibility of the customer and/or property owner.
- E. Customers and/or property owners are responsible for properly locating service lines and establishing right-of-way boundaries, property lines, obtaining easements and state right-of-way permits, if necessary, for the installation of water mains and service lines.

(Ord. 874 § 3 (part), 2005)

## SOLDOTNA, AK CITY CODE

## CHAPTER 13.08 WATER SYSTEM

## 13.08.010 - Definitions.

The following definitions apply to this chapter:

- A. "Fire-protection service line" means the complete service line, six inches or greater, connecting the main with the building for the purpose of fire protection only.
- B. "Tap" means the cutting or drilling of an opening in the main and attaching a saddle and/or corporation stop.
- ☒ C. "Water connection" means the entire portion of the property owner's water service line connecting the water main with the curb stop, which is located on the lot line of abutting property.
- D. "Water hookup" means the process of installing the complete water service line from the main to the building.
- E. "Water main" means that part of the city water distribution system intended to serve more than one water connection within the public right-of-way or easement.
- F. "Water service line" means the entire property owner's water service line connecting the water main with the plumbing system to the building being served.
- ☒ G. "Water supply line" means that portion of the property owner's water service line connecting the curb stop with the plumbing system to the building being served.

(Ord. 266 § 1 (part), 1982)

## 13.08.020 - Installation of water connection and water supply line—Permit required—Fee.

- A. All water connections shall be installed and mains tapped by a contractor licensed by the state. As a prerequisite to commencing any work on the utility, the contractor shall furnish:
  - 1. Contractor's license (state of Alaska);
  - 2. Proof of workmen's compensation insurance, if required by law;
  - 3. A bond in the amount of five thousand dollars;
  - 4. Other proof of capability to perform such work as required by the public works director.
- B. The party or parties installing the water supply line need not meet the requirements of a bonded contractor as outlined above, but they shall make the city aware of their capabilities to perform such work. Those installing this portion of the water service line will, however, be required to meet the same material and workmanship qualifications required of the bonded contractor.
- C. No person, firm or corporation shall be allowed to install a water connection or tap into the main without first obtaining a written permit from the city. A connection fee for such permit will be based on the diameter of the line and shall be as prescribed by the city council. A connection fee for the water connection that lies between the main and the curb stop must be paid at the time of installation of the water connection or when a building permit is issued. Additional inspection fees are spelled out under inspection, Section 13.08.060 of this chapter. This permit shall be approved by the public works director or his designee before issuance to the contractor. Application shall be made in person at the city hall.

(Ord. 365 § 1, 1985; Ord. 266 § 1 (part), 1982)

## 13.08.070 - Maintenance.

- A. Customers will be responsible for the repair of the complete water service line as a result of freezing, maintenance, and repairs.
- ☒ B. The city will be responsible for the repair of damages resulting from freezing for water mains only.
- ☒ C. The city will be responsible for the repair of damages to the water connection excluding damages resulting from freezing.
- ☒ D. Customers will be responsible for the repair of damages to the water supply line.
- E. Maintenance responsibility by the bonded contractor is outlined in Section 13.08.050 of this chapter.

(Ord. 266 § 1 (part), 1982)

(Ord. No. 2011-016. § 2. 5-25-2011)

From Curb to house.

From water main to curb stop is abutting property.

SEWARD, AK CITY CODE  
CHAPTER 14.10 WATER

**14.10.010. - Nature of services offered.**

The city shall provide water service within the city limits.

(Ord. 504, 1982)

**14.10.015. - Ownership.**

- (a) The city owns and maintains the water service connection from the main, including the service line, thaw wire and the key box. The city has the exclusive right to control the flow of water by operation of the key box.
- (b) The line between the key box and the premises shall be installed and kept in repair by the customer who shall be responsible for all breaks in said line and for any damages resulting incidentally therefrom (see section 12.05.025 as to adoption of Uniform Plumbing Code).

(Ord. 504, 1982)

**14.10.020. - Key box, thaw wire and shut-off valve.**

- (a) The customer is responsible to know the location of his key box and thaw wire, and will be liable for any costs incurred in locating or repairing them when damage is caused by the negligence of the customer or those acting on his behalf. Such negligence shall include the customer's failure to apprise persons whom the customer knows or should know might damage the key box and thaw wire if not told of their location.
- (b) All persons receiving service from the city shall provide a separate shut-off valve inside the building and located on the service line entering the building ahead of any branch lines and readily accessible in an emergency.
- (c) Key boxes and thaw wires shall be located once without charge for each location of service. A charge may be levied for subsequent locations of service as provided by resolution.

(Ord. 504, 1982)

**14.10.025. - Installation of water connections.**

- (a) Water connection from the main to the key box shall be installed by the city upon application for such service, submission of a building permit and payment of established fees for such connection.
- (b) Plans for all new water and sewer lines and connections must be approved by the city, and the completed lines must be inspected by the city prior to burial.
- (c) An approved application and any applicable service charges shall be required to make any alterations in any conduit, pipe, or other fitting or to turn water service off or on at the key box. The customer is responsible for any damage resulting therefrom.
- (d) Water connections larger than two inches may be installed by special agreement at actual cost to the customer. No water connection shall be longer than 80 feet. Water connections shall be installed on city property or easement.

(Ord. 504, § 1.)

CORDOVA CODE  
TITLE 14 PUBLIC SERVICES  
CHAPTER 14.04 UTILITIES

**14.04.070 - Water and sewer connections.**

- A. No person may excavate, alter, disturb, connect to, or disconnect from, any city water or sewer main except as permitted under this section.
- B. No person may connect any facility to the city water or sewer system without first obtaining a permit therefore and paying the applicable connection fee under this title. The owner of the facility or the owner's agent shall apply for the permit on a form furnished by the city. The permit application shall be supplemented by any plans, specifications or other information considered pertinent in the judgment of the city. There shall be two classes of sewer connection permits:
  - 1. For residential and commercial service; and
  - 2. For service to establishments producing industrial wastes.
- C. No person may change any facility that is connected to the city water or sewer system in a manner that increases substantially the facility's demand for water or sewer utility service without first paying the applicable expansion fee under this title.
- D. The city shall construct at the customer's expense any stub-in to a city water or sewer main that is required to provide service to the customer. The city will commence construction only after receiving from the customer the connection fee required under this title and a deposit equal to the city's estimate of the construction cost. The city will determine the actual cost of construction after the construction is completed. If the amount of the customer's deposit exceeds the actual cost, the city shall refund the excess to the customer. If the actual cost exceeds the amount of the customer's deposit, the customer shall pay the excess to the city before the customer will be permitted to connect to the main.
- E. The customer shall construct any required connection at the customer's expense, in conformity with the city's standard specifications, or the owner may request that the city install the connection at the customer's expense. If the customer will construct the connection, the customer may commence construction only after paying to the city the connection fee required under subsection (B) of this section, the cost of any necessary stub-in to the water or sewer main as provided in subsection (D) of this section, and the fee prescribed by the city for inspecting the connection construction. If the city will construct the connection, the city will commence construction only after receiving from the customer the fees and costs described in the preceding sentence, plus a deposit equal to the city's estimate of the construction cost. The city will determine the actual cost of construction after the construction is completed. If the amount of the customer's deposit exceeds the actual cost, the city shall refund the excess to the customer. If the actual cost exceeds the amount of the customer's deposit, the customer shall pay the excess to the city before the city will commence utility service.
- F. The customer is responsible for repairing and maintaining each connection by which the customer receives city water or sewer service. If the customer does not perform any necessary repair or maintenance of a connection, the city, upon twenty-four hours' written notice, or immediately if the public health requires it, may commence such repairs and maintenance and charge the costs thereof to the customer.
- G. If the city finds that a facility has been connected to the city water or sewer system without payment of the applicable connection or expansion fee, the city at any time may determine and assess the applicable connection or expansion fee that is in effect at the time of the assessment, plus interest from the date of the connection or expansion until payment at a rate of ten percent per annum or the highest legal interest rate, whichever is less.

(Ord. No. 1042, § 2. 5-20-2009)

**14.04.100 - Billing errors and disputes.**

- A. The city will correct any utility billing error which it discovers or of which it is given notice not later than the end of the third billing period after the billing period in which the error occurred. The city shall refund any resulting overpayment to the customer, and bill the customer for any resulting underpayment.
- B. A customer may contest the amount of any utility service charge not later than the end of the third billing period after the billing period for which the contested amount was charged, by written notice to the city manager identifying the bill on which the contested amount appeared, stating the amount that is contested, and stating the reasons why the customer believes the contested amount to be in error. The city manager shall respond to a timely notice contesting a utility charge within ten working days after receiving the notice. A customer that is dissatisfied with the city manager's response may submit the matter to the city council at its next regular meeting occurring at least ten working days after the date of the city manager's response. The decision of the city council on a disputed utility charge shall be final.

(Ord. No. 1042, § 2. 5-20-2009)

CORDOVA CODE  
TITLE 14 PUBLIC SERVICES  
~~CHAPTER~~ 14.08 WATER SERVICE

14.08.070 - Water connection required.

The owner of any structure used for human occupancy that is located on a lot adjacent to a street, alley or right-of-way where a city water main is located not more than one hundred fifty feet from the nearest point at which the lot adjoins the street, alley or right-of-way must cause the structure to be connected to the water main at the owner's expense within ninety days after official notice to do so.

(Ord. No. 1042, § 3, 5-20-2009)



October 18, 2011

Susan Bourgeois  
City Clerk  
City of Cordova  
P.O. Box 1210  
Cordova, Alaska 99574

RE: Water pipe repair bill and request to be put on City Council Docket for next council meeting.

Dear Susan:

I received a bill in the amount of \$2,223.13, from the City Public Works Department, charging me for the City repairing a broken water pipe way up the street from my house. The broken pipe was located on Third Street between Lake Avenue and the grade school. I do not believe that I should be responsible for paying for this water line repair. I have paid the bill under protest because the City threatened to turn off the water to my home if I did not, but I expect the city to reimburse me in full for this payment in a very timely fashion.

I am being discriminated against because I live in an area of town that the City has not installed water turn on/off valves abutting my property. I expect the city to install one of these valves on, or near, my property line in the near future just like the City has done for many of the other homes in Cordova. I also expect the City to provide a main water line down Third Street that I can tap into. The City recently chip sealed Third Street just before the leak occurred and had a lot of heavy machinery running up and down the street over the summer while remodeling the grade school. This wear and tear by heavily loaded dump trucks and the chip seal pounding probably damaged or in the very least increased the speed of deterioration of the water line. This is just one more reason the City should pay to fix the water line.

Please provide this letter to all the members of the City Council and please put this on the agenda for the next meeting. I am currently in Southeast crabbing but will be home soon and look forward to discussing this issue, getting my payment refunded and getting a water valve and new water main line put in front of my home.

Thank you,

Joe Arvidson  
P.O. Box 1696  
Cordova, AK 99574



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](mailto:citymanager@cityofcordova.net)  
Web: [www.cityofcordova.net](http://www.cityofcordova.net)

# CITY OF CORDOVA

## *Office of City Manager*

November 30, 2011

Memo to City Council  
Re: Arvidson Utility Dispute

I am enclosing a letter sent to me dated November 3, 2011 from Joe Arvidson and the related attachments, and my response to Mr. Arvidson sent November 15, 2011. Also included is response between the Clerk's office and Mr. Arvidson.

In Mr. Arvidson's current letter to Council dated November 28, 2011 wherein he appeals my denial of his dispute I see he asks for two remedies. One is a refund of the bill he paid, and the second is a change in current City Code. However, in Mr. Arvidson's earlier letter from November 18, 2011 he also stated that he expects the City to install a new water main and water shutoff valve on Third Street.

As I pointed out to Mr. Arvidson in my response, our City Code is entirely lawful under the Alaska State Constitution concerning Home Rules cities. Additionally, I would point out that Cordova is not the only municipality in Alaska with utility code that places responsibility on the property owner for their service line to the main. If Council chooses to look at changing our code I would recommend that the matter be referred to Staff and/or Planning & Zoning for further study.

Concerning Mr. Arvidson's request to be refunded the charge for repairing his service line, I recommend that the charge not be refunded. Other property owners have been paying similar charges under our code, and it would be unfair to those who have paid their charges to allow a customer under the same code to not pay their repair and shift those charges to the other users of the utility. Mr. Arvidson refers to "the City" as the entity that should pay for the repair to his service line, but in reality it will be the other customers of the water utility who will share in paying his bill. It is important to remember that Mr. Arvidson's repair was made under our existing code, and our current code clearly says the cost of repair is to be paid by the property owner. In my opinion the "fair" way to handle this is to enforce our code as it now exists, and then look at potentially changing code in the future if Council decides the current code does not fit the needs of our residents.

Thank you,

Mark Lynch  
City Manager

#### **14.04.100 - Billing errors and disputes.**

A. The city will correct any utility billing error which it discovers or of which it is given notice not later than the end of the third billing period after the billing period in which the error occurred. The city shall refund any resulting overpayment to the customer, and bill the customer for any resulting underpayment.

B. A customer may contest the amount of any utility service charge not later than the end of the third billing period after the billing period for which the contested amount was charged, by written notice to the city manager identifying the bill on which the contested amount appeared, stating the amount that is contested, and stating the reasons why the customer believes the contested amount to be in error. The city manager shall respond to a timely notice contesting a utility charge within ten working days after receiving the notice. A customer that is dissatisfied with the city manager's response may submit the matter to the city council at its next regular meeting occurring at least ten working days after the date of the city manager's response. The decision of the city council on a disputed utility charge shall be final.

*M/Cheshier S/Kacsh* to concur with *Mayor Kallander's* appointments of Dan Reum to the Parks & Recreation Commission, Tom Bailer, Tom McGann and Scott Pegau to the Planning & Zoning Commission, and Krysta Williams and Kay Groff to the Library Board.

Vote on motion: 7 yeas, 0 nays. Beedle – yes; van den Broek – yes; Kacsh – yes; Allison – yes; Bradford – yes; Cheshier – yes and Reggiani – yes. Motion passes.

23. Customer dispute of utility bill (CMC 14.04.100 billing errors and disputes)

*Bradford* stated that he has concerns as the ordinance doesn't seem fair. He opined that Arvidson has a valid concern. He is in favor of a refund. *Mayor Kallander* stated that we can change the ordinance and go forward but City staff followed code in this circumstance. If we change this ordinance are we going to go back and refund everyone who has had to pay since the ordinance was adopted? He does not disagree with changing an ordinance and going forward but does to changing it and going back. *Kacsh* stated that this is tough because we are recognizing a possible deficiency in our code that was put into place because it seemed to be the right thing to do at the time. He suggested that before they agree to refund that they re-look at the code. He stated that they are opening a can of worms if we refund him. *Reggiani* stated that we have existing code, so we would need some compelling reason to refund, such as an error. There was no error in this transaction. He would like to see some maps, more information on the City infrastructure and a better understanding of what code is enforcing at this point. *Mayor Kallander* asked if Council would agree to ask staff for more information before taking action. *Cheshier* agreed. *Bradford* said he agrees and would also like to look into changing code. *Kacsh* agreed and added that it should go to P&Z. *Mayor Kallander* asked if it should go to P&Z or staff. *Bradford* stated that our form of government is such that if a citizen feels slighted they can come to us and ask for leniency. *Mayor Kallander* stated he has a problem ruling against our own ruling. He suggested that they refer the ordinance to P&Z and then discuss this particular case. *Allison* stated that there may be some extenuating circumstances in this case. He doesn't disagree with reviewing the ordinance but he would certainly like to hear the background information on this case before it is dismissed. *Mayor Kallander* suggested, and Council concurred, to have Public Works provide a report with some sketches and an explanation for this particular case for the second meeting in January.

24. Pending Agenda and Calendar

**O. AUDIENCE PARTICIPATION**

*Tom Bailer*, 304 Orca Inlet Drive, asked what they will be doing with City Hall. Is it feasible to cut off half of the building? Start making plans for the Library/Museum building and space. Planning and Zoning needs to get some direction from Council. It needs to start the public process.

*Jennifer Gibbens* stated she has heard some concerns from a business stand point on the ferry schedule. It is holding some up and freight is getting stuck. Chamber met with the USFS and the City Manager and had an initial discussion on the impact of the closure of the Mile 36 Bridge. They have started a stakeholder group to start getting feedback and talk about some strategies on how to move that process along. The potential impact in town with that closure is significant. They also need to discuss how to market Cordova with other attractions as the glacier is a big draw. *Mayor Kallander* stated he would work on having someone from DOT come down to talk to the chamber, businesses and Council.

**P. COUNCIL COMMENTS**

25. Council Comments

*Cheshier* stated "Seek more funding".

*Kacsh* stated that he is working on the snow machine ordinance that was passed awhile back. He is looking to mostly change the penalties aspect of it. Also, several citizens have asked him if they can change the elections back to November. *Mayor Kallander* asked the Clerk to look into the possibility.

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## A MEMO FROM SUSAN BOURGEOIS, CITY CLERK

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DATE: March 29, 2012

TO: Mayor and City Council

SUBJECT: PWSRCAC Board of Directors

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Prince William Sound Regional Citizens' Advisory Council has a dedicated seat for a representative from the City of Cordova. **Rochelle van den Broek** has held that seat for the past three years and has opted not to ask for reappointment. The Clerk's office has advertised per the Mayor's direction for letters of interest to be submitted by the date of today's meeting (i.e. April 4, 2012). At the printing of this packet, there was only one letter of interest received from **James Kacsh**. I will bring to the meeting any other letters that are received up until the deadline of April 4, 2012.

RECOMMENDED MOTION: Move to approve Mayor Kallander's appointment of James Kacsh to serve as the City of Cordova's representative on the PWSRCAC board of directors.

REQUIRED ACTION: Majority voice vote.

March 30, 2012

Mayor Kallander,

I am interested in serving on the PWSRCAC for the remainder of my term.

Thank you,  
Jim Kacsh



### **Pending agenda:**

**April 5, 2012** – 5:30pm in the \_\_\_\_\_ 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

**April 16, 2012** – 7pm **BOE** meeting to hear property tax assessment appeals that cannot be worked out between the assessor and the appellant

Capital Priorities List Meeting – **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

***E-911 Committee:*** Chief Bob Griffiths – Chairman, Bret Bradford, Gray Graham, Dick Groff, Mike Hicks, David Allison, George Covell

**Calendars:** 3 months’ worth of calendars attached hereto

April 2012

May 2012

June 2012

# April 2012

Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3	4 7:15 HSB LMR 7:30 reg mtg LMR	5 5:30 Work Session with DoT in re 36 mile bridge—Mt. Eccles	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 7:30 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 Sch 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

# June 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  7:15 pub hrg (maybe) LMR 7:30 reg mtg LMR	7	8	9
10	11	12  P&Z Commission Mtg 7pm CH	13  Sch Bd 7pm HSL Hrbr Cms 7pm CH	14	15	16
17	18	19	20  7:15 pub hrg (maybe) LMR 7:30 reg mtg LMR	21	22	23
24	25	26	27	28	29	30