

**CITY COUNCIL SPECIAL MEETING  
APRIL 13, 2010 @ 12:00 PM  
LIBRARY MEETING ROOM  
MINUTES**

**A. CALL TO ORDER**

*Mayor James Kallander* called the Council Special Meeting to order at 12:00 pm on April 13, 2010 in the Library Meeting Room.

**B. ROLL CALL**

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

**C. APPROVAL OF AGENDA**

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

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

**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. Update from AIGCO – *Frank Avezac*, Chairman of the Board of Alaska Intrastate Gas Corporation, the mission of AIGCO is to bring the benefits of gas, eventually our own gas, to Cordova to reduce the costs of energy by 30 – 50%. *Marcus Blood* was with *Avezac* – he works for Shipley and is a scientist here to assess the location for environmental concerns. They were in town this time to nail down exact dimensions and length of pipe needed to get from fuel dock to the send-out facility. *Avezac* asked if Council had any questions.

*Bradford* asked what the exact route was from fuel dock to send-out facility. *Avezac* said approximately 1730 feet of pipe would go from fuel dock along back side of the lots, along the shoreline, to the proposed fill-pad. *Avezac* said the pipe would be cathodically protected welded steel pipe – wrapped steel pipe – to all the standards.

Lastly, *Avezac* said that anything the Council could do to expedite the transfer of the property within a reasonable time would be important as they would like to start transferring the pipe over here before the end of the year.

3. Resolution 04-10-24

A resolution of the City Council of the City of Cordova, Alaska, authorizing the City Manager to enter into a sole source contract with Peninsula Scrap Metal for an amount not to exceed \$175 per junk vehicle

*M/Reggiani S/Cheshier* to approve Resolution 04-10-24 a resolution of the City Council of the City of Cordova, Alaska, authorizing the City Manager to enter into a sole source contract with Peninsula Scrap Metal for an amount not to exceed \$175 per junk vehicle.

*Mark Lynch* handed out copies of the contract to the Council and said he has reviewed it. City Attorney, *Tom Klinkner* has also looked this over and endorsed it.

*Beedle* asked where he would be loading his barge. Currently he is negotiating with AML and Samson but he may still ask to use the City dock – however, *Lynch* has told him that he would have to move on occasion if using the City dock if fuel barges came in. *Beedle* asked how big of a barge, *Lynch* said 350 feet by 150 feet.

*Reggiani* said that the resolution is Council authorizing the City Manager to enter into contract but that we are not approving the contract. Therefore, he is comfortable doing that. *Cheshier* agreed. *Bradford* wonders if we would like to see this contract at the next regular meeting. *Mayor Kallander* said that personally, he would like to allow the Manager and Attorney to handle it from here.

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

## G. AUDIENCE PARTICIPATION

*Mary Anne Bishop* of 406 Fourth Street urged Council to go very slowly with AIG given their past history. She has been doing research on the company and on the RCA website found no annual financial reports since 2005. She said that the RCA has taken away AIG's lone rights and the City of Cordova could do an open season to attract other companies interested in pursuing gas here. She also researched and found that the transport company that they said they have entered into contract with is Denali Petroleum which has the same address as AIG and a phone number one digit off from AIG's fax number (i.e. AIG and Denali Petroleum are one in the same).

*Connie Bennell* of 02-041-400 Orca Road wondered why no questions were asked today except for Bret's questions about the pipes. She said she didn't get it.

*Kristin Smith* of 507 Fourth Street said she would like to see cost-benefit analyses done for a few different options from filling land (i.e. ATS 1004), taking land from Samson, or using land above CEC power plant.

## H. COUNCIL COMMENTS

*Bradford* said he would like to see the data that Mary Anne spoke about. *Bourgeois* said she would forward that to Council and the Manager.

## I. EXECUTIVE SESSION

4. Harris Sand & Gravel – update on negotiations

*M/Cheshier S/Bradford* to go into an executive session to discuss matters the immediate knowledge of which would clearly have an adverse effect on the finances of the government specifically negotiations with Harris Sand & Gravel.

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

The executive session was convened at 12:40 pm.

At 1:00 pm, Council came out of the executive session and reconvened the special meeting.

*M/Cheshier S/Bradford* to direct the City Manager to continue negotiations with Harris Sand & Gravel as was directed in the executive session.

Vote on motion: 4 yeas, 2 nays, 1 absent (Kacsh). Cheshier – yes; Reggiani – yes; Beedle – no; van den Broek – yes; Allison – no and Bradford - yes. Motion carried.

*Mayor Kallander* would like Council support to direct staff to develop a policy regarding contracts so that future Councils are aware of what has happened before them. This would be in an attempt to combat predatory construction companies that are looking for new councils and councils without policies and procedures in place to guard against this.

**J. ADJOURNMENT**

*M/Reggiani S/Allison* to adjourn the Special Meeting.

Hearing no objection, *Mayor Kallander* adjourned the Special Meeting at 1:15 pm.

Approved: July 7, 2010

Attest:   
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Susan Bourgeois, City Clerk

