

**CITY COUNCIL REGULAR MEETING
APRIL 15, 2015 @ 7:00 PM
LIBRARY MEETING ROOM
MINUTES**

A. CALL TO ORDER

Mayor James Kacsh called the Council Regular Meeting to order at 7:00 pm on April 15, 2015, in the Library Meeting Room.

B. INVOCATION AND PLEDGE OF ALLEGIANCE

Mayor James Kacsh led the audience in the Pledge of Allegiance.

C. ROLL CALL

Present for roll call were *Mayor Kacsh* and Council members *Kristin Carpenter, Tim Joyce, Tom Bailer, Robert Beedle, Josh Hallquist, Dave Reggiani* and *James Burton*. Also present were City Manager *Randy Robertson*, City Clerk *Susan Bourgeois* and Student Council representative *Bhren Pena*.

D. APPROVAL OF REGULAR AGENDA

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

Reggiani asked if he could report from a recent MTAB meeting. *Mayor Kacsh* said yes and placed that after item 3.

Vote on motion: 7 yeas, 0 nays. Motion was approved.

E. DISCLOSURES OF CONFLICTS OF INTEREST - none

F. COMMUNICATIONS BY AND PETITIONS FROM VISITORS

1. Guest Speaker – *John Bitney* gave an update as the legislative session is coming to a close in Juneau. First he reported that the Capital budget has in it the authorization of the \$1.5 million in EVOS funds for completion of the Cordova Center. *Bitney* also commented on the fact that there would **not** be a harbor bond project coming out of this session and he updated where the legislature is on the AMHS budget (still in flux). He also updated Council on the education funding, still an uncertain now as things are still being negotiated.

2. Audience comments regarding agenda items - none

3. Chairpersons and Representatives of Boards and Commissions (Harbor, HSB, Parks & Rec, P&Z, School Board)
Burton said Harbor Commission had a really productive meeting, tackling the infrastructure issues of the South Harbor. They passed a resolution that should be coming before Council.

Wendy Ranney, the chair, reported that Parks and Rec has a meeting scheduled on April 28 with a few things on the agenda; alternative funding sources for recreation and possible uses of City buildings.

Bailer said Planning and Zoning met last night they passed a resolution making Lots 12-18 (Library/Museum) available – that will be coming before Council. They also worked on some Code changes to the waterfront commercial district.

Reggiani spoke as an MTAB board member, he represents PWS communities and the Kenai Peninsula. This was his first in-person meeting and he got a sense from the staff that they want to avoid leaving road-less communities stranded and without service. He said the schedule is still an unknown because the year starts July 1 and funding is not definitively known at this time. He also mentioned that the system is moving towards efficiencies in check-ins, away from paper tickets.

Carpenter reported for the HSB that there is a special election coming up on May 12 and the question is whether or not we want to effectively dissolve the Health Services Board. We would be voting to change the charter so that we could facilitate third party management of the hospital.

4. Student Council Representative *Bhren Pena* said that Student Council just had Prom and a game night is upcoming on April 23; also there will be a softball spirit week next week.

G. APPROVAL OF CONSENT CALENDAR

Mayor James Kacsh informed Council that the consent calendar was before them.

Item 6 was pulled and placed as item 19a

5. Ordinance 1123 An ordinance of the City Council of the City of Cordova, Alaska, amending Cordova municipal code sections 18.35.010, 18.35.020, 18.35.030, 18.35.040 and 18.35.050 and enacting Cordova municipal code section 18.35.035 conditional uses in the blue zone – 2nd reading

~~6. Ordinance 1126 An ordinance of the City Council of the City of Cordova, Alaska, amending section 3.12.035 of the Cordova Municipal Code regarding meetings – agenda and 3.12.060 (C) meetings – order of business – 1st reading~~

7. Resolution 04-15-20 A resolution of the City Council of the City of Cordova, Alaska, requesting FY 16 payment in lieu of taxes funding from the Department of Commerce, Community, and Economic Development

Vote on Consent Calendar: 7 yeas, 0 nays. Burton-yes; Joyce-yes; Beedle-yes; Hallquist-yes; Carpenter-yes; Reggiani-yes and Bailer-yes. Consent calendar was approved.

H. APPROVAL OF MINUTES

M/Joyce S/Burton to approve the minutes.

8. 03-18-15 Regular Meeting Minutes

Vote on motion: 7 yeas, 0 nays. Motion was approved.

I. CONSIDERATION OF BIDS - none

J. REPORTS OF OFFICERS

9. Mayor's Report – *Mayor Kacsh* said he wanted to thank *Jennifer* and *Wendy* and *Dick Shellhorn* and *Gary Graham* and others who helped to organize the last minute ferry dock rally. He said the message was that Cordova was heard in Juneau. *Mayor Kacsh* said he called the sales department at RAVN Alaska and asked if they could look at expanding service to Cordova especially in light of the ferry cuts. He also has a call in to the Governor's chief of staff regarding the AMHS budget and he hopes to hear back from him tomorrow.

10. Manager's Report – *Robertson* said that there may be good news about timber receipts, possibly being funded at a level 5-7% under last year, which would be what we budgeted. He also reported that he has received a request to lease part of the fill lot for a mobile food truck for the summer months. He is bringing it up tonight so that these people could get going early next month. *Robertson* and *Greenwood* were seeking Council guidance. *Greenwood* said it could be done as a land use permit which are often less than six months in duration. She said an alternative would be to go through the process outlined in 5.22. Council opted for the idea of a land use permit and said they'd like to see this on a special meeting on April 20 as an action item.

a. Cordova Center update report – including financial summary

Robertson said that \$200 K or so of the EVOS interest money has become available to us; not originally what we anticipated but we are still working to get that to a higher number. *Robertson* said that *Nancy Bird* reported to the Cordova Center Committee today that roughly \$28 K was raised this weekend at the fundraising event in Anchorage. *Weston Bennett* gave a construction status report as to where they were currently on the Cordova Center project.

11. Staff Quarterly Reports – 1Q 2015

a. Library

b. Technology

12. City Clerk's Report – *Bourgeois* said that May 12 was the upcoming special election – so far she has received zero absentee by mail requests. She still believes there could be a good turnout on May 12 election day due to the fact that there should be plenty of people in town at that time.

K. CORRESPONDENCE

13. Email from executive Director of Sitka Sound Science Center 03-25-15

14. 03-30-15 Letter from S. Pegau in re Ordinance 1125
15. March 2015 thank you not from Cindy Hough of Providence
16. 04-06-15 City Council letter to Stevens and Stutes in re Education Funding
17. 04-08-15 Email from Gary Stevens in re Education Funding

L. ORDINANCES AND RESOLUTIONS

18. Ordinance 1127 An ordinance of the City Council of the City of Cordova, Alaska, amending Cordova Municipal Code to repeal and reenact Chapter 5.22-disposal of city real property to permit the sale of city property for more than fair market value, institute a letter of interest process for acquisition of city real property, require a heightened sale price when city property is sold to remedy a violation of Title 18 of the code, and to generally update Chapter 5.22 of the City of Cordova Municipal Code to provide greater flexibility in the disposal of city property- 1st reading

M/Joyce S/Burton to adopt Ordinance 1127 an ordinance of the City Council of the City of Cordova, Alaska, amending Cordova Municipal Code to repeal and reenact Chapter 5.22-disposal of city real property to permit the sale of city property for more than fair market value, institute a letter of interest process for acquisition of city real property, require a heightened sale price when city property is sold to remedy a violation of Title 18 of the code, and to generally update Chapter 5.22 of the City of Cordova Municipal Code to provide greater flexibility in the disposal of city property.

M/Bailer S/Reggiani to amend by changing “may” to “shall” in 5.22.040 B in the first sentence.

Vote on motion to amend: 7 yeas, 0 nays. Motion was approved.

Vote on motion as amended: 7 yeas, 0 nays. Motion was approved.

19. Ordinance 1128 An ordinance of the City Council of the City of Cordova, Alaska, authorizing the City Manager to enter into a thirty year lease agreement with Mobile Grid Trailers, Inc., which includes an option to purchase, for Lot 2, Block 7, Plat 86-6 located within the Cordova recording district in the North Fill Development Park – 1st reading

M/Burton S/Hallquist to adopt Ordinance 1128 an ordinance of the City Council of the City of Cordova, Alaska, authorizing the City Manager to enter into a thirty year lease agreement with Mobile Grid Trailers, Inc., which includes an option to purchase, for Lot 2, Block 7, Plat 86-6 located within the Cordova recording district in the North Fill Development Park.

Vote on motion: 7 yeas, 0 nays. Motion was approved.

19a. Ordinance 1126 An ordinance of the City Council of the City of Cordova, Alaska, amending section 3.12.035 of the Cordova Municipal Code regarding meetings - agenda and 3.12.060 (C) meetings - order of business – 1st reading

M/Reggiani S/Burton to approve Ordinance 1126 an ordinance of the City Council of the City of Cordova, Alaska, amending section 3.12.035 of the Cordova Municipal Code regarding meetings - agenda and 3.12.060 (C) meetings - order of business.

Reggiani said he was ok with the part of this ordinance that spoke to meetings – agenda, but not the part that spoke to meetings – order of business. He said he doesn’t believe it is a violation of the open meetings act to add items to the agenda at approval of the regular agenda. *Bailer* agreed with that and said he learned at trainings he has been to, that items can be added but maybe not action items. *Joyce* said he disagreed. He agrees with how this ordinance is written.

M/Reggiani S/Bailer to refer to staff and ask the City attorney about this on Monday when we have her here in person.

Vote on motion to refer: 7 yeas, 0 nays. Motion was approved.

M. UNFINISHED BUSINESS

20. Council action on disposal method for “Breakwater Fill Lot”

M/Reggiani S/Bailer to direct the City Manager to dispose of the Breakwater Fill Lot as an un-zoned lot by requesting sealed proposals to lease or purchase the property with the special conditions contained in the staff report.

Beedle had concerns about selling the armor rock along with the lot. *Bailer* said he supports the motion and requested that *Beedle* have the Harbor Commission weigh in on this – at this time we are just going out for proposals, the Harbor Commission should weigh in before we actually sell the lot. *Joyce* said there has always been a concern about the rip-rap part of the fill lot – we thought the best way to handle it would be sell it to the lot purchaser with a stipulation that they would maintain the rip-rap to a certain standard that we set. *Reggiani* agreed with *Joyce*.

Vote on motion: 6 yeas, 1 nay (Beedle). Motion was approved.

21. Disposal of current City Hall and/or other City Properties – consolidation possibilities

Mayor Kacsh said that a discussion item was suggested for disposal of current City Hall – he opted to change the item a bit to include the discussion of consolidation of some building and functions of the City.

Bailer said he appreciates the Mayor taking the initiative on this he'd like to move forward with this, to explore these options, pros and cons, etc. *Carpenter* said the first question is what we have as ideas on the future of Parks and Rec – a lot of planning would have to go into this idea – would be a huge undertaking to put a bunch of functions into a building that wasn't designed for that vs. the existing Bidarki building. *Beedle* said that these are just ideas being thrown out, nothing definitive yet. *Hallquist* said he thinks it's a really good idea to start consolidating buildings with tight budgets and all – we can't afford to heat all these buildings. *Hallquist* said he thinks there could be a lot of opposition to this but he challenged the staff to take a real good look and see how they could make this work. *Burton* agreed that there would be opposition. He sees how much the gym and weight room are used at Bidarki – from men's league to day camp to youth programs. He really wants to hear from staff before even discussing this any further. *Reggiani* also appreciates the Mayor's leadership on this and he said it reminds him of the City Buildings Committee – he thinks that this "consolidation" effort needs some committee work. *Mayor Kacsh* wanted to let people know he was in no way interested in lessening the Parks and Rec programming at all; maybe just switching the location of some of the programming. He said we may find out that the cost of upgrading the City Hall building is way more than the savings we'd see in getting out of Bidarki. He said a next good step would be send this idea to Parks and Rec Commission and let them weigh in. He also thinks that an MOU with the School District should be drafted, regarding use of school gyms. *Robertson* offered a few thoughts: 1) Department of Defense – there is grant money being sought that could assist with a new Police and Fire building; 2) he has challenged *Chief Hicks* to get with the State Troopers and see whether co-locating the two agencies could be a cost savings to both. *Mayor Kacsh* said maybe an agenda item for the next meeting could be creation of a facilities task force.

22. Water consumption and rate discussion

Robertson said he would like guidance to bring this back as an action item which may in fact be a revision to the fee schedule. *Joyce* said there is no easy solution to this, there is no grant money for the Crater Lake study as anticipated. He said it's a catch-22 as far as the processors – if we charge too much for water, they could choose to process elsewhere which we then lose fish tax and other revenues from that. *Carpenter* said she doesn't have a problem with the use of metering in the future and to consider rate increases if necessary this year, especially if we are below the averages. *Hallquist* – he knows the water department has been up on leak detection and we need to keep on that. He is not opposed to rate increases if we are having to run the pump a lot. *Joyce* thought a three year plan – up \$0.20 per year for three consecutive years would help the processors work on conservation and any other cost-savings measures they could come up with. *Bailer* wondered if there was a possibility of billing for a surcharge when we are using our pumps. *Robertson* said we meet with the canners on a quarterly basis and they are aware of the situation. He said we are anticipating this problem, this coming summer and that is why he is bringing this to them now. *Burton* said that in looking at Kodiak rates that's comparable to Cordova. He likes the idea of a surcharge if that's possible and second to that, rate increases. *Beedle* suggested letters to the canners and suggestions regarding savings and conservation of the supply. *Carpenter* said she also wants to encourage conservation. *Carpenter* would like to see any surcharge

imposed in a pro-rated format. *Hallquist* said he believes only on the processors as they are the reason we will be using the pumps and lake water.

N. NEW & MISCELLANEOUS BUSINESS

23. Creation of an economic development committee

Council discussed this for a bit and it was determined that the chamber of commerce already works on economic development and we would leave it to them.

24. Discussion of adjusting the sales tax cap maximum dollar amount – i.e. CMC 5.40.030

Bailer said this hasn't been changed in years and it should be bumped up a bit. *Joyce* agreed and to go to \$3,000 is not unreasonable. *Mayor Kacsh* asked Council if they were amenable to a code change at the next meeting then. *Burton* said he wanted this discussed also because before they set the mill rate he wanted to at least make an attempt to spread out the burden. He wanted to know if there were options to Council besides just property tax. *Reggiani* said he would like to take a comprehensive look at all the sales tax exemptions. Council also asked about the idea of a marine fuel tax – there was a consensus of Council to bring an ordinance forward and also bring back information on a possible surcharge to the next meeting.

25. Council liaison to School Board – discussion

Bailer said he would attend the next school board meeting.

26. Council direction to City Manager in re PWSSC request for reimbursement

Beedle said he talked to *Mr. Stavig* and he said he would have to do some more research as to whether this was already paid or not. *Reggiani* said he would like staff to give more information on this – he feels as though Council has seen this before. *Bailer* said he is not convinced that we should pay them back on this bill. *Burton* said those are his thoughts exactly as well. *Bourgeois* said, ok, wait...what is the Council directive then, because now it appears as though 2 no longer agree to bring back information but instead are ready to be done with this issue. Upon further consideration, there were enough Council members interested in getting more information when staff was able to compile such information.

27. Pending Agenda, Calendar, Elected & Appointed Officials lists

Monday April 20: noon-1:30pm training of board and commission members and possibly council members as well; **6pm** work session begins (training and other info from attorney for Council), **7pm** BOE, after BOE – special meeting to handle the food truck use permit & then we could reconvene work session after if it is not completed by **7pm**.

O. AUDIENCE PARTICIPATION

Jennifer Gibbins said that she is putting out a story on the special election which gives some background and information. Thanked and applauded the community on helping preserve funding for Cordova, be it testimony, outreach, making phone calls, writing emails, and staying on message. The rally yesterday was really great! She thanked her chamber board members and the executive director for their work and the on-the-fly group that came together for the photo-op that became a rally: Dick Shellhorn, Kelsey Appleton, Wendy Ranney, Steve Ranney and Gary Graham and Vivian Kennedy. She said she printed 5000 copies of the recent Cordova Times and they are placed in strategic locations around the state mostly to market shorebird but great for Cordova generally and economic development.

Donald Kurz of 1001 Lake Avenue reported that *Dariah Songer* played in the AABC senior all-star game – kudos to her for that. *Jacob Werner* was selected too but couldn't play – I have heard he received a college offer – somewhere in Washington. He is glad you guys say you are “open for business” – he'll be glad if you make that food truck thing happen. He's glad Council is looking at options to help with a tight budget but he said, “if you mess with Bidarki, you might as well tell people they can't have kids anymore”.

P. COUNCIL COMMENTS

28. Council Comments

Joyce thanked ASLN and KLAM for their coverage of Council meetings. He said that there have been a lot of “discussion” items lately and a lot of times when we are done with those, we haven’t necessarily given staff good direction. We might want to be a little more careful with the amount of things on the agenda and where we want to go with them.

Beedle thanked staff for the nicely graded parking lots, swept streets and the south Harbor is getting ready for paving – nice to see. Also thanked ASLN and KLAM. *Mike Webber* will have completed his totem pole and there is a showing on 5/18 from 11am - 2pm.

Carpenter echoed Roberts’s comments on the parking lot.

Reggiani mentioned the idea of a water commission. Maybe a good way to partner with the heavy users – industrial users, etc.

Bailer back to the oil burner – he has run some numbers and has some opinions. Would like to see us do this.

Q. EXECUTIVE SESSION

M/Reggiani S/Joyce to recess for a few minutes at 10:01 pm.

With no objection the meeting was recessed until 10:06 pm.

M/Reggiani S/Burton to enter into an executive session to discuss matters the immediate knowledge of which would clearly have an adverse effect on the finances of the City, specifically: City Employees health insurance contract negotiations.

Vote on motion: 7 yeas, 0 nays. Motion was approved.

29. City Employees health insurance contract negotiations

The Council was in executive session from 10:06 pm until 10:55 pm.

R. ADJOURNMENT

M/Joyce S/Beedle to adjourn. Hearing no objections the meeting was adjourned at 10:55 pm.

Approved: May 20, 2015

Attest:


Susan Bourgeois, CMC, City Clerk

