

**CITY COUNCIL REGULAR MEETING
APRIL 20, 2011 @ 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 April 20, 2011, in the Library Meeting Room.

B. INVOCATION AND PLEDGE OF ALLEGIANCE

Corrine Erickson led the audience in an Invocation.

Mayor Kallander led the audience in the Pledge of Allegiance.

C. ROLL CALL

Present for roll call were *Mayor James Kallander*, Council members *Keith van den Broek*, *Jim Kacsh*, *Bret Bradford* and *David Reggiani*. Council Members *David Allison*, *EJ Cheshier* and *Robert Beedle* were absent. Also present were City Manager *Mark Lynch*, Deputy City Clerk *Robyn Kincaid* and Student Council representative *Shyla Krukoff*.

D. APPROVAL OF REGULAR AGENDA

M/Reggiani S/Kacsh to approve the Regular Agenda.

Vote on motion: 4 yeas, 0 nays. Motion was approved.

E. DISCLOSURES OF CONFLICTS OF INTEREST

F. COMMUNICATIONS BY AND PETITIONS FROM VISITORS

1. Guest Speakers -None
2. Audience comments regarding agenda items - none
3. Chairpersons and Representatives of Boards and Commissions

Reggiani told Council that they had a P&Z meeting and talked mostly about sidewalks and site plans.

- a. Student Council Representative - *Shyla Krukoff* presented a slide show from the AASG meeting held here in Cordova. She reported that many have commented that this was the best conference they have had. The next conference is scheduled to be at Service and then Kodiak.

G. APPROVAL OF CONSENT CALENDAR

Mayor Kallander stated that the consent calendar was before Council.

Correction was made to the term ending date on item #8. *Mayor Kallander* read item #7 out loud. item #9 was pulled and put under Ordinances and Resolutions as item #19.5 on the Agenda.

4. Record unexcused absence of Council member Keith van den Broek from 4/6/11Regular Council Meeting
5. Record unexcused absence of Council member Robert Beedle from 4/6/11Regular Council Meeting
6. Record excused absence of Council member EJ Cheshier from 4/6/11Regular Council Meeting
7. Proclamation of Appreciation to Don Sjostedt
8. Mayor appointment and Council concurrence to fill vacant seat on Planning & Zoning Commission
9. ~~Resolution 04-11-18~~

~~A resolution of the City Council of the City of Cordova, Alaska, authorizing the City Manager to enter into a purchase and sale agreement of property legally described as Lot 8, Block 5, Tidewater Development Park of Cordova, aka Redden Marine~~

Vote on Consent Calendar: 4 yeas, 0 nays, 3 absent (Allison, Cheshier, and Beedle). van den Broek – yes; Kacsh – yes; Bradford – yes and Reggiani – yes. Consent Calendar was approved.

H. APPROVAL OF MINUTES

M/Reggiani S/Kacsh to approve the minutes:

10. Minutes of April 6, 2011 Regular Council Meeting

Vote on motion: 4 yeas, 0 nays, 3 absent (Allison, Cheshier, and Beedle). Motion was approved.

I. CONSIDERATION OF BIDS - None

J. REPORTS OF OFFICERS

11. Mayor's Report

Mayor Kallander reported that he had reviewed the RFP for a third party manager for the hospital. He commented that he had a really good meeting with several interested parties. As of right now there are three interested parties that will be submitting RFP's. He sent another letter to the redistricting board and will be on the local radio tomorrow informing the community on the redistricting issue. He announced that Cordova has a hearing with the Redistricting Board on 4-21-11 from 1:30-3:30 and asked that Cordovans let their voice be heard. He informed Council that *Cory Baggen*, from Samson Tug and Barge, was coming up to meet with him and *Sam*. It will be in front of Council soon. He stated that he had volunteered the City to pay for moving the utilities and light poles and possibly share the financial burden of renting a crane if need be. *Sam* spoke to the permitting that they will handle, saying that now is just the waiting period. The *Mayor* stated that things are in the works but they are being flexible with work schedules. *Kallander* stated that Council won't be involved until later on in the project if Council agrees with what the *Mayor* has volunteered. He stated that he is working with *Bitney* on the CIP list, they spoke about the hospital and the breakwater. He said that we are looking at getting 2 million for the hospital and 1.4-1.5 million for the break water. After some working out they have settled that the breakwater funds will be dual-purpose with the breakwater and the boat ramp. Fish and Game is looking into partnering in the boat ramp project. He did some research into the State Land Selection as some thought we still had some to select but he's hearing now that we may have selected too much so that's being looked into.

12. Manager's Report

Mark Lynch reported that he had helped out at AASG with gun safety out at the shooting range and let them do some skeet shooting. He stated that he had never been in contact with a more courteous group of young people. He told Council that *Tom Cohenour* is leaving Cordova but *Moe Zamarron* is taking his place as Director of Public Works and they are advertising for *Zamarron's* old position as Cordova Center Project Manager now. He informed Council that he has been working with *Cathy Sherman* on a plan for an Assistant City Manager and an Assistant for records management and grant preparation in a part-time capacity. He informed Council that records management currently is a need as City hall currently has no one to take care of them. The City Clerk's office has done some of it but it needs to be looked at more closely. He added that grant preparation has always fell to the department heads and they have done a great job but the need for grants is not going away and to have someone out there making sure we aren't missing any opportunities will be beneficial to City Hall. He mentioned to Council that Harborside Pizza is wishing to be on the next agenda to discuss the refund of some of their lease payments as was discussed in a previous meeting when the lot was sold to Harborside Pizza. Council said to add him to the agenda. *Mayor Kallander* asked that *Mark* work with Harborside on developing a proposal to be presented to Council at the next regular Council meeting. *Reggiani* asked that *Mark* look into a different format for the financial report. He said he's looking for more of a summary that's easier

to read. He then asked if the new part-time position would need to be a budget amendment. *Mark* replied that he anticipates the grant opportunities stemming from this position will make it a self-sustaining position.

13. City Clerk's Report - written report in the packet

Robyn Kincaid reported that the assessment and appeal process is complete and the BOE went well. The office is now wrapping up the final details for that process.

14. Staff Reports

a. Moe Zamarron, COR, Cordova Center Project

Zamarron reported that they have been working on the rock anchor casings. He announced that they were able to reduce the amount of concrete they will need to use which will result in less money thanks to the design team. He stated that they are starting to work on fill for the basement walls and floor walls. We are starting to see some significant vertical work being done. All the anchor pulls are complete. All the drilling for the west wall will be done tomorrow. Next week the man hole for grey water will be installed. They are still looking at completion around November to December. The 6th application for payment has been approved. Submittals are being made for roofing, windows, trim and siding. All the structural steel and concrete has been completed and signed off. We have received most of the steel.

Robert Beedle joined the meeting via teleconference at 8:15 pm

b. Cathy Sherman, Cordova Center Phase 2

Sherman reported that they are working through the design, working out the numbers. They have decided to do radiant floor heat and will utilize both oil and electric boilers in order to have options for back up and flexibility with rising costs. She stated that it has gone through P&Z for design review and talked a lot about parking spaces. The purchase of the Redden Marine building is before Council tonight. Once that is complete than they can start work on developing parking spaces. *Sherman* informed Council that she will be presenting a complete summary of phase 1&2 at the May 4, 2011 meeting, pending she does not get called for jury duty. *Kallander* asked if the radiant heat would be part of phase 1. *Sherman* responded that the beginning process for it will be in phase 1 but will mostly be in phase 2. *Kallander* stated that MRV had been behind in their drawings for phase 1 and asked if they were up to date on phase 2. *Sherman* responded in the affirmative. *Kallander* asked where we are at in the bid process. *Sherman* replied that they are 30 days beyond original expectations. He inquired about funding. She stated that they are close. Letters of intent are being drafted, and they are working on corporate packets. More details will be at the next meeting. *Reggiani* asked if the purchase of the Redden Marine building was part of phase 1 or 2. *Sherman* responded that it is budgeted into phase 1. She added that attendance for the Library/Museum is up.

First Quarterly 2011 – Reports

- a. Harbormaster, Dale Muma
- b. Director of Parks and Recreation, Susan Herschleb
- c. City Planner, Sam Greenwood
- d. Information Services Director, Cathy Sherman
- e. City Investments, Buck Adams, UBS Financial Services
- f. Cordova Volunteer Fire Department, Oscar Delpino
- g. Director of Public Works, Tom Cohenour
- h. Chief of Police, Robert Baty

- i. Financial Director, Ashley Royal

K. CORRESPONDENCE

- 15. Letter from Jim Nygaard in re snow removal
- 16. Resolution passed by NVE Tribal Council in re redistricting
- 17. Letter from Manager to Torgerson, Chair of Redistricting Board
- 18. Letter from Mayor to Torgerson, Chair of Redistricting Board
- 19. Letter from Robert Beedle in re Senior Exemption

Mayor Kallander asked Council if they had any questions on any of the correspondence. He brought to Council's attention the letter from *Robert Beedle* on page 8 of the packet. *Kacsh* stated he would like to look into a one-time filing of the senior exemptions. Council concurred. *Reggiani* stated that it has come up before but there was something holding us back. The *Mayor* asked the Clerk to look into details and put it on the agenda for the next meeting as a discussion item.

L. ORDINANCES AND RESOLUTIONS

- 19.5. Resolution 04-11-18

A resolution of the City Council of the City of Cordova, Alaska, authorizing the City Manager to enter into a purchase and sale agreement of property legally described as Lot 8, Block 5, Tidewater Development Park of Cordova, aka Redden Marine

M/Reggiani S/Kacsh to approve Resolution 04-11-18, a resolution of the City Council of the City of Cordova, Alaska, authorizing the City Manager to enter into a purchase and sale agreement of property legally described as Lot 8, Block 5, Tidewater Development Park of Cordova, aka Redden Marine

Van den Broek asked if the building can be reused or moved. *Lynch* responded that he had Eagle Construction look into it with that in mind but they said it could not be moved. It was structurally incapable but also too big. *Mayor Kallander* stated he knew the building has some issues. *Bradford* asked if the building is on a single piece concrete slab and could the slab be reused. *Cohenour* replied that it is a single slab. *Bradford* inquired as to if it could be used for a base for a skate park as parks and rec is thinking towards that end. *Lynch* stated that rebar might be an issue. *Cohenour* replied that in his experience when you try to reuse a slab you end up with a poor product. It would be a hazard at a skate park because of the built in joists and it is almost impossible to make reused slabs level.

Vote on Motion: 5 yeas, 0 nays, 2 absent (Allison, Cheshier). Kacsh – yes; Bradford – yes; Reggiani – yes; Beedle – yes and van den Broek – yes. Motion was approved.

M. UNFINISHED BUSINESS

- 20. Council's right to protest renewal of liquor licenses for the Cordova Hotel & Bar, licenses #277 & #278

M/Reggiani S/Kacsh to rescind motion made at the March 16, 2011 Regular Council Meeting that reads "Motion to protest the ABC board's approval of the application for renewal of the liquor licenses #227 & #278 due to the Cordova Hotel & Bar's sales tax and property tax delinquency"

Reggiani stated this is a parliamentary procedure to rescind this motion in order to make a follow up motion. *Kacsh* asked if they have made an effort. *Lynch* responded in the affirmative.

Vote on Motion: 5 yeas, 0 nays, 2 absent (Allison, Cheshier). Bradford – yes; Reggiani – yes; Beedle – yes; van den Broek – yes and Kacsh – yes. Motion was approved.

M/Reggiani S/Bradford to waive the right to protest the ABC Board's approval of the application for renewal of liquor licenses for the Cordova Hotel & Bar, licenses #277 & #278

Lynch stated that both Cordova Hotel & Bar and Anchor Bar & liquor store are making an effort. They are not current but they are up to date with the agreement the made with the finance department.

Vote on Motion: 5 yeas, 0 nays, 2 absent (Allison, Cheshier). Bradford – yes; Reggiani – yes; Beedle – yes; van den Broek – yes and Kacsh – yes. Motion was approved.

Mayor Kallander asked if this was Council's last opportunity to protest the liquor license. The answer was yes. He responded that he would like to monitor this at every meeting. *Lynch* stated that the Council can revoke their business license if they should fall into question again at any meeting as an administrator just not the liquor licenses. *Kallander* asked Council if they would like staff to monitor or have it before Council. It's very important that these two continue to communicate with the City and keep making an effort. *Kacsh* stated he didn't think it needed to be on every agenda unless there is an issue again. He would like to leave it to staff unless they fall back. *Bradford* stated he would like to see it on, maybe, every first meeting of the month for accountability. *Reggiani* stated that it is an administrative item now and recommended that the City Manager bring it forward in his report. *Van den Broek* agreed with *Reggiani*. *Kacsh* agreed but mentioned that he didn't want to keep a negative focus on these businesses. *Kallander* reminded Council that a considerable amount of City's money was collected and not turned over. This is not their money. It belongs to the people the Council represents. *Bradford* stated that it isn't a negative focus. He said it's monitoring in the best interest of the community. *Beedle* agreed with *Reggiani's* recommendation.

21. Council's right to protest renewal of liquor licenses for the Anchor Bar license #61 and the Anchor Liquor Store, license # 62

M/Reggiani S/Bradford to waive the right to protest the ABC Board's approval of the application for renewal of liquor licenses for the Anchor Bar license #61 and the Anchor Liquor Store, license #62

Vote on Motion: 5 yeas, 0 nays, 2 absent (Allison, Cheshier). Reggiani – yes; Beedle – yes; van den Broek – yes; Kacsh – yes and Bradford – yes. Motion was approved.

N. NEW & MISCELLANEOUS BUSINESS

22. Letter from Prince William Sound Science Center re-existing lease and new purchase

Mayor Kallander stated that the letter is asking things outside of what Code allows. *Lynch* stated that the request for a 50 year lease is unprecedented in Cordova. Code states that leases are not to exceed 30 years in renewals unless by Council action. It would have to be brought by Ordinance so people can submit a petition opposing the sale. The City had a commercial appraisal done on the property, it valued at \$5473 a month for market rental analysis. *Kallander* suggested Council discuss the letter in reference to item "A" and then "B" to keep the confusion down. Item "A" is a modification to the purchase agreement to the property adjacent to Ocean Beauty Seafoods. It was pointed out that they have missed deadlines. They were unable to secure funds or produce plans other than the elevation drawings. He also pointed out that with that in mind there is another party that is very interested in the property. *Kacsh* stated that he has seen the issue before where an entity was unable to secure funds because they did not

own the property. He would like to see what they want to do. We still could do a performance agreement on a sale. **Reggiani** stated that the PWSSC is important to the community but that he has an issue with extending the lease when they have not upheld the current agreement of producing plans. He has a hard time changing or adjusting an existing agreement. He said we should stick to our agreements and requirements. **Bradford** agreed with **Reggiani** that he has a hard time agreeing to a purchase when they are already having difficulties securing funds. He suggested that before they decide to sell it that it should be put out to proposal. **Kallander** said that PWSSC has had plenty of opportunity for this land with generous terms. **Bradford** reiterated that if it is to be sold than it should go to proposal. **Beedle** agreed with **Reggiani** that it is of value to the community but the asking for another extension is concerning. There may be a better piece of land that could suit their needs. Do they need to have that prime location? **Van den Broek** inquired as to when the lease is up. **Lynch** replied that they are to have substantial completion of the new building by July. **Van den Broek** suggested that if they don't uphold that agreement, then, at that point, put it up for proposal and they are welcome to bid. **Reggiani** agreed. **Kallander** stated that is a fair way to go. He suggested Council move on to consider item "B" in the letter, to purchase the building. **Lynch** inquired from Council what kind of action they are looking for from him on item "A". The response was to indicate to PWSSC that they are to continue with the current agreement. **Kallander** pointed out that the building they are in, and wishing to purchase, is leased and the lease has been up for several months. Their ten year lease requires they pay \$1.00 a year. This lease is requiring the community to subsidize PWSSC. They have done improvements on the building but there are things to repair. He posed the question to Council that if they are only paying \$1.00 a year in lease, why is the building being allowed to deteriorate? They have a pretty nice deal. **Bradford** suggested that since the old lease has run out that the new lease include in its wording that they must maintain the building. He has no problem with selling the building but would like some public input. **Reggiani** pointed out that the current lease is an amendment to the original lease. They have already been there for 20 years. The City Code indicates that the max lease is 30 years. He agreed with **Beedle** that maybe there is a better location available. That building is valuable and the location is valuable. He stated that he would like to explore options before we sell the building. **Kallander** agreed that the Council should ask for public input. **Kacsh** stated that he did not mind redoing the lease or them buying the building but would like to see their proposal. **Van den Broek** stated that he would entertain a sale but wants to see their proposal. He pointed out they do need salt water for their wet labs and have a vessel they tie up to their building. The PWSSC is very valuable to the community in research and tourism. He added that he'd hate to relocate them. **Beedle** inquired as to what the building purchase would encompass? **Reggiani** replied that it would be the building and tide-flats. **Beedle** further inquired as to if the lease has to be 10 years or could it be 5. He'd like to see their plans. He mentioned that he does see value to the community in keeping the Science Center and wants to see them keep succeeding. **Kallander** stated that the City is not being even handed with the non-profits in town if we continue to subsidize their operations. There is no doubt in their benefit to the community but so do other non-profits in town and they are paying rent. **Van den Broek** asked if they bought the building if they would pay property tax? The reply was that non-profits are exempt but they can choose to pay. **Reggiani** stated that the City is obligated to request proposals for the sale to stay consistent. What could the City do with the building? **Bradford** stated that he is good with the lease but not good with the sale. It's a valuable piece for the City to hold onto. **Kallander** asked Council "Do we then continue with no lease?" **Lynch** informed Council that he has not pursued the issue of the lease because he knew this discussion was coming. **Bradford** stated that he thinks everyone is in favor of a lease and not so much a sale. **Kallander** stated that he has an issue going forward without a full Council to deliberate. **Reggiani** pointed out that this was on the agenda as a discussion item and therefore does not require action. **Kacsh** stated that he doesn't think that Council is ready to give direction. **Kallander** said there is no rush. **Reggiani** agreed

that there is no rush and the Council must follow procedure. *Kacsh* stated that it could be in the Science Center's hands. *Kallander* agreed that they could follow regular procedures. *Van den Broek* suggested Council not pursue a sale until we can look at a lease or a proposal. As it stands the City is generating \$10 in revenue from this prime business over the next decade and that needs to be looked at closer. *Kallander* encouraged Council to continue to think about this and discuss it around the community. As it stands we will continue with the current agreement.

23. Pending Agenda and Calendar

Ribbon Cutting Ceremony on May 7th for the Copper River Highway Scenic Byway designation

There may be a work session on Phase II of the Cordova Center on May 4th if Cathy does not get called for Grand Jury Duty.

Public Safety Building Design Committee Meeting tomorrow to review floor plans at 7 pm

O. AUDIENCE PARTICIPATION

Jennifer Gibbins, wanted to make sure everyone is aware of the Redistricting Board hearing tomorrow from 1:30-3:30 here at the Library meeting room. She mentioned that she is concerned because of the SERVS drill that the hearing may be poorly attended and this is important to the community. She added that she has heard that Cordova is the best represented community in the state in the whole deal and much of that is owing to our *Mayor* and our lobbyist. *Gibbins* also added that she did some volunteering for the AASG and in all her years of activism it stands out as an amazing experience. She said it is a great reflection of the youth in Alaska and our Cordova kids did a great job in organizing it.

P. COUNCIL COMMENTS

24. Council Comments

Bradford gave kudos to *Jim Nygaard* for the archery program for the kids. It has been in discussion for years and it took him stepping forward to make this opportunity a reality for our kids. 30 people showed up for the 2 nights of training. The instructor said the largest group he had had previous to this was 19 so it blew him out of the water to have that many people come. He has got 70 schools currently doing this program with 90 schools waiting for the training and equipment.

Beedle thanked *Tom Cohenour* for everything he has done for Cordova. He added that he is out on the SERVS drill; they should be back before the redistricting hearing and would put something out so everyone will be aware of its time.

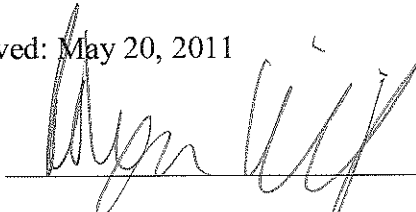
Q. ADJOURNMENT

M/Bradford S/van den Broek to adjourn the regular meeting at 9:27 pm

Hearing no objection, the meeting was adjourned.

Approved: May 20, 2011

Attest: _____



Robyn Kincaid, Deputy City Clerk

