

**CITY COUNCIL REGULAR MEETING
MAY 06, 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 May 6, 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*, *Tom Bailer* and *Josh Hallquist*. Council member *Tim Joyce* was present via teleconference. Council members *Robert Beedle*, *Dave Reggiani* and *James Burton* were absent. Also present was City Clerk *Susan Bourgeois*.

D. APPROVAL OF REGULAR AGENDA

M/Bailer S/Carpenter to approve the Regular Agenda.

Vote on motion: 4 yeas, 0 nays, 3 absent. Burton-absent; Joyce-yes; Beedle-absent; Hallquist-yes; Carpenter-yes; Reggiani-absent and Bailer-yes. Motion was approved.

E. DISCLOSURES OF CONFLICTS OF INTEREST - none

F. COMMUNICATIONS BY AND PETITIONS FROM VISITORS

1. Guest Speaker

a. *John Bitney* gave an update on the legislative session. They are currently in a special session. The legislature has passed a capital and an operating budget. The operating budget has been sent to the Governor for his review and signature – his deadline to deal with that is May 19. The capital budget has not been sent by the Senate to the Governor because it has not received the 3/4 vote required to access the constitutional reserve for FY16 (\$3.2 billion would be needed to balance FY16). For Cordova: the operating budget fully funds the BSA as far as education, there is also \$7 million for the AMHS (of course we don't yet know what that will do for our ferry).

b. *Emily Stolarcyk*, program manager for the Eyak Preservation Council gave a synopsis of the planned Navy exercise in the Gulf of Alaska later in the summer. She also put a resolution before Council for action tonight.

2. Audience comments regarding agenda items

Jacob Betts, Trident Seafoods, spoke against Council raising the industrial water rates.

John Harvill, 701 Railroad Avenue, spoke about agenda items 20 & 29. He fully agrees that we should have third party outside management of the hospital. He feels that Providence did a horrible job fulfilling their contract with the City. He also spoke to the Navy exercise and said there isn't anyone here who has the professional skills to question what the federal government and our Navy are doing to protect this country.

Juraj Kusnir, Copper River Seafoods, spoke against Council raising the industrial water rates.

Carol Hoover spoke against the Navy exercise in the Gulf and called it a jobs issue and a sustainability issue, not just an environmental issue.

3. Chairpersons and Representatives of Boards and Commissions (Harbor, HSB, Parks & Rec, P&Z, School Board)
Harbormaster *Tony Schinella* said Harbor Commission met last month but will be missing May due to the fishing schedule.

Carpenter reported for the HSB – she spoke to *Sean McCallister* recently about day-to-day happenings. He and *Stephen Sundby* will be working to find a business manager or the like to fill the gap because *Tiffany (Varnadoe)* is very overworked. They are in the process of hiring a female provider, a nurse practitioner. Also, they are working on hiring a new director of nursing. She said *Dr. Blackadar* is concerned about the

schedule as he is 5 days a week in the clinic and then on-call for the ER each night. We hope to figure out a different arrangement with the Ilanka providers.

a. Planning and Zoning Commission Resolution 15-07 – **Mayor Kacsh** asked **Bailer** to report on the Planning and Zoning Commission meeting, and this resolution they put forward to Council.

Bailer said he doesn't support this resolution. **Bourgeois** said this was included as informational, a recommendation from P&Z which it is appropriate to bring forward to Council in Resolution form. She anticipated that it would be for Council to then direct staff to bring something to a future Council meeting regarding this recommendation. **Bailer** opined that he is in disagreement with needing to use a lawyer with all of this. He said the commission has done a lot of work and some of these code changes are small, easy changes – he doesn't see the need for a lawyer to do this. **Mayor Kacsh** said we had spent \$50K/ year for a couple of years to get major portions of code thoroughly looked at and reworded and simplified by the City Attorney and this is P&Z asking for out-of-cycle budgeting for more of that. He believes it should come back as a resolution with a budget amendment and a fiscal note so Council could take action on it. **Hallquist** wanted more clarification from P&Z on what exactly was necessary as far as code changes, why spend this money, what are we changing that doesn't work for us, are there things we are getting sued all the time over. **Bourgeois** said it is time, effort and standing in the way of development. Items have been denied, referred, meetings have been lengthy, items come before Council, get sent back to staff or back to P&Z and these are the issues that proper codes could remedy. **Bailer** said, if you could give an example of standing in the way of development...**Mayor Kacsh** and **Bourgeois** both said the **Roemhildt** development was referred and then he drastically reduced his development plan over that lost time. **Bailer** said he wanted to build something against code which is totally different. **Bourgeois** asked exactly what the direction was to staff, she expressed frustration at the fact that only 4 Council members were present and she feared wasted staff time developing this to present to Council and then Council might very well shoot this down – of course she did say that staff would bring this back if that was the direction. **Mayor Kacsh** said, yes, please bring a resolution amending the budget with a fiscal note to allow for this expenditure for code change. Further input from Council gave staff direction to get the exact reasons from the P&Z Commission.

4. Student Council Representatives are off for the summer months.

G. APPROVAL OF CONSENT CALENDAR

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

Council member **Joyce** pulled item 7 and it was placed as item 22a.

5. Ordinance 1124 An ordinance of the City Council of the City of Cordova, Alaska, amending Cordova Municipal Code section 18.39.090 to repeal subsection 18.39.090(A), which removes the requirement that parking areas and drives shall be limited to fifty percent of required front yards in the Waterfront Commercial Park district –2nd reading

6. Ordinance 1125 An ordinance of the City Council of the City of Cordova, Alaska, amending Cordova Municipal Code chapter 18.48 to revise section 18.48.060 and add section 18.48.080 entitled commission reduction of parking spaces, to permit the Planning Commission to reduce the required number of parking spaces when it determines an unreasonable amount of parking spaces is required or a reduction is necessary to meet city development goals –2nd reading

7. 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 –2nd reading

8. 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 – 2nd reading

9. Resolution 05-15-23 A resolution of the City Council of the City of Cordova, Alaska, requesting conveyance of approximately 50 acres of tidelands from the State of Alaska for the accomplishment of public and private development approved by the municipality

10. Proclamation for Bret Bradford

11. Proclamation for Hayley Hoover

12. Council confirmation of CVFD Election of Officers for 2015

Vote on Consent Calendar: 4 yeas, 0 nays, 3 absent. Beedle-absent; Joyce-yes; Hallquist-yes; Bailer-yes; Carpenter-yes; Burton-absent and Reggiani-absent. Consent calendar was approved.

Mayor Kacsh read the 2 proclamations into the record and there was applause for the 2 previous Council members.

H. APPROVAL OF MINUTES

M/Bailer S/Carpenter to approve the minutes.

13. 04-01-15 Regular Meeting Minutes

14. 04-15-15 Public Hearing Minutes

Vote on motion: 4 yeas, 0 nays, 3 absent. Joyce-yes; Bailer-yes; Burton-absent; Beedle-absent; Reggiani-absent; Hallquist-yes and Carpenter-yes. Motion was approved.

I. CONSIDERATION OF BIDS - none

J. REPORTS OF OFFICERS

15. Mayor's Report – **Mayor Kacsh** said he attended an EMO (Emergency Management Organization – run by **Joanie Behrends**) meeting – was very informative. He also attended a meeting with representatives from the USFS about Forest Plan revisions. He also met with the Eyak Preservation Council concerning the activities in the Gulf of Alaska.

16. Manager's Report

a. Cordova Center update report – including financial summary

Rich Rogers said many different trades are in the building now, electrical, elevators, and windows. He said the lead architect will be here next week, his assistant was here last week. We are still looking at a July completion – we have a revised schedule from the contractor and there will be some activities going on a week or two after the substantial completion date (railings, part of the kitchen, auditorium seats, part of museum floor, and some doors). Time spent through six months is almost in line with our money spent. RFIs (151 total) are all caught up. Submittals are also current. Questions: **Bailer** said the manager wasn't here so he asked **Bennett** if he was working on the CT scanner bids – **Bennett** said, yes he was. **Bailer** said that the Manager mentioned in an email that he alerted local contractors as well as Dawson, **Bailer** said he doesn't know any local contractors that got alerted; he said he didn't get alerted. **Bennett** said it was posted, went in the newspaper; **Bailer** said most of us don't read. **Bailer** said most of us don't get things through the "Plans Room" – there is a big fee to be involved in that. **Rogers** said per Code, we advertise and notice bids exactly as we are required to. It was in a Friday newspaper and the ad directs interested parties to the City website and/or the "Plans Room".

Stavig said that **Robertson** asked him to tell Council that Alaska Regional Hospital has responded to the RFP for Hospital Management Services and they would be sending representatives down next week to meet with hospital staff.

b. Report concerning PWSSC request for reimbursement

17. Staff Quarterly Reports – 1Q 2015

a. Police Department

b. Parks and Recreation

18. City Clerk's Report – **Bourgeois** said that the Special Election is coming up next Tuesday May 12 – there have only been 3 absentee voters so far. **Deputy Clerk Hammer** is completing assessment roll work after the BOE and appeals. We should be certifying the roll next meeting. The mill rate must be set by June 15, therefore, she will have that resolution before Council at the June 3 regular meeting.

Bailer commented that the mill rate setting date – he would really like to have all seven Council members there – it's one of those things he wants all seven voices at. **Mayor Kacsh** asked if the Clerk position has been put out as available yet. **Bourgeois** said she sent Council her resignation letter on May 4; her last day of employment will be July 3 – per her contract, the required 60 day notice. She has told the City Manager, Department Heads and the Council.

K. CORRESPONDENCE

19. Thank you note from RCAC to Joanie Behrends

20. Providence notice to Mayor & City Council 04-17-15

Hallquist commented on the letter from Providence, **Bailer** seemed to be along the same lines, concerned about the City Manager's most recent report to Council. The comments went toward information that should be discussed in executive session and **Mayor Kacsh**, **Carpenter** and **Joyce** said they hoped to clarify later this evening for the Council members, especially the ones who missed the last executive session with the City Attorney.

L. ORDINANCES AND RESOLUTIONS

21. Resolution 05-15-24 A resolution of the City Council of the City of Cordova, Alaska, authorizing amendment to the FY15 fee schedule, previously adopted as Resolution 12-14-53, to increase water rates for heavy industrial users to \$1.60 per 1,000 gallons

M/Joyce S/Bailer to approve Resolution 05-15-24 a resolution of the City Council of the City of Cordova, Alaska, authorizing amendment to the FY15 fee schedule, previously adopted as Resolution 12-14-53, to increase water rates for heavy industrial users to \$1.60 per 1,000 gallons.

Joyce said the City is looking to other sources, i.e. feasibility of Crater Lake, but until then, the industrial users are the high users and they should pay for their exorbitant need. The pumps will likely have to run this summer and the industrial users are the ones in need. **Hallquist** said one of the speakers (**Jacob Betts** of Trident) said that if they went to a desalinization technique, they would reduce their need by 75%. **Hallquist** said that would take care of our capacity issue right there. **Rogers** clarified that **Betts** meant his plant's reduction would be the 75% not the entire City. **Hallquist** said he agrees with the increase because the almighty dollar is what speaks. **Carpenter** said she recalls that we are still below comparables around the state, so she is ok with the increase. **Joyce** agreed. **Mayor Kacsh** said his only issue is that we are amending the fee schedule outside the budget cycle. **Hallquist** said it is better to do this now and not wait until the emergency occurs mid-summer.

M/Carpenter to amend the amount and raise the rate per 1,000 gallons to \$1.50 instead of \$1.60. This motion failed for lack of a second.

Vote on motion: 4 yeas, 0 nays, 3 absent. Carpenter-yes; Hallquist-yes; Bailer-yes; Beedle-absent; Burton-absent; Reggiani-absent and Joyce-yes. Motion was approved.

22. Resolution 05-15-25 a resolution of the City Council of the City of Cordova, Alaska, to oppose navy training exercises in the Gulf of Alaska in June 2015

M/Bailer S/Carpenter to approve Resolution 05-15-25 a resolution of the City Council of the City of Cordova, Alaska, to oppose navy training exercises in the Gulf of Alaska in June 2015.

Carpenter said she is in favor of this mainly because of the impact it has on the fisheries. **Joyce** said he will support it as well because of the location and timing of the exercises. When you look at migration cycles of juvenile salmon, that is the area where they go, and right at that time. **Bailer** said he would not support this as written because he does believe they need to do their training. **Hallquist** said he would support this.

M/Joyce S/Bailer to amend the resolution by adding another paragraph stating: "Be it further resolved that, the City Council of the City of Cordova, Alaska recommends that the Navy training exercises be moved to a later date,

after the middle of September 2015, so as not to impact migrating salmon and be relocated in the far southeast corner of the designated training area”.

Joyce said he supports this amendment because it will ease the impact on the fisheries related activities all over Alaska especially at that time and in that location. **Carpenter** said she is still opposed to it at any time of year – she believes it would be an improvement when salmon aren’t in the area, but it is still detrimental to the environment. **Bailer** said he supports the amendment. **Joyce** said he understands **Carpenter’s** concerns but dilution is the solution, i.e. the further out the better; it would spread to minimal concentration levels.

Vote on motion to amend: 3 yeas, 1 nay, 3 absent. Hallquist-yes; Reggiani-absent; Bailer-yes; Beedle-absent; Carpenter-no; Joyce-yes and Burton-absent. Motion to amend was approved.

Vote on main motion: 4 yeas, 0 nays, 3 absent. Joyce-yes; Burton-absent; Beedle-absent; Reggiani-absent; Carpenter-yes; Hallquist-yes and Bailer-yes. Main motion was approved.

22a. 7. 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-2nd reading

M/Bailer S/Joyce 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.

Joyce said he pulled this because he came across something that he thought might need to be remedied and that is regarding lease with option to buy; he believed that page 4 of the Ordinance under 5.22.090 C should be amended in some way. He had brought this to the attention to the Clerk and wondered if anyone had looked into it. **Bourgeois** said yes, in fact, **Assistant Planner Leif Stavig** has come up with a solution and said in that paragraph, if the word *shall* is changed to the word *may*, that would be the best solution.

M/Carpenter S/Joyce to amend the ordinance by replacing “shall” with “may” in 5.22.090 C.

Vote on motion to amend: 4 yeas, 0 nays, 3 absent. Beedle-absent; Joyce-yes; Hallquist-yes; Burton-absent; Carpenter-yes; Bailer-yes and Reggiani-absent. Motion to amend was approved.

Vote on main motion: 4 yeas, 0 nays, 3 absent. Carpenter-yes; Beedle-absent; Joyce-yes; Bailer-yes; Burton-absent; Reggiani-absent and Hallquist-yes. Main motion was approved.

M. UNFINISHED BUSINESS

23. Council action on reclassifying current Library/Museum Lots as available on the City’s 2015 land disposal maps.

M/Carpenter S/Bailer to make Lots 12-18, Block 6, Original Townsite available on the City’s land disposal maps.

Carpenter said it is time to move forward with this, the Cordova Center is coming right up and we need to be ready to get rid of this.

Vote on motion: 4 yeas, 0 nays, 3 absent. Beedle-absent; Carpenter-yes; Burton-absent; Hallquist-yes; Bailer-yes; Reggiani-absent and Joyce-yes. Motion was approved.

24. Council action on disposal method of Library/Museum Lots (contingent upon approval of item 23 above)

M/Carpenter S/Hallquist to direct the City Manager to dispose of the buildings on Lots 12-18, Block 6, Original Townsite by requesting sealed proposals with the special conditions contained in the staff report.

Carpenter said, again, just moving forward. **Joyce** said within P&Z there was discussion about selling the buildings vs. selling the lots and the buildings, he wanted to be clear what we were accomplishing with this motion. **Carpenter** said it was just the buildings. **Bourgeois** clarified that the special conditions say “to be

purchased and relocated”. *Joyce* wondered what we would do if we received no bids to buy and relocate the buildings. Would we then try to go back out for sale of the land with the buildings together? Council said, yes, sure, let’s take first step first.

Vote on motion: 4 yeas, 0 nays, 3 absent. Hallquist-yes; Reggiani-absent; Beedle-absent; Carpenter-yes; Joyce-yes; Bailer-yes and Burton-absent. Motion was approved.

N. NEW & MISCELLANEOUS BUSINESS

25. Council action on disposal method for Lot 15, Block 6, USS 2981

M/Bailer S/Hallquist to direct the City Manager to dispose of Lot 15, Block 6, USS 2981 by negotiating an agreement with Ardy and Laura Hanson.

Joyce said just for the record, this is a steep hillside property that has no chance of being developed, adjacent to their property. However, he did wonder if the greenbelt area was provided for by moving the lower property line to be in line with the other lots around it. *Leif Stavig* said that could be handled in the direct negotiation.

M/Carpenter S/Hallquist to amend the motion to insert the words, “a portion of” before Lot 15... and then after USS 2981, “in keeping with the lot lines of adjacent properties...”

Vote on motion to amend: 4 yeas, 0 nays, 3 absent. Beedle-absent; Hallquist-yes; Burton-absent; Joyce-yes; Carpenter-yes; Bailer-yes and Reggiani-absent. Motion to amend was approved.

Vote on main motion: 4 yeas, 0 nays, 3 absent. Carpenter-yes; Beedle-absent; Joyce-yes; Bailer-yes; Burton-absent; Reggiani-absent and Hallquist-yes. Main motion was approved.

26. Council’s right to protest liquor license renewals

M/Bailer S/Carpenter to waive Council’s right to protest the liquor license renewals of: # 61 Anchor Bar & Grill - beverage dispensary; # 62 Anchor Liquor Store - package store; # 277 Cordova Hotel & Bar - beverage dispensary and # 278 Cordova Hotel & Bar - package store.

Vote on motion: 4 yeas, 0 nays, 3 absent. Joyce-yes; Bailer-yes; Burton-absent; Beedle-absent; Reggiani-absent; Hallquist-yes and Carpenter-yes. Motion was approved.

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

June 3 – we will set the mill rate – *Mayor Kacsh* said that is an important meeting to attend. *Carpenter* asked to invite *Max Mertz* to present the CCMC audit – she suggested as a guest speaker, she would get with him and coordinate with the Clerk. *Bailer* asked about water rates and he’s like to see those looked at; i.e. all the rates not just the industrial ones. He’d like a discussion item on the next agenda. *Joyce* said that in our recent training with the City Attorney she taught us that items should come forward as a Council-sponsored resolution if there is a change that a certain Council member wants made. Then it could be a more directed discussion and a vote. When we put discussion items on we often go off on tangents etc. *Mayor Kacsh* said he would assist *Bailer* with such a resolution.

O. AUDIENCE PARTICIPATION

Emily Stolarcyk thanked Council for its action tonight in passing the resolution about the Navy exercises in the Gulf of Alaska. She also said there is a wild and scenic film festival tomorrow night at the Cordova High School @ 7pm.

P. COUNCIL COMMENTS

28. Council Comments

Bailer the CT scanner RFP – just putting it in the paper is not enough, he thinks we should go the extra mile. *Carpenter* thanked *Bourgeois* for her time as City Clerk.

Joyce echoed those comments.

Q. EXECUTIVE SESSION

M/Bailer S/Carpenter to recess for a few minutes at 9:10 pm.

With no objection the meeting was recessed at 9:10 pm and reconvened at 9:14 pm.

M/Carpenter S/Bailer 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: CCMC management update.

Vote on motion: 4 yeas, 0 nays, 3 absent. Carpenter-yes; Hallquist-yes; Joyce-yes; Beedle-absent; Burton-absent; Reggiani-absent and Bailer-yes. Motion was approved.

29. CCMC Management update

The Council was in executive session from 9:15 pm until 9:44 pm.

R. ADJOURNMENT

M/Bailer S/Hallquist to adjourn.

Hearing no objections the meeting was adjourned at 9:45 pm.

Approved: June 3, 2015

Attest:



Susan Bourgeois, CMC, City Clerk

