

**CITY COUNCIL REGULAR MEETING
JUNE 2, 2010 @ 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 June 2, 2010 in the Library Meeting Room.

B. INVOCATIONS 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*, *James Kacsh*, *David Allison*, *EJ Cheshier*, *David Reggiani* and *Robert Beedle*. Absent from the meeting was Council member *Bret Bradford*. Also present were City Manager *Mark Lynch* and City Clerk *Susan Bourgeois*.

D. APPROVAL OF REGULAR AGENDA

M/Allison S/Reggiani to approve the regular agenda.

With no objection heard, the agenda was approved.

E. DISCLOSURES OF CONFLICTS OF INTEREST

Allison said that he had a conflict on agenda item 30 because he worked for Trident Seafoods. *Mayor Kallander* was unsure if he had a significant financial interest in the matter but said it was uncertain as to how the conversation might go on this matter; he would prefer that *Allison* not participate in that agenda item. *Allison* said he was perfectly fine with that ruling.

F. COMMUNICATIONS BY AND PETITIONS FROM VISITORS

1. Guest Speakers – *John Bost* of Mikunda Cottrell discussed the City's 2009 audit. He said that the City of Cordova is on the right track – there were fewer adjustments during the audit than last year and significantly fewer than the year before that. There were zero significant deficiencies (internal control problems) and material weaknesses – there had been three in 2008. He said that with grants, projects and such, Cordova has a lot going on especially for a town this size. He said that our general fund is looking good because he remembers when not so long ago, the City's general fund was in the red. A good rule of thumb is to have 2 – 6 months operating capital in the general fund at all times and presently the City has the top end of that (i.e. close to 6 months reserves). *Bost* stated that revenues were up and expenses were down. He said that was something he couldn't say in too many communities across the state. He pointed out that the Council should be applauded for the permanent fund growth and their choice to put non-recurring income into the permanent fund (i.e. Exxon settlement and land sale proceeds). Also of interest is the funding of the land-fill closure – a smart idea which isn't always easy to do, but Cordova is doing it and it will pay off in the future.

2. Audience comments regarding agenda items

Maryanne Bishop of 406 Fourth Street spoke to agenda item 22, a letter she wrote concerning AIGCO. She had also enclosed a copy of the editorial she had written in the Cordova Times. She expressed concern about the prospect of the City doing business with AIGCO.

3. Chairpersons and Representatives of Boards and Commissions – no reports
4. Student Council Representative – no report

G. APPROVAL OF CONSENT CALENDAR

Mayor Kallander stated that the consent calendar was before Council.

5. Record excused absence for Keith van den Broek from the 05-19-10 regular meeting. Reason – work related.

6. Resolution 06-10-32 A resolution of the City Council of the City of Cordova, Alaska, authorizing the City Manager to enter into a sole source contract with Chester Pool Systems for an amount not to exceed \$58,242.00 for circulation system repair at Bob Korn pool

7. Resolution 06-10-33 A resolution of the City Council of the City of Cordova, Alaska, amending the 2010 City of Cordova fee schedule – 1st reading

Vote on consent calendar: 6 yeas, 0 nays, 1 absent (Bradford). van den Broek – yes; Kacsh – yes; Allison – yes; Cheshier – yes; Reggiani – yes and Beedle – yes. Consent Calendar was approved.

H. APPROVAL OF MINUTES

M/Reggiani S/Kacsh to approve the minutes as listed on the agenda as items 8 – 14.

8. Minutes of 03-11-10 Special Meeting
9. Minutes of 04-07-10 Special Meeting
10. Minutes of 04-09-10 Special Meeting
11. Minutes of 04-19-10 Board of Equalization
12. Minutes of 05-05-10 Public Hearing
13. Minutes of 05-05-10 Regular Meeting
14. Minutes of 05-19-10 Public Hearing

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

I. CONSIDERATION OF BIDS – None.

J. REPORTS OF OFFICERS

15. Mayor's Report – **Mayor Kallander** stated that he met with NVE on Sheppard Point Road in order to prepare for a meeting with Senator Murkowski's Chief of Staff (**Karen Knudsen**) who was in town. He reported on several interviews that he has done with NBC concerning the events in Louisiana and with KOMO – ABC's affiliate in Seattle. **Karen Knudsen** brought **Chuck Banks** of the USCG with her and they had meetings with NVE as well as discussing the Sound Developer. They both seemed very interested in assisting in the Sound Developer issue. They toured Trident Seafood's hydrolysate plant as well as met with Cathy Sherman concerning the Cordova Center. **Kacsh** asked if LT2 came up in conversation. **Mayor Kallander** said that it did come up and that **Cohenour** continues to proceed with the path toward meeting the regulation whereas **Lynch** discussed the steps toward attaining political relief from such regulation (i.e. it is inappropriate for a community of our size).

16. Manager's Report – **Mark Lynch** added to his written report. He stated that it has been busy this summer but he has found an interim Police Chief and he has identified a committee to help with the

search to fill the position full-time. He has sent a letter to ADF&G concerning their plans for construction near Harbor Hydraulics. He has been interviewed by the Cordova Times on the LT2 issue as well as the ADF&G issue. The Valdez radio station has also contacted him about the zoning of ATS 1004.

17. City Clerk's Report – *Susan Bourgeois* provided a written report.

18. Staff Reports

a. Director of Public Works – *Tom Cohenour* – school gym and school renovation. *Cohenour* spoke to the LT2 issue; he has advertised an RFQ for a consultant. Then he moved on to the gym project which he said is 6 weeks from substantial completion and 10 weeks from final completion. He thinks they are on schedule to meet these deadlines. *Cohenour* spoke to the renovation project which has a time frame on ten weeks and there is a lot left to do in that time. The road closure will help in that regard – it has alleviated the congestion on Second Avenue.

b. Director of Public Works – *Tom Cohenour* – Mt. Eccles Street Lights. *Cohenour* said that the Street Light Committee suggested that Mt. Eccles get the three Street lights installed on Second Avenue. *Andy Gentry* at CEC said that cost would be about \$5,800. *Mayor Kallander* asked *Cohenour* what Council had said about this in the past. *Cohenour* said that before the construction, Council had denied the request; they were in the process of trying to turn off Street lights. However, the committee saw a need for these three when it evaluated the site in the dark. Council concurred that it would like to see a report on this at the next Council meeting.

Director of Parks and Recreation, *Susie Herschleb* was in the audience and gave Council a little more information on the pool problems. *Mayor Kallander* mentioned that Council had approved her request via the Consent Calendar. She was confident in the plan of action and hoped that the pool could be re-opened by mid-July.

K. CORRESPONDENCE

19. Letter from Mayor to DNR in re: Mavis Island

20. Letter from DOT in re: Safe Routes to School

21. Letter from DOT in re: Alaska Forest Highway Enhancement and Recreational Access Program

22. Letter from Mary Anne Bishop in re: AIGCO

23. Email from Mayor Kallander to HSB President Allison requesting an HSB representative for the Joint Health Care Task Force

L. ORDINANCES AND RESOLUTIONS

24. Ordinance 1070

An ordinance of the City Council of the City of Cordova, Alaska amending title 18 by enacting chapter 18.60.015 special conditions for placement of communication towers – 2nd reading

M/Reggiani S/Allison to refer Ordinance 1070 back to staff for further work.

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

25. Ordinance 1071

An ordinance of the City Council of the City of Cordova, Alaska, authorizing the conveyance to Thai Vu and Cam Tu Ho of Lot Seven (7), Block Two (2), South Fill Development Park – 2nd reading

M/Allison S/Reggiani to adopt Ordinance 1071, an ordinance of the City Council of the City of Cordova, Alaska, authorizing the conveyance to Thai Vu and Cam Tu Ho of Lot Seven (7), Block Two (2), South Fill Development Park.

Vote on motion: 6 yeas, 0 nays, 1 absent (Bradford). Allison – yes; Cheshier – yes; Reggiani – yes; Beedle – yes; van den Broek – yes and Kacsh – yes. Motion carried.

26. Ordinance 1072

An ordinance of the City Council of the City of Cordova, Alaska, authorizing the conveyance to Chris Bourgeois of Lot One (1), North Fill Development Park Addition No. 1 – 2nd reading

M/Reggiani S/van den Broek to adopt Ordinance 1072, an ordinance of the City Council of the City of Cordova, Alaska, authorizing the conveyance to Chris Bourgeois of Lot One (1), North Fill Development Park Addition No. 1.

Vote on motion: 6 yeas, 0 nays, 1 absent (Bradford). Cheshier – yes; Reggiani – yes; Beedle – yes; van den Broek – yes; Kacsh – yes and Allison – yes. Motion carried.

27. Ordinance 1073

An ordinance of the City Council of the City of Cordova, Alaska, amending Cordova Municipal Code chapter 18 to adopt a definition of watchman's quarters and to add watchman's quarters as a permitted accessory use to waterfront commercial park district – 1st reading

M/Cheshier S/Reggiani to adopt Ordinance 1073 an ordinance of the City Council of the City of Cordova, Alaska, amending Cordova Municipal Code chapter 18 to adopt a definition of watchman's quarters and to add watchman's quarters as a permitted accessory use to waterfront commercial park district.

Mayor Kallander asked if Planning and Zoning had discussed the safety as well as the liability concerning young children living in these industrial areas.

Anne Cervenka said that it is an issue and for that reason it says in the definitions that watchman's quarters will not be considered a residential use. *Mayor Kallander* said that the definition protects the watchman, the owner as well as perhaps the City, but he said, what about the kids. He wondered if minimum age was considered. *Cervenka* said they did not discuss minimum age but they talked a lot about size of the living quarters and they arrived at up to 20% of the building not to exceed 1200 square feet.

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

28. Resolution 06-10-34

A resolution of the City Council of the City of Cordova, Alaska, setting the mill rates for 2010

M/Kacsh S/Allison to approve Resolution 06-10-34 a resolution of the City Council of the City of Cordova, Alaska, setting the mill rates for 2010.

M/Reggiani S/Kacsh to amend the resolution by changing the mill rates from 14.5 to 13.9 and from 13.5 to 12.9.

Reggiani said that those mill rates would put us right at the budgeted amount of \$2,000,000 for property tax revenue.

Lynch said that there are two things that concern him. We are still unsure about how the sales tax exemption on home heating fuel will affect finances – we won't know until fall and winter months. He is also concerned about the trend toward City employees leaving due to our low budgeted pay levels.

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

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

29. Resolution 06-10-35

A resolution of the City Council of the City of Cordova, Alaska, authorizing the payment of \$36,010 to Alpine Diesel for removal of the Spartan from the City of Cordova harbor, and authorizing supplemental appropriation and 2010 budget amendment to professional services account number 502-400-52180, in the total amount of \$36,010, in the harbor enterprise fund

M/Kacsh S/Reggiani to approve Resolution 06-10-35 a resolution of the City Council of the City of Cordova, Alaska, authorizing the payment of \$36,010 to Alpine Diesel for removal of the Spartan from the City of Cordova harbor, and authorizing supplemental appropriation and 2010 budget amendment to professional services account number 502-400-52180, in the total amount of \$36,010, in the harbor enterprise fund.

Kacsh wondered if we were going to actively pursue reimbursement from the vessel owner. *Lynch* said absolutely he is having the attorney's work on the legal ownership matter. *Kacsh* and *Allison* both opined that the City asked a vendor to do a job and the City should now pay the bill.

Vote on motion: 6 yeas, 0 nays, 1 absent (Bradford). van den Broek – yes; Kacsh – yes; Allison – yes; Cheshier – yes; Reggiani – yes and Beedle – yes. Motion carried.

M. UNFINISHED BUSINESS - None

N. NEW & MISCELLANEOUS BUSINESS

30. Council disposal of City property valued at less than \$1,000

M/Kacsh S/Reggiani that the City of Cordova dispose of the large metal storage tank currently stored on City property in the North Fill to Trident Seafoods, Inc. at no cost.

Beedle said it was an opportunity for the City to get rid of a liability. We should do it.

Vote on motion: 5 yeas, 0 nays, 1 absent (Bradford) 1 Conflict of Interest (Allison). Motion carried.

31. Mayor appointment of Council Representative to Joint Health Care Task Force

M/Cheshier S/Kacsh to concur with Mayor Kallander's appointment of Dave Reggiani to serve as the City Council's representative on the Joint Health Care Task Force.

Kacsh wondered if the task force had a length of time attached to it. *Kacsh* wondered if they would be over-tasking the Clerk's Department. *Angela Arnold* of NVE was in the audience and spoke to *Kacsh's* concern by stating that they had staff support all covered and the Clerk's department wouldn't be tasked at all.

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

32. Pending Agenda and Calendar - nothing was added to any future agendas and no new meetings were scheduled.

O. AUDIENCE PARTICIPATION

Barbara Beedle of 910 Ingress commented that she wished people would remove signs that they hang up concerning things for sale or garage sales or lost pets – or if not, maybe they should have to get a permit to hang such signs. She is still upset about all the bicycle riding on First Avenue. She was of the opinion that people should get charged if they get locked out their car and the police respond to assist. She mentioned some junk alongside the road down toward the ferry dock. August 4 – 8 will be an all class reunion for Cordova High School and there may be between 300 and 400 people visiting town for the events.

P. COUNCIL COMMENTS

33. Council Comments

van den Broek mentioned the lack of parking on Main Street for people who work on Main Street. **Lynch** said that the City was recently instructed by a judge to get all parking signs up to snuff and therefore, the new signs have gone up everywhere that is two-hour parking. **Mayor Kallander** asked if Council agreed that the Manager should investigate parking on Main Street and report back to them. **Kacsh** said maybe it's a Planning Commission issue. **Allison** said maybe we need to do both – have the Manager look into a short term fix and then Planning should look into longer term parking issues. **Reggiani** said kudos to Ashley on the good audit. **Allison** said he echoed that but to the staff as well as **Mr. Lynch**. He said he thinks a lot of people work on the audit and especially thanked the accounting department. He said he thinks it wouldn't be a bad idea to charge for unlocking vehicles – he will try to remember to bring this up next time we do fees. **Beedle** commented that the work session was more of a hearing than a work session. There was testimony and a lot of good points were made for each side, but there was no back and forth. **Mayor Kallander** said that Council is able to ask questions and engage the people who are speaking before them.

Q. ADJOURNMENT

M/Allison S/Kacsh to adjourn the regular meeting.

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

Mayor Kallander adjourned the regular meeting at 9:30 pm.

Approved: June 16, 2010

Attest:



Susan Bourgeois, City Clerk

