

**CITY COUNCIL REGULAR MEETING  
JUNE 03, 2015 @ 7:00 PM  
LIBRARY MEETING ROOM  
MINUTES**

**A. CALL TO ORDER**

*Mayor James Kacsh* called the Council Regular Meeting to order at 7:02 pm on June 03, 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, Robert Beedle* and *Dave Reggiani*. Council member *Tim Joyce* was present via teleconference. Council members *Josh Hallquist* and *James Burton* were absent. *Burton* arrived via teleconference later in the meeting to vote on several items. Also present was City Clerk *Susan Bourgeois*.

**D. APPROVAL OF REGULAR AGENDA**

*M/Reggiani S/Bailer* to approve the Regular Agenda.

Vote on motion: 5 yeas, 0 nays, 2 absent. Burton-absent; Joyce-yes; Beedle-yes; Hallquist-absent; Carpenter-yes; Reggiani-yes and Bailer-yes. Motion was approved.

**E. DISCLOSURES OF CONFLICTS OF INTEREST - none**

**F. COMMUNICATIONS BY AND PETITIONS FROM VISITORS**

**1. Guest Speaker**

a. **Dr. Gabriel Wolken** Climate and Cryosphere Hazards Program, AK Division of Geological & Geophysical Surveys – report on snow and ice research and the high-elevation weather station in the Scott Glacier catchment. His report culminated in a request for the City to partner with his research by maybe offering financial or in-kind assistance (annual costs to maintain the equipment at Scott glacier is estimated to be \$5,000). *Paul Kelly*, CEO of Cordova Telephone Coop, was in the audience and mentioned that the Coop uses helicopters very often and they would probably be able to assist him as far as getting the researchers out to their site for maintenance, data collection, etc. *Mayor Kacsh* and the Council thanked *Dr. Wolken* for his work and report to them.

b. **Dr. Jerome Montague**, Alaskan Command – reporting on “Northern Edge – 2015” military training exercise in the Gulf of Alaska. Three representatives reported to Council. *Captain Ray Hesser, Commander Joan Malik* and *Dr. Montague*. There had been a community forum earlier in the evening and they were able to answer questions from the public. The three talked of the importance for the Navy to conduct such an exercise and how the EIS allows for a certain amount of ordnance usage but in fact they will be using a much smaller amount less than 20% of some and less than 10% of others. They stressed that the Navy is striving to minimize environmental impacts.

**2. Audience comments regarding agenda items**

*Alexis Cooper* of CDFU, showed an illustration she put together of the TMAA (temporary maritime activities area) and its proximity to the commercial fisheries in the area. She added in some of the value of the fishing in the area too – halibut, sablefish, rockfish, etc... She said it is very representative of the value of that area, economically to Alaska.

*Emily Stolarczyk*, program manager for EPC said that NMFS disagreed with the Navy as far as no significant impacts. They made 4 conservation recommendations and the Navy is only fully complying with one of those. She thought as far as compromise it would not be unreasonable to suggest a different time of year and a different location for these activities.



**Paul Kelly** said he and his wife **Linda** are continuing to try to invest in Cordova. He urged Council to approve sale of a substandard lot to him to expand his business, Bayside Storage.

**Mikal Berry** of Boardwalk Way in Cordova said that she believes the Navy not following recommendations of NMFS makes the timing and location of the Northern Edge exercises as much of a threat to our ecosystem's and species mortality as any threat to our national security.

**Ellen Americus** of 602 Spruce thanked the Navy for all they do for our security and she thanked them for coming to hear our concerns. She also said the timing and location pose a threat to fish populations.

**Belle Mickelson** of 206 Lake Avenue said that the fishermen here are feeding the world. There are people all over depending on these fish. She said we didn't have a choice with the oil spill but we have a choice here. She wished the effort could be moved way off shore.

**Kara Johnson** resident of Cordova said she is also a marine mammologist and an oceanographer – she's upset that it is being done in such a vital habitat that is our backyard but also an important migratory passage for fish that travel through this area destined for all parts of Alaska.

**Carol Hoover** 5.5 Mile Loop Road said that we have to be thinking toward the next EIS which is 2016-2020. She thanked the City Council for their Resolution and she told them that it sounds like the community is standing behind you.

**Sandra King** 511 Fourth Street said it is too much of an unknown about the repercussions she doesn't want this happening here.

**Dune Lankard** 5.5 Mile Loop Road said it is too sensitive of an environment. He said when it comes to mitigation, he says just don't do it at all. He said he'd like to see a billion dollar mitigation fund setup to remedy later what they are about to destroy. He asked Council to hold firm on their resolution.

**Skip Mallory** spoke to Council in support of the Blackler proposal on the North Fill for a maintenance building. He said he is about to do a \$100K paint job that he will have to go to Seward or Seattle for. The building would allow him to do that here in the future.

**Cathy Long** of 308 Railroad Row voiced support for the Bayside Storage proposal. She also thought the Navy exercise should be later on in the year and farther off shore.

**Jerry Blackler** of 921 Center Drive hopes that his proposal is favorable tonight.

**David Blount** of Whitshed Rd. said that he believes that the training exercise at the time and location chosen will be detrimental if not disastrous to our fisheries.

3. Chairpersons and Representatives of Boards and Commissions (Harbor, HSB, Parks & Rec, P&Z, School Board)

**Beedle** reported that there hasn't been a recent meeting.

**Carpenter** reported for the HSB: she mentioned that **Sean McCallister** was here tonight and we have the Providence consulting agreement to look at later tonight. She also said there was one proposal received regarding the RFP for management services – that will be before you soon. **Mayor Kacsh** added that at the next meeting he would be putting forward something on changing code toward different governance model.

**Bailer** said that P&Z has a few items on tonight's agenda.

**Barb Jewell**, president of the School Board, mentioned that they had a brief meeting to ratify the teacher's contracts. It is only a one year contract – things don't look very positive for 2016 and 2017. The new superintendent is coming to town, will start work on July 1.

## G. APPROVAL OF CONSENT CALENDAR

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

4. Ordinance 1129 An ordinance of the City Council of the City of Cordova, Alaska, amending section 5.40.030 C, 5.40.030 D and 5.40.030 BB of the Cordova Municipal Code regarding exemptions from sales tax – 2<sup>nd</sup> reading

5. Resolution 06-15-29 A resolution of the City Council of the City of Cordova, Alaska, approving the final plat of Tract B-2 of Pebo Subdivision

6. Resolution 06-15-30 A resolution of the City Council of the City of Cordova, Alaska, approving the final plat of 'Subdivision of US Survey 901'



7. Authorization of exceptional use permit for alcohol consumption – Copper River Wild Salmon Festival July 17-18, 2015 at Mt. Eyak and/or Bidarki Rec Center

8. Record excused absences for Council members **Beedle**, **Reggiani** and **Burton** from the May Council meeting.

9. Record excused absence for Council member **Burton** and unexcused absence for Council member **Reggiani** from the May 20 Council meeting.

Vote on Consent Calendar: 5 yeas, 0 nays, 2 absent. Beedle-yes; Joyce-yes; Hallquist-absent; Bailer-yes; Carpenter-yes; Burton-absent and Reggiani-yes. Consent calendar was approved.

## **H. APPROVAL OF MINUTES**

**M/Bailer S/Carpenter** to approve the minutes.

10. 05-06-15 Regular Meeting Minutes

11. 05-20-15 Regular Meeting Minutes

Vote on motion: 5 yeas, 0 nays, 2 absent. Joyce-yes; Bailer-yes; Burton-absent; Beedle-yes; Reggiani-yes; Hallquist-absent and Carpenter-yes. Motion was approved.

## **I. CONSIDERATION OF BIDS - none**

## **J. REPORTS OF OFFICERS**

12. Mayor's Report – **Mayor Kacsh** said he has had meetings recently regarding the northern edge training exercise and he spoke to the Governor's office as well. Tonight was the community meeting he put together so the Alaskan Command could speak with people about the exercise.

13. Manager's Report – **Mayor Kacsh** reported that **Robertson** had to take off unexpectedly for personal reasons.

a. Cordova Center update report – including financial summary

**Rich Rogers** said that one window is in, six or seven are being prepped. A lot of finish work going on now in the main entryway. The Otis rep will be here Friday to start the elevator install. April pay request has been approved – the May request is in, just over \$1 million. We are up to 151 RFIs – two came in recently, submittals are current. **Sherman** reported that the financial update is in the packet, the EDA funds are not viable at this time. The capital campaign had two very generous donations recently: **Chris Fejes** of Fejes and Associates, the City's Insurance Broker donated \$15 thousand and Shoreside Petroleum pledged \$40 thousand. So, we are up to \$388,066. We are providing special tours this weekend for Copper River Nouveau guests.

b. City Financial report – **Stavig** said this is just the usual update, he said sales tax seems to be tracking on budget and he has heard from the state that Timber Receipts payment is forthcoming and it should be comparable to the budgeted amount – good news. **Joyce** asked **Stavig**, as a prelude to the agenda item upcoming setting the mill rate, if we are tracking on budget for the year because of some of the shortfalls we know that the state won't be funding. **Stavig** said the only one is the jails operations funding which will affect only FY16 (second 6 months of our budget).

14. City Clerk's Report – **Bourgeois** said she has caught up on regular meeting minutes as there are 2 sets in tonight's packet. She will try hard to remain caught up for at least another month.

## **K. CORRESPONDENCE**

15. Letter from Masolini supporting Blackler Boat Maintenance Building Proposal

16. Letter from Maxwell supporting Bayside Storage Proposal

17. Letter from Northern Lights Electrical supporting Bayside Storage Proposal

## **L. ORDINANCES AND RESOLUTIONS**

18. Substitute 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 – 1<sup>st</sup> reading



**M/Carpenter S/Bailer** to adopt Substitute 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.

**Beedle** opined that at the last meeting we deleted the .060 part of the ordinance, then somehow we amended the .060 portion, so he is not certain that this is what should be before them. **Bourgeois** agreed that it was handled in a roundabout way last time, however, she is certain that what is before them tonight, was in fact the intent of the 2 amending votes that occurred at the May 20 meeting. She asked **Beedle** why he didn't comment on this as it was occurring last time and /or why he didn't try to edit the minutes in this packet which clearly describe the votes and how it occurred on May 20. He said he apologized, he had been out fishing and didn't read the packet thoroughly. **Bourgeois** said she stands by this ordinance in front of them tonight, if they so choose, they could prolong this by scrapping the whole thing and starting over.

**Joyce** said that what we have before us tonight is a substitute ordinance, and that is what we should be discussing. **Beedle** said it is not what should be before us now, so he refused to amend it. There was further, lengthy discussion and Council attempted to appease **Beedle** by offering an amendment now...

**M/Bailer S/Reggiani** to amend Substitute Ordinance 1126 by removing the .060 part of the ordinance.

Vote on motion to amend: 1 yeas, 4 nays, 2 absent. Carpenter-no; Hallquist-absent; Bailer-no; Beedle-yes; Burton-absent; Reggiani-no and Joyce-no. Motion failed.

Vote on main motion: 4 yeas, 1 nay, 2 absent. Hallquist-absent; Reggiani-yes; Bailer-yes; Beedle-no; Carpenter-yes; Joyce-yes and Burton-absent. Motion was approved.

**M/Reggiani S/Bailer** to recess for 5 minutes at 8:57.

With no objection the meeting was recessed.

**Council member Burton** joined the meeting via teleconference.

**19. Resolution 06-15-28** A resolution of the City Council of the City of Cordova, Alaska, setting the mill rate for the 2015 tax year.

**M/Reggiani S/Bailer** Resolution 06-15-28 A resolution of the City Council of the City of Cordova, Alaska, setting the mill rate for the 2015 tax year at **11.53 mills**.

**Reggiani** said that the mill rate is simply a multiplier – this **11.53** gets us closest to the budgeted amount. **Joyce** agreed. **Beedle** said this is a reduction of half a mill – will property owners then see a decrease in their property tax bill. **Bourgeois** said with an assessed value increase of approximately 5% on residential buildings, it would be difficult to determine – each case could be a little different. She figured it would be close to a wash – i.e. the mill rate decrease but the assessed value increase would produce tax amounts similar to last year. **Burton** agreed with this mill rate. **Carpenter** opined that with possibilities of revenue shortfalls, she would be ok to stay with the current mill rate to have a bit of a buffer. **Reggiani** said he would agree that his initial feeling was to stay with last year's mill rate but for him, tonight, **Stavig's** report that he doesn't see any shortfalls was the deciding factor. **Bailer** said this will ensure that we keep to within our budget the rest of the year.

Vote on motion: 5 yeas, 1 nay, 1 absent. Beedle-yes; Carpenter-no; Burton-yes; Hallquist-absent; Bailer-yes; Reggiani-yes and Joyce-yes. Motion was approved.

## **M. UNFINISHED BUSINESS**

**20. Council action on PWSSC request for reimbursement**

**M/Bailer S/Reggiani** to reimburse the PWSSC as per their written request.

**Joyce** said that for the record, we were in negotiations with the Science Center for quite a while on that piece of land and we incurred Attorney fees and other costs associated with that. He believes we have spent far and away more than they have on the engineering bill they are requesting so he is not in favor of the reimbursement. **Burton** echoed **Joyce's** comments, says he looks at this like earnest money and is not in favor of reimbursement.

Vote on motion: 1 yea, 5 nays, 1 absent. Reggiani-no; Hallquist-absent; Beedle-no; Carpenter-yes; Joyce-no; Bailer-no and Burton-no. Motion failed.



**21. Council action on Disposal of Lot 4A, Block 5, NFDPA Addn #2**

**M/Bailer S/Joyce** to award the disposal of Lot 4A, Block 5, NFDPA Addn #2 to Bayside Storage.

**Bailer** said if you read the memo and recommendations from P&Z, he'll stick with that. **Joyce** said he will support the motion, he saw a few letters in support in the packet and he thought **Mr. Kelly** made some good points tonight. He said he learned this evening that there are some people employed by using storage lockers there – run their businesses out of there. **Reggiani** asked about criteria. **Bailer** said, no we never added criteria. City Planner **Greenwood** said, what Council did was change the weighted value of the criteria that Planning and Zoning uses. **Bailer** agreed. **Bailer** said that last time five proposals came in for this lot and all were denied – for consistency we should do so again. **Mayor Kacsh** opined that he thinks it's a valid proposal. **Burton** said he is not in a hurry to sell more City land.

Vote on motion: 1 yea, 5 nays, 1 absent. Joyce-yes; Burton-no; Beedle-no; Reggiani-no; Carpenter-no; Hallquist-absent; Bailer-no and. Motion failed.

**22. Council action on Disposal of Lot 13, Block 12, Original Townsite**

**M/Bailer S/Reggiani** to award the disposal with special conditions to Joe Arvidson of Lot 13, Block 12, Original Townsite.

**Bailer** said P&Z looked at this closely and the special conditions make a lot of sense – removing the lot line and addressing the drainage. **Joyce** agreed. **Greenwood** wanted to ensure that Council understood that this would not have performance on it so it would be a straight sale – not a lease/option. Council understood, because it was just land, not a building, therefore, no performance was necessary albeit the special conditions still need to be met.

Vote on motion: 6 yeas, 0 nays, 1 absent. Beedle-yes; Joyce-yes; Hallquist-absent; Bailer-yes; Carpenter-yes; Burton-yes and Reggiani-yes. Motion was approved

**23. Council action on Disposal of Tract 1A, Ocean Dock, Addn #2**

**M/Bailer S/Reggiani** to award the disposal to Alpine Diesel for a portion of Tract 1A, Ocean Dock, Addn #2.

**Bailer** said he supports this. **Joyce** said we already have issues with boats being on a waiting list for haul out and now if we sell this land we'll have even less room for boats. **Burton** said that boats will go inside this building, it will not be taking up more space. **Burton** said the Harbor Commission, Planning and Zoning as well as Harbor Master and City Harbor staff have all vetted this and are good with this – he supports this too.

Vote on motion: 6 yeas, 0 nays, 1 absent. Carpenter-yes; Beedle-yes; Joyce-yes; Bailer-yes; Burton-yes; Reggiani-yes and Hallquist-absent. Motion was approved

**N. NEW & MISCELLANEOUS BUSINESS**

**24. Providence Health & Services Alaska draft CCMC consulting agreement**

**M/Carpenter S/Joyce** to direct the City Manager and the CCMC acting administrator to negotiate this draft contract with Providence Health and Services Alaska for consulting services at CCMC.

**Carpenter** asked **Sean McCallister** if he wanted to make a few comments. **McCallister** said that the contract is pretty rough – he's like to discuss some of the salient points, including a dollar amount to be inserted. He said they made the term for one year. The termination clause would be 30 days for either party. There are 2 buckets of services, administrative and staffing support services. The administrative would be between \$50 - \$75 thousand per year and staffing support would be an hourly rate with associated travel costs.

**Reggiani** thanked **McCallister** and told him that we had the election to change the charter and now we have some work to do, to get organized and then know where we want to go with hospital governance. Also, we released an RFP – so there is still that to consider. **Reggiani** asked if there has to be a formal agreement – especially if Providence just helps us out for a few months. **McCallister** said he definitely thinks there needs to be an agreement because the management agreement expires in a couple of months. **Reggiani** asked the exact date – **McCallister** said mid to third week of July or so. **Reggiani** said he just feels awkward because they still have the results of the RFP to look at; seems like not time-sensitive right now. **Carpenter** said we talked about this consulting agreement, because it was meant to be more of a transition. She doesn't believe



it is directly comparable to the QHR proposal that we received. **Mayor Kacsh** said **Reggiani** may have missed the meeting when Council asked for something like this to come forward to fill the gap – which is why it is here tonight.

**M/Reggiani S/Bailer** to refer to staff so we can schedule a time to look at the proposals to the RFP and this draft, together.

Vote on motion: 6 yeas, 0 nays, 1 absent. Beedle-yes; Hallquist-absent; Burton-yes; Joyce-yes; Carpenter-yes; Bailer-yes and Reggiani-yes. Motion was approved

## **25. Review of City Clerk applicants – possible interview scheduling**

Council decided to set up a special meeting for noon next week to go over these applications and come up with a plan for first round – telephonic interviews.

**Bailer** suggested discussing this next item during pending agenda since there are no applications in front of us – maybe we can setup a special meeting. **Reggiani** agreed with **Bailer** but thought we could at least talk about the process tonight. **Carpenter** said there are some candidates that are obviously more qualified so she would advocate for doing some paper screening. **Joyce** said he would agree and he sees that there are a couple in here that he would advocate interviewing and see where that shakes out – we could then go from there.

**Beedle** said he agrees with **Bailer** – he’s been out fishing and he hasn’t been able to read the emails – he has no idea who the applicants are, the qualifications. **Joyce** asked if the Clerk could assemble the questions that have been used previously – **Bailer** also asked specifically for the types of questions that they are not allowed to ask – since he hasn’t had to do this yet. Human Resources Director, **Cindy Appleton** was present and she said she was a bit disappointed because she thought tonight would be the paring down to a top 3 or 4 and then she could start scheduling interviews. She has been emailing Council the applications as they come in in hopes that they had all been read and gone through; in hopes that tonight they would come prepared. She brought 3 sets of copies in case anyone wanted to refresh their memories; she said time is of the essence, **Bourgeois** is gone in one month. It was decided that Council would email **Appleton** with their top 3 or 4 candidates by Friday at noon and then get together again for a special meeting or a work session to discuss the process.

## **26. Pending Agenda, Calendar, Elected & Appointed Officials lists**

Tuesday (**June 9** at noon) – Council opted for the Special meeting for Clerk candidates review

Council scheduled a 5pm work session previous to the next meeting – on **June 17** – to discuss the QHR proposal as well as the Providence proposal

## **O. AUDIENCE PARTICIPATION - none**

## **P. COUNCIL COMMENTS**

### **20. Council Comments**

**Carpenter** thanked the Navy representatives for coming tonight. Also, thanked **McCallister**.

**Beedle** said ditto to that and thanked **Appleton** for her hard work.

## **Q. EXECUTIVE SESSION**

## **R. ADJOURNMENT**

**M/Beedle S/Bailer** to adjourn. Hearing no objections the meeting was adjourned at 10:20 pm.

Approved: June 17, 2015

Attest:

  
Susan Bourgeois, CMC, City Clerk

