

**CITY COUNCIL REGULAR MEETING
JUNE 17, 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 June 17, 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, Josh Hallquist, Dave Reggiani* and *James Burton*. Council member *Tim Joyce* was present via teleconference. Also present were City Manager *Randy Robertson* and City Clerk *Susan Bourgeois*.

D. APPROVAL OF REGULAR AGENDA

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

Vote on motion: 7 yeas, 0 nays. Burton-yes; Joyce-yes; Beedle-yes; Hallquist-yes; 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 - none

2. Audience comments regarding agenda items

Penelope Oswald spoke against the passage of agenda item 22.

Maryanne Bishop spoke against the passage of agenda item 22.

Jennifer Gibbens spoke against the passage of agenda item 22.

Mary Little spoke against the passage of agenda item 22.

Lennette Ronnegard spoke against the passage of agenda item 22.

Sylvia Lange spoke against the passage of agenda item 22.

George Daskalos urged Council to approve the land sale to him; agenda item 22.

Mikal Berry spoke against the passage of agenda item 22.

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

Beedle reported that Harbor Commission hasn't met recently.

Carpenter reported for the HSB, she said Council had a work session previous to this regular meeting tonight and the Providence proposed consulting agreement was discussed as well as the QHR response to the RFP for a management agreement at CCMC. Council decided to invite representatives from QHR to Cordova soon to meet with Council.

Bailer said that P&Z met and there were some items tonight before Council.

School Board President *Barb Jewell* reported that they have hired for the final teaching positions and the superintendent is in town but doesn't officially start until July 1.

G. APPROVAL OF CONSENT CALENDAR

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

4. ~~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—2nd reading~~

5. Ordinance 1130 An ordinance of the City Council of the City of Cordova, Alaska, amending Cordova Municipal Code chapter 18.21 by repealing subsection 18.21.070(B) and amending section 18.21.080 in order to eliminate the minimum lot width requirement and reduce the yard requirements in the RR3 rural residential district – 2nd reading

~~6. Ordinance 1131 An ordinance of the City Council of the City of Cordova, Alaska, amending Cordova Municipal Code subsection 16.15.2305(d) in order to reduce the ground snow load requirement from 150 pounds per square foot to 100 pounds per square foot – 1st reading~~

7. Record excused absences for Council members *Hallquist* and *Burton* from the June 03, 2015 Regular Council meeting

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

Beedle pulled item 4 and it was placed as item 19a and *Joyce* pulled item 6 and it was placed as item 19b.

H. APPROVAL OF MINUTES

M/Burton S/Bailer to approve the minutes.

8. 06-03-15 Public Hearing Minutes

9. 06-03-15 Regular Meeting Minutes

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

I. CONSIDERATION OF BIDS

10. Bid award for Cordova City Streets Improvements Phase I

M/Carpenter S/Reggiani to direct the City Manager to negotiate a contract with Eagle Contracting Corporation to provide construction services per ITB #15-02 for a sum not to exceed one million five hundred sixty one thousand eight hundred thirty five dollars and zero cents (\$1,561,835).

Robertson said this amount was the only bid and it came in at a level substantially larger than what any of us anticipated when we bonded for this and put this all together six or seven or eight months ago. *Robertson* then deferred to *Rich Rogers* to walk Council through this – there may be other options for them tonight. *Rogers* reiterated that there was only one bid, it was from Eagle Contracting and he’s had several conversations with *Don Sjostedt*. The asphalt number came in \$510K higher than our engineer’s estimate. For the engineer’s estimate we had used Harris’ number from their Whiteshed Road DoT bid for asphalt. That project calls for 5500 tons of asphalt and ours, about 1600 tons and therefore, their number for ours was bid at \$475/ton whereas it was \$175/ton for DoT (Harris is a sub for Eagle in the bid). *Rogers* said he didn’t get an answer from the contractor as to why Harris’ number was so much higher for our project. Council therefore has some options. Either go forward with negotiations, or Council could take no action but we are getting pretty close to the end of paving season if we wait too long. Other options include getting away from paving; we are at a disadvantage because no one else has ever taken the opportunity to bid a paving project in Cordova except for Harris. *Rogers* said if we don’t decide to do anything in the next week or 2, we could rebid in November, December, January timeframe and if the price comes down the summer of 16 we’ll do Harbor Loop, Nicholoff, maybe Railroad and Second Street. It’s Council’s call as to whether you think waiting and bidding for next year will get us more bids both from other General Contractors as well as other Subs for the asphalt. *Robertson* said to complicate things we are 20% of our crew short in Public Works and after tomorrow we’ll be 40% short. We are struggling to fill and retain those positions. *Joyce* asked what the time-frame of the bond funds is. *Stavig* and *Robertson* said they were unaware of a time constraint. *Bailer* thought that when we approved the bond there was some savings of \$100K or so included by having City employees do some of the catchment work, etc. he does understand the labor problems that now exist though. He also asked, if we hold off, what we can do now as a temporary fix. *Rogers* said we can put a little money towards it if we know we’ll be driving on it for another year; possibly chip-seal that intersection of Harbor Loop and Nicholoff. *Carpenter* asked the cost of that. *Rogers* said our manpower and equipment would just be delegated to that instead of

other projects around town. She said if we hope to save a couple of hundred thousand and then spend a bunch temporarily then how much have we really saved. **Reggiani** said he prefers to reject the bid and rebid in December or January, and maybe potentially reducing some of the scope to get the most done we can with the bond funds. **Burton** agrees with **Reggiani**, what's in front of them is a bad use of the people's money. **Hallquist** said he is upset that we so undershot the costs – he asked who did our engineer's estimate. **Rogers** said we contracted with DOWL engineers for that. **Joyce** said he is also in favor of holding off until next year. **Hallquist** said when we put things out, people take time to put together bids and it doesn't look good when we then don't award. We were off on that estimate. He said we could perhaps save a little bit though due to the time of year. **Hallquist** said he is reluctant but if they can come in a couple of hundred thousand less, then that could get a little more of our streets paved – so he is for holding off too.

Vote on motion: 0 yeas, 7 nays. Carpenter-no; Hallquist-no; Bailer-no; Beedle-no; Burton- no; Reggiani- no and Joyce- no. Motion failed.

J. REPORTS OF OFFICERS

11. Mayor's Report – **Mayor Kaesh** said he met with Dr. Blackadar and Stephen Sundby regarding the agenda items coming before you.

12. Manager's Report – **Robertson** said there have been great comments from many people about the pump track. Timber receipts came in at about \$700K for schools and \$60-70K for roads which were the anticipated and budgeted amounts.

a. Cordova Center update report – including financial summary

Rich Rogers said 24 out of 50 windows are installed. Watch list: electric work ahead of us then 3 – 4 weeks of commissioning. Window bids came in – only one bid, Facility Contractors put in a bid of \$15K for the whole lot of windows. This will come before Council at a future meeting. **Sherman** reported that the Capital Campaign is one and a half theater seats away from breaking \$400K.

13. City Clerk's Report – **Bourgeois** said that **Deputy Clerk Tina Hammer** is working on preparing the roll; making it perfect, inserting the mill rate, ownership changes, etc. before tax bills get printed and sent – which will be on July 1. **Bourgeois** has been noticing and organizing for the recent flurry of meetings concerning the interviews, travel plans, etc., for Clerk applicants. She said it was all good, they are closer to filling the position of City Clerk.

14. CCMC Finance Director report – CCMC Financial Statements through April 2015 (to be brought to the meeting)

Tiffany Varnadoe, CFO of CCMC handed out the financials to City Council. She also explained that EMR is up and running but there has been a lot of trouble with billing since the system has been put in place. Therefore, they have a lot of outstanding bills. They will be asking Council for some money. **Varnadoe** and **Sundby** explained that there is also an amount owing to Tek-mate, as well as payroll next week. There is basically a learning curve to the new system and a small error starts the claim over again and that causes a 14 day wait for the money coming back to us. Council said they would discuss a special meeting if necessary at Pending Agenda.

15. City Attorney Holly Wells, flat fee for Attorney Services proposal

Wells presented the flat fee proposal to Council. The proposal was for a \$16,500 per month fee which **Robertson** said could amount to a cost-saving measure for the City. **Bailer** opined that he wished there was a lot less, “let's call Holly” at Planning and Zoning as well as at Council meetings. City Council concurred that before they decided on this they directed **Robertson** to work on an RFP for City Attorney so they at least had some comparisons to look at. Some mentioned that this would amount to due diligence on their part however, there is value in history with the current firm having been the City Attorney for such a long time.

K. CORRESPONDENCE

16. June 1, 2015 letter in re Alyeska Property final value for 2015

17. June 11, 2015 email from D. Riedel in re plastic bags

18. May 21, 2015 Notice from DNR in re Oil Exploration proposed in Gulf of Alaska

Carpenter said that the comment period of that DNR notice has been extended to August 3. **Bourgeois** commented that the Alyeska property in Cordova (item 16) has seen an increase in assessed value of a little over \$2 million. **Beedle** asked about the **Riedel** letter and what we could do. **Robertson** said that we had the Future Problem Solvers present to us a while back and they were supposed to follow up with Council. Council concurred to bring this up at Pending Agenda.

L. ORDINANCES AND RESOLUTIONS

19. Ordinance 1132 An ordinance of the City Council of the City of Cordova, Alaska, authorizing a lease to Alpine Diesel, LLC of 15,000 square feet of the Southwest portion of Tract 1A, Ocean Dock Subdivision Addition #2 – 1st reading

M/Bailer S/Burton to adopt Ordinance 1132 An ordinance of the City Council of the City of Cordova, Alaska, authorizing a lease to Alpine Diesel, LLC of 15,000 square feet of the Southwest portion of Tract 1A, Ocean Dock Subdivision Addition #2.

Blackler was in the audience and he said the only issue he could see is that on page 57, item 4A of the lease specifies maintenance and repairs of vessels and other marine equipment. **Blackler** said he might have an opportunity to paint a large piece of heavy equipment which isn't marine related. He believes that the Harbormaster and he can just work that out between themselves.

Joyce said he is concerned about section 7 – assignments and subletting. He would like to see where the property gets put back to the same condition it is in now if the lessee sells or sublets it.

Reggiani said he wonders why the term is 20 years. He would be ok if it said 20 years but review in five years.

Robertson said there have been several concerns mentioned by individual Council members. He'll have to work on some edits to this lease; he'll work with **City Attorney Holly Wells** as well as **Jerry and Vicki Blackler** and put it back before Council as soon as possible. **Mayor Kaesh, Hallquist** and **Burton** all were of the opinion that they do not want to slow this down; would prefer to move on this. **Bourgeois** said that Council could pass the first read of the ordinance; **Robertson** still has the flexibility to make edits to the lease.

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

19a. 4. 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 – 2nd reading

M/Beedle S/Bailer to amend the ordinance by removing the change to 3.12.060 (C) and only change 3.12.035.

Vote on motion to amend: 1 yea, 6 nays. Beedle-yes; Carpenter-no; Burton-no; Hallquist-no; Bailer-no; Reggiani-no and Joyce-no. Motion fails.

Vote on main motion: 7 yeas, 0 nays. Hallquist-yes; Reggiani-yes; Beedle-yes; Carpenter-yes; Joyce-yes; Bailer-yes and Burton-yes. Motion was approved.

19b. 6. Ordinance 1131 an ordinance of the City Council of the City of Cordova, Alaska, amending Cordova Municipal Code subsection 16.15.2305(d) in order to reduce the ground snow load requirement from 150 pounds per square foot to 100 pounds per square foot – 1st reading

M/Burton S/Bailer to approve Ordinance 1131 an ordinance of the City Council of the City of Cordova, Alaska, amending Cordova Municipal Code subsection 16.15.2305(d) in order to reduce the ground snow load requirement from 150 pounds per square foot to 100 pounds per square foot.

Joyce said he pulled this because he wanted to discuss it. He said it was approved only a few years ago. He said it seems to be revolving around a cost. He said he has trouble bouncing around like this and changing the rules so quickly. **Joyce** doesn't like that everyone thought I was a great idea a few years ago but now it might add \$10,000 in cost to a building and they all want to change it back; he disagrees with that concept. **Bailer** said it was an overreaction by Planning and Zoning and now that there has been time to look into it further it appears as though the buildings that fell down were way under engineered. **Reggiani** said he was on Planning

and Zoning then and he said they did research and read reports and had a lot of data put in front of them; he believed in what they did. He does not believe it was an overreaction and he does not support this change. He sees no compelling reason to change it back. **Beedle** said he was in support of this change.

Vote on motion: 4 yeas, 3 nays. Joyce-no; Burton-yes Beedle-yes; Reggiani-no; Carpenter-no; Hallquist-yes and Bailer-yes. Motion was approved.

M. UNFINISHED BUSINESS

20. Providence Health & Services Alaska draft consulting agreement

21. QHR proposal for CCMC medical center management

M/Reggiani S/Burton to refer items 20 and 21 back to staff and address the timing of when these should come back at Pending Agenda.

Robertson asked Council what exactly they needed him to work on before bringing this back. **Mayor Kacsh** said that at the work session earlier, Council asked **Dr. Sundby** and **Dr. Blackadar** to come up with a good list of what they wanted in either a management or consulting agreement. **Carpenter** said also they were directed to check on some references.

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

22. Council action on disposal of breakwater fill lot

M/Bailer S/Reggiani to award the disposal to George and Carrie Daskalos of the Breakwater Fill Lot.

Bailer said he currently supports this but he is hoping for some discussion. If there is someone in the community ready to invest 3 or 4 or 5 million dollars he is supportive – that is a motivated person. **Reggiani** said he supports it also. He said he thinks of this as a good complement to our completion of the Cordova Center. He said the concept we had mentioned was “build it and they will come” (referring to the City building the Cordova Center), and here is a business coming in and looking at the potential of expansion into our local market with the Cordova Center and the visitors that will be coming to town; this is what we were looking forward to. **Joyce** said he also supports this disposal. He said much of the public testimony asked for it to go back to Planning and Zoning for more public discussion. He said for more than a year, we were in negotiations with the Science Center and there wasn’t any of this concern about that site. He is unsure why there is now so much. **Joyce** said the plan is for a full year business, not seasonal; will be a benefit to the community in many ways. **Carpenter** said that in response to **Joyce**, if there was no public comment then, it was because people were in support of the Science Center’s use of that lot. She went on to thank the Daskalos’ who seem to have put a lot of emotion and energy into this plan and she sees that. She said she is also supportive of waterfront planning. She believes this could warrant at least pausing for a little bit. **Beedle** agrees with pausing on this for a little bit. **Hallquist** said he supports this proposal; we need rooms, we’ve made commitments to the Cordova Center. He thinks this is a good fit. **Hallquist** believes that the Science Center had their fair chance at the lot and for whatever reason it didn’t work out. **Burton** said he supports this. He has heard from people on both sides of this. **Joyce** said we put this out for proposal, they met the criteria. **Burton** said we’ve talked about how “Cordova’s open for business” and this is what we have in front of us. He would be willing to pause and wait a month. **Reggiani** said we have used our process, we went out with an RFP, they are responsive and we have a responsibility to act. He said he doesn’t feel comfortable putting this off.

Vote on motion: 5 yeas, 2 nays. Carpenter-no; Beedle-no; Joyce-yes; Bailer-yes; Burton-yes; Reggiani-yes and Hallquist-yes. Motion was approved.

N. NEW & MISCELLANEOUS BUSINESS

23. Title 15 City Code concerning hospital

Joyce said he is of the opinion that for now, the Council needs to remain as the HSB. **Reggiani** said coming out of the work session earlier tonight and looking at the two proposals, he feels like this is a little premature.

Reggiani also said he does understand that maybe we have to do something with the charter change that was made at the recent special election. **Carpenter** said she is also ok with waiting as there are still many

unknowns. *Joyce* agrees that we are a little premature as far as an advisory board but since we did change the charter, we should work on an ordinance for the governing board since we stated that in the charter change, in order to be in compliance. *Mayor Kacsh* said he believes we are not out of compliance; *Bourgeois* agreed. *Reggiani* clarified, so with the charter change, Council can now change Code without being in conflict with charter. Council agreed.

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

Carpenter said she would speak to *Anita Smyke* and the Future Problem Solvers and maybe they could come speak to Council next time.

Mayor Kacsh said they would be conducting City Clerk interviews in the next week or so; it will be in the evening and Council should look at interview questions that *Cindy Appleton* will be emailing out.

Beedle asked *Mayor Kacsh* if he would put a resolution on concerning the USCG removal of oil spill equipment from Cordova. *Mayor Kacsh* said he would have it ready for next time.

O. AUDIENCE PARTICIPATION

Jennifer Gibbens spoke to the plastic bag issue, she said the chamber did have an effort ready concerning reusable bags but she needs to look into where that has gone. She said the feedback from retailers about simply eliminating the use of plastic bags was that would simply not work for them.

Dr. Charles Blackadar of LeFevre – said he thinks the Mayor is absolutely right, he encourages the creation of a Health Services Advisory group. He really needs such a resource so he can learn what the citizens really want.

Mark Frohnapfel of 828 Woodland Drive said he doesn't have an interest one way or another as far as the fill lot but he has an interest in the way we conduct business, we put that out to bid, there was a minimum bid, they put in, they met the deadline. It is not our job to determine whether or not someone's business plan works. The investors, banks, etc. will figure that out. He said the Blackler / Shipyard lot is kind of a similar deal when you look at what the City did to move Samson. He supports the need for more lodging in town. Thanks for approving it.

Mary Ann Bishop wants to talk about the process. She thought that fill area is zoned for Science and Education. She said it still hasn't been rezoned. She said there hasn't been time for the town to digest that the Science Center has pulled out. Most people don't even know that. She said Planning and Zoning keeps taking this piecemeal approach, rewarding their buddies. She said some deals go through overnight, she's watched it, she's been there enough. She said whatever you put there we will have to live with for one hundred years. She encouraged planning. We should look at aesthetics.

P. COUNCIL COMMENTS

25. Council Comments

Hallquist thanked staff for their time and for all the folks at the hospital for all their hard work as well.

Bailer said he would echo that and also asked Council if its ok to just get reports from *Barb Jewell* about School Board meetings as he has been unable to attend.

Reggiani said it was only 10:05, he said "good job" to the Mayor for that.

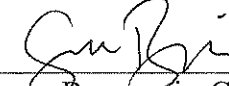
Carpenter said she would like to welcome the Daskalos' to the business community.

Q. EXECUTIVE SESSION - none

R. ADJOURNMENT

M/Bailer S/Beedle to adjourn. Hearing no objections the meeting was adjourned at 10:07 pm.

Approved: July 15, 2015

Attest: 
Susan Bourgeois, CMC, City Clerk

