

**CITY COUNCIL REGULAR MEETING
JULY 06, 2011 @ 7:30 PM
LIBRARY MEETING ROOM
MINUTES**

A. CALL TO ORDER

Vice-Mayor David Reggiani called the Council Regular Meeting to order at 7:41 PM on July 06, 2011, in the Library Meeting Room.

B. INVOCATION AND PLEDGE OF ALLEGIANCE

David Reggiani led the audience in the Pledge of Allegiance.

C. ROLL CALL

Present for roll call were *Vice-Mayor David Reggiani*, Council members *Keith van den Broek*, *Jim Kacsh*, *David Allison*, *Bret Bradford* and *Robert Beedle*. *Mayor James Kallander* and Council Member *EJ Cheshier* were absent. Also present was City Clerk *Susan Bourgeois*.

D. APPROVAL OF REGULAR AGENDA

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

#14 was stricken from the agenda.

Vote on motion: 6 yeas, 0 nays, 1 absent (Cheshier).

E. DISCLOSURES OF CONFLICTS OF INTEREST

Allison stated he has a conflict with item #13 as he is employed by Trident Seafoods Inc.

van den Broek stated he has a conflict with #17 as he is employed by a proposer.

Both were deemed as conflicts so the Council members will recuse themselves from those discussions and votes.

F. COMMUNICATIONS BY AND PETITIONS FROM VISITORS

1. Guest Speakers – four proposers on South Fill Lot 5 Block 2

a. David & Bootslynn Roemhildt

David Roemhildt, mile 6 CRH, explained their wish is to expand Redden Marine and Plumblin. They purchased property in the South Fill and moved their businesses into that building but have found that it is not large enough to support the functions of the two businesses. They need more retail show room space in order to provide Cordova with more products their vendors want to have available in Cordova. He explained how this proposed idea would greatly increase the sales tax, property tax and create construction jobs for the initial construction. He added that he thinks it's great that Cordova has so many proposers interested in opening or expanding businesses in town. *Bradford* asked why he wasn't doing a two-story building. *Roemhildt* answered that he felt the two-story wasn't as efficient for a retail building. *Kacsh* pointed out that if he is planning to build or utilize the two properties in conjunction then he may need to have a re-plat of the properties done. *Roemhildt* agreed that it will need to be looked into. *Bradford* asked when they anticipate completing the new building. *Roemhildt* responded that they expect to do that within two-years starting next summer.

b. Vicki & Jerry Blackler

Jerry Blackler, 921 Center Dr., explained that they want to move Shipyard Rentals and the hydraulic division of Alpine Diesel onto that lot because it's a prime location for them. *Beedle* asked what kind of structure he'd be looking at building. *Blackler* responded that it would be a 45x70 single story with lofts for storage. *Kacsh* asked about time frame. *Blackler* replied that they would like to have it completed this year. *Bradford* asked if there was something on the North Fill that would be more desirable for him. *Blackler* responded that he actually would prefer the North Fill but it's not available currently.

c. Becky Chapek

Becky Chapek explained that she had presented two proposals. The first is that she would like to move the Depot Diner to town. She stated that the City needs more restaurants to be open year round. She would like to add an event room onto the back of it. The second proposal was for a multi-use kitchen with a laundry facility. She currently has a multi-use kitchen that she rents out. She would like to eventually sell the businesses out to other parties. The diner is 22x56 with decks on both sides. **Bradford** inquired about a manager she is looking to employ to run the diner. **Chapek** replied that it is a family and she would hold the papers for a year until they had things established and then sell it. **Beedle** inquired on the time frame. She responded that the Diner could be moved within the year and the event room could be added on shortly after that.

d. Native Village of Eyak

Angela Arnold, 406 Council Ave, NVE would like to move their museum and gift shop to the new lot. She stated that there are four good reasons for the Council to choose them as the winning proposer. 1) They offered the highest price. 2) Their structure has the highest value. 3) They are one of the largest year round employers in Cordova. 4) It was argued at a previous meeting that the proposal doesn't qualify for a waterfront commercial park district. But it does, the creators of the Waterfront Commercial Park District Ordinance specifically identified this type of proposal as desired use under Ordinance 18.39.020G as a gift shop and visitor/information center. **Bradford** asked what the building value was. **Arnold** responded that it was \$1.5 million. **Kacsh** asked if NVE pays property tax. **Arnold** responded that they do. They are not required to but choose to pay as good citizens pay property tax and sales tax. She added that they will be employing an architect within 6 months. They expect it to be built within two years. **Beedle** raised a concern with snow removal. **Arnold** responded that they always take care of snow removal and have parking spaces mapped out in the proposal. She wondered if the current City Library/Museum location may be a better location for such a structure – and if the City was willing to turn it over to NVE.

2. Audience comments regarding agenda items

Jason Borer, 325 First St., stated that it's a good position the Council is in with all the businesses being interested in the new lots. He hopes the Council is able to find land for all these great ideas to take off from. He spoke in favor of NVE's proposal.

3. Chairpersons and Representatives of Boards and Commissions

Harbor Commission, **Beedle** reported that the breakwater and the ramp have been included in the Governor's budget and they are excited about getting started on those.

Health Services Board, **Allison** reported that their next Regular meeting is next week.

G. APPROVAL OF CONSENT CALENDAR

Vice-Mayor Reggiani informed Council that the Consent Calendar was before them.

4. Record excused absence of Council member van den Broek from the 06-01-11 Regular Meeting.

5. Proclamation of Appreciation to Irene Webber

Vice-Mayor Reggiani read the Proclamation of Appreciation for Irene Webber to the audience.

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

H. APPROVAL OF MINUTES – none

I. CONSIDERATION OF BIDS - none

J. REPORTS OF OFFICERS

6. Mayor's Report – not present

7. Manager's Report – not present

8. City Clerk's Report – Written report is in the packet

9. Staff Reports

a. **Josh Hallquist**, COR, Cordova Center Project

He informed the Council that the most recent schedule submitted pushed the completion date to the end of March. The 8th application for payment has been submitted and approved. The color selection for the roof has been made and the color decisions on the siding and trim will be made shortly. The architect has discontinued his weekly visits as he doesn't see that they are necessary. **Beedle** inquired if **Hallquist** felt the architect should still be coming weekly. **Hallquist** stated he felt the architect visits should continue and has sent a letter to that effect. **Bradford** clarified with **Hallquist** that as the City of Cordova's representative he would like MRV to continue to show up weekly and they are refusing. He asked if **Lynch** had done anything. **Hallquist** responded in the affirmative and that **Lynch** has had other things more pressing to deal with but is aware of the situation and he is sure he will do something. There is a concern with the concrete contractors that is being worked out. **Bradford** asked **Hallquist** to inform the Council if things don't change with MRV and if action needs to be taken. **Reggiani** added that he is sure Council would even be willing to do a special meeting if it is needed.

b. **Cathy Sherman**, Cordova Center Phase II

Sherman reported that **Lynch** is recovering and will be back in the office soon. She said in response to the auditor's recommendations in the work session that she has learned a lot and they are now reconciling every two weeks in order to keep on track. She updated the Council on a few funding sources she is working with and that the last changes are being made on the floor plans for Phase II. They are looking into the option of a ground source heat pump since acquiring the Redden property that decision will be made in the next day or so. P&Z did a parking review and will review the sidewalks at their next meeting. She is meeting with the Chamber of Commerce tomorrow to design roles and map out the business plan for marketing. She stated that the contractors are obligated to the October deadline even if they are saying March. The RFP for art will be sent out shortly.

K. CORRESPONDENCE

10. Postcard from Kim Menster in re Prince William Sound Science Center
11. Letter from Mayor to Governor in re Capital Projects in budget
12. Letter from Clay Koplín in re Ordinance 1082.

Bradford inquired if anything is being done in regards to **Koplín's** letter. **van den Broek** stated that the letter was probably submitted with Ordinance 1082 as it was on the agenda and as it is not any longer he requested the letter be included in the future when Ordinance 1082 is brought back before them.

L. ORDINANCES AND RESOLUTIONS

13. Ordinance 1081

An ordinance of the City Council of the City of Cordova, Alaska, authorizing the conveyance to Trident Seafood's Corporation of Tract 2, Alaska Tidelands Survey No. 220, Cordova Recording District – 2nd reading

M/Bradford S/Kacsh to adopt Ordinance 1081, an ordinance of the City Council of the City of Cordova, Alaska, authorizing the conveyance to Trident Seafood's Corporation of Tract 2, Alaska Tidelands Survey No. 220, Cordova Recording District.

Vote on motion: 5 yeas, 0 nays, 1 conflict of interest (Allison), 1 absent (Cheshier). Kacsh – yes; Bradford – yes; Reggiani – yes; Beedle – yes and van den Broek – yes. Motion was approved.

~~14. Ordinance 1082 (back at the attorney's office for revisions) stricken from the agenda during approval of regular agenda~~

15. Ordinance 1083

An ordinance of the City of Cordova, Alaska, amending Cordova Municipal Code section 14.16.260 to increase the monthly flat rate for sewer service – 1st reading

M/Kacsh S/Bradford to approve Ordinance 1083, an ordinance of the City of Cordova, Alaska, amending Cordova Municipal Code section 14.16.260 to increase the monthly flat rate for sewer service.

Moe Zamarron informed Council that according to a previous Ordinance 988 they are supposed to be putting back \$50K a year for improvement costs that is aimed at depreciation of our fixed assets (equipment, facilities etc.) Typically they secure 70/30 grants for work done in the water and sewer department; which means the City has to come up with 30%. He explained how the numbers for the depreciation, grant split, and money collected don't match. He stated that this is a nine year plan, retro to 2006 when the original Ordinance was passed, so that they should not have to raise sewer rates for another 5 years. **Reggiani** stated that he appreciates where **Zamarron** is going and thinks Council agrees with his intent but disagrees with an increase now because we have done a budget already that balanced. He does not want to increase the budget and added that they set the rates in January which would have been a more appropriate time. They had just met with the auditor today who said the water/sewer department is actually coming out ahead. **Ashley Royal** responded that he does not think the numbers presented in the audit took into consideration the full depreciation replacement numbers. He added that the set fee schedule done in January was for rates reviewed annually and the water/sewer rate is an Ordinance change. **Zamarron** responded that this rate increase was included in the budget process it just hasn't been instituted yet. **Allison** said he thought the budget was set based on the current rates and that the appropriate time to look at increases is budget time. He added that Council has discussed several budget increase requests over the last few months and the response has been that it should be dealt with during the budget cycle and he thinks that would be a better time to discuss this increase as well.

M/Allison S/Bradford to refer back to staff until the revenue is discussed in the budgeting cycle.

Kacsh stated he is not in favor of putting the discussion off just to shoot it down. If we want to shoot it down we should do that now or it will just keep coming back. **Beedle** inquired if the increased amount would change if the time frame is changed. **Zamarron** responded that the dates and amounts can be adjusted. **Bradford** stated he would like to see the rate increase to be included in the budget and as a discussion item at the next Council meeting. **van den Broek** asked if referring back to staff requires a separate Ordinance. **Allison** replied that if it is a change it will have to be an ordinance but it could also just be a discussion item.

Vote on motion: 4 yeas, 2 nays, 1 absent (Cheshier). Allison – yes; Bradford – yes; Reggiani – yes; Beedle – yes; van den Broek – no and Kacsh – no. Motion was approved.

16. Resolution 06-11-34

A resolution of the City Council of the City of Cordova, Alaska, authorizing the City to issue general obligation bonds in the principal amount of not to exceed \$500,000 to provide funds for the planning, design and construction of school and related capital improvements, fixing certain details of such bonds and authorizing their sale.

M/Kacsh S/Allison to approve Resolution 06-11-34, a resolution of the City Council of the City of Cordova, Alaska, authorizing the City to issue general obligation bonds in the principal amount of not to exceed \$500,000 to provide funds for the planning, design and construction of school and related capital improvements, fixing certain details of such bonds and authorizing their sale.

Bourgeois clarified for Council that this resolution is for the sale of the bonds for the school.

Vote on motion: 6 yeas, 0 nays, 1 absent (Cheshier). Motion was approved.

M. UNFINISHED BUSINESS

17. Land sale proposals – South Fill Lot 5, Block 2

M/Allison S/Bradford to approve the proposal from Roemhildt.

Allison stated he would like to see the Council do what they can to support all of the businesses and commended all of the proposers. He added that he thinks there are enough properties around town that they can accommodate the businesses in appropriate locations. *Allison* stated that he feels that Roemhildt's need for the property, considering that it will cost more in the long run if they have to build their expanding business elsewhere, is the best option. To be able to have the adjoining property will allow two successful businesses to expand and benefit the fleet. All the proposers had great proposals and he hopes they will continue with their plans but as for the lot in question this is the better choice.

Council took a 5 minute recess at 9:00 PM

Meeting reconvened at 9:05 PM

Restated motion: *M/Allison S/Bradford* to award the land sale proposal of the South Fill Lot 5, Block 2 to the Roemhildt's.

Beedle stated that he sees holes in the Roemhildt's proposal. NVE has lots of employees so he questions whether Roemhildt's are the best choice. He doesn't want to designate land by these discussions for other businesses before they can be reviewed specifically for those properties. *Bradford* agreed with *Allison* that all the proposals were really good. He is in favor of the Roemhildt's proposal because it fits the purpose of the South Fill and its helping to expand existing businesses. He added that he would like to keep focused on getting the permitting to make more land available to these other proposers. *Kacsh* also agreed with *Allison*, although the decision was tough, having all of their resources in one location just makes sense. The other proposals have other options but the Roemhildt's use for the property can't be filled as well by another piece of property.

Vote on motion: 5 yeas, 0 nays, 1 conflict of interest (van den Broek), 1 absent (Cheshier). Motion was approved.

N. NEW & MISCELLANEOUS BUSINESS

18. Pending Agenda and Calendar

- Second Regular meeting on July 20th is a go but at 7:00 pm

- Joint work session with the HSB immediately following the Regular meeting on July 20th

O. AUDIENCE PARTICIPATION

David Roemhildt thanked the Council for their consideration of their proposal. He stated that the in 2003 when North Pacific closed down things didn't look good which will always happen in a resource based community. He requested that the City be really serious about striking while the iron is hot with land infrastructure to make Cordova a better place to live. He would like to see the City go outside the normal channels of business in order to improve things quickly and not get bogged down by the normal business time-frames.

Jennifer Gibbons, Browning St, thanked the City for their support for the 4th of July Main St. picnic. She will be writing something in respect to that many communities are not doing much because their economies aren't doing well but we still were able to do a great event.

P. COUNCIL COMMENTS

19. Council Comments

Beedle stated that tonight there was a tough decision and hopes the other proposers find a place.

Allison stated that the other proposers left the meeting already but he will be contacting each of them individually in hopes that the City can work with them too and to encourage them to keep looking.

Bradford stated that he is seeing new faces in town and heard from some of them that they enjoyed the 4th of July festivities and will be back next year. He added that the proposals were great and is looking forward to finding new homes for each of them.

Van den Broek stated he felt like the discussion for the proposals looked like a popularity contest. It would have been nice to hear some in-depth discussions on the financial benefit more than just the best sounding proposal.

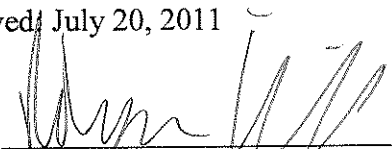
Kacsh stated that we need to make more land and would like to see the South Fill expansion go rapidly.

Reggiani stated that he looked in-depth at the proposals before coming to the meeting tonight considering how it will impact the City and was please with the presentations today. He thinks the Council made a good decision on the proposals. He added that behind a good audit is a good staff.

Q. ADJOURNMENT

M/Allison S/Kacsh to adjourn the regular meeting at 9:33 pm
Hearing no objection, the meeting was adjourned.

Approved: July 20, 2011

Attest: 

Robyn Kincaid, Deputy City Clerk

