

Special City Council Meeting
November 23, 2015 @ 5:15 pm
Cordova Center Community Rooms A & B
Minutes

A. Call to order

Mayor James Kacsh called the Council Special Meeting to order at 5:15 pm on November 23, 2015 in the Cordova Center Community Rooms.

B. Roll call

Present for roll call were *Mayor James Kacsh* and Council members *Kristen Carpenter, Tom Bailer, Robert Beedle, Josh Hallquist* and *David Reggiani*. Council members *Tim Joyce* and *James Burton* were present via teleconference. Also present were City Manager *Randy Robertson* and City Clerk *Susan Bourgeois*.

C. Approval of agenda

M/Reggiani S/Bailer to approve the 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.

D. Disclosures of conflicts of interest - none

E. Communications by and petitions from visitors

1. Audience Comments regarding agenda item - none

F. New business

2. Council action regarding CCMC funding - options a, b, c presented

a. Substitute Resolution 11-15-48

A resolution of the City Council of the City of Cordova, Alaska authorizing a line of credit from the general fund reserve in the amount of \$700,000 to Cordova Community Medical Center in order to fund operational expenses

b. MOA - \$700k contribution through 2016

c. MOA - \$320k contribution through 2015

M/Reggiani S/Bailer to approve Substitute Resolution 11-15-48 a resolution of the City Council of the City of Cordova, Alaska authorizing a line of credit from the general fund reserve in the amount of \$700,000 to Cordova Community Medical Center in order to fund operational expenses.

Reggiani said he'd been thinking about this since last meeting, he likes the idea of the line of credit as it is late in the City's fiscal year to be making straight contributions to CCMC that hadn't been budgeted for - he thanked staff at CCMC and City staff for the work put into this. He thinks this works as a mechanism to assist with short term needs. *Beedle* said he can't support this - as a line of credit. He believed there were no teeth in this as to requiring the payback. *Beedle* said he might prefer option 3. *Bailer* wondered who "The City" was in the 6th whereas. Was it the Council or the Health Services Board? *Robertson* said this was a Council executed resolution so the answer is, it is the Council. *Joyce* said he will support this. *Reggiani* said he saw this as a mechanism for a short term need - say a payroll was coming up and the Medicare payment wouldn't be to them timely enough. CCMC could use the line of credit then pay it back when the payment came through. *Burton* wondered why this was such a large dollar amount. He liked the structure of the payback within the resolution but is uncomfortable with the amount. *Varnadoe* said that Council has given \$550k so far this year - she knew she'd need more to get through year-end. She said 2 years ago there was an \$800k infusion. *Joyce* tried to get Council back on track regarding this as a cash flow issue and a short term need. In a while they will be discussing the subsidy issue.

M/Burton S/Carpenter to amend the resolution to change the amount to \$350,000.

Reggiani offered some other choices because of the schedule for repayment etc. he suggested \$450k with 90 days and shorten 60 days to 30 days. *Beedle* said he still can't support this.

Vote on motion to amend: 6 yeas, 1 nay (Beedle). Joyce-yes; Bailer-yes; Burton-yes; Beedle-no; Reggiani-yes; Hallquist-yes and Carpenter-yes. Motion was approved.

Burton said he has high hopes that the CT scanner will come online and help with revenue generation and he is hoping for a brighter future for CCMC solving some cash flow issues. *Joyce* believed that the fifth whereas still needed adjusting - he asked *Reggiani* to describe his suggestion. *Reggiani* said he is happy with the \$350k and the 90 days and the 30 days. *Robertson* and *Varnadoe* both spoke about the fact that this \$700k line of credit might not be the answer that CCMC

needs right now. **Varnadoe** said the 3rd option in front of Council is what she was hoping they would approve tonight. The \$320k straight contribution would get her through 2015.

M/Reggiani S/Joyce to amend the resolution by changing the fifth whereas by striking \$150k and put in \$350k and striking 'draws shall not be made more than 60 days apart'.

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

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

G. Audience participation

Mark Frohnapfel of 828 Woodland Drive thanked the Council for funding the hospital he is sure the employees there are grateful that they will be paid.

H. Council comments

Beedle still has a hard time with this. He'd like the HSB and QHR to start having serious conversations, new thinking, new equipment, maintenance issues in the building exist. He said there is a lot more to it than just giving them money, more than just what we did tonight.

I. Adjournment

M/Bailer S/Hallquist to adjourn.

Hearing no objection, the meeting was adjourned at 6:16 pm

Approved: September 7, 2016

Attest: 
Susan Bourgeois, CMC, City Clerk

