

**Regular City Council Meeting
December 4, 2019 @ 7:00 pm
Cordova Center Community Rooms A & B
Minutes**

A. Call to order

Vice Mayor Melina Meyer called the Council Regular Meeting to order at 7:10 pm on December 4, 2019, in the Cordova Center Community Rooms.

B. Invocation and pledge of allegiance

Vice Mayor Meyer led the audience in the Pledge of Allegiance.

C. Roll call

Present for roll call were Council members *Tom Bailer, Ken Jones, Jeff Guard, Melina Meyer, David Allison* and *David Glasen*. Mayor *Clay Koplín* and Council member *Anne Schaefer* were absent. Also present were City Manager *Helen Howarth* and City Clerk *Susan Bourgeois*.

D. Approval of Regular Agenda

M/Bailer S/Allison to approve the Regular Agenda.

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

E. Disclosures of Conflicts of Interest and ex parte communications

Council member *Meyer* said she has a conflict on agenda item 16 because she has a retail marijuana license in Cordova. She said she would pass the gavel to Council member *Allison* during public comment and then again for the agenda item. Council concurred with the conflict.

F. Communications by and Petitions from Visitors

1. Guest speakers - see item 11a.

City Planner *Leif Stavig* gave a short presentation about the comprehensive plan.

2. Audience comments regarding agenda items - *Meyer* handed over gavel and sat in the audience.

Robert Beedle of 609 Spruce St spoke against any new or increased taxes.

Council member Meyer had public comments to make - these comments made were as a citizen not as Council member: Melina Meyer of 500 Cannery Row, owner of the New Company Store, spoke against a marijuana surtax; she hoped Council would amend the ordinance by taking marijuana out or just vote the ordinance down altogether.

Barb Jewell of Mile 2.2 Whitshed Rd. wondered if the permanent fund interest could be used in the budget as revenue.

3. Chairpersons and Representatives of Boards and Commissions

CCMCA Board - Hospital Administrator *Randall Draney* reported: 1) they recently requested that a PERS study be done, NVE has completed their assessments of the hospital facility - at this time they are looking for a best cost-estimate of what it will cost to fix the facility deficiencies, to move Ilanka clinic into the hospital and to remove the employees from PERS - these are all related costs and NVE will need a comprehensive financial estimate. We had rough estimates in the past of \$14 - \$16 million (for the PERS) - we thought we'd plan ahead and get that answer sooner. *Glasen* thought we had been looking at a January answer on funding, might it be sooner. *Draney* said *Bert Adams* has relayed that he anticipates maybe having a funding answer sometime in December.

School Superintendent *Alex Russin* reported: 1) semester quickly drawing to a close - wrestling at the high school this weekend - first home matches in several years - 8pm on Friday and then 8am on Saturday; 2) they had their audit report come back clean - no findings; 3) we appreciate the attendance at the joint work session in November - look forward to doing that a couple of times a year. *Jones* asked about how the City funding might put them a bit over the maximum - how can we account for that and do we know that amount yet. *Russin* said he does not yet have that final amount and won't know until about January or early February and if we are over, we'd just have the City hold that amount back in their monthly payments.

4. Student Council representative - not present

G. Approval of Consent Calendar

5. Ordinance 1181 An ordinance of the City Council of the City of Cordova, Alaska, amending Cordova Municipal Code Chapter 18.90 as recommended by the Alaska office of History and Archaeology, the Historic Preservation Commission, and the Planning Commission

6. Resolution 12-19-52 A resolution of the Council of the City of Cordova, Alaska, adopting the City of Cordova comprehensive plan update
 7. Resolution 12-19-53 A resolution of the Council of the City of Cordova, Alaska, authorizing the transfer of Parcels 2, 3, 4, and 6 within the right-of-way lines of Alaska project no. Z631930000 along Orca Road at no cost and less than fair market value to the State of Alaska, Department of Transportation and Public Facilities
 8. Resolution 12-19-54 A resolution of the Council of the City of Cordova, Alaska, authorizing the City Manager to enter into a five (5) year lease of Lots 3 and 4, Block 8, Original Townsite and all improvements thereon with the Cordova Chamber of Commerce
 9. Resolution 12-19-55 A resolution of the Council of the City of Cordova, Alaska, authorizing the City Manager to enter into a three (3) year lease of the building locally known as the “Old Sea Grant Office” located on a portion of Lot 3, Block 7A, Tidewater Development Park with the Prince William Sound Science Center
- Vote on the approval of the consent calendar: 6 yeas, 0 nays, 1 absent. Allison-yes; Meyer-yes; Jones-yes; Guard-yes; Glasen-yes; Bailer-yes and Schaefer-absent. Consent calendar was approved.

H. Approval of Minutes - none

I. Consideration of Bids - none

J. Reports of Officers

10. Mayor’s Report – was not present
11. Manager’s Report - City Manager **Helen Howarth** reported that she has been focused on budget and she will continue on that until she has something the council feels good about passing. She has a short written report about the AML conference she attended. She added that there is a strong group of coastal communities that will be putting some pressure on the governor over ferry issues. **Bailer** asked **Howarth** to share what the two of them had discussed about the Finance Director position. She said **Dean** has been great, he’s kept us afloat, but we really need someone here, on the ground in Cordova. **Dean** has said he will help train the right person, we will support them and hopefully we can find someone to take on the role.

a. **City Planner Leif Stavig** comprehensive plan report

12. City Clerk’s Report – **Bourgeois** included a written report in the packet about the Clerk’s Conference that she and **Deputy Clerk Hammer** had attended, she thanked Council for the valuable opportunity. **Bailer** and **Meyer** both agreed with her interpretation and our use of “refer to staff” instead of postpone or table. **Meyer** reported on AML too; she had attended the ferry reform workshop and the PERS reform workshop with the City Manager.

K. Correspondence

13. 11-21-19 ADEC Public Review for Shoreside APDES preliminary draft permit
14. 11-26-19 Email from Tom McGann supporting Comp Plan approval
15. 12-11-19 Whitshed Rd & Pedestrian Improvements Project public meeting notice
- 15a. 11-27-19 Letter from M. Meyer re marijuana surtax

L. Ordinances and Resolutions

16. Ordinance 1178 an ordinance of the City Council of the City of Cordova, Alaska, amending Cordova Municipal Code section 5.40.012 to add marijuana, marijuana concentrates, marijuana products, cigarettes, tobacco products and alcoholic beverages to the list of sales subject to a six percent surtax and amending 5.40.020 to add definitions of each – 2nd reading
- M/Bailer S/Guard** to adopt Ordinance 1178 an ordinance of the City Council of the City of Cordova, Alaska, amending Cordova Municipal Code section 5.40.012 to add marijuana, marijuana concentrates, marijuana products, cigarettes, tobacco products and alcoholic beverages to the list of sales subject to a six percent surtax and amending 5.40.020 to add definitions of each
- Guard** spoke in favor of maybe deferring this tax on marijuana since there isn’t even the one business up and running yet and because we didn’t even factor that in when we came up with an estimate for the revenue this would generate.
- M/Guard S/Allison** to defer the effective date of the surtax on marijuana to 1/1/2021.
- Allison** said he wouldn’t mind supporting this because it would help get more of the product off the black market, anything they can do to help that along. **Bailer** said he thinks it is fairer if all of these things are taxed. **Jones** clarified that he is voting no on the amendment because he will be voting no on the tax.
- Vote on the motion to amend: 2 yeas (Guard, Allison), 3 nays (Glasen, Jones, Bailer). Motion to amend failed.

Jones said he had some questions for the Chief of Police - **Mike Hicks** approached the Council table. **Jones** asked about the number of alcohol, tobacco, marijuana related police calls, fire calls, ambulance calls. **Allison** asked the chief about what percentage of the work is alcohol and drug related. **Hicks** said probably 40 - 50%. **Bailer** said he is not making any moral judgments, he just thinks these are luxury items and the amount we make from this saves property tax payers on mill on their mill rate, so he is in favor, people have to live in a house - they all pay that tax, but they don't have to buy cigarettes or beer.

Vote on the main motion: 4 yeas, 1 nay, 1 absent, 1 conflicted. Meyer-coi; Schaefer-absent; Glasen-yes; Jones-no; Allison-yes; Guard-yes and Bailer-yes. Motion was approved.

17. Ordinance 1179 an ordinance of the City Council of the City of Cordova, Alaska, amending Cordova Municipal Code section 5.40.010 to impose seasonal sales tax rates of five percent in winter and eight percent in summer of each year - 2nd reading

M/Guard S/Bailer to approve Ordinance 1179 an ordinance of the City Council of the City of Cordova, Alaska, amending Cordova Municipal Code section 5.40.010 to impose seasonal sales tax rates of five percent in winter and eight percent in summer of each year

Guard said that it looks like the seasonal sales tax was the more popular of the two. Looking at the latest budget the City Manager presented, we are only short about \$250K - maybe we could get away with less of an increase seasonally.

M/Guard to amend ordinance 1179 to put the seasonal split at a level to generate \$250K instead of the \$550K - there was no second to this motion - it died.

Bailer said he heard the manager say at the work session that with the alcohol, tobacco and marijuana tax generating \$250K she could go back and see if she could close the gap on the rest. **Howarth** said we can certainly try - let's schedule another budget work session for next week. She said it could be a very focused work session, we will fine tune things - **Dean** is now available for that by phone as well.

M/Bailer S/Allison to refer to staff.

Vote on the motion to refer: 5 yeas, 1 nay (Jones). Motion was approved.

18. Ordinance 1180 an ordinance of the City Council of the City of Cordova, Alaska, amending Chapter 5.40.010 to adopt a one percent increase to the general sales tax imposed by the City of Cordova - 2nd reading

M/Glasen S/Bailer to approve Ordinance 1180 an ordinance of the City Council of the City of Cordova, Alaska, amending Chapter 5.40.010 to adopt a one percent increase to the general sales tax imposed by the City of Cordova

M/Glasen S/Bailer to refer to staff.

Vote on the motion to refer: 5 yeas, 1 nay (Jones). Motion was approved.

M. Unfinished Business - none

N. New & Miscellaneous Business

19. Council direction to staff to explore options to form a coalition of communities interested in legal action for restoration of ferry service

Guard said he asked for this item. He believes the administration is quietly trying to dismantle the ferry system. **Allison** said he doesn't disagree, looks like we are working on that already. **Bailer** said he'd prefer to tread lightly on this, not put our names out in front of all this. **Guard** said he'd like to direct staff to head down that road. **Howarth** said she could report back at the next meeting.

20. Pending Agenda, Calendar and Elected & Appointed Officials lists

Council concurred that a board training should be looked into for winter/spring, other City and non-City boards should be invited and they preferred it not be a training by our City Attorney. **Allison** suggested and Council concurred that a future work session could be the City organizational chart and all current job descriptions. There have been retirements and there is some controversy over whether at least one of those employees works for the manager or works for council. **Howarth** said she thinks there are many positions where the actual job description isn't necessarily what the employee is actually doing. She had brought to the work session a synopsis of the employees' actual tasks/duties. Council scheduled a budget work session on Tuesday December 10 at noon.

O. Audience Participation

Ken Jones of 514 Sunnyside Drive read a poem about taxation.

Cathy Renfeldt of the Chamber of Commerce said there has not been a consensus of chamber members to support one or the other tax options. She also gave some upcoming event dates/times for Bazaar, tree lighting, moonlight madness, Iceworm festival.

Robert Beedle of 609 Spruce Street said if such a coalition forms it shouldn't just focus on ferry but also on education, fisheries.

P. Council Comments

Bailer in trainings he has been to over the years he has learned that once the board/commission/council rules on something, even if it wasn't your opinion, you voted against it say, you shouldn't go out and continue to speak against it. He thinks there is at least one staff position we could go down still, but he is letting the City Manager decide that. He will support a cut if someone comes up with something and convinces him that the community supports that cut as well.

Guard said he doesn't want taxes just for the sake of having taxes, he doesn't want us to be cut short - which is why he'd continue to support one of the sales tax measures.

Glaser thanks to the community for showing up and giving comments.

Allison opined that it is always a good idea to look at investment options - City used to be involved in AML investment pool and they were way low as far as returns - always a good idea to explore though. He'd like to know a general fund balance and what is allocated, what belongs to the harbor, to sewer, water, etc.

Meyer said she'd like to do a realistic budget for 2020, unlike this year when we are doing all kinds of budget amendments; she worries the hospital will need more. She believes sales tax might be the way to go.

Q. Executive Session - none

R. Adjournment

M/Bailer S/Allison to adjourn the meeting.

Hearing no objection **Vice Mayor Meyer** adjourned the meeting at 8:55 pm.

Approved: December 18, 2019

Attest: 
Susan Bourgeois, CMC, City Clerk

