

**Regular City Council Meeting  
December 7, 2016 @ 7:00 pm  
Cordova Center Community Rooms A & B  
Minutes**

**A. Call to order**

*Mayor Clay Koplín* called the Regular Council Meeting to order at 7:00 pm on December 7, 2016 in the Cordova Center Community Rooms.

**B. Invocation and pledge of allegiance**

*Mayor Clay Koplín* led the audience in the Pledge of Allegiance.

**C. Roll call**

Present for roll call were *Mayor Clay Koplín* and Council members *Tom Bailer, Robert Beedle, Josh Hallquist, David Allison* and *James Wiese*. Council member *Tim Joyce* was present via teleconference and Council member *James Burton* was absent. Also present were City Manager *Alan Lanning* and Assistant City Planner *Leif Stavig*.

**D. Approval of Regular Agenda**

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

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

**E. Disclosures of Conflicts of Interest - none**

**F. Communications by and Petitions from Visitors**

1. Guest Speakers - none

2. Audience comments regarding agenda items

*Sheryl Glasen* of 609 Cedar Street, Cordova resident and School Board member, spoke to the City budget and opined that the School contribution should be closer to the cap.

*Wendy Ranney* of 2500 Orca Road, parent and business owner addressed the City budget. She opined that the school district should be funded to the cap.

*Alex Russin* of 209 South Second Street, advocated for the maximum contribution from the City to the School District.

*Katrina Hoffman* of 301 South Second Street, advocated for school funding to the cap or close to the cap.

*Greg Meyer* of 1 Cannery Row, supported schools and gave some statistics from a report about Alaska municipalities, debt per capita (Cordova highest), taxes per capita (Cordova top 5 or 6), and exempt properties per capita (Cordova has most).

*Tammy Altermott* of 811 Woodland Drive, spoke in favor of maximum school funding.

*Pete Hoepfner* of Lot 10 Saddle Point Subdivision, spoke to the City budget and asked for support for the children of the Cordova School district.

*Brad Reynolds* of 403 Third Street, favored school funding to the cap or as close to the cap as possible.

*Casey Kinsman* of 323 First Street, a new family in town said one reason they came was for the school district and supported funding to the max.

*Burt Adams* of 150 Gandil Road, moved here recently from Yakutat said that there was a similar occurrence in Yakutat, the district was not funded to the max and the school population decreased from 136 to about 90 over the course of 3 - 4 years as a result. He researched schools in Alaska to decide and picked Cordova.

*Mark Potvin* of Sunset View mentioned a direct correlation of defunding of schools with the increase in addiction.

3. Chairpersons and Representatives of Boards and Commissions

*Beedle* said that he was approached by a couple of fellows about getting appointed to the Fisheries Advisory Committee.

*Mayor Koplín* said he would get that on the December 21 agenda.

*Barb Jewell*, School Board President, said the board will be working on strategic planning. As far as at the district she reported that the high school volleyball girls are going to state, the high school holiday concert was last night and elementary school has its tomorrow night, also the robotics clubs have been competing, wrestling regionals next weekend and state the weekend after that, basketball practice has begun.

*Tim Joyce* reported that HSB met November 11 and the hospital administrator reported: 1) community surveys are in the mail; 2) the EHR program, Centriq, will need to be replaced with the next few to several years; 3) new reduced Medicare reimbursement rates have been given to hospital - had to adjust the budget for 2017; 4) effort to reduce number of travelers has paid off - now we have permanent full time CEO, CFO, DON, Lab Director, two RNs and another to

begin in December. The financial audit was received and approved – three material weaknesses and deficiencies – a plan is in place to correct the deficiencies. The board approved a new governance model with an elected board which was forwarded to legal and tonight council will see that.

**Mayor Koplín** said the last board report would be from P&Z chair **Bailer** – who said he had no report – in place of the report, **Mayor Koplín** presented **Mr. Bailer** with a plaque of appreciation for this 15 years of service on P & Z – from 2001 – 2016. Eight of those years as Chairman. There was a round of applause from those in attendance.

4. Student Council Representative Report - **Corinne Pegau** reported that Student Council has begun discussion of the Leukemia fundraiser that will be in February – they try to keep this money local. They are also looking into other ways to give back to the school with fundraised monies.

#### **G. Approval of Consent Calendar**

**Mayor Koplín** declared the consent calendar was before the City Council. Council member **Burton** arrived via teleconference at 7:15 pm.

5. Resolution 12-16-36 a resolution of the City Council of the City of Cordova, Alaska, authorizing the City Manager to enter in to a two year agreement with John W. Bitney for consulting services in the amount of Forty Eight Thousand Dollars (\$48,000) per year plus reasonable expenses

Vote on the consent calendar: 7 yeas, 0 nays. Wiese-yes; Joyce-yes; Beedle-yes; Hallquist-yes; Allison-yes; Burton-yes and Bailer-yes. Consent Calendar was approved.

#### **H. Approval of Minutes**

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

6. Minutes of 11-2-16 Regular Council Meeting

Vote on the motion: 7 yeas, 0 nays. Motion approved.

#### **I. Consideration of Bids - none**

#### **J. Reports of Officers**

7. Mayor's Report – **Mayor Koplín** had a written report on the packet and added that he intended to have a resolution supporting fixing the million dollar bridge, he said he'd get that in for next time.

8. Manager's Report – **Lanning** said his written report was answers to some questions that have been posed. He has a few more due out to Council – he will answer the UBS question regarding how are money is doing – he may report to Council on that via email this week.

**Hallquist** asked questions about the report **Lanning** gave about the Cordova Center stairs. **Lanning** would be getting back to Council when **Rogers** could assist as **Lanning** is still getting up to speed on the details.

**Lanning** asked **Bitney** to approach the table and report anything he might know about the status of Forest Receipts. **Bitney** said that what he has heard from the Alaska Washington, DC contingent is that they are working hard on PILT and not as much on Secure Rural Schools. The natural resources committee is looking also more into programs that help with the timber industry, not the funding to take the place of the industry.

9. City Clerk's Report - **Bourgeois** had a written report in the packet.

#### **K. Correspondence**

10. 10-28-16 Letter from Susan Kennedy in re Cordova Center

11. 11-01-16 Email from Emily Stolarcyk regarding NE17 Navy exercises

12. 11-02-16 AKDoT Southcoast Region Director's Quarterly newsletter

13. 11-17-16 Letter from Bob Smith regarding condition of harbor

14. 11-28-16 Letter from Mayor Koplín re AK Air essential air service

**Bailer** commented on the letter from **Susan Kennedy** – he has been asked this question time and again and he is glad

**Lanning** is working on it and hopes to see it in a packet soon when he has the time to finalize the numbers (i.e. on the Cordova Center costs).

#### **L. Ordinances and Resolutions**

15. Ordinance 1148 An ordinance of the City Council of the City of Cordova, Alaska, amending Cordova Municipal Code by removing definitions from chapter 18.08, repealing and reenacting chapter 18.52, and amending the title of section 18.80.040 to update and define nonconforming lots, structures, and uses, to allow for the expansion and alteration of nonconforming structures, and to increase the amount of time a nonconforming use can cease to exist before it is considered discontinued. – 2<sup>nd</sup> reading

**M/Allison S/Beedle** to adopt Ordinance 1148 an ordinance of the City Council of the City of Cordova, Alaska, amending Cordova Municipal Code by removing definitions from chapter 18.08, repealing and reenacting chapter 18.52, and amending the title of section 18.80.040 to update and define nonconforming lots, structures, and uses, to allow for the expansion and alteration of nonconforming structures, and to increase the amount of time a nonconforming use can cease to exist before it is considered discontinued.

**Allison** said he had no real comments - it has been discussed before and there was no public comment on this tonight.

Vote on the motion: 5 yeas, 1 nay, 1 absent (Burton). Allison-yes; Hallquist-yes; Bailer-no; Beedle-yes; Wiese-yes; Burton-absent and Joyce-yes. Motion was approved.

16. Ordinance 1149 an ordinance of the City Council of the City of Cordova, Alaska, creating a new Cordova municipal code title 15 to restructure the Cordova Community Medical Center, repealing the existing title 15 - 1<sup>st</sup> reading

**M/Joyce S/Hallquist** to adopt Ordinance 1149 An ordinance of the City Council of the City of Cordova, Alaska, creating a new Cordova municipal code title 15 to restructure the Cordova Community Medical Center, repealing the existing title 15.

**Joyce** said HSB has been working on this for about a month and edits can be made between readings, he does see the need for one amendment which he will offer. **Lanning** said he and **Scot Mitchell** will also get together and scrutinize this for second reading.

**M/Joyce S/Beedle** to amend 15.70.060 annual budget, the last line should say "in accordance with Section 5-2 of the City Charter."

Vote on the motion to amend: 6 yeas, 0 nays, 1 absent. Motion approved.

Vote on the main motion as amended: 6 yeas, 0 nays, 1 absent. Motion approved.

#### **M. Unfinished Business**

Without objection, Mayor Koplin recessed the meeting at 8:12 pm and Council was back in session at 8:15 pm.

17. FY17 Budget Preparation - discussion

**Allison** asked the manager to explain what has been adjusted since last budget meeting. **Lanning** conveyed that with the drastically diminished revenue expected in 2017, he would advocate for a multi-year approach to making up the deficit.

**Joyce** mentioned that as far as the school contribution, come February when the school board starts looking at the district's future budget, the City will again be making a commitment, so even though it appears that we are significantly short-changing the schools, that can be made up in the commitment come May - when the board has to present their budget to the state. **Bailer** and **Allison** said they were not happy with asking the schools to cut positions while the City was not cutting positions. **Allison** said he is not willing to raise taxes of any kind and if that means we lose personnel at the City then so be it, his preference is to give the schools a couple of hundred thousand more dollars as well. He also said that until we make some serious cuts ourselves, he is not willing to vote to take \$860K out of the permanent fund. **Mayor Koplin** clarified that the budget in front of Council gave \$1.378 million to the schools vs. what the superintendent called at the last meeting, \$814K - quite a difference already. **Hallquist** opined that Timber Receipts need to be decided - will they be in or should we call them zero in this budget. More lengthy discussion ensued - **Hallquist** and others discussed staff lay-offs or at least reductions over the course of the year through attrition. **Mayor Koplin** tried to get Council to focus and give some specific direction to the City Manager. Some suggestions were thrown out - more to the school, sin taxes, seasonal increase in property tax. **Bailer** and **Allison** concurred with an extra \$200K to the schools, **Joyce** was happy with less, said the district had reserves and the City has an expense to the bond for the school due to state backing out of a commitment. **Beedle** was for less than a \$200K increase. Council concurred that they would like to see the appropriate ordinances on sin tax and seasonal sales tax come before them at the next meeting, along with attrition. **Lanning** suggested a meeting early next week to review the changes made tonight - Tuesday @ 6pm was the day and time picked.

#### **N. New & Miscellaneous Business**

18. Council confirmation of Mayor's appointments to fill seats on City boards and commissions

**M/Allison S/Bailer** to confirm Mayor Koplin's appointments of Andy Craig & Ken Jones to the Harbor Commission, Mary Anne Bishop & Erica Clark to the Library Board, Marvin VanDenBroek & Karen Hallquist to the Parks and Recreation Commission and Nancy Bird & Allen Roemhildt to the Planning and Zoning Commission, all to seats that will expire in November 2019.

Vote on the motion: 6 yeas, 0 nays, 1 absent. Motion approved.

19. City Attorney RFP of July 2015 - discussion (may be discussed in executive session)

**Joyce** opined that this should be handled in executive session. They opted to add it to the Tuesday agenda.

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

Council wanted the CIP list at the next meeting.

**O. Audience Participation**

**Greg Meyer** 1 Cannery Row spoke against sin taxes – said there were very few communities with alcohol and cigarette taxes. He mentioned raw fish tax as an alternative.

**Lauren Padawer** of 210 Boardwalk Way mentioned a couple of options, fish box taxes and Hartney Bay Subdivision homes that are yet to be tax. She was upset that this hasn't been handled strategically over time.

**Tammy Altermott** of 811 Woodland Drive thanked Council for their time and work. She cautioned against the change to the sales tax cap exemption. She appreciated that people's lives are involved and she knows that is the case at the school too.

**Barb Jewell** of 2.2 Mile Whitshed Rd. she appreciated the thoughtful comments and the time and effort being spent.

**P. Council Comments**

**Beedle** said sin tax might be a good thing – his son turned 21 tonight.

**Allison** said he wouldn't be too excited about a 4 mill property tax increase. He hopes we can find a way to spread it out to the out of town seasonal people.

**Bailer** thanked the citizens for showing up. He also thanked the water/sewer department for some great assistance they offered him on a house he has, saved a lot of time and money. He appreciated the pedestrians and bikers who wear the really reflective clothing and carry lights.

**Hallquist** thanked the audience for coming. He said we cannot cut our way out of this but we can't tax our way out also.

**Wiese** said it would be a shame to put this on the year round residents only. Over time would be better but everyone needs to make some cuts.

**Mayor Koplín** thanked **Assistant Planner Leif Stavig** for filling in.

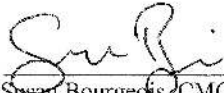
**Q. Adjournment**

**M/Bailer S/Allison** to adjourn the meeting.

Hearing no objection the meeting was adjourned at 10:27 pm.

Approved: December 21, 2016

Attest:



Susan Bourgeois, CMC, City Clerk

