

**CITY COUNCIL REGULAR MEETING
FEBRUARY 19, 2014 @ 7:30 PM
LIBRARY MEETING ROOM
MINUTES**

A. CALL TO ORDER

Mayor James Kacsh called the Council Regular Meeting to order at 7:40 pm on February 19, 2014, in the Library Meeting Room.

B. INVOCATION AND PLEDGE OF ALLEGIANCE

Boy Scout Troop 624 led the audience in the Pledge of Allegiance. The troop then led the audience in the singing of Happy Birthday to City Attorney, *Holly Wells*.

C. ROLL CALL

Present for roll call were *Mayor James Kacsh* and Council members *Tim Joyce*, *David Allison*, *Bret Bradford* and *EJ Cheshier*. Council member *James Burton* was present via teleconference. Council Members *Kristin Carpenter* and *Dave Reggiani* were absent. Also present were City Manager *Randy Robertson*, City Clerk *Susan Bourgeois* and Student Council Representative *Sarah Hoepfner*.

D. APPROVAL OF REGULAR AGENDA

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

Mayor Kacsh added a second guest speaker, *Joel Azure* of NVE.

Vote on motion: 5 yeas, 0 nays, 2 absent (*Carpenter*, *Reggiani*). Motion passes.

E. DISCLOSURES OF CONFLICTS OF INTEREST

David Allison declared a conflict on agenda item 12 because he works for Eagle and he was involved in the proposal they put forward. *Mayor Kacsh* agreed.

F. COMMUNICATIONS BY AND PETITIONS FROM VISITORS

1. Guest Speaker

a. Charles (Buck) Adams and Chad Adams, UBS Financial, City Investments – *Buck* and *Chad* both reported to Council on the City's Investments and how the City fared through 4th quarter of 2013. After a lengthy detailed report, *Buck* said there were horrific gyrations in the market and right now we are happy to be flat.

b. Joel Azure, NVE presented Council with a letter which was written to *Robertson* as the two will be working out negotiations on the performance deed of trust. He said he wanted to see if Council had questions about NVE's plans to satisfy the liquidated damages. *Bradford* said that *Azure* was working with the City Manager on that, right? That was agreed to by *Azure*.

2. Audience comments regarding agenda items:

Clay Koplín of CEC, mentioned that his Board of Directors had asked him to take a look at Crater Lake for hydro possibilities after they realized that the City was looking in that direction for water supply possibilities. He mentioned the demands that are put on water supply and electric supply by the seafood processing industry in Cordova in the summer months. Then he said there are demands in winter months on both due to freeze up. He has been working with the Public Works department and City Manager to explore these options together – it has been a collaborative effort. Cost sharing could be helpful – i.e. sharing in the infrastructure initial costs and then sharing in maintenance costs once built as well.

3. Chairpersons and Representatives of Boards and Commissions

HSB – Allison said they had a meeting earlier tonight, we evaluated Providence's contract, and we evaluated the administrator and re-credentialed three providers and received a report from the administrator.

Planning and Zoning – Reggiani was not present to report.

School Board – Bradford said school board meets tomorrow night and he asked *Allison* if he could attend in his place.

4. Student Council Representative Report – *Sarah Hoepfner* said that this coming weekend there are conference Basketball games against Houston and JH Volleyball will travel to Glennallen and Tok. Also,

there is a four day weekend due to in-service on Monday and Tuesday. Next weekend is Homecoming against Valdez and the theme is Time Warp. Next week also, National Ocean Sciences Bowl will compete in Seward and last week Future Problem Solvers had the team state qualifying competition and this week is individuals. Student Council's main focus now is homecoming.

G. APPROVAL OF CONSENT CALENDAR

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

5. Substitute Resolution 02-14-10 a resolution of the City Council of the City of Cordova, Alaska, supporting development of a PWS Tanner Crab management plan by 2015, to be discussed at the statewide King and Tanner Crab Board of Fish meeting in Anchorage March 17-21, 2014

6. Resolution 02-14-11 a resolution of the City Council of the City of Cordova, Alaska, authorizing the conveyance of 1556 square feet of ATS 220, adjacent to the West side of Lot 1, Block 1 of the Cordova Industrial Park to Ocean Beauty Seafoods LLC

7. Council waiving right to protest renewal of liquor licenses Powder House, Gandy Dancer Bar and AK Commercial Co.

8. Council concurrence of Mayor's appointment(s) to the Parks & Rec Commission

9. Record excused absence for **Burton** from the February 5, 2014 Regular Meeting

Vote on Consent Calendar: 5 yeas, 0 nays, 2 absent (Reggiani, Carpenter). Joyce-yes; Allison-yes; Burton-yes; Cheshier-yes and Bradford –yes. Consent Calendar was approved.

H. APPROVAL OF MINUTES

M/Bradford S/Burton to approve the Minutes.

10. Public Hearing Minutes 2-05-14

11. Regular Meeting Minutes 2-05-14

Vote on motion: 5 yeas, 0 nays, 2 absent (Carpenter, Reggiani). Motion passes.

I. CONSIDERATION OF BIDS

12. Council approval of contract with Eagle Contracting for upgrades to drain piping at Baler Facility

M/Cheshier S/Bradford to direct the City Manager to enter into a contract with Eagle Contracting Corporation of Cordova, Alaska, to perform the upgrades to the drain piping located at the solid waste baling facility for a sum of One Hundred Ninety-Five Thousand Dollars (\$195,000).

Joyce asked the Manager to give a brief overview. **Robertson** said this is the first of a few to come before Council. This is to get the floor fixed, the drain working. **Mr. Hallquist** and **Mr. Dahl** did a great job with the RFP and the bid review, etc. **Robertson** said the recommendation is to move forward with this – it is long overdue.

Vote on motion: 4 yeas, 1 conflicted (Allison), 0 nays, 2 absent (Carpenter, Reggiani). Motion passes.

13. Council approval of contract with Premier Electric for installation and connection of the generator at the Mt Eccles emergency shelter

M/Joyce S/Bradford to direct the City Manager to enter into a contract with Premier Electric of Wasilla, Alaska, to perform the installation and connection of the 320kw mobile generator at the Mt. Eccles Emergency Shelter (Mt. Eccles Elementary School) for a sum of One Hundred Sixty Seven Thousand Eighty Two Dollars (\$167,082).

Joyce asked the Manager to give a brief overview of this one too. **Robertson** said we were able to get a second batch of money from the State for this, as in the initial process there was not enough to complete the job. An extra \$97K was offered so we started over and re-bid the job with the additional funding.

Vote on motion: 5 yeas, 0 nays, 2 absent (Carpenter, Reggiani). Motion passes.

J. REPORTS OF OFFICERS

14. Mayor's Report – **Mayor Kacsh** said 1) thanked the Fisheries Advisory Committee for meeting on such short notice to help Council with a resolution for Board of Fish; 2) he attended the Fire Department Banquet; 3) He would like to begin conversations with DoT concerning the speed limit on Whitshed Road

15. Manager's Report – **Robertson** reported that: 1) we received a very positive letter of support from **Dr. Ng** of PWSCC – he wrote a personal note to **Austerman** and **Stevens** regarding the Cordova Center; 2) yesterday PWSEDD passed a resolution of support for getting the Cordova Center done; 3) he has received the first offer from PWSSC to purchase the fill-lot; 4) he'd like **Holly Wells**, to introduce **Max Gardner**, new member of the legal team for Cordova Center, **Wells** mentioned that he is the construction law expert at the firm, she is glad to have him on the case and they will talk during executive session; 4) **Robertson** said he heard from **Bitney** that a successful strategy a few years ago was “lunch on Cordova” for the legislature which consisted of 50 - 60 or so pounds of halibut, so he wonders how to accomplish this – **Bitney** has said it went over well then and would again, he said the executive chef down there is a friend of **Bitney's** and he could pull it off if we were to get the fish.

16. Staff Reports

a. **Charles (Buck) Adams**, UBS, City Investments – already heard from him earlier

b. **Public Works Department** overview – **Robertson** and a team from Public Works gave a presentation of the different divisions and their challenges: **Hallquist**, **Greenwood**, **Dahl**, **Howard**, spoke to power point presentation slides concerning the various divisions, Streets, Water/Sewer and Refuse. Some main points that were discussed included aging infrastructure (road, pipes), systemic problem of employee turnover within the divisions, aging and limited supply of heavy equipment (i.e. only one of each of some of the vitally important pieces), water capacity vs. seasonal increased demands, “can to the curb” campaign in refuse (i.e. need for Council assistance in educating the public). There was a question from Council member **Joyce** who asked if there has been a calculation made regarding the supply available if we were to make Crater Lake a City water source. **Hallquist** said he is carefully preparing the RFP for LT2 to include such things as that; these firm are aware of that and can get the answer to that question. The presentation continued with **Bill Howard** speaking to roads. He mentioned that 20 years ago there were numerous wash-outs of City streets and roads after each rain storm. So over the years, many drainage projects have been done and many streets have been chip-sealed – these two things have helped the washout situation immensely. **Hallquist** went on to explain the Ray Tech reclaimer which is a patching machine for asphalt and there is a resolution later in the meeting where the Council can approve the purchase of this along with 3 barrels of oil to proceed with chip-sealing this summer also.

17. City Clerk's Report – **Bourgeois** said she had a written report in the packet.

K. CORRESPONDENCE

18. Letter from NVE thanking City for Sobriety donation 01-15-14

19. Notice from Division of Elections in re comment period on boundary changes 01-21-14

20. Council letter to ARRT in re dispersants 02-06-14

L. ORDINANCES AND RESOLUTIONS

21. Resolution 02-14-12 a resolution of the City Council of the City of Cordova, Alaska authorizing the appropriation of \$170,000 from the receipt of money previously obligated and spent in support of the 2012 snow emergency for the acquisition and use of chip-seal oil and an infrared asphalt patching apparatus to fulfill the City's road maintenance program for fiscal year 2014 and into the future

M/Joyce S/Cheshier to approve Resolution 02-14-12 a resolution of the City Council of the City of Cordova, Alaska authorizing the appropriation of \$170,000 from the receipt of money previously obligated and spent in support of the 2012 snow emergency for the acquisition and use of chip-seal oil and an infrared asphalt patching apparatus to fulfill the City's road maintenance program for fiscal year 2014 and into the future

Joyce said he thought the money to fund snowpocalypse was taken from the general fund not the permanent fund so he thought it should be returned to that fund but the resolution says the remainder will go into the permanent fund. He would like to amend that. **Robertson** said that he found savings in the budget already (albeit we are only in February) to help fund chip-sealing, he said the City can contribute \$50K which comes to 2 tanks of oil. Council thought it prudent to make that amendment to the resolution as well; to take

it down to \$120K. The point was made and reiterated that asphalt is a down-the-road plan, this purchase was for regular annual maintenance; i.e. chip-sealing and repairs and maintenance to paved roads. Also, this equipment purchase will be usable in the future if/when we do pave roads, as it is used for patching asphalt (works for the present because about half our roads are asphalt now). **Allison** asked why we chose this size piece of equipment instead of the smaller 2-ton model. **Howard** responded that this model was better suited to the asphalt that we would be using for patching. If we had a batch plant, were creating new asphalt, a two-ton would be sufficient, but with old asphalt the 4-ton works better at breaking it down for use. **Burton** wanted an answer to one simple question, of the \$170K in the resolution, how much was for the equipment and how much for chip-seal oil. **Robertson** said \$95K was the 2 pieces of equipment, \$75K for 3 tanks of oil. **Burton** is not a fan of chip-sealing, he is ok with the equipment purchase.

M/Joyce S/Bradford to amend the resolution by changing \$170,000 to \$120,000 in the title, in the 5th whereas and in the "now, therefore, be it resolved" paragraph and by changing "permanent" fund to "general" fund in the 5th whereas.

Robertson said that with the diversity of concerns and opinions, we can go ahead and order the oil and look into the infrared machine and answer all of the questions, so please if you forward all questions, we can bring it back in two weeks.

Vote on motion to amend: 5 yeas, 0 nays, 2 absent (Carpenter, Reggiani). Motion passes.

M/Allison S/Burton to refer to staff.

Allison said he is interested in referring this because he thinks we all need more information on the piece of equipment and the two week delay is not too much to still be timely for spring. **Bradford** said he sees "Little Willy" being towed around all summer, so in this instance, he doesn't see this piece of equipment as possibly one that is purchased and then used once; he thinks it will get used. **Mayor Kacsh** said he is not in favor of putting this off. **Cheshier** said he is not in favor of putting this off as long as the staff is fine with this piece of equipment. **Burton** opined that there are just enough questions about the piece of equipment that he is in favor of referring as well. **Robertson** wanted to ensure Council that just because they approve something, it doesn't mean staff blindly goes and spends money; if any new information turns up that makes this purchase not smart, we won't do it.

Vote on motion to refer: 2 yeas, 3 nays (Joyce, Cheshier, Bradford), 2 absent (Carpenter, Reggiani). Motion fails.

Vote on the main motion: 3 yeas, 2 nays (Burton, Allison), 1 absent (Carpenter). Motion **fails**.

The **main motion failed** because a vote to appropriate money needs a majority of all of council vote per CMC 3.12.080C, which would mean 4 yeas were needed to pass this motion. At the meeting, this was not made clear and those in attendance did believe it passed. However, after the fact it was determined that the motion did not pass and Council members were immediately made aware of the error.

M. UNFINISHED BUSINESS - none

N. NEW & MISCELLANEOUS BUSINESS

22. Pending Agenda and Calendar

Next regular meeting is March 5.

O. AUDIENCE PARTICIPATION

Theresa Keel, Superintendent of Schools, 1013 Whitshed, had couple of things to discuss. In November she had made a few funding requests to Council, for Capital items and for in-kind funding. There was insurance money that Council had originally appropriated which the state did not allow as outside the cap but instead considered it in-kind. Therefore, she had asked the City to provide the school with the same funds (\$66K) as capital funds which could be used for classroom computers that have already been purchased and we can just swap the money out which would ensure that we could retain a teaching position. She said she brought this to staff and was directed to bring it back to Council. So, she is looking for an answer on this. Final count numbers were received in December and we had some changes and it indicated there is some wiggle room in the cap. An extra \$30K or so could come from the City to the school; she wants them to be aware that she is

coming back to request that amount. In the 2012-2013 school year, the State has said that the City overpaid, so the good news for the City is that the District will be writing a check back to the City for \$50. She also mentioned that 2 weeks ago she had been in Juneau and she spoke to at least 10 different legislators and made it clear how unique a situation we are in because of the generous City funding we receive as well as how generous the public is with activity funding as well as approving of bonds, etc. in Cordova. She also spoke at length in Juneau to legislators regarding the Cordova Center and the feedback she received was that talking points need to speak to "need" vs. "want" and she would like to get more info so she can say those things when she returns to Juneau on March 2, 3.

Tom Bailer 304 Orca Inlet, said that the public works department gave a presentation tonight speaking to the "foundation" of the City, sewer, water, roads, it has all been neglected and it all needs repair and we are just going to have to bite the bullet and spend some money on it. You have experts in this field, they come to you and you need to help them get it done, handle the dollars let them choose the tools. Staff has done their work, lean on them, and take their recommendations. **Mayor** mentioned speed limit on Whitshed Rd. Did Council sign a resolution supporting that? The answer was yes; he said he is not in favor of that.

Bill Howard thanked Council for the time and effort they put in he knows it's not easy.

P. COUNCIL COMMENTS

23. Council Comments

Burton said he meant to comment during commission comments that the Harbor had a really productive meeting last week and we discussed ladders, dumpsters, grants, travel lift, maintenance issues. NVE is going to help get us as many as 200 up and out ladders for the harbor. He also wanted to thank **Donald Kurz** for getting this meeting on the internet (ASLN TV) he has been able to watch while on phone and it has been extremely helpful. Thanked staff as well for all the work that went into the presentation tonight.

Cheshier said let's get some of those roads fixed this summer.

Allison said that as far as the school and the insurance money, he doesn't have a problem if the school board looks at their budget and says they need extra money for a science teacher, but he doesn't like just blindly giving them \$66K for the insurance which has already been paid. Also, if we are \$30K under the cap, I committed to funding to the cap and I will vote to do so, if they can show that they need the extra money. As far as staff work on the infrared machine – I am sure they worked hard on it, its \$100K that I don't take lightly. It still requires a budget appropriation which hasn't been done yet.

Bradford thanked **Josh (Hallquist)** and **Brandon (Dahl)** for getting things moving at the Baler Facility. He also thanked **Don (Kurz)** for the broadcasting.

Joyce also thanked **Kurz** and said it sounds successful already even though this is the first time trying this, well done.

Mayor Kacsh asked for a five minute recess.

M/Bradford S/Allison to take a five minute recess. Hearing no objection, the meeting was recessed at 10:41 pm and then reconvened at 10:46 pm.

Q. EXECUTIVE SESSION

24. Attorney legal advice regarding Cordova Center finances

M/Allison S/Bradford to enter an executive session to receive attorney legal advice regarding the Cordova Center a matter involving consideration of governmental records that by law are not subject to public disclosure.

Vote on motion: 5 yeas, 0 nays, 2 absent (Carpenter, Reggiani). Motion passes.

Council entered executive session at 10:46 pm and was back in regular session at 11:14 pm.

R. ADJOURNMENT

M/Allison S/Joyce to adjourn. Hearing no objections the meeting was adjourned at 11:14 pm.

Approved: March 5, 2014

Attest:


Susan Bourgeois, CMC, City Clerk

