

**CITY COUNCIL REGULAR MEETING
FEBRUARY 20, 2013 @ 7:30 PM
LIBRARY MEETING ROOM
MINUTES**

A. CALL TO ORDER

Mayor James Kallander called the Council Regular Meeting to order at 7:30 pm on February 20, 2013, in the Library Meeting Room.

B. INVOCATION AND PLEDGE OF ALLEGIANCE

Mayor James Kallander led the audience in the Pledge of Allegiance.

C. ROLL CALL

Present for roll call were *Mayor James Kallander* and Council members *Tim Joyce, James Kacsh, David Allison, Bret Bradford, EJ Cheshier, David Reggiani* and *Robert Beedle*. Also present were Interim City Manager *Don Moore*, City Clerk *Susan Bourgeois* and Student Council representatives *Sarah Hoepfner* and *Gabrielle Brown*.

D. APPROVAL OF REGULAR AGENDA

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

Don Moore asked Council to remove agenda item 18 as he hadn't had time to review it yet.

M/Joyce S/Bradford to amend the regular agenda by removing agenda item 18 from tonight's meeting.

Kacsh asked *Moore* if there was a problem and *Moore* said no, that he just hadn't reviewed the lease. He said it runs until April 20 and he hopes to have it back to Council before then.

Vote on amendment: 7 yeas, 0 nays. Motion passes. Vote on main motion: 7 yeas, 0 nays. Motion passes.

E. DISCLOSURES OF CONFLICTS OF INTEREST

Allison declared a conflict on agenda item 21 due to his employment by Eagle Contracting. *Mayor Kallander* agreed that he should recuse himself from that item.

F. COMMUNICATIONS BY AND PETITIONS FROM VISITORS

1. Guest Speaker – none

2. Audience comments regarding agenda items

Osa Schultz 109 Council said the item she wanted to speak to was removed from the agenda. She handed the Clerk a letter that she asked be included in the packet when the item comes back before Council.

Tom Bailer 304 Orca Inlet said he had questions about props 3 & 4. On page 23 of the packet he thought \$145,900 seemed high for "Community Conservation Education Program" and on page 25 he thought the \$650,000 for "building shell, insulation, roof" seemed high as well. Also, he wanted to know what would happen to any extra money in this project if it was leftover. He said private business would take any excess amount right back to the bank but government tends to say, what else can we spend the money on. He just wondered if these projects would be held to their costs.

3. Chairpersons and Representatives of Boards and Commissions

Harbor Commission representative *Beedle* reported they had a meeting last Wednesday there was good attendance – the City Manager was there and *Karen Swartzbart* gave a report about the Clean Harbors. He handed out a North Fill plan/map that Harbor Commission had been asked to give to Council. Planner *Sam Greenwood* reminded Council that they had referred a North Fill purchase request to staff in order to have Harbor Commission get back with Council concerning a plan for the North Fill. Council said they would now like to see the Lot 3A North Fill agenda item on the next meeting. *Beedle* also mentioned that the Commission conducted the annual review of the master plan and looked at fees.

HSB representative *Allison* reported that they had a special meeting tonight and they credentialed two doctors.

P&R representative **Kacsh** reported that they met last night. They discussed Odiak Camper Park and planning for the area near the burn pile and whether it is worth looking into putting utilities in there. They also discussed community outreach and the need to get more kids into Bidarki. The Commission looked at their 10 year master plan as well. **Bradford** asked **Kacsh** to bring up the BMX track that is intended for around the park by the sandlot at the next commission meeting.

P&Z representative **Reggiani** reported that there were three items on the agenda last week; request for an access easement adjacent to Fleming Spit area, update on SRTS – sidewalk up Third St. and they reviewed a lease application for space inside the high school.

School Board representative **Bradford** said he was not in attendance at the last School Board meeting.

4. Superintendent's Report - **Theresa Keel** was not in attendance.

5. Student Council Representative's Report

Hoepfner and **Brown** reported that Student Council elected new officers recently and **Carl Ranney** is the new President – all of the executive board was elected. The biggest occurrence presently is Homecoming which is this coming weekend and the theme is Candyland. This week was spirit week and there will be a pep assembly on Friday. Senior Appreciation night is Friday and the coronation and floats will be on Saturday both of these are during the ball games. Then there will be the homecoming dance Saturday night. The girls mentioned that they thank Council for allowing them to be Student Council reps to the City Council because they hear that elsewhere that isn't the case. They are lucky to get to brag about this at their annual student government conferences.

G. APPROVAL OF CONSENT CALENDAR

Mayor James Kallander informed Council that the consent calendar was before them.

6. Resolution 02-13-08 A resolution of the City Council of the City of Cordova, Alaska, authorizing creation of a city manager assessment committee to assist with the selection process of a new city manager and to make recommendations to the City Council on final interviewees

7. Resolution 02-13-09 A resolution of the City Council of the City of Cordova, Alaska, opposing the U.S. Food and Drug Administration's preliminary finding of no significant effect on the quality of the human environment in the United States with approval of Aquabounty Technologies, Inc.'s application to market genetically modified Atlantic salmon in the United States

8. Council concurrence of Mayor's appointment of Election Board for 2013

Vote on Consent Calendar: 7yeas, 0 nays. Cheshier-yes; Bradford-yes; Beedle-yes; Joyce-yes; Kacsh-yes; Allison-yes; Reggiani-yes. Motion passes.

H. APPROVAL OF MINUTES

M/Cheshier S/Bradford to approve the minutes.

9. Minutes of 02-06-13 City Council Regular Meeting

Vote on motion: 7 yeas, 0 nays. Motion passes.

I. CONSIDERATION OF BIDS – None.

J. REPORTS OF OFFICERS

10. Mayor's Report

Mayor Kallander reported that there's a lot going on in Juneau – the majority caucus has split into two. He has had quite a few meetings with the City Manager. He's been reviewing budgets in preparation for the EVOS teleconference tomorrow morning. He met with **Bitney**, **Stavig**, **Cathy** and **Moore**. He also attended a construction meeting and he encourages Council to do so as well.

11. Manager's Report

Don Moore informed council that he included a write up on Props 3 & 4 in his written report in the packet hoping that information would be useful for Council members. Moore reported that a refuse foreman has been hired, **Brandon Dahl**. Don also reported that **George Wintle** has been offered the job and has accepted

the job of Police Chief. **Moore** mentioned that he attached an active list on City construction projects and said that the list demonstrates that our Construction Management resources are saturated. **Moore** had a meeting with the CRWP and CCMC concerning protecting Odiak Lake and need for snow removal. He identified some major revenue receipts that we have received the last couple of weeks which amounts to \$1,896,000. Also, today he was noticed that we received a \$642,000 school bond payment. He handed out bound budget books as well as a detailed expenditures report that the Finance Director has been working on and he expects Council should get one like this at least monthly – but asked for their opinion on what they wanted. The museum artifacts got moved timely from CEC to the Hospital – there was a great deal of help that was appreciated. Moore will be out of the office February 22 – 26 – heading to Anchorage for meetings on Monday and Tuesday – **Cathy Sherman** will be Acting Manager.

Mayor Kallander asked Council what they wanted for the financial reports. After each weighed in the Mayor summarized and got a concurrence from Council that they would like to see a one page summary report monthly including some language that speaks to how things are going. They also thought that quarterly reports with the detail would be appropriate.

12. City Clerk's Report

Bourgeois reported that she was hoping to schedule training as soon as possible for newly elected Council members after the Election. She would ask for feedback next time. **Beedle** asked the Clerk if a School Board candidate had pulled out of the race. She said that Ron Horton is the Junior High wrestling coach and cannot be elected to school board and remain the coach so he decided to pull his name.

13. Staff Reports

a. Buck Adams, UBS Financial, City Investments – said that the City has about \$14.4M under management at this time. The combined net return of all City funds last year was 4.32%. When he wrote this letter there was a \$500K balance on the line of credit but he said it has subsequently been paid off. He said the line of credit has been an important tool; has helped with the snow emergency as well as with the Cordova Center. It has allowed us to not sell and reinvest at perhaps an inopportune time. Overall Buck is very satisfied with the return on investments for Cordova (4.32%) – the average hedge fund saw a 5.15% rate of return.

Reggiani thanked **Buck** for putting the report together and for his hard work. He said that this has worked out better than he ever expected when Council opted to invest with UBS three years ago. Every investment dollar earned is less that needs to be raised in taxes so that hits home for him.

b. Moe Zamarron, Public Works Director – he said he could answer any questions regarding propositions 3 & 4. **Joyce** asked if **Zamarron** could respond to what **Tom Bailer** had commented on during audience comments. He said that the numbers presented are not completely nailed down and they do appear inflated now. **Zamarron** said that if it all comes in less, of course we will not spend the money. We will only use what we need. He said he will put a lot of information out there (i.e. education of the public) on these projects. As far as the baler project, the building shell number may be high but he wants to cover his bases – it's an old building that's really coming apart.

K. CORRESPONDENCE

14. US Dept of Transportation EAS to Alaska Air Letter 02-10-13

L. ORDINANCES AND RESOLUTIONS

15. Ordinance 1104 an ordinance of the City of Cordova, Alaska, exempting Lot 5, Block 5, Odiak Subdivision, from property taxation and any special assessments so long as a payment in lieu of taxes is paid by the Native Village of Eyak on the property and the property is used by the Native Village of Eyak as low-income housing

M/Reggiani S/Joyce to adopt Ordinance 1104 an ordinance of the City of Cordova, Alaska, exempting Lot 5, Block 5, Odiak Subdivision, from property taxation and any special assessments so long as a payment in lieu

of taxes is paid by the Native Village of Eyak on the property and the property is used by the Native Village of Eyak as low-income housing

Vote on motion: 7yeas, 0 nays. Joyce-yes; Beedle-yes; Cheshier-yes; Reggiani-yes Kacsh-yes; Bradford-yes and Allison-yes. Motion passes.

16. Ordinance 1105 an ordinance of the City of Cordova, Alaska, authorizing the city administration to enter into a cooperation agreement with the Native Village of Eyak for payment in lieu of taxes on Lot 5, Block 5, Odiak Subdivision, so long as the property is used for low-income housing

M/Bradford S/Kacsh to adopt an ordinance of the City of Cordova, Alaska, authorizing the city administration to enter into a cooperation agreement with the Native Village of Eyak for payment in lieu of taxes on Lot 5, Block 5, Odiak Subdivision, so long as the property is used for low-income housing

Vote on motion: 7yeas, 0 nays. Cheshier-yes; Joyce-yes; Bradford-yes; Beedle-yes; Kacsh-yes; Allison-yes and Reggiani-yes. Motion passes.

17. Ordinance 1106 an ordinance of the City Council of the City of Cordova, Alaska, repealing Cordova Municipal Code Chapter 14.28 entitled "hospital" and adopting Title 15 entitled "city owned medical facilities" which incorporates the provisions of Chapter 14.28 but requires the City Council to sit as the Hospital Service Board and updates the obligations of the medical staff and hospital administrator to reflect the City's use of a hospital management company to administer City owned medical facilities

M/Cheshier S/ Bradford to adopt Ordinance 1106 an ordinance of the City Council of the City of Cordova, Alaska, repealing Cordova Municipal Code Chapter 14.28 entitled "hospital" and adopting Title 15 entitled "city owned medical facilities" which incorporates the provisions of Chapter 14.28 but requires the City Council to sit as the Hospital Service Board and updates the obligations of the medical staff and hospital administrator to reflect the City's use of a hospital management company to administer City owned medical facilities

M/Allison S/Bradford to amend the ordinance on page 81, 15.20.010 F. delete "on the first Monday" and replace it with "in concurrence with the first Council meeting".

Vote on amendment: 7 yeas, 0 nays. Motion passes.

Vote on main motion: 7yeas, 0 nays. Kacsh-yes; Bradford-yes; Joyce-yes; Cheshier-yes; Beedle-yes; Reggiani-yes and Allison-yes. Motion passes.

~~18. Resolution 02-13-07 a resolution of the City Council of the City of Cordova, authorizing the city manager to enter into a 2 year lease of property legally described as Lot 2, Block 7, North Fill Development Park with Ric and Osa Schultz (dba Mobile Grid Trailers, Inc.)~~

M. UNFINISHED BUSINESS - None

N. NEW & MISCELLANEOUS BUSINESS

19. Request for lease of City land: portion of High School Bldg. (USS 2637)

M/Allison S/Cheshier that the City dispose of 1203 square feet of classroom and office space at the High School Building (USS 2637) for not less than fair market value as outlined in chapter 5.22.060A 1. (by negotiating an agreement with the person who applied to lease or purchase the property).

Reggiani asked a question about the term of this lease. *Greenwood* said this was a proposed lease and now it would be seen by the Attorneys for finalization. *Greenwood* reminded Council that there is a 30 day termination clause.

Vote on motion: 7 yeas, 0 nays. Motion passes.

20. Council concurrence of Mayor's appointments to the City Manager Assessment Committee

M/Cheshier S/Bradford to approve Mayor Kallander's appointments of **Cindy Bradford, Mark Frohnafel, Don Sjostedt, Kelly Weaverling, EJ Cheshier, James Kacsh and Dave Reggiani** to the City Manager Assessment Committee to serve until the committee is deemed no longer necessary.

Vote on motion: 7 yeas, 0 nays. Motion passes.

21. Contract Approval with Eagle Contracting for Eyak Lake WTP Chemical Mezzanine Structural Repairs
M/Bradford S/Joyce to direct the City Manager to enter into a contract with Eagle Contracting Corporation, to perform structural repairs to the Eyak Lake Water Treatment Plant Chemical Mezzanine and associated work for a sum of Thirty Six Thousand Four Hundred and Twenty Five dollars and seventy cents (\$36,425.70).

Joyce asked how many bids were received. **Moore** said this was the only one?

Vote on motion: 6 yeas, 0 nays, 1 conflict of interest (Allison). Motion passes.

22. Pending Agenda and Calendar

There were no additions or deletions to the calendar. The Clerk reminded Council of a work session Thursday evening February 23 at 7pm. The Clerk also reminded the audience that absentee voting in person was occurring at City Hall from 8am – 5pm M-F until Monday March 4, 2013. **Kacsh** said that Parks and Rec had a special meeting scheduled for Monday March 12 at the City Hall Conference Room.

O. AUDIENCE PARTICIPATION

Tom Bailer 304 Orca Inlet said that if the Harbor plan talks about moving roads, then it really should come to P&Z. He thanked staff for answering his concerns about the costs associated with props 3 & 4. He also wondered if **Reggiani** could clarify what he had spoken about regarding the City investments (i.e. what we were getting and what we are getting now). He asked whoever the School Board rep is if they could push the SRTS thing because it's been languishing.

P. COUNCIL COMMENTS

23. Council Comments

Cheshier thanked **Kacsh** for changing his wife's tire this morning so she could get to work on time.

Reggiani answered Bailer's question by saying that prior to soliciting for professional investment services, the City had its money invested in AMLIP (Alaska municipal league investment pool) which was getting a rate of return of ¼ %. We have done very well with UBS (approx. 2.4% since inception). \$289,000 in cash last year – a total gain of \$700K last year (including dividends and capital appreciation).

Cheshier wanted to pat **Reggiani** on the back about that because it was his idea to invest City funds with a professional investment firm – has been good for the City.

Bradford gave kudos to Moe about finding the water leaks and he said that he will mention SRTS at the next School Board meeting for sure.

Joyce said that there is a potential for a run-off election and Council might want to revisit the Election code on that – maybe absentee balloting needs to be look into – as to most effective way to address absentee voting with a run-off scenario.

Kacsh good short meeting and he welcome the new Chief of Police.

Mayor Kallander also welcomed the Chief and thanked the staff at the hospital for getting the Clinic doors open so quickly and efficiently.

Q. EXECUTIVE SESSION – None

R. ADJOURNMENT

M/Kacsh S/Bradford to adjourn the regular meeting at 8:50 pm

Vote on motion: 7 yeas, 0 nays. Motion passes.

Approved: March 06, 2013

Attest:


Susan Bourgeois, City Clerk

