

**CITY COUNCIL REGULAR MEETING
MARCH 06, 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 March 06, 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*, *EJ Cheshier*, *David Reggiani* and *Robert Beedle*. Council member *Bret Bradford* was absent. Also present were Interim City Manager *Don Moore*, City Clerk *Susan Bourgeois* and Student Council representative *Gabrielle Brown*.

D. APPROVAL OF REGULAR AGENDA

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

M/Reggiani S/Cheshier to amend the agenda by striking item 18, Resolution 03-13-10 and item 21 the contract approval with Dawson Construction for Cordova Center Phase II.

Reggiani opined that as a technical matter we are ahead of ourselves on item 18 because Council hasn't had the opportunity to review phase II numbers in detail. He suggested a couple of workshops where we could gain a better understanding of the detailed items because the numbers in our packet are summary numbers.

Reggiani also cited a charter section that stated that a budget approval requires a public hearing (noticed one week ahead) for approval. *Joyce* said that he thinks that charter section refers to the full City budget not parts of budgets. However, he agrees that we may be a bit premature with this stuff. He agrees there is no major rush. He would appreciate a discussion tonight. *Reggiani* said that he asked to remove 21 also based on a charter citation that he offered referring to how council is supposed to award contracts based upon lowest bid, etc. or how otherwise allowed by ordinance. He mentioned Council being ahead of themselves because they would need an approved budget and to have made the appropriation before proceeding forward with a contract. This led to a discussion regarding the Council's chosen method of contracting for the Cordova Center Phase II called, GCCM (established fairly recently in City Code). *Kacsh* understood the idea of putting this off for more discussion/input. He wondered what the time frame would be.

Vote on motion: 4 yeas, 2 nays (Joyce, Beedle). Motion passes.

Vote on main motion: 6 yeas, 0 nays. Motion passes.

E. DISCLOSURES OF CONFLICTS OF INTEREST – None declared

F. COMMUNICATIONS BY AND PETITIONS FROM VISITORS

1. Guest Speaker – none

2. Audience comments regarding agenda items

Paul Kelly of 350 Seafood Lane (Jim Poor Avenue) spoke to item 19. He thought the last Council direction was for the Manager to work out an option that satisfies both the Harbor and Bayside. He mentioned the revenue his business brings in as far as sales tax and property tax. He believes that both things can happen – the Harbor and his business can both be accommodated.

3. Chairpersons and Representatives of Boards and Commissions

HSB representative *Allison* reported that they will have a meeting before the next Council meeting on March 20 – and he reported that there would be a Sound Alternatives Advisory Board meeting next Wednesday, which he would be attending.

P&R representative *Kacsh* reported that they will meet next week. *Mayor Kallander* asked if he had a report from RCAC. *Kacsh* said there was a meeting he attended this morning via teleconference but he is looking

for someone else to take that on because they meet a lot during business hours, which is difficult for him. He agreed to allow someone else to have that post if **Mayor Kallander** could find someone.

P&Z representative **Reggiani** reported that they will meet next week and their packets are on the website and advertised.

Marine Transportation Advisory Board – **Joyce** said he represents PWS from Yakutat to Seward and he wants to report that AMHS has settled a lawsuit with the manufacturer of the engines on the fast ferries and with the settlement the engines on both fast ferries will be replaced. Eight new engines at no cost to the state – the Fairweather this year and the Chenega next year – the state will also have an option to purchase two more engines at cost. They were going to go to trial in April but its been settled. Alaska Class Ferries are still in discussion – the Governor changed the plan from one larger vessel to two smaller ones – probably will not be operated up here – a day vessel – drive on, drive off – one concept shows an open air plan.

4. Superintendent's Report - **Theresa Keel** said they have a school board meeting next week – they have been busy working on their needs assessment and they have a survey posted which they would like to see as many people fill out as possible – want input from everyone. School funding at the legislative level – Governor's budget had \$5.9M set aside for the digital initiative which would directly affect Cordova. We were a district ready to use those funds (a 60/40 match). Recently those funds were reduced out of the Governor's budget. Also a resolution regarding the AMHS and internet on ferries has been forwarded to Council.

5. Student Council Representative's Report

Brown had a written report and mentioned that what they had been working on mostly was the biggest thing they do all year, Homecoming and the theme was "Candyland". Students and staff did a great job making posters and carts – 2 weeks to do it. Pep assembly was a great success last Friday – staff performed a line dance. Friday night was senior parent appreciation night and then Saturday was the coronation of the homecoming court during halftime. The dance was Saturday night at Mt. Eccles. Student Council will have a program of work meeting this Tuesday to plan the rest of the semester.

G. APPROVAL OF CONSENT CALENDAR

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

6. Proclamation for National School Board recognition Month

Vote on Consent Calendar: 6 yeas, 0 nays, 1 absent (Bradford). Joyce-yes; Beedle-yes; Cheshier-yes; Reggiani-yes; Kacsh-yes; Bradford-yes and Allison-yes. Consent Calendar was approved.

H. APPROVAL OF MINUTES

M/Joyce S/Kacsh to approve the minutes.

7. Minutes of 02-20-13 City Council Public Hearing

8. Minutes of 02-20-13 City Council Regular Meeting

Vote on motion: 6 yeas, 0 nays, 1 absent (Bradford). Motion passes.

I. CONSIDERATION OF BIDS – None.

J. REPORTS OF OFFICERS

9. Mayor's Report

Mayor Kallander reported that we received confirmation on more funding from EVOS and we wrote letters to our delegation thanking them for their assistance in that. He met with **Don, Cathy** and **Jon Stavig** about funding issues for the Cordova Center and he met with **Theresa (Keel)** about Board of Fish location. Between **George Covell** and **John Bitney**, we got moving on an alternate viable location for the BoF meetings in December 2014 in Cordova. **Monica Wellard** the BoF executive director came to Cordova and he and **Cathy Sherman** and **Theresa Keel** took her around and showed her the school, the restaurants, hotels, etc. to push for the meetings being held in Cordova. We were able to have the decision of a location postponed for two weeks.

10. Manager's Report

Don Moore informed council that there was a handout for the executive session. He was in Anchorage last week and met with an attorney in re draft PERS audit. Auditors will be here in April to begin 2012 audit. **Moore** opined that we might be interested in going out for proposals for an audit firm as that hasn't been done in a number of years – possibly after they finish the 2012 audit – August or September. He also discussed with the auditors the best way to structure the REA (request for equitable adjustment) funds – i.e. so the construction money is not grouped with the claim defense money. City Manager Assessment Committee will meet for the first time and they have 15 applications to review already. An OSHA health inspector was in town inspecting City buildings.

11. City Clerk's Report

Bourgeois reported that yesterday had been Election Day and that all races are too close to call due to the absentee ballots yet to be counted. She said they were up late counting ballots and the Election Board did a great job as usual. Absentees will be counted next Wednesday and then Council will certify the results of the Election next Thursday at a Special meeting. Assessment notices go in the mail Friday March 8 setting off a 30 day appeal period which closes April 8 and then BoE if necessary will be April 15. **Allison** asked the Clerk how many total ballots were still out there. **Bourgeois** said that maximum number is 130 – presently she had 106 but more could still be coming in the mail and the State Division of Elections still has to rule on the 9 questioned voters. **Joyce** asked if the propositions had all already passed or if they could still be overturned by the absentee. **Bourgeois** said the props had all passed. **Mayor Kallander** is concerned about the mailed ballots and the prospect of people feeling the inability to vote due to the mail system.

12. Staff Reports

a. Finance report – **Jon Stavig** said that some of the interfund transfers might look distorted until the year tracks through. Also, Harbor revenue may appear distorted due to a large grant that came in early in 2013. **Reggiani** thanked **Stavig** for the report and for the accompanying text that describes notable occurrences in the reports.

K. CORRESPONDENCE

13. Letter from Schultz in re Mobile Grid Lease 02-20-13

14. Letter from Mayor to Commissioner Kemp (AKDoT) 02-22-13

15. Letter from EVOSTC to Mayor in re \$1.3M funding 02-22-13

16. Letter from Senator Begich to Mayor Kallander 02-06-13

L. ORDINANCES AND RESOLUTIONS

17. 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/Cheshier S/Joyce to approve 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/Reggiani S/Joyce to amend the title of the resolution where it says a 2 year lease change to an 18 month lease and in the first whereas change the end date from April 20th, 2015 to October 20th, 2014.

Vote on amendment: 6 yeas, 0 nays, 1 absent (Bradford). Motion passes.

Vote on main motion: 6 yeas, 0 nays, 1 absent (Bradford). Motion passes.

18. Resolution 03-13-10

~~A resolution of the City Council of the City of Cordova, Alaska, adopting a Cordova Center Phase II project budget as summarized pursuant to the following table~~

~~This item was struck from the agenda during approval of the regular agenda~~

M. UNFINISHED BUSINESS

19. Council decision regarding Lot 3A Block 8 North Fill

M/Cheshier S/Beedle to agree with the Harbor Commission's and the Planning and Zoning Commission's recommendation to leave Lot 3A Block 8, North Fill Development Park as not available on the land disposal maps.

Reggiani said that the item is before them tonight with a few other options from the City Planner so he was of the opinion that it should be looked at again at the planning and zoning commission.

M/Reggiani S/Cheshier to refer back to planning and zoning.

Joyce, Kacsh and **Allison** thought the motion to refer was too quick and they had had no chance to discuss the main motion – with that **Reggiani** withdrew the motion to refer and it was concurred upon by the second. Motion was withdrawn.

Beedle spoke adamantly against getting rid of this last land in the North Fill. He said the long term should be considered. He said that the harbor commission asked for a year to develop a good plan for that area – three months was too short. **Allison** said he thought the direction was that staff was to try to work out a plan that pleased all parties – he didn't believe that occurred. Then he spoke about the harbor plan which he thought had a lot of wasted space. He is willing to send to planning but if we vote tonight, he said he will vote to make it available for sale. **Don Moore** asked that the **harbormaster** be allowed to speak and then he said he would like to speak. **Tony Schinella** (harbormaster) said that there isn't wasted space – the SERVS barges account for a great deal of space and they have a road drawn in which is 20-25 feet wide. He said there is room for improvement but he went down there – drew lines and really examined the area. We need to meet the fishermen's needs down there. As they come in and use the area this summer we will learn and adjust and make improvements. **Moore** said if it goes to planning and harbor again they should look at the revenues as well – in a more detailed light. **Beedle** spoke again against allowing the sale of this land. **Kacsh** agreed that there is only so much land left and that we have to cater to the big industry which is commercial fishing. Then he said we have to help small businesses and ensure there is land for them to grow and expand. He thinks it deserves another look at the Planning and Zoning level. **Cheshier** said he doesn't have a problem letting P&Z or Harbor Commission look at this but procedurally, he knows his role as a Council member that the decision will be made here and we do not have to take their recommendation or we can, but a decision will have to be made.

M/Reggiani S/Cheshier to refer to planning and zoning with the direction that has been discussed by Council tonight.

Beedle hoped this could be expedited. **Reggiani** agreed that this is an issue where time is of the essence and he hoped it could be heard at a special P&Z meeting.

Vote on motion: 5 yeas, 1 nay (Beedle) 1 absent (Bradford). Motion passes.

20. Council's quarterly discussion/decision to amend the CIP list

There was concurrence of Council to take no action at this time concerning the capital priorities.

N. NEW & MISCELLANEOUS BUSINESS

21. ~~Contract Approval with Dawson Construction for Cordova Center Phase II~~

22. Cordova Center Summary Business Plan and Integrated Schedule

Joyce said this is a discussion item – more for Council to read through this and see if there is anything in there they would like changed. **Joyce** said he is satisfied – it's a good job and he appreciates the work that went into it. **Mayor Kallander** said he found a number of areas where he wasn't satisfied. He would like Council to get a third party review of this – someone like Northern Economics. **Reggiani** asked about the process – he wondered if at some point Council would have to approve the business plan. **Cheshier** said he is totally ignorant about a business plan for the Civic Center and he wouldn't mind having a third party review by someone who knows much more than he does. **Sherman** said that in the packet was a summary but that the 54 page detailed business plan had been emailed to Council and was on the back table. She said the Foraker Group – a subsidiary of Rasmusen Foundation gave us a template to work with and that is how the business plan was formulated. They have reviewed it and when some numbers are updated after our pro

forma and energy analysis are completed, they will review it again. **Mayor Kallander** said how he reads this is that it will cost \$200K per year to manage the facility. After further lengthy discussion, Council concurred to stick with the Foraker group for review of this business plan for an amount not to exceed the City Manager's spending authority (\$15,000). They also stated that there would be a work session with the Foraker group and staff to present the business plan when it was completed.

23. Mikunda Cottrell arrangement letter – this was only informational

24. Pending Agenda and Calendar

City Manager Assessment Committee is meeting March 7 at 7pm in the City Hall Conference Room; special meeting March 14 to certify the election as well as 2 or 3 Ords might be up for first read. A work session to discuss Cordova Center budget was scheduled for March 27 at 7pm. There is a south fill public meeting scheduled at the Masonic from 6-8:30 on March 26.

O. AUDIENCE PARTICIPATION

Paul Kelly thanked Council for discussing his proposal again and the possible sale of that land.

Tom Bailer 304 Orca Inlet said representing planning and zoning. He said he is uncomfortable for P&Z to have to look at the financials of a proposal. He doesn't believe that is their purview. He believes that is staff's job. Cheshier said he thinks the direction is for P&Z to determine if both things can co-exist. Do we (harbor/City) need all the land or do we not?

Ken Jones 4.5 mile CRH in one week we will know the results of the Election – he thanked everyone for serving. He hopes to join them - we will have to see - he appreciates them taking the time and taking on leadership roles for the community. **Allison** encouraged those who ran to continue to run when other vacancy come available.

P. COUNCIL COMMENTS

25. Council Comments

Joyce said it could be his last meet so he thanked everyone. **Mayor Kallander** thanked **Joyce** for helping them out as well.

Beedle thanked those that ran for Council and school board, thanked those that run the election. He was happy to see the ballot propositions pass so the improvements are made.

With no objection, Council adjourned the meeting for 5 minutes at 9:50 pm and came back into session at 9:57 pm.

Q. EXECUTIVE SESSION

M/Allison S/Reggiani to enter into executive session to discuss Cordova Center attorney advice which is a matter the immediate knowledge of would clearly have an adverse effect upon the finances of the City government.

Vote on motion: 6 yeas, 0 nays. Motion passes.

Council entered executive session at 9:57 pm; Council came out of executive session at 10:55 pm. **Mayor Kallander** said they discussed finances with the Manager and privileged with the City Attorney and no action was taken.

R. ADJOURNMENT

M/Allison S/Joyce to adjourn the regular meeting at 10:56 pm

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

Approved: April 03, 2013

Attest:


Susan Bourgeois, City Clerk

