

**CITY COUNCIL REGULAR MEETING
MAY 07, 2014 @ 7:00 PM
LIBRARY MEETING ROOM
MINUTES**

A. CALL TO ORDER

Mayor James Kacsh called the Council Regular Meeting to order at 7:00 pm on May 07, 2014, in the Library Meeting Room.

B. INVOCATION AND PLEDGE OF ALLEGIANCE

Mayor Kacsh led the audience in the Pledge of Allegiance.

C. ROLL CALL

Present for roll call were *Mayor James Kacsh* and Council members *Kristin Carpenter, Tim Joyce, Tom Bailer, EJ Cheshier, Dave Reggiani* and *James Burton*. Council member *Bret Bradford* was absent. Also present were City Manager *Randy Robertson* and City Clerk *Susan Bourgeois*.

D. APPROVAL OF REGULAR AGENDA

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

Mayor Kacsh said that under the consent calendar, Council member *Carpenter's* absence should read excused not unexcused. *Mayor Kacsh* also asked to add an executive session for negotiations with the PWSSC as agenda item 27.

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

E. DISCLOSURES OF CONFLICTS OF INTEREST – none

F. COMMUNICATIONS BY AND PETITIONS FROM VISITORS

1. Guest Speaker – *Lobbyist John Bitney*, end of session report. *Bitney* thanked the Mayor and the Council members for all sticking with the plan of staying out of any controversial matters this term and just concentrating on getting funding in the capital budget. He said we were successful, the Cordova Center is in for \$4 Million. *Bitney* wanted to thank a few people individually such as former *Mayor Jim Kallander* and *John & Barbara Harvill* as well as *Jennifer Gibbens* and *Christa Hoover* over at the Chamber of Commerce. Last fall when the legislators were in Cordova, as well as getting the halibut shipped down there: these things made a huge difference. The education bill caused the overtime – the increased funding was split between raising the BSA and then half the increase was outside of the formula. The amount of money that was added to education outside the BSA formula, there was an amendment in the bill that allowed those funds to be counted toward calculating the local contribution cap. Also, something that didn't happen, was that the employer contribution rate for municipalities into PERS did not increase. Governor's proposal went through which was \$3 Billion – 2 towards TRS and 1 toward PERS. *Joyce* and *Cheshier* thanked *Bitney* for his hard work. *Mayor Kacsh* thanked him also for the great time during his visit; said he was helpful in showing him the ropes in Juneau.

2. Audience comments regarding agenda items: none

3. Chairpersons and Representatives of Boards and Commissions

Harbor – Burton said there will be no Harbor Commission meeting this month but last month they discussed North Fill lots; *Health Services Board – Carpenter* said they had just met and had an executive session with the Attorney regarding a personnel matter; *Parks and Rec - Carpenter* said they had met on April 28 and two items are before Council tonight – code change regarding dropping from 7 to 5 members as well as the resolution naming a park after *Noel Pallas*; *Planning and Zoning – Reggiani* said they will meet next week; *School Board – Bradford* was not present and *Mayor Kacsh* said that the Superintendent was speaking later and could update the Council.

4. Student Council Representative Report – *Sarah Hoepfner* reported that AASG meeting was at Eielson in Fairbanks and seven Cordova kids went. High school music concert was last night and the Elementary school

concert is May 20. We just had a movie night for the junior high and high school and we watched the Goonies. Last event of the year will be a spirit week for baseball and softball. Graduation is on May 17 – next Saturday and then the rest of the classes have another week and school is out on May 23. Future problems solvers – almost 20 kids went to Soldotna for that. One team and 4 individuals will be going on to Internationals this summer in Iowa.

5. Superintendent's report – April was a busy month for School Board – Regular meeting on April 9 and they are working on budget as well as approving teacher's contracts. Busy time of year as we near the end. **Mayor Kacsh** asked a question: he asked what the education bill means as far as the cap. **Keel** said that Department of Ed hasn't come out with a template yet so the budget they are working on now does not take that new legislation into account. Our change in enrollment is what really changed the cap. High School is projected to be below 150 students, which causes a flip in the formula. Prediction for high school enrollment is 141 and that will mean we are predicting the City's cap contribution to be about \$1.7M whereas last year it was closer to \$1.6M. The legislation meant about \$250K more for Cordova and with students about to do course selection, there will be more opportunities due to this funding.

G. APPROVAL OF CONSENT CALENDAR

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

6. Resolution 05-14-20 A resolution of the City Council of the City of Cordova, Alaska, requesting FY15 Payment in Lieu of Taxes funding from the Department of Commerce, Community, and Economic Development.

7. Resolution 05-14-22 A resolution of the City Council of the City of Cordova, Alaska, officially naming the park known as the 'tot lot', "The Noel Pallas Children's Memorial Park" in honor of and to show respect for his 13 years of volunteer service on the City of Cordova Parks and Recreation Commission

8. Resolution 05-14-23 A resolution of the City Council of the City of Cordova, Alaska, authorizing supplemental appropriations in the total amount of \$39,680 in the General Fund and Enterprise Funds to pay a 2014 wage increase for all IBEW bargaining unit (union) employees and all exempt City employees

9. Cordova Volunteer Fire Department confirmation of 2014 election of officers

10. Record excused absence of Council member Carpenter from the April 02, 2014 Regular Meeting

Vote on Consent Calendar: 6 yeas, 0 nays, 1 absent (Bradford). Cheshier – yes; Burton – yes; Joyce-yes; Carpenter-yes; Bailer – yes and Reggiani-yes. Consent Calendar was approved.

H. APPROVAL OF MINUTES

M/Reggiani S/Joyce to approve the Minutes.

11. Public Hearing Minutes 04-02-14

12. Regular Meeting Minutes 04-02-14

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

I. CONSIDERATION OF BIDS - none

J. REPORTS OF OFFICERS

14. Mayor's Report – **Mayor Kacsh** said while he was in Juneau he had meetings with ADF&G and DoT and both conversations were alarming. The Mayor said he met with **Patrick Kemp**, commissioner of DoT and in trying to cut budgets, they are looking hard at AMHS. There is a saying that goes, "80% of the funds move 20% of the people". He said that they are looking in the next 10 – 25 years of connecting land-based communities by road. **Mayor Kacsh** said that he mentioned that in the next ten years we could see as few as 2 runs a month in the Cordova-Whittier-Valdez ferry routing. We will need to pay close attention and to start fighting for what we have to keep our services to at least what we have now. Just as alarming was a conversation with **Kevin Brooks**, Deputy Commissioner of ADF&G. The **Mayor** said that the conversation was about shoulder fisheries, like Crab and Herring and how Fish and Game is allotting no money to explore these with test fisheries, etc. they are looking at cutting back these fisheries and definitely not adding new ones. It seems to be a shift of funding from an economically thriving resource that the fisheries are to a failing one, in the

form of the oil industry. As a community, as a Council, we need to become more vocal and more active to fight for what we have in place. **Mayor Kacsh** also reported that Title II, secure rural schools funding is available to the PWS area through the USFS, and he and **Carpenter** are on the Advisory Committee that helps pick the projects that get funded; skater's cabin bathrooms are getting an overhaul this summer with some of that funding.

15. Manager's Report – **Robertson** recognized two City employees, **Caleb Hoover**, Parks and Rec Department and Police Officer **Greg Rubio**. He also passed around a letter he would like to send to the Governor for the Council members to sign, regarding the 2014 state budget. He introduced **Rich Rogers**, new PW Director. He asked **Rogers** and **Harbormaster Schinella** to report to Council on the oil spill incidents that have occurred recently.

a. Informational – report from City Attorney regarding City Procurement Procedures

b. Informational – **Rich Rogers** and **Tony Schinella** on recent environmental incidents

Schinella said that last month there was a spill in the North Harbor – large diesel spill, E and C float, the spill was easily contained because the wind was blowing just right, blew it into the corner – the source had been a boat that was filling its potable water tank and it overflowed into the bilge and the bilge then overflowed over the side of the boat and he had just changed fuel filters so there was a decent amount of diesel in the bilge. USCG was in town, they came down with all the forms and called the response center. The USCG had just done an inspection on that vessel so they had the owner's cell number and were able to get in touch with him. His choices were to get fined by the USCG, \$22K, get a contractor to clean it up, Andy Craig's outfit (probably a similar cost) or he could help **Tony (Schinella)** and the City harbor crew and pay the man hours as well as the cost of sorbents, etc. He opted for the third choice.

Rich Rogers thanked **Randy** for the introduction, said it was nice to be here and he said everyone's been very welcoming. He reported on a home-heating oil tank that leaked and caused a spill over on Alder, **Dan Urton's** property. Light sheen was visible down in lagoon by Nirvana Park. At this time, things are remedied, DEC became involved, the private property owner was responsible and hired Andy Craig's firm and handled it to the satisfaction of DEC. Last week another spill incident; this time we were the responsible party. It was a leak in the tank behind this building (Library). We pumped it out, contacted DEC and cleaned it up. The cause of both incidents was accelerated corrosion.

Robertson handed Council a one page report from **Brandon Dahl** about the "cans to the curb" initiative. He says overall, we have heard from a few people but not that much push back. He also reported that NVE paid us for their performance deed; we got a check this week. **Senator Stevens** sent back a short note – "glad we were able to make a dent on the Cordova Center needs" – **Robertson** said this underscores the hard work **Bitney** put in – really carried the water on this one for the City in Juneau. He handed out a first edition of a Harbor newspaper – **Schinella** and staff – **Brandy Griffith** – did a great job putting this together. LT2 moving forward we have received interest from 8-10 firms, we've received proposals from two; might be able to have that on the next agenda.

Bailer asked about a having a meeting or session to get with the Manager about goals for the summer. Since he is new on Council he wondered if there was a performance review that traditionally gets done. **Mayor Kacsh** said there is an annual performance review that Council conducts with the Manager. **Carpenter** asked **Robertson** if August was his one year anniversary; he said yes. **Joyce** said that projects were laid out at budget time. So, if you missed that, you wouldn't know what we funded.

c. Staff Quarterly Reports – 1Q 2014

- i. **Laura Cloward**, Information Services
- ii. **Cathy Sherman**, Museum Director
- iii. **Miriam Dunbar**, Library Director
- iv. **Susan Herschleb**, Director of Parks & Recreation
- v. **Paul Trumblee**, City Fire Marshal
- vi. **Buck Adams**, UBS Financial, City Investments

- vii. Public Works Department
- viii. **Tony Schinella**, Harbormaster
- ix. **Samantha Greenwood**, City Planner
- x. **Jon Stavig**, Finance Director
- xi. **George Wintle**, Chief of Police

16. City Clerk's Report – **Bourgeois** said that during the five weeks between these two regular meetings she has been catching up on some projects such as cleaning up the cemetery records – i.e. map, spreadsheet, etc. Also, she has had a few records requests that the department has handled with assistance from the City Attorney. Property-tax-wise, she anticipates Council will certify the roll at the May 21 meeting (code says this must be done by June 1) and then set the mill rates at the June 4 meeting (code says this must be done by June 15).

K. CORRESPONDENCE

- 16. Resolution from CDFU
- 17. Letter from ARRT (Alaska Regional Response Team) April 8, 2014
- 18. Letter from DCCED in re National Forest Receipts FY14 April 16, 2014
- 19. Letter from Jim Holley, AML in re North Fill Lots April 30, 2014

L. ORDINANCES AND RESOLUTIONS

20. Substitute Ordinance 1115 An ordinance of the City Council of the City of Cordova, Alaska, amending sections 3.40.020 entitled “planning commission created- membership,” 3.40.030 entitled “planning commission-chairman,” 3.40.050 entitled “planning commission-members’ terms of office,” 3.52.020 entitled “advisory parks and recreation commission-membership,” and 11.08.020 entitled “harbor commission” to clarify and make consistent council member designation for service on city commissions, make council member service on commissions permissive rather than obligatory, and to reduce the number of commissioners on the parks and recreation commission from seven to five – 1st reading

M/Reggiani S/Cheshier to adopt Substitute Ordinance 1115 An ordinance of the City Council of the City of Cordova, Alaska, amending sections 3.40.020 entitled “planning commission created- membership,” 3.40.030 entitled “planning commission-chairman,” 3.40.050 entitled “planning commission-members’ terms of office,” 3.52.020 entitled “advisory parks and recreation commission-membership,” and 11.08.020 entitled “harbor commission” to clarify and make consistent council member designation for service on city commissions, make council member service on commissions permissive rather than obligatory, and to reduce the number of commissioners on the parks and recreation commission from seven to five

Reggiani said we had a long discussion about this over the last couple of meetings. **Cheshier** said he read through this it looks like it accomplishes what we said we wanted to do, thanked staff for amending it. **Mayor Kacsh** said he discussed this with some members of City boards and commissions to get their opinions. They were not keen on the “may” instead of “shall” and they were not happy with the three year term for a Council elected seat on a board or commission, they preferred we stick to the one year; the way we have been doing it. Parks and Recreation Commission was of the opinion that their membership should remain at seven and not be dropped to five members. **Bailer** said he supports it the way it’s written. **Joyce** said he made a lot of comments on this when it was before us last; it will change 20 some odd years of precedence and he can’t support it. **Mayor Kacsh** said he really doesn’t agree with this; it is only a first reading; he reminded everyone of his power to veto.

Vote on motion: 4 yeas, 2 nays (Joyce, Carpenter), 1 absent (Bradford). Motion passes.

21. Ordinance 1116 An ordinance of the City Council of the City of Cordova, Alaska, enacting section 2.20.010 C of the Cordova Municipal Code to increase the notification requirements for City elections – 1st reading

M/Reggiani S/Joyce to approve Ordinance 1116 An ordinance of the City Council of the City of Cordova, Alaska, enacting section 2.20.010 C of the Cordova Municipal Code to increase the notification requirements for City elections.

Reggiani said he supports this but he thought it would go in a different direction than this. He thought the advertising requirement would become more generalized and instead it has become more specific. **Joyce** understands that but also thinks it needs to be specific or a situation can come back on them because of ambiguity, etc.

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

22. Resolution 05-14-21 A resolution of the City Council of the City of Cordova, Alaska, authorizing amendment to the FY14 budget by changing line item #101-902-57000 to \$830,975 and by changing line item #101-300-40001 to \$1,892,334 and authorizing the transfer of an additional \$30,334 to the Cordova School District to fund the school district to the maximum local contribution allowed by the Alaska Department of Education and Early Development

M/Joyce S/Burton to approve Resolution 05-14-21 A resolution of the City Council of the City of Cordova, Alaska, authorizing amendment to the FY14 budget by changing line item #101-902-57000 to \$830,975 and by changing line item #101-300-40001 to \$1,892,334 and authorizing the transfer of an additional \$30,334 to the Cordova School District to fund the school district to the maximum local contribution allowed by the Alaska Department of Education and Early Development.

Joyce said he was looking through the packet for a note or something, a resolution of support from the school board or why they wanted to see this increase. He said because then it would have gone through their public process and then our process and if it means raising mill rates, then that's what we might do. He wondered if the superintendent could address that. **Mayor Kacsh** said he thinks it could get done either way. If this gets approved they would have to amend their budget. **Superintendent Keel** came to the table and explained that the extra funding came because we got approval for two intensive needs students that we have had in the district since the beginning of the year but Department of Ed has to determine eligibility while we serve those students, and they finally have and have funded us accordingly. The school board amended our budget in February to reflect the extra state funding. She said the School Board directed her to come to Council and ask for that extra funding – the \$30K which was used directly for the intensive needs students. **Keel** said it seems you are wondering if the school board is apprised of this and her answer is that she acts at their direction.

Joyce said that he understands, there has been an increase in state funding which allows you to come to us asking for an increase as well. He speaks more to the process; saying that the budgets have been approved and in order to amend budgets now, he would just like to see the process followed where they come to us with a specific request (a resolution or some other proposal from the board) in order for us to then look at and decide if we will go there. What **Joyce** is looking for is an "on the record" accounting of the fact that the school board took this up on an agenda, that they need the extra \$30K to meet the cap because of the additional funding received from the state. If it sees the public process at the school board level, then the council level, it just has more visibility and he would prefer that process be followed. **Reggiani** said he agrees that the school board needs to be out in front of this.

M/Joyce S/Reggiani to refer to staff and let the school board take action on it and bring it back to us.

Keel said they have a meeting Tuesday May 13 which means it won't be back before Council until June. City Clerk **Bourgeois** said that if the board can pass something on May 13 it could still make Council's May 21 packet.

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

M. UNFINISHED BUSINESS - none

N. NEW & MISCELLANEOUS BUSINESS

23. Council acceptance of P&Z Commission Resolution 14-03 regarding Land Disposal Maps

M/Reggiani S/Bailer to accept Planning and Zoning Commission's Resolution 14-03

Reggiani said he appreciates all the information that was provided in the packet that details the conversations at the P&Z level. Obviously there was a divide especially focused on the North Fill area. He said the discussion points and the record speaks for itself. **Burton** said he would like to amend this and he's not sure of the appropriate way to do it. He wants the harbor department to have the flexibility to come up with a good plan,

invest money and man-hours into these lots without fear that they will be sold out from under them as soon as the next season.

M/Burton S/Bailer to amend the motion to say that these lots will not be revisited for five years: Lot 3, Blk 5; Lot 1, Blk 6; Lot 2, Blk 6; Lot 3A, Blk 8; Lot 4, Blk 8; Lot 5, Blk 8 – all in the North Fill.

Joyce said he thinks there is interest in leasing a portion of those lots and if we tie this up for five years we may be precluding some of the development that we would want over there. He is reluctant to say we won't look at this for five years. *Reggiani* brought up why this all is coming up and the "Traffic Authority" question came up (i.e. who determines parking lots/ land use/ where does the revenue go, etc.). He said there is confusion surrounding all this. The discussion about the actual amendment led to confusion as well. Council thought it cleaner to pass the main motion (accept P&Z's resolution) and then have Council separately take up amending the Land Disposal Maps. With that, *Burton* said he was willing to withdraw his amendment.

Amendment was withdrawn, second concurred.

Joyce had further questions on the land disposal maps, concerning the lots in the five mile avalanche area. He wanted to ensure that we didn't offer those lots that are unable to be built permanently upon, without knowledge of that. *Greenwood* said those lots have criteria on them enforced by the zoning of the lots. Other City lots that are "available" on the maps have similar constraints, like tidelands. *Greenwood* said we can sell those properties, but the deed would have a restriction on it. *Joyce* was satisfied with the answer.

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

Council opted to look into the Land Disposal Maps further in the future. The Clerk was directed to place these items on the pending agenda so they do not go too long without being revisited. "Traffic Authority" as well as the prospect of leasing those North Fill lots to the harbor were both asked to be placed on the Pending Agenda.

24. Pending Agenda and Calendar

Council concurred that they would like to see an agenda item at the next meeting about the budget. A review of 2014 budget; i.e. what was approved and any amendments that were made to it so far this year.

Council also wants to see on a future agenda a discussion of "parking & parking lots" throughout the City as well as an item about the City's ability to lease land to a City department and/or enterprise fund (i.e. the items that were mentioned in agenda item 23 tonight).

Bourgeois reminded Council that quarterly review of Capital Priorities should be on the June 4 meeting, but with the session just ending and the budget not yet signed by the Governor, Council opted to forego a discussion and revisit the list again next quarter.

O. AUDIENCE PARTICIPATION

Mike Scott of Saddle Point said he'd been gone most of the winter but when he came back, he was upset about how the harbor garbage dumpsters are now. The hole is too small to fit anything through and he can't believe there are cameras setup there. He suggested that metal is the problem so just put three dumpsters out there.

P. COUNCIL COMMENTS

25. Council Comments

Cheshier welcomed *Rich Rogers* to Cordova.

Bailer said he appreciates the Police Chief, he thinks he's doing a great job.

Carpenter thanked staff for all the quarterly reports in tonight's packet.

Joyce said we have some outstanding young people in our work force. He appreciates the City Manager taking the time to recognize them. It might not be the highest wages but to feel appreciated and recognized goes a long way.

Mayor Kacsh said there are 2 executive sessions tonight.

M/Reggiani S/Burton to take a five minute recess. With no objection the meeting was recessed at 9:05 pm and reconvened at 9:12 pm.

Q. EXECUTIVE SESSION

26. Attorney advice concerning Cordova Center arbitration

27. Land sale negotiations with PWSSC

M/Joyce S/Burton to enter into an executive session to discuss matters the immediate knowledge of which would clearly have an adverse effect upon the finances of the government, specifically, attorney advice concerning Cordova Center arbitration and land sale negotiations with PWSSC.

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

Council entered the executive session at 9:14 pm and reconvened the regular meeting at 10:43 pm.

Mayor Kacsh said that Council gave advice to the attorney on the arbitration and advice to the City Manager regarding negotiating with the PWSSC in the executive session.

R. ADJOURNMENT

M/Burton S/Joyce to adjourn. Hearing no objections the meeting was adjourned at 10:43 pm.

Approved: May 21, 2014

Attest:


Susan Bourgeois, CMC, City Clerk

