

**CITY COUNCIL REGULAR MEETING  
SEPTEMBER 03, 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 September 03, 2014, in the Library Meeting Room.

**B. INVOCATION AND PLEDGE OF ALLEGIANCE**

*Mayor James 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, Bret Bradford, Dave Reggiani* and *James Burton*. Also present was City Clerk *Susan Bourgeois*.

**D. APPROVAL OF REGULAR AGENDA**

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

*Carpenter* asked if an executive session regarding CCMC financials could be added as item 30. Council concurred to do so.

Vote on motion: 6 yeas, 0 nays, 1 vacancy (seat E). Motion passes.

**E. DISCLOSURES OF CONFLICTS OF INTEREST**

*Bailer* and *Carpenter* both declared conflicts of interest on item 20 because each might be interested in putting in proposals for that lot if it is made available. *Mayor Kacsh* agreed they are both then conflicted.

**F. COMMUNICATIONS BY AND PETITIONS FROM VISITORS**

1. Guest Speaker – **John Andrew Leman**, CTC Attorney spoke concerning item 4 and asked if Council could pull it from the consent calendar in hopes that more negotiations could occur.

2. Audience comments regarding agenda items

*Jim Holley* Cordova resident of 18 years spoke against item 18, his concern was that funders would not award money if we bond it now. Also, he didn't want the burden on the property tax payers now.

*Barclay Kopchak* spoke against item 18; believes it is premature. This would stop donors in their tracks. She would prefer to wait to see the outcome of the windows issue and have the bond at the end when we know the exact amount needed.

*Jennifer Gibbens* spoke against item 18 agreeing that it is premature. City Council has invested in this capital campaign as has the Committee; we've paid consultants and spent six months on a plan for the capital campaign and a bond at this time would kill it – both individual donors and the foundations. She also is excited about the economic development tax incentive which is contained in this packet – she is familiarizing herself with it at this point.

*Katrina Hoffman* of 301 South Second Street, spoke against item 18 – agreed with other voices on this tonight, as a member of the Capital Campaign Committee – urged them to wait until a later date to see if this is necessary; hoped Council would approve item 7 in the consent agenda; in executive session Council will be considering land negotiation with PWSSC and she hoped they had received her letter on the topic

*David Allison* of 203 Whiskey Ridge Road, spoke in favor of item 19 and against item 18. He hoped Council would pull item 4 and refer it to staff for continued negotiations with CTC.

3. Chairpersons and Representatives of Boards and Commissions - **Harbor, HSB, Parks & Rec, P&Z, School Board**

*Burton* said Harbor Commission will meet next week.

*Carpenter* said that there is one Doctor hired who is just waiting for his license to be approved and the week of September 20 they will be interviewing 3 administrator candidates. *Stephen Sundby* and *Tiffany Varnadoe* from CCMC were present and *Carpenter* mentioned there are some problems concerning EHR at CCMC and this would be discussed in the executive session.



## G. APPROVAL OF CONSENT CALENDAR

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

Council pulled items 4 & 7 from the consent calendar. They were placed on the agenda after item 19.

~~4. Ordinance 1119 An ordinance of the City Council of the City of Cordova, Alaska, authorizing a sublease for a 2,500 square foot portion of USS 1765 of Township 15 South, Range 3 West, Section 22, Copper River Meridian, Alaska, commonly identified as tripod hill, to Cordova Telephone Cooperative, Inc~~

5. Ordinance 1120 An ordinance of the City Council of the City of Cordova, Alaska, waiving for good cause the failure of Irene Hansen to make timely application for a senior citizen property tax exemption for the 2014 tax year

6. Council decision on property disposal, Lot 3, Block 7A, Tidewater Development Park

~~7. Resolution 07-14-28 A resolution of the City Council of the City of Cordova, Alaska, authorizing the City Manager to enter into a five (5) year lease of the building locally known as the "Old Sea Grant Office" located on a portion of Lot 3, Block 7a, Tidewater Development Park with the Prince William Sound Science Center~~

8. Resolution 08-14-32 A resolution of the City Council of the City of Cordova, Alaska authorizing the City Manager to enter into a collection services agreement with Merchants Credit Association, a licensed and bonded collection agency

9. Resolution 08-14-33 A resolution of the City Council of the City of Cordova, Alaska, authorizing the City Manager to enter into an agreement with Appraisal Company of Alaska for tax year 2015 assessment services in the amount of sixteen thousand dollars (\$16,000)

10. Record unexcused absence for *Joyce* and excused absences for *Mayor Kacsh* and Council members *Cheshier* and *Burton* from the August 06, 2014 Regular Meeting

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

## H. APPROVAL OF MINUTES

*M/Bradford S/Bailer* to approve the Minutes.

11. Regular Meeting Minutes 08-06-14

Vote on motion: 6 yeas, 0 nays, 1 vacancy (seat E). Motion passes.

## I. CONSIDERATION OF BIDS

### J. REPORTS OF OFFICERS

12. Mayor's Report – *Mayor Kacsh* said he would like to reinstitute the monthly lunch meetings that *Mayor Joyce* used to have with the chairs of boards and commissions. He met with the Chamber of Commerce to discuss the MOU between them and the City and met last week with *Laura Cloward* and the City Manager regarding USDA and the US Forest Service.

13. Manager's Report – *Stavig* said in *Robertson's* absence he had nothing specific to report to Council. *Reggiani* asked if he could have an update on the SRTS (safe routes to school) project. *Stavig* deferred to *Rogers* who said that the bids are due this coming Friday at 2 pm, there has already been one amendment – that the construction will be next summer as we are too late into the fall season at this time.

a. Cordova Center update report

*Bailer* asked *Rogers* where we were on hiring a project manager. *Rogers* said candidate one had declined the offer we are interviewing another candidate on Friday morning. *Bailer* asked if we are still advertising that as the facilities manager job as well. *Rogers* said yes, the title is Superintendent of Facilities – one of which is the Cordova Center. The first year of that person's work will be the project itself.

14. City Clerk's Report - *Bourgeois* said she had a few items prepared later in the agenda and she could answer questions on those at that time.

a. Report on state-allowed "residential property" optional exemption

## K. CORRESPONDENCE

15. Letter from Kay Groff regarding "Cordova Conversation" 08-05-14



16. Council member EJ Cheshier letter resigning from Council Seat E

**City Clerk Bourgeois** mentioned that City Charter was not very descriptive on the procedures to be used for filling the vacancy so she was turning to Council for advice/direction as to what approach they favored. Consensus was to have **Bourgeois** advertise for letters of interest ASAP and have an agenda item on the regular meeting of September 17.

#### L. ORDINANCES AND RESOLUTIONS

17. Resolution 09-14-34 A resolution of the City Council of the City of Cordova, Alaska, designating capital improvement projects

**M/Bailer S/Reggiani** to approve Resolution 09-14-34 a resolution of the City Council of the City of Cordova, Alaska, designating capital improvement projects.

After lengthy discussion, among themselves and with the assistance of Legislative Lobbyist **John Bitney** who was present via teleconference, Council was prepared to restate and reorder the priorities.

**M/Joyce S/Reggiani** to amend the resolution by restating and reordering the list as follows: 1. Cordova Center, 2. G Float Replacement, 3. CCMC Technological Improvements, 4. Public Safety Building, 5. General Harbor Improvements, 6. Shipyard Fill & Shipyard Building, 7. South Fill Sidewalks, 8. Sawmill Avenue Extension, 9. Recreation Building, 10. Ferry Trail.

Vote on motion to amend: 6 yeas, 0 nays, 1 vacancy (seat E). Motion passes.

Vote on main motion: 6 yeas, 0 nays, 1 vacancy (seat E). Motion passes.

18. Resolution 09-14-35 A resolution of the City Council of the City of Cordova, Alaska, authorizing the City of Cordova to issue general obligation debt in the principal amount of not to exceed \$5,000,000 to finance the completion of the Cordova Center, and to submit the question of the issuance of such debt to the qualified voters of the City at the November 4, 2014 Special City Election

**M/Joyce S/Reggiani** to approve Resolution 09-14-35 A resolution of the City Council of the City of Cordova, Alaska, authorizing the City of Cordova to issue general obligation debt in the principal amount of not to exceed \$5,000,000 to finance the completion of the Cordova Center, and to submit the question of the issuance of such debt to the qualified voters of the City at the November 4, 2014 Special City Election.

**Joyce** said he will speak against this – there was a lot of public comment against it as well. He thinks it is premature in November. He said we now have Cordova Center as our number one priority and the legislature won't fund us if we bond for it. We are also jeopardizing foundation funding. **Joyce** said it would be more realistic to look at this for spring. **Reggiani** said he put this resolution on the table and considered spring vs. fall and felt fall made the most sense. He does agree this will take some educating of the public on this item but the goal is to finance the completion. His opinion is the most sense would be to amortize the financing over 30 years – becomes much more affordable to the community. **Reggiani** surmised that based on figures the Manager had supplied previously, that the payment would be in the \$250K per year range. **Joyce** said that he appreciates **Reggiani's** thought process but that the City isn't broke. If we need to use reserves or our line of credit we could do so and then be reimbursed by a bond that was approved at a March election. **Joyce** reiterated that we just put the Cordova Center as our number one priority and we would be losing opportunity at that if we bonded now. Also he said it would be hard to educate the public on a \$5M bond amount when that is not a firm number. **Burton** said he agrees with **Joyce** and won't support this now. **Bailer** said he agrees with **Reggiani** and with **Joyce**. He doesn't want to second guess the fundraisers, they are the professionals at that. The financing part of this and the fact that we don't have a professional project manager bothers **Bailer**. **Bradford** said he is listening to the debate and he can't support it now. **Mayor Kacsh** thought a good idea might be to refer this to staff versus voting it down – in an effort to not negate any show of support. **Joyce** said there isn't anyone who is against the idea of bonding, but more so is against the timing of this.

**M/Joyce S/Bradford** to refer to staff until the first meeting in January when it will come back for further review.

Vote on motion: 4 yeas, 1 nay (Reggiani), 1 vacancy (seat E). Motion passes.



19. Resolution 09-14-36 A resolution of the City Council of the City of Cordova, Alaska, authorizing the City of Cordova to issue general obligation bonds in the principal amount of not to exceed \$2,000,000 to finance the city street improvements and to submit the question of the issuance of such debt to the qualified voters of the City at the November 4, 2014 Special City Election

*M/Reggiani S/Joyce* to approve Resolution 09-14-36 a resolution of the City Council of the City of Cordova, Alaska, authorizing the City of Cordova to issue general obligation bonds in the principal amount of not to exceed \$2,000,000 to finance the city street improvements and to submit the question of the issuance of such debt to the qualified voters of the City at the November 4, 2014 Special City Election.

*Reggiani* said that DoT will be paving Whitshed next summer and for timing this is timely to piggyback with them to save on mobilization of such a paving effort. *Bailer* said he supports this. *Joyce* said that the City hasn't paved a street since he's been here; he is also supporting this. *Jon Stavig* said that this resolution might need to come back or a different one correcting this, as far as what the attorney has advised. He has briefly spoken to the bond bank and we are looking at a six month time-frame for getting any funds from the bond bank, once the process is begun. *Burton* said this time he completely agrees with *Reggiani*.

Vote on motion: 6 yeas, 0 nays, 1 vacancy (seat E). Motion passes.

19a. (4.) Ordinance 1119 An ordinance of the City Council of the City of Cordova, Alaska, authorizing a sublease for a 2,500 square foot portion of USS 1765 of Township 15 South, Range 3 West, Section 22, Copper River Meridian, Alaska, commonly identified as tripod hill, to Cordova Telephone Cooperative, Inc. *M/Joyce S/Reggiani* to approve Ordinance 1119 An ordinance of the City Council of the City of Cordova, Alaska, authorizing a sublease for a 2,500 square foot portion of USS 1765 of Township 15 South, Range 3 West, Section 22, Copper River Meridian, Alaska, commonly identified as tripod hill, to Cordova Telephone Cooperative, Inc.

*Joyce* said that from the public testimony, he said maybe there is a chance to improve the lease to help with some of the sticking points. He went on to say that he does not believe that the amount of rent is something he thinks should be conceded.

*M/Joyce S/Bradford* to refer to staff for additional negotiations not including any concessions on rent amount. *Bailer* said he is comfortable with how it has been presented and enough time has been put into this already.

Vote on motion: 5 yeas, 1 nay (Bailer), 1 vacancy (seat E). Motion passes.

19 b. (7.) Resolution 07-14-28 A resolution of the City Council of the City of Cordova, Alaska, authorizing the City Manager to enter into a five (5) year lease of the building locally known as the "Old Sea Grant Office" located on a portion of Lot 3, Block 7a, Tidewater Development Park with the Prince William Sound Science Center

*M/Bradford S/Bailer* to approve Resolution 07-14-28 a resolution of the City Council of the City of Cordova, Alaska, authorizing the City Manager to enter into a five (5) year lease of the building locally known as the "Old Sea Grant Office" located on a portion of Lot 3, Block 7a, Tidewater Development Park with the Prince William Sound Science Center.

*Bradford* said it looks good to me. *Bailer* said he is not objecting to the lease. He said that the lease calls for the lessee to be responsible for the maintenance on the building and there has been none done. He'd like to see the building repaired now and then the benchmark can be set.

*M/Bailer S/Bradford* to refer to staff.

*Reggiani* said he'd like staff to go back and look at the original benchmarks that may have been established in the original lease.

*Burton* temporarily lost a phone connection.

Vote on motion: 5 yeas, 0 nay, 1 absent (Burton), 1 vacancy (seat E). Motion passes.

*M/Bradford S/Bailer* for a 5 minute recess. Hearing no objection the meeting was recessed from 9:04 pm until 9:09 pm.

## M. UNFINISHED BUSINESS

20. Council decision on property disposal Lot 2 Block 7 North Fill Development Park



*M/Joyce S/Reggiani* to dispose of Lot 2, Block 7 North Fill DP by requesting sealed proposals to lease or purchase the property.

Vote on motion: 4 yeas, 0 nays, 1 vacancy (seat E), 2 conflicted (**Bailer, Carpenter**). Motion passes.

21. Council confirmation of Mayor's nomination to the Parks and Rec Commission

*M/Carpenter S/Joyce* to confirm *Mayor Kacsh's* nomination of Dave Zastrow to the Parks and Rec Commission.

Vote on motion: 6 yeas, 0 nays, 1 vacancy (seat E). Motion passes.

## N. NEW & MISCELLANEOUS BUSINESS

22. Discussion of City owned/operated Used Oil Burners

*Bradford* would like some info on getting a waste oil burner for the pool and/or Bidarki – he appreciates the time and staff time *Randy* put into this report. *Bailer* said that the City Shop guys have been over to Wilson's burner and are trying to improve on it, he appreciates their work on this. *Carpenter* said she thinks maybe the pool would be a good stand-alone facility to investigate the use of a pellet stove – i.e. create pellets out of recycled cardboard. *Mayor Kacsh* thought it would be a good idea to add an anti-freeze collection spot for harbor users; he hoped this could be discussed at budget. *Reggiani* said he'd like to see this tagged as part of our recycle program. *Joyce* agreed that this would be a good item for our newsletter.

23. Discussion of residential property tax exemption

*Mayor Kacsh* asked for this item so that this could be discussed as the other side of the equation when raw fish tax was being discussed – it is in no way an equivalent offset, but it would help. The guesstimate that the Clerk came up with was a \$300K deficit this would be to property tax revenue annually.

24. Discussion of economic development property tax exemption

*Mayor Kacsh* brought this up because in the five years it has been in Code, it has never been applied for or granted. He said maybe it is too restrictive. *Joyce* said at the time there were existing businesses that felt it would be too much of an advantage for the newly forming businesses and the existing businesses could not take advantage of such a tax break.

25. Pending Agenda, Calendar, Elected & Appointed Officials lists

Direction was clarified that ordinance 1119 would not be back until Oct 1 because they were directing the City Manager to handle that further negotiation. Otherwise next Council meeting is September 17. *Mayor Kacsh* mentioned that in October we'll start thinking about budget work sessions. Council requested background info for the next packet regarding the City Facilities Committee work from a few year back as they begin to contemplate what will happen to Library/Museum building once Cordova Center is completed.

## O. AUDIENCE PARTICIPATION

*David Allison* 203 Whiskey Ridge Rd mentioned HB 278 which was passed through the legislature this last session and there are tax credits available to businesses for donating money to public schools. He has the school district looking at this and wants to ensure someone from the City takes it on as well; could be a great tax savings to a company as well as to the City and a benefit to the schools; a win-win-win.

*Rich Rogers* mentioned that a potential change order may be coming from the contractor. If so, he may have to ask for a special meeting – while you were just discussing calendar, he just wanted to make them aware.

*Donald Kurz*, 1001 Lake Avenue, said that CHS had some home sports that he was able to broadcast – 20 some hours of live volleyball, pretty exciting. He thanked *Bret Bradford* for donating his time to put in some coax cables so he could get different angle shots, etc. Thanked the Clerk for including them, ASLN, in noticing, etc. for City Council activities.

## P. COUNCIL COMMENTS

26. Council Comments

*Bailer* said that he had a friend mention that they had donated funds to the Cordova Center and that person was surprised to see that at Salmon Jam there was a poster naming sponsors, one of which was the Cordova Center (he thought that was funny – maybe a sponsorship in name only). He said we will miss *EJ Cheshier*, but he



thinks *EJ* will be back. *Bailer* spoke about *Jim Kallander* and what a great man this community has lost, school board, council, mayor – he will be sorely missed.

*Reggiani* said ditto on *EJ* and *Jim Kallander*.

*Bradford* said a friend of his brings a group of Purple Hearts into Cordova each fall for a hunt and he was amazed at how the group this year had such kudos for our community this time here. They spoke to the hospitality and patriotism seen and felt in Cordova. *Bradford* said it made him proud. *Bradford* said people were always thanking them for their service and struck up conversations, etc. with these men.

*Carpenter* also echoed *Bailer's* comments on *EJ* and *Jim Kallander*.

*Joyce* said he also thanked *Cheshier* for his service and said he has put in a lot of time on Council and on HSB before that was required of Council – he sat on there for a long time as well; he said *Cheshier* would be missed. He thanked ASLN for putting Council on TV. He reminded Council that 2 weeks ago Council did not have a quorum and a meeting was canceled. He said that Council is supposed to notify the Clerk if they won't be making a meeting so she can ascertain whether or not there will be a quorum. *Joyce* said that is not happening. He said that it was embarrassing for the City that we didn't have that meeting and it really put some people out who had items on that agenda, etc.

*M/Bradford S/Bailer* to recess the meeting before the executive session. With no objection the meeting was recessed from 9:54 pm until 9:59 pm.

#### **Q. EXECUTIVE SESSION**

- 27. Performance Deed of Trust negotiation
- 28. Attorney update regarding PWSSC land disposal negotiation
- 29. Attorney update on Cordova Center
- 30. CCMC Financials

*M/Joyce S/Bradford* to go into executive session to discuss matters the immediate knowledge of which would clearly have an adverse effect on the finances of the government specifically: Hospital Finances, Performance Deed of Trust negotiation, Attorney update regarding PWSSC land disposal negotiation and Attorney update on Cordova Center.

Vote on motion: 6 yeas, 0 nays, 1 vacancy (seat E). Motion passes.

Council entered the executive session at 10:01 pm and reconvened the regular meeting at 10:46 pm.

*M/Joyce S/Bradford* to direct the City Manager to proceed as was discussed in the executive session regarding items 27, 28 & 30.

Vote on motion: 5 yeas, 0 nays, 1 absent (Bailer), 1 vacancy (seat E). Motion passes.

#### **R. ADJOURNMENT**

*M/Joyce S/Bradford* to adjourn. Hearing no objections the meeting was adjourned at 10:47 pm.

Approved: September 17, 2014

Attest: \_\_\_\_\_

*Susan Bourgeois*  
Susan Bourgeois, CMC, City Clerk

