

**CITY COUNCIL REGULAR MEETING
SEPTEMBER 17, 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 17, 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*, *Dave Reggiani* and *James Burton*. Council member *Bret Bradford* was absent. Also present was City Clerk *Susan Bourgeois* and Finance Director *Jon Stavig*.

D. APPROVAL OF REGULAR AGENDA

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

Reggiani asked if we could have the executive session regarding Cordova Center finances before considering agenda item 14. *Mayor Kacsh* opted to make agenda item 14 now agenda item 22.

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

E. DISCLOSURES OF CONFLICTS OF INTEREST - none

F. COMMUNICATIONS BY AND PETITIONS FROM VISITORS

1. Guest Speaker – Duane Hoskins, DoT

Mr. Hoskins gave an overview of federal funding over the years as it relates to highway funding and state projects. His role is to steer projects towards funding, primarily through the STIP process. MAP-21 is the current federal funding program that is in place. Unfortunately, it is not a friendly program especially for rural Alaska communities and projects. This program is set to expire at the end of September 2014. However, usually these programs are carried over with continuing resolutions. The change to MAP-21 was particularly bad for Alaska because exemptions based on population have been removed as well as exemptions relating to the AMHS were removed. *Hoskins* discussed Cordova projects: Whiteshed Rd bike and pedestrian path is scheduled for 2015 but it is marked as illustrative, meaning it's just a holding place. It wasn't removed from the STIP but it's in a holding pattern until we can find the funds for it. MP 36 bridge, bridge #339, because of its high dollar amount (more than \$50million), it is out as beyond 2015; but if it stays on the list, projects can be completed with other funding, such as GO bonding. Whiteshed Road asphalt repairs project comes in as a preventative maintenance project, on the list to get done in 2014. Deep culverts project – for Whiteshed Road will also get done – on list for 2016. *Hoskins* mentioned that M&O is based in Valdez, construction is based in Fairbanks – he mentioned that we should contact them with concerns, etc.

2. Audience comments regarding agenda items

Jennifer Gibbens was wearing her "Chamber of Commerce" hat and was glad to see information about the Alaska Community Foundation and meeting notes from 2009 discussing what to do with the Library/Museum building upon completion of the Cordova Center. She reiterated that the Chamber has consistently encouraged City Council to encourage the pedestrian and retail character of Main Street. Thanked the staff regarding the Chamber lease, they made it really easy.

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

Carpenter said HSB has a special meeting tomorrow at noon to talk to *Susan Humphrey-Barnett* about EMR. Next week on 9/24/14 two candidates will come in for interviews, as well as one local applicant – so three interviews and she was soliciting Council members/ HSB members to attend if at all possible.

Bailer said that P&Z met and there's a resolution in front of Council tonight that they passed. Next meeting they will start prioritizing roads for chip-sealing/paving, etc. *Joyce* asked if they would be including staff input

on the prioritization, i.e. public works. **Bailer** said that staff would bring them information but it was a good way to get as many people's opinions on the topic. **Joyce** said he figured that staff had a pretty good handle on it already as they work on those roads all the time. That is a work session scheduled for Wednesday September 24 at 6:30 pm in the Library.

a. P&Z Resolution 14-04

Student Council member **Gabrielle Brown** was present and reported that Student Council elections run the calendar year so the same representatives will be attending Council meetings this fall; **Sarah Hoepfner** and herself. There's an awesome student council this year, they hope to get a lot done; had a program of work meeting already. **Mr. McGreavy** is their new advisor, High School history teacher. There's an all-school game night on Monday and then a pep assembly and spirit week.

G. APPROVAL OF CONSENT CALENDAR

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

4. Ordinance 1121 An ordinance of the City Council of the City of Cordova, Alaska, amending section 2.20.010(d) of the Cordova Municipal Code to revise broadcast notification requirements for City elections from once in each month for three months prior to the election to continuously for 40 days prior to the election

5. Council decision regarding property disposal

6. Resolution 09-14-39 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 Lots 3, 4, and 5, Block 8, Original Townsite and all improvements thereon with the Cordova Chamber of Commerce

Vote on Consent Calendar: 5 yeas, 0 nays, 1 absent (Bradford), 1 vacancy (seat E). Burton-yes; Joyce-yes; Carpenter-yes; Bailer-yes and Reggiani-yes. Consent Calendar was approved.

Mayor Kacsh said that item 6 will be moved to after item 15.

H. APPROVAL OF MINUTES

M/Burton S/Joyce to approve the Minutes.

7. Public Hearing Minutes 09-03-14

8. Regular Meeting Minutes 09-03-14

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

I. CONSIDERATION OF BIDS

J. REPORTS OF OFFICERS

9. Mayor's Report – **Mayor Kacsh** said he had nothing to report.

10. Manager's Report – **Stavig** said in **Robertson's** absence he had nothing except for **Rich Roger's** and **Cathy Sherman's** Cordova Center report in the packet.

a. Cordova Center update report

Reggiani asked what Council's role is regarding change orders, etc. **Rogers** said anything above \$25K would need Council approval. **Reggiani** clarified that Council has approved a budget, appropriated that amount of money so within that amount staff was good, anything beyond that amount would need further Council action.

Rogers and **Sherman** agreed. **Bailer** asked questions about some of the details, gas fireplace, wood flooring – he wondered if these were not to be discussed by Council. **Rogers** said Dawson has said there are some ideas regarding value engineering – we haven't heard the details yet, we're not ready yet for that. **Bailer** wants to know who makes those decisions. **Rogers** said for visibility – the mechanism in place for these decisions is the Cordova Center Committee; he'll be briefing them weekly. **Sherman** said the committee chairs can report to Council if necessary; and she and **Rogers** will include a report like tonight's in all Council packets.

Rogers said change orders can be brought forward by any of the three parties: the contractors, the architect or the owner's group (we are all part of this). **Carpenter** said there seem to be questions about finishes and value engineering – we would welcome council members and any others to come to those meetings to give input. She opined that it might be considered "micromanaging" to try to get those details accomplished at this table.

Joyce agreed that our role here is more of the big picture not micromanaging and getting down into the weeds.

It would be appropriate to get that input to the manager or to the committee. **Bailer** said he thinks wood floors are going to be a high maintenance item. These things need to be discussed and he's not comfortable being a council member that is totally cut out of the financial loop here. **Joyce** understands where **Bailer** is coming from – he thinks as a citizen **Bailer** should attend these Cordova Center Committee meetings or talk to the City Manager or others and point these things out. **Bailer** said in reading through the specs he was glad to see that the insulation was increased to R52 in the ceilings.

11. City Clerk's Report - **Bourgeois** said she didn't have anything urgent to add tonight.

a. 2009 City Building Committee compilation of resolution/memo/minutes/report, etc.

K. CORRESPONDENCE

L. ORDINANCES AND RESOLUTIONS

12. Resolution 09-14-37 A resolution of the City Council of the City of Cordova, Alaska, calling a special election to be held in the city on November 4, 2014, for the purpose of submitting to the qualified voters of the city a proposition for the issuance of general obligation indebtedness to finance improvements to City of Cordova streets, and other matters to be determined by council

M/Reggiani S/Burton to approve Resolution 09-14-37 A resolution of the City Council of the City of Cordova, Alaska, calling a special election to be held in the city on November 4, 2014, for the purpose of submitting to the qualified voters of the city a proposition for the issuance of general obligation indebtedness to finance improvements to City of Cordova streets, and other matters to be determined by council.

Joyce said this resolution is just authorizing the Special Election.

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

13. Resolution 09-14-38 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 improvements to City of Cordova streets and to submit the question of the issuance of such debt to the qualified voters of the city at a November 4, 2014 special city election; and declaring the intent of the City of Cordova to reimburse original expenditures for city street improvements started after the date of this resolution but prior to the issuance of the general obligation bonds

M/Reggiani S/Burton to approve Resolution 09-14-38 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 improvements to City of Cordova streets and to submit the question of the issuance of such debt to the qualified voters of the city at a November 4, 2014 special city election; and declaring the intent of the City of Cordova to reimburse original expenditures for city street improvements started after the date of this resolution but prior to the issuance of the general obligation bonds.

Reggiani said this was cleaned up by the attorney and she added the capture of the expenditures that might occur before the bond is obligated which he thought was a good idea.

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

15. Resolution 09-14-41 A resolution of the City Council of the City of Cordova, Alaska, authorizing the City Manager to enter into a designated fund agreement with the Alaska Community Foundation for the purpose of creating a fund to receive charitable donations for the Cordova Center capital campaign

M/Carpenter S/Joyce to approve Resolution 09-14-41 A resolution of the City Council of the City of Cordova, Alaska, authorizing the City Manager to enter into a designated fund agreement with the Alaska Community Foundation for the purpose of creating a fund to receive charitable donations for the Cordova Center capital campaign.

Carpenter said we had heard from **Kandace Winkler** in August and the committee said this would be a good vehicle for tracking, organizing the donations. The company knows well how to manage these things.

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

15a. (6.) Resolution 09-14-39 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 Lots 3, 4, and 5, Block 8, Original Townsite and all improvements thereon with the Cordova Chamber of Commerce

M/Reggiani S/Bailer to approve Resolution 09-14-39 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 Lots 3, 4, and 5, Block 8, Original Townsite and all improvements thereon with the Cordova Chamber of Commerce.

Reggiani said he pulled this to have a discussion about several layers of thought he's had about this. For clarification, he said that a clerical correction needs to be made regarding whether it's \$1/year or \$0.20 per year. He doesn't have a problem with leasing for below fair market but he believes Council should clearly state for the record why they have chosen to do so. Also, on the accounting side, he would like it known that this would be an in-kind contribution through our budgeting. **Joyce** said he agrees that it is incumbent upon Council to state the reasons why it would dispose of property for less than fair market value. **Bailer** asked what percentage of the Chamber's budget the City contributes. **Joyce** said it was \$85K last year but he didn't know what percent of their budget that was.

M/Joyce S/Bailer to refer to staff to make the edits as discussed and bring this back.

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

M. UNFINISHED BUSINESS

16. Council election to fill vacancy of City Council Seat E

Letters of interest were received from: Stephen Phillips, Dan Reum, Robert Beedle, Josh Hallquist, Hayley Hoover, Adrian Smith

Bailer nominated **Robert Beedle** to fill the vacancy in Council seat E.

Joyce nominated all of those who submitted letters to serve in Council Seat E: Stephen Phillips, Dan Reum, Robert Beedle, Josh Hallquist, Hayley Hoover, Adrian Smith.

Carpenter said she was going to nominate Hayley Hoover so that she could be another female voice to represent 50% of the population; and because she is the only one nominated who is here tonight and because if a young person shows an interest to get involved in this way we should take advantage of that to help along the next generation of leaders. **Joyce** said in an effort to provide full disclosure, he contacted 3 of the individuals because he did not know them. Those three were **Stephen Phillips, Hayley Hoover** and **Adrian Smith**. To follow that up, he said it takes four votes to elect someone to this position. He thought it would be appropriate to do a secret ballot and in case no one receives four votes, then to vote again on the 2 high vote getters. **Joyce** said he was very pleased to see six individuals interested and with elections in March he hopes to see this kind of turnout again. Also, he said that there will be some seats opening up on some boards and commissions which is always a good chance for people to get their feet wet as far as the workings of City government, etc. **Reggiani** asked the Clerk if **Dan Reum** was allowed to be on both School Board and City Council. **Bourgeois** said she had discussed this with **Holly Wells, City Attorney** and it was determined that he could be on both Council and School Board simultaneously; nothing in Code, Charter or Statute precludes it. She went on to say that it would be smart for such an individual to be mindful of conflicts of interest that might arise during school funding issues that come before Council. **Bourgeois** asked for a short recess so she could get the City Attorney on the line to walk them through this process. **Bourgeois** said there were 2 issues that had arisen; the idea of paper ballots and the idea of secret ballots. She said paper would certainly be used in order to not affect the outcome of the voters who heard the vote of those who came before them. However, whether or not to disclose how each Council member votes (i.e. secret or open) was a decision that Council could make by motion, but **Wells** had an opinion on this that should be heard.

M/Reggiani S/Bailer for a 5 minute recess. Hearing no objection the meeting was recessed from 8:41 pm until 8:43 pm.

The meeting was called back to order and **Wells** was now present via teleconference. **Wells** said she could argue that it would be ok to vote secret ballots. It was the choice of Council's. Council concurred that all present were ok with putting their names on the ballots.

M/Joyce S/Burton to vote open ballots on the nominated individuals and to revote the 2 high-vote getters if there is not a clear winner after the first vote.

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

Ballots were voted and read aloud by the Clerk.

The Clerk declared that *Hayley Hoover* had received 3 votes (Joyce, Carpenter & Burton) and *Robert Beedle* had received 2 votes (Reggiani & Bailer) therefore, there was no winner but there were 2 high-vote getters. *Joyce* offered his opinions again as to why he voted for *Hoover*; *Bailer* and *Reggiani* said why they each voted for *Beedle*.

Council voted again and the result was the same: *Hayley Hoover* received 3 votes (Joyce, Carpenter & Burton) and *Robert Beedle* received 2 votes (Reggiani & Bailer). *Wells* opined that Council should move to either have one more round of advocacy or to leave it vacant until a future meeting.

M/Carpenter S/Joyce to leave the seat vacant until the next regular meeting in hopes that when all 6 are present, we can take up these two candidates again.

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

N. NEW & MISCELLANEOUS BUSINESS

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

Reggiani said that it should be time for Council to evaluate the City Clerk and the City Manager. *Joyce* said budget is upcoming and he'd like to receive a preliminary budget which is usually in October. *Joyce* asked the Mayor to maybe get with staff to come up with a schedule.

Reggiani also asked for a budget schedule and would like to see the budget kicked off with a meeting concerning priorities to be discussed with the City Manager. *Bailer* opined that when these priorities are discussed, he hopes that they are clearly written into the record for future use.

Greenwood mentioned that a FEMA new flood map is out and there is a public meeting about that on Tuesday September 23, 6:30 in the City Hall Conference Room. On September 24, P&Z will meet in a work session at the Library Meeting Room to discuss street priorities.

O. AUDIENCE PARTICIPATION - none

P. COUNCIL COMMENTS

18. Council Comments

Joyce reiterated that he was glad so many were interested in the Council seat – he said it bodes well for next spring. He said there had been a Fisheries Advisory Committee meeting yesterday. *Mayor Kacsh* said he will get with *Torie Baker*, the chair.

Carpenter agreed with Tim on the turnout of interested candidates; also reminded them about tomorrow afternoon the important EMR meeting with HSB.

Reggiani applauded the great interest. He said it is a conundrum.

Bailer said he is having difficulty when he points out a Civic Center savings and then it gets blown off.

Burton said he's glad *Hayley (Hoover)* showed up and thanked the others also for the interest. He'd like to have a meeting to discuss the value engineering items. Raw Fish tax – he is hoping for some info from the Fisheries Advisory Committee meeting.

Q. EXECUTIVE SESSION

19. Performance Deed of Trust negotiation

20. Attorney update regarding PWSSC land disposal negotiation

21. Cordova Center finances

M/Joyce S/Reggiani 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, Cordova Center finances.

Joyce thought *Cathy*, *Rich*, *Jon* and the *City Clerk* should be in attendance.

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

M/Joyce S/Bailer to recess the meeting to clear the room before the executive session. With no objection the meeting was recessed from 9:12 pm until 9:16 pm.

Council entered the executive session at 9:16 pm and reconvened the regular meeting at 9:28 pm.

22. (14.) Resolution 09-14-40 A resolution of the City Council of the City of Cordova, Alaska, approving a contract amendment with Dawson Construction for a limited notice to proceed for Phase 2, Stage 2 of the Cordova Center project for a sum of \$4,578,752

M/Reggiani S/Burton to approve Resolution 09-14-40 a resolution of the City Council of the City of Cordova, Alaska, approving a contract amendment with Dawson Construction for a limited notice to proceed for Phase 2, Stage 2 of the Cordova Center project for a sum of \$4,578,752.

M/Reggiani S/Burton to amend the resolution by replacing in the *title* of the resolution as well as in the *now*, *therefore be it resolved* portion of the resolution, the words "for a sum of" with the words "bringing the total amount payable to".

Reggiani said he thought this was more aligned with how Council discussion went back in July. **Cathy Sherman** agreed that **Reggiani** was correct with this amendment. **Reggiani** said he had heard there may have been some realigning of the stages this past weekend. **Rogers** said nothing major with Stages 1, 2 & 3 but stage 4 was changed. Stage 4 items were incorporated into Stage 3 and vice versa so that at the end of Stage 3 now, there will be a completely functioning building less the kitchen area and the theater area. **Sherman** said this will work best because the hopeful Rasmussen funding will be an unknown until December and this way we make the best use of the existing funds and then Stage 4 will be completely ready for Council approval and shopping list prepared, etc. as soon as we get word from Rasmussen. Now, the time frame for approving stage 3, per the contractor, remains the same, he would like Council to do so at the October 1 meeting; but stage 4 approval is no longer necessary as quick as November 1. That was part of the realigning that took place over the weekend as well.

Vote on the motion: 5 yeas, 0 nays, 1 absent (Bradford), 1 vacancy (seat E). Carpenter-yes; Joyce-yes; Bailer-yes; Burton-yes and Reggiani-yes. Motion passes.

Joyce said that he was in Valdez at the Alaska Power Authority annual conference and they are planning to have their meeting in Cordova in September 2016 with roughly 130 attendees he said the influx of money into a community for such as conference might be along the lines of \$150K - \$200K in economic activity. **Joyce** also said that CEC wants some further discussion with the City regarding Crater Lake as a water source.

R. ADJOURNMENT

M/Joyce S/Bradford to adjourn. Hearing no objections the meeting was adjourned at 9:51 pm.

Approved: October 1, 2014

Attest:



Susan Bourgeois, CMC, City Clerk

