

**CITY COUNCIL REGULAR MEETING
OCTOBER 15, 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 October 15, 2014, in the Library Meeting Room.

B. INVOCATION AND PLEDGE OF ALLEGIANCE

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

Mayor Kacsh opted to swear in the new Council member, *Hayley Hoover* immediately so she could participate in the entire meeting.

C. ROLL CALL

Present for roll call were *Mayor James Kacsh* and Council members *Kristin Carpenter, Tim Joyce, Tom Bailer, Bret Bradford, Hayley Hoover, Dave Reggiani* and *James Burton*. Also present were Student Council representative *Sarah Hoepfner*, City Manager *Randy Robertson* and City Clerk *Susan Bourgeois*.

D. APPROVAL OF REGULAR AGENDA

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

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

E. DISCLOSURES OF CONFLICTS OF INTEREST - none

F. COMMUNICATIONS BY AND PETITIONS FROM VISITORS

1. Guest Speaker - none

2. Audience comments regarding agenda items - none

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

Burton said that Harbor Commission met last week and highlights included: travel lift has been repaired and is up and running; new employee *Shapleigh* is trained up and has performed a few lifts already; they reviewed the Master Plan and were going to review some old plans of a North Harbor Walkway.

Carpenter said she has no updates regarding HSB.

Mayor Kacsh said that Parks & Rec had a meeting canceled due to illness and it was rescheduled for October 20.

Bailer said that P&Z hasn't met since last Council meeting.

Bradford said there had been a school board meeting, he was able to attend part of it. He voiced some of Council's concerns regarding the Board's issues with procedure at recent meetings; OMA, motions and the like. *Bailer* said that the interim superintendent is like a breath of fresh air; he's heard board member's say they have been able to get the information they need easily from him and his administration.

4. Student Council Representative *Sarah Hoepfner* reported that there had been a spirit week last week for Wrestling – they had a tournament this last weekend and several wrestlers did well with first, second and third place finishes for Cordova. This coming weekend JH Basketball is at Tok, Delta and Glennallen and Volleyball is home with their last conference games before regionals against Nikiski and Seward. Next week will be spirit week and pep assembly for volleyball before last home games and senior night against Tok and Glennallen. Also, home JH basketball next weekend with Valdez.

G. APPROVAL OF CONSENT CALENDAR

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

5. Resolution 10-14-43 a resolution of the City Council of the City of Cordova, Alaska, authorizing the City Manager to purchase 3.02 acres of real property located in the City of Cordova, Alaska, described as Tract A, U.S. Survey 3370, located in the Cordova Recording District, Third Judicial District, State of Alaska

Vote on Consent Calendar: 7 yeas, 0 nays. Carpenter-yes; Bradford-yes; Bailer-yes; Hoover-yes; Burton-yes; Reggiani-yes; Joyce-yes and Hoepfner-yes. Consent Calendar was approved.

H. APPROVAL OF MINUTES

M/Reggiani S/Joyce to approve the Minutes.

6. Public Hearing Minutes 10-01-14

7. Regular Meeting Minutes 10-01-14

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

I. CONSIDERATION OF BIDS

J. REPORTS OF OFFICERS

8. Mayor's Report – *Mayor Kacsh* said he attended a community meeting with members of Health care community, Police, *Mr. Robertson* regarding drugs and the youth , he hopes to keep the conversation going.

9. Manager's Report – *Robertson* said there will be an earthquake tomorrow at 10:16 am (Shakeout Alaska). *Robertson* said he and *Stavig* attended the School Board's budget meeting and it was beneficial. Their student count is 319, which is 17 more than last year – most in a long time. He said the new chief is doing a great job, two felony arrests in the last week or so, he said the community is trying to share information with him and its working. *Senator Stevens* will be here next Wednesday. Questions from Council: *Bailer* asked if the CTC lease was coming back soon. *Robertson* said yes, it would be on for November 5 meeting.

Carpenter had a recycling question, wondered if we were still recycling. *Robertson* said yes is the short answer and during budget discussions he will ask for Council's guidance on a way forward. There was some discussion about the Polar Bear and whether or not Council wanted the Manager to begin a dialogue with the state regarding the purchase of the tidelands outside the harbor where it sits. *Bradford* asked if that could be on a future agenda.

10. City Clerk's Report - *Bourgeois* said she has been busy with Election prep. Absentee in person to be at City Hall October 20-Novemebr 3. Her Election Board is in place for the special election as well. They will meet to setup the room on November 3.

K. CORRESPONDENCE

11. Letter from Commissioner of ADoT&PF in re New Regional Boundaries

12. Letter from Office of the State Assessor – Cordova's FVD 2014

13. Letter from John Greenwood concerning Council' approval of City land sale

Bailer thanked *Mr. Greenwood* for his letter. He appreciates his dedication and that he takes the job seriously.

L. ORDINANCES AND RESOLUTIONS

14. Resolution 10-14-44 A resolution of the City Council of the City of Cordova, Alaska, authorizing the conveyance to Ronald and Anne Winters of 163 square feet of Lot 13, Block 5 and 32 square feet of Tract A, Odiak Park Subdivision.

M/Reggiani S/Joyce to approve Resolution 10-14-44 a resolution of the City Council of the City of Cordova, Alaska, authorizing the conveyance to Ronald and Anne Winters of 163 square feet of Lot 13, Block 5 and 32 square feet of Tract A, Odiak Park Subdivision.

Vote on motion: 6 yeas, 1 nay (Bailer). Motion passes.

M. UNFINISHED BUSINESS

15. Swearing-In of *Hayley Hoover* – elected to fill the vacancy in Council Seat E: this was done at the beginning of the meeting, previous to roll call.

N. NEW & MISCELLANEOUS BUSINESS

16. MOU with Chamber of Commerce – discussion item

Joyce said he thinks Council just asked to see what this looks like, its in the packet and he said it's a pretty standard MOU. *Bailer* said he asked for this because previous to budget, he wanted to know what their role is and what they are providing to the City so he will be prepared when they come and ask for money. *Bradford* said that when he first got o Council, a chamber representative used to come to Council meetings often to brief them of goings on at the chamber; that has been lacking lately. *Reggiani* said he appreciated the MOU being in the packet, he seems to recall at a previous meeting that staff had been working on tweaking this in

some way. He asked if that was happening now. **Robertson** said that staff was not bringing it to Council with suggested edits at this time.

17. Cordova Center Phase 2 Value Engineering

There was back and forth regarding the terms “value engineering” and “reduction in scope”. **Robertson** reiterated the importance of the November 6 meeting where all the interest parties will be in the room. That is when the questions will be answered that will help with all the final design decisions yet to be made and the value engineering items or the reduction in scope will be addressed.

18. Raw Fish Tax and Fisheries Advisory Committee concerns – discussion item

Mayor Kacsh said he missed the last Fisheries Advisory Committee meeting, he had intended on being there. **Bradford** said he wanted this as a discussion item because they had asked questions of Council and he wanted to answer those questions on the record. Most important, he wanted it known that this idea was as a revenue source for the City that would offset Property Tax revenues. **Burton** had questions regarding whether this was going to be considered an ex-vessel tax or a processor tax. He said he thought whichever it was one or the other, it could have significant consequences. **Bradford** said that we are in the very preliminary research phase on this item, he'd like to say he is not supporting this at this time and that the only way he would consider supporting it is if it is in fact an offset to property tax. **Joyce** said he thought if it was like sales tax, the processors would withhold 1% from the fish ticket and then remit to the City. **Reggiani** said that **Mayor Kacsh** introduced this and we seem uncertain of how it works, so he asked the Mayor exactly what it was that he introduced. **Mayor Kacsh** said that it started with Department of Revenue as a raw fish tax like other Boroughs do but when Department of Law looked at it, they disagreed and it became something different; more like a processor tax and the way it reads now he is fearful that it could affect many aspects of a fishery as far as pricing and competition and it may not work. **Bailer** asked if we were at a deadlock or if we would be moving forward with this or not. **Carpenter** opined we should look at this again during budget when we see where our other revenues come in at. **Burton** asked what we should tell the Fisheries Advisory Committee now. **Joyce** said Council should still get a report from the Fisheries Advisory Committee as to what their outcomes were; pros and cons, etc. on the idea.

19. Council concurrence of Mayor Kacsh's appointment to fill vacant seat on Fisheries Advisory Committee M/Joyce S/Bradford to concur with Mayor Kacsh's appointment of Chelsea Haisman to the Fisheries Advisory Committee.

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

20. 2015 Budget Preparation kickoff – anticipated revenues and Council's philosophy

Robertson said he'd kick this off with some news that we just received today. **Stavig** got an email from the State that said that Fish Tax which was budgeted for \$2.2 Million this year is coming in at \$1.66 Million instead. This causes him great concern because how should he forecast 2015 now. **Stavig** has asked whether or not there has been a mistake. They seem to be saying that it is an accurate number. **Reggiani** had a handout which is the “cheat sheet” that he's used to predict this number each of the last several years. He said that since 2005 the amount the state has given Cordova in Raw Fish Tax has varied as a percent of the total harvest anywhere from 10.4% to 15.8%. The variability has do with where the fish are landed, i.e. in Cordova, on a floating processor, etc. and how many fish are being moved to a processor's other shore-based facilities in another City such as Kodiak. He believed that the missing \$600K could be about the percentage of these fish that were landed in Cordova. As far as calculations for the 2015 budget, based on 2014 landings, **Reggiani** estimated a low of \$1.19M a high of \$1.83M and a middle guesstimate of \$1.5M. **Reggiani** said if the number is correct from the state for 2014 and there hasn't been an error, then possibly there has been an adjustment to the formula that we need to figure out for next year's calculation. Council supported **Robertson's** idea of possibly sending **Jon Stavig** to Juneau to sit with Department of Revenue staff to get a better understanding of this tax and a better way for us to calculate next year's revenue projection.

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

Council scheduled the following meetings: **Oct 23**, 2014 - noon budget work session to tackle enterprise funds; there is also an HSB special meeting at 7pm that evening in the library; **Oct 29 & 30** - 6pm special meetings to do Clerk & Manager evaluations; **Nov 10 & 12** budget work session 6pm in the library meeting room; **Nov 6** will be the Cordova Center design review meeting – time and location tba; Council asked for a report next time on the possibility of the City acquiring tidelands from the State (regarding the Polar Bear)

O. AUDIENCE PARTICIPATION

Nancy Bird 101 Lake Avenue – as far as Cordova Center discussion she was happy to hear that everyone is onboard for finishing instead of pushing it back too far. As far as fish tax, she would like to see City staff go to Juneau, get with Senator Stevens and walk into the state offices at Department of Revenue and ask them to clarify the numbers. Ask them to help us understand the calculations. She also mentioned 2 upcoming political events, Friday at RFI, Lieutenant Governor candidate Byron Mallott will be in town at an open reception – 5:30 – 7:30 pm. Senator Mark Begich’s wife will be in next Wednesday for coffee hour also at the Reluctant. The public is welcome at these events.

P. COUNCIL COMMENTS

22. Council Comments

Burton welcomed Council member *Hoover* and thanked *Haisman* for her interest in the Fisheries Advisory Committee. He commended Public Safety and Public Works on achievements of late.

Hoover thanks for welcoming me to the table she is excited to learn and add to the conversation – she knows she has a lot to learn.

Bailer thanked *Reggiani* for getting these numbers together and he looks to *Reggiani* and *Joyce* for their experience during budget. Winters decision, he said it is interesting because they are moving to a different part of Alaska in retirement because it is cheaper to live elsewhere. That’s why we need to keep it affordable for those living here.

Reggiani welcomed *Hoover* thanked her for stepping forward and he said he looks forward to working with her.

Bradford also welcomed *Hoover*, thanked *Reggiani* for the raw fish tax numbers.

Carpenter ditto on the welcome.

Joyce also said the same regarding *Hoover* and recommended she attend the AML Newly Elected Officials training.

Q. EXECUTIVE SESSION

M/Joyce S/Reggiani to recess the meeting to clear the room before the executive session and then 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, PWSSC lease negotiations.

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

The meeting was recessed from 9:11 pm until 9:14 pm.

Council entered the executive session at 9:15 pm and reconvened the regular meeting at 9:55 pm.

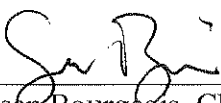
M/Joyce S/Bradford to direct the City Manager to proceed as was discussed in the executive session regarding lease negotiations with the PWSSC.

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

R. ADJOURNMENT

M/Joyce S/Bradford to adjourn. Hearing no objections the meeting was adjourned at 9:56 pm.

Approved: November 5, 2014

Attest: 
Susan Bourgeois, CMC, City Clerk

