A. Call to order – Mayor Clay Koplin called the Council regular meeting to order at 7:00 pm on February 2, 2022, in the Cordova Center Community Rooms.

B. Invocation and pledge of allegiance – Mayor Koplin led the audience in the Pledge of Allegiance.

C. Roll call - Present for roll call were Council members Anne Schaefer, David Allison, and David Glasen. Council members Tom Bailer, Jeff Guard, and Melina Meyer were present via teleconference. Council member Cathy Sherman was absent. Also present were City Manager Helen Howarth and City Clerk Susan Bourgeois.

D. Approval of Regular Agenda – M/Allison S/Schaefer to approve the agenda. M/Glasen S/Bailer to amend the agenda by removing item number 19 permanently. Glasen said he thinks they can still ask questions of Dr. Sanders during her CCMC report. There was no other Council member who commented.

Vote on the motion to amend: 4 yeas, 2 nays (Meyer, Guard), 1 absent (Sherman). Motion was approved.

Vote on the motion as amended: 6 yeas, 0 nays, 1 absent (Sherman). Motion was approved.

E. Disclosures of Conflicts of Interest and ex parte communications – none

F. Communications by and Petitions from Visitors
1. Guest speaker a. Incident Management Team, COVID-19 Update: none
2. Audience comments regarding agenda items - none
3. Chairpersons and Representatives of Boards and Commissions – none
4. Student Council representative: no report

G. Approval of Consent Calendar
5. Minutes of the December 15, 2021 Council Public Hearing
6. Minutes of the December 15, 2021 Regular Council Meeting
7. Per Charter Section 2-8 and Cordova Municipal Code 3.12.022, recodification of unexcused absence of Council member Cathy Sherman from the January 5, 2022 Regular Meeting, unexcused absence of Council member Jeff Guard and excused absence of Mayor Koplin from the January 19, 2022 Regular Meeting

Vote on the Consent Calendar: 6 yeas, 0 nays, 1 absent. Meyer-yes; Allison-yes; Bailer-yes; Guard-yes; Sherman-absent; Glasen-yes; and Schaefer-yes. Consent Calendar was approved.

H. Approval of Minutes – in consent calendar

I. Consideration of Bids – none

J. Reports of Officers
8. Mayor’s Report – Mayor Koplin reported: 1) has been loosely following events in Juneau – that is just starting up down there.
9. Manager's Report – City Manager Helen Howarth reported: 1) met with Bert Adams of NVE last week and there is limited movement on hospital sale because they are still pursuing other federal opportunities – she did talk to him about other partnerships such as South Harbor and housing – hope to collaborate on those; 2) raw fish tax challenges were mentioned in her report – she’s received 4; 3) IBEW negotiations – will bring an item to a future agenda when it’s ready.
   a. Public Works Director, Samantha Greenwood, harbor rebuild update, Harbormaster Schinella reported that Curtis Fincher created a video of interviews with Greenwood and himself that will be out on social media this week to promote Prop 1; There is a booth in Cordova Center for Iceworm to give out info and answer questions regarding prop 1. Mark Keller was on the line to give a report – February 10 kickoff
meeting with the RAISE folks – project delivery approach to be design-build. Schedule – he anticipates demo
to occur from fairway out to breakwater and then build it back from breakwater out to fairway – logical
sequence. Cost – right now in the neighborhood of $34 million – but price proposals will definitively determine
that number – once we get RFP’s out and proposals back in. Possible issues: geotechnical conditions, supply
chain delays, impact of inflation, permitting delays. A contract is being negotiated and will be forthcoming – R&M consulting.

b. Letters written to 4 taxpayers contesting the .5% Raw Fish Tax
c. 01-21-22 NOAA Multiple Alaska Fishery Disaster Declarations Announcement

10. City Clerk’s Report – Bourgeois reported: 1) fisheries disaster declaration – was put into the packet to
inform citizens, locals that maybe can look into that and also the City should see a share of that; 2) Election
update – she informed Council of the declared candidates and gave info about early voting and requesting
ballots by mail, all available on City website on the “Election Information” page.

11. Staff Quarterly Reports:
   a. Cordova Public Library, Debbie Carlson Department Director
   b. UBS Financial Services, Inc., Chad Adams, City Investments

K. Correspondence
12. 12-13-21 Email & letter from Brooke Stewart re: brewery license
13. 12-14-21 Email from A. Kleissler re: brewery license
14. 12-14-21 Email from K. Jurica re: brewery license
15. 01-14-22 Letter from DCCED, Cordova FY2023 population determination

L. Ordinances and Resolutions - none

M. Unfinished Business – none

N. New & Miscellaneous Business
16. Council approval of innovative procurement process (design-build) for Crater Lake siphon project
   M/Schaefer S/Bailer to authorize the City Manager to use design-build as the procurement method for the
   Crater Lake siphon project.
   Schaefer said the project is fully funded and we heard all about this design-build procurement method at our
   last meeting, she thinks it makes a lot of sense for this. Bailer also said he supports the motion.
   Vote on the motion: 6 yeas, 0 nays, 1 absent. Bailer-yes; Glasen-yes; Schaefer-yes; Allison-yes; Guard-yes;
   Meyer-yes; and Sherman-absent. Motion was approved.
17. Council approval of innovative procurement process (design-build) for South Harbor rebuild project
   M/Glasen S/Schaefer to authorize the City Manager to use design-build as the procurement method for the
   South Harbor rebuild project.
   Glasen said it is the cheaper way to do it with fewer headaches in the process. Schaefer also supports this.
   Vote on the motion: 6 yeas, 0 nays, 1 absent. Glasen-yes; Guard-yes; Meyer-yes; Sherman-absent; Bailer-
   yes; Allison-yes and Schaefer-yes. Motion was approved.
18. Council direction to staff after Sales Tax discussion
   Allison began the discussion by saying that he has a problem, not necessarily with the Code, but with the
   implementation of it. People using exemptions inappropriately. Allison said he is ok keeping the cap at $3,000
   if it is implemented correctly. Enforcement needs to change. Bailer wanted to know why some of these
   exemptions exist – why on daycare, why on real estate commissions, why were these put in at one point?
   Schaefer said she agreed with Allison about implementation, she asked the manager how we would go about
   that. Howarth said the issue is we do not have the staff for enforcement. Howarth said we rely on the individual
   business owners to interpret it correctly and on the honor system to prepare and submit their tax returns
   accurately. Guard thought maybe we should look at exempting goods but not services. There was further
   lengthy discussion – some suggested maybe not having a sales tax cap at all anymore, some agreed with
   Guard that maybe it should be on sales of goods but not services or rents, others believed the $3,000 should
   be raised. Fuel fill-ups were another question to consider. Should one fill-up of $10,000 be capped at $3,000?
   Howarth said it would be helpful to clearly communicate with the business owners. Schaefer suggested using
the Chamber of Commerce to assist with communication. **Guard** wondered if staff could put together a list of exemptions and what those are costing the City.

19. Discussion of COVID-19 Emergency Response this was removed at approval of the agenda

20. Pending Agenda, CIP List, Calendar, Elected & Appointed Officials lists

**Howarth** said she and staff are putting together an updated list for CIP so that will be coming to Council – she wants to get projects ready for grant proposals and funding sources and wants Council to weigh in on priorities. **Allison** named several items on the referred list that could go away – Council concurred, and the Clerk would be removing 3 items from that list.

**O. Audience Participation** - none

**P. Council Comments**

**Guard** thanked staff for everything put into tonight’s meeting. He thinks there needs to be more discussion about sales tax exemptions. He wants us to start early discussion, community outreach, about how we are going to be dealing with deficits in future budgets. We need to look at what it really costs to supply the services in town, and we need to hear from citizens about what services they really want.

**Meyer** thanked staff, thanked **Helen** for the written report in the packet. She also would like more information about sales tax, about where the leakage actually is in the exemptions.

**Bailer** said he agrees that **Guard’s** comments are right on.

**Schaefer** agrees with comments before her, thanked staff and thanked **Helen** for the written report.

**Glasen** thanked staff and thanked **Helen** for the fish tax dispute letters – well-written.

**Allison** agrees with taking the Covid-19 item off, thinks we can ask **Dr. Sanders** about it during CCMC report. He’d like Council to be more involved in projects with the Covid money when it comes through. He looks forward to financial reports. He mentioned that evaluation time is past due and upon us for the Clerk and Manager.

**Mayor Koplin** said he began work on those with HR, so he’d be getting with Council on the evals.

**Q. Executive Session** - none

**R. Adjournment**

**M/Glasen S/Allison** to adjourn the meeting.

Hearing no objection **Mayor Koplin** adjourned the meeting at 8:35 pm.

Approved: March 2, 2022