

Regular City Council Meeting
January 18, 2023 @ 7:00 pm
Cordova Center Community Rooms A & B
Minutes

A. Call to order – Mayor David Allison called the Regular City Council Meeting to order at 7:00 pm on January 18, 2023, in the Cordova Center Community Rooms.

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

C. Roll call - Present for roll call were **Mayor David Allison** and Council members **Anne Schaefer**, **Kristin Carpenter**, and **Ken Jones**. Council members **Tom Bailer**, **Jeff Guard** and, **Melina Meyer** were present via zoom 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/Jones S/Schaefer to approve the agenda.
With no objection, Mayor Allison declared the agenda approved as presented.

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

F. Communications by and Petitions from Visitors

1. Guest speakers – none

2. Audience comments regarding agenda items: none

3. Chairpersons and Representatives of Boards and Commissions

CCMC Board: **Dr. Hannah Sanders** reported: 1) as far as NVE (re agenda item 17) – from the hospital perspective they are looking forward to continuing this communication they have all been working really hard at collaborating – Ilanka physicians are on CCMC’s medical staff – huge change from where we were at years ago; 2) hospital continues to operate on very thin but negative margins; 3) she recently read a study from 2017 which compared coastal Alaska hospitals with similarly sized hospitals in Washington and what stood out was how the small AK hospitals really struggle, much smaller populations to pull from due to isolation and AK hospital’s ER’s tend to be the largest departments and incur the greatest losses – in Cordova, our ER accounts for 75% of the hospital’s losses, Petersburg and Wrangell by comparison saw 35-40% of losses attributable to ER, in Cordova 80% of the ER losses are uninsured or underinsured patients – the times that most of that occurs is when there is our highest population of our migrant workforce – this summer we are hoping to tackle that with the help of our business partners by ensuring these workers are insured and covered and we can then collect on these hospital visits – all is just an example of how we are operating on thin margins but always looking at ways we can improve.

4. Student Council Report – no report

G. Approval of Consent Calendar

5. Minutes of the November 30, 2022 Special Council Meeting

6. Minutes of the December 7, 2022 Public Hearing

7. Resolution 01-23-01 A resolution of the Council of the City of Cordova, Alaska adopting an alternative allocation method for the FY23 Shared Fisheries Business Tax program and certifying that this allocation method fairly represents the distribution of significant effects of fisheries business activity in FMA 15: Prince William Sound

8. Council concurrence of Mayor’s appointment to fill City dedicated seat on PWSRCAC Board

9. Council concurrence of Mayor’s appointment to fill vacancy on the Library Board

10. Resolution 01-23-02 A resolution of the Council of the City of Cordova, Alaska approving the license for a mobile restaurant for Charity Schandel, dba Terra Veda

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

H. Approval of Minutes - in consent calendar

I. Consideration of Bids/Proposals/Contracts

11. Approval of contract extension until annual review can be completed for City Manager **Helen Howarth M/Jones S/Schaefer** to approve the first amendment to the employment agreement between the City of Cordova and Helen Howarth.

Mayor Allison said that he has been discussing this with the City Manager, he thinks a contract can be negotiated but the previous one expired a few days ago so this is just an extension until we can get her annual evaluation done and then a new contract.

Vote on the motion: 6 yeas, 0 nays, 1 absent. Meyer-yes; Carpenter-yes; Bailer-yes; Guard-yes; Sherman-absent; Jones-yes; and Schaefer-yes. Motion was approved.

J. Reports of Officers

12. Mayor's Report – **Mayor Allison** reported: 1) AMHS schedule for summer is out for public comment – we will get that email to Council in case anyone wants to comment – it looked pretty decent for us; 2) in Juneau the legislative session has begun.

13. Manager's Report – City Manager **Helen Howarth** turned it over to South Harbor report.

a. South Harbor Rebuild update – **Collin Bronson** gave a brief update – 1) design is on schedule, right at about 35/65 design approval, in process of fine-tuning from the RFP process, which was broad brush, now the details are worked out; 2) now working on balancing budget with wants and needs; 3) Tier 1 State Grant working on finalizing/signing docs for that - MARAD grant – we changed the design – changed the scope and they are asking for resubmission of lots of documentation – still needs final approval; 4) environmental – when we de-scoped, we lost need for a bunch of the environmental work, which is helpful; 5) contractors are helping, have a lot of solutions for these changes, saving us money, they are getting ready to order the long-lead items; barges will be loaded up this summer and headed our way; 6) exodus of boats from harbors – SERVS tier 1 and 2 vessels – all of this coordination is being worked on now, Harbor Commission being helpful in this regard.

b. City Financials – **Howarth** said there is a draft report in the packet – year-end adjustments are still forthcoming – clearly we have done well with revenue in 2022 and expenses came in under as well. Altman, Rogers – finance firm on contract will have staff in to work with our staff to complete year-end and prep for the audit – which will be happening in early May. Investments at AMLIP are earning about 3.5% - the bond proceeds are there – about \$5 million – these are subject to arbitrage rules, so we have to be careful that we are not earning more on our investment than is allowed by the bond rules.

14. City Clerk's Report – **Bourgeois** reported: 1) there were 2 properties taken in the 2019 foreclosures this past fall and the previous owner has rights and the ability to repurchase the property up to 10 years later and that has occurred; he and family members brought in a cashier's check for the full amount owing for both properties – both properties are now paid in full through 2022; deeds have been signed and will be sent in to get recorded to turn both properties back over to previous owner, out of City ownership; 2) declaration of candidacy is open – no declared candidates yet, 2 council seats, 1 school board and 2 CCMC Board seats are available this time – declaration of candidacy closes on February 6.

K. Correspondence

15. 12-2-22 Letter from State of Alaska DOT Re: Cordova-Orca Road Winter Storm Repairs Project

16. 01-11-23 Public and Agency Notice for Aquatic Farmsite Lease for Logan Arnold dba Kelpy Boy, ADL 234003

L. Ordinances and Resolutions – in consent calendar

M. Unfinished Business – none

N. New & Miscellaneous Business

17. Discussion of NVE Letter of Interest regarding Healthcare

M/Carpenter S/Guard to enter executive session to discuss NVE Letter of Interest regarding Healthcare, a subject which is a matter the immediate knowledge of which would clearly have an adverse effect upon the finances of the government.

After some Council discussion the motion was withdrawn, Council preferred to hear from the NVE representatives first and then discuss in executive session after item 19 on the agenda.

Howarth introduced **Ted Wright**, Executive Director of NVE and **Kari Collins** also with Ilanka Community Health Center and NVE. There was a letter in the packet outlining NVE's plans for a new clinic and hopes to restart discussions around consolidation of health services in the community. Wright said they were at a go: no-go spot for the grant they are pursuing at the federal level to be able to build this new clinic, he's been working with a consultant and **Howarth** and they are ready to move ahead with the help of the City as outlined in the letter. **Collins** mentioned work groups – a clinical business planning group – which services are we offering, which building do the varied services go in, etc. and a more legal, negotiations and business side of things work group/planning committee – she will discuss with **Dr. Sanders** and others at CCMC starting tomorrow. **Carpenter** commented that this is the first she's heard of this – a new clinic at this site and there seem to be very few details. **Wright** said their first option is the helipad area – they would like to get an architect started on designs. If that spot does not work it might be a longer process. He said the letter of interest is not committing to anything, it is to get things started. **Schaefer** said she is excited to get this conversation going again. She was glad that there were a lot of partnering and collaboration opportunities during Covid between Ilanka and CCMC and hopes to see those continue through this conversation. **Bailer** said he is very supportive of NVE taking over all of the healthcare for the community, but he wonders about the timeline – about when you will be taking over full function of the hospital. If you setup and run a new clinic first you'll be taking away from the core business of the hospital which probably isn't going to work out so well for the City. **Collins** said they are sensitive to not duplicate services, NVE has turned away opportunities knowing CCMC is already doing that and would suffer. **Bailer** said his concern is the siphoning off of patients into the shiny new clinic before the full hospital is taken over. Wright said leadership is very sensitive to that concern. **Bailer** said he appreciates that it is a long time coming he is hopeful for us to work this all out. **Meyer** said she is so grateful to see this in writing from NVE – there have been so many conversations over the years – everyone's main concern is providing good quality healthcare for the whole community of Cordova. **Guard** said he is enthusiastic for getting this figured out, but the devil is in the details and there are a lot of those to figure out. Council concurred that they would still like to discuss in executive session.

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

After discussion a couple of items were added to list: Clerk's evaluation within the next month so it is before Council changeover, CIP list at next meeting, **Guard** asked for a work session or item about bear and trash issues before the season is upon us – **Howarth** said refuse department would present a report at an upcoming meeting. **Mayor** asked for quarterly lunches with board and commission chairs – he asked for one in February.

O. Audience Participation - none

P. Council Comments

Guard thanks for attendance tonight and thanks to NVE.

Carpenter thanked **Dave Janka** and **Sherman Powell** for stepping up and Mayor for their appointments to boards/regs tonight.

Jones appreciated the Harbor update, appreciate the willingness to serve for those appointed tonight.

Schaefer thanked Collin for the Harbor update and to him and **Sam** and the team who are working so hard on that project. Thanks to NVE for getting Healthcare conversation started up again.

Q. Executive Session

19. Recommendations from City Manager regarding CEC land disposal negotiations, a subject which is a matter the immediate knowledge of which would clearly have an adverse effect upon the finances of the government

M/Carpenter S/Schaefer to enter executive session to discuss recommendations from City Manager regarding CEC land disposal negotiations, a subject which is a matter the immediate knowledge of which would clearly have an adverse effect upon the finances of the government

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

Council entered the executive session at 8:04 pm and returned to the open meeting at 8:44 pm.

Mayor Allison said no decisions were made in the executive session; staff was given direction regarding negotiations with CEC on the land disposal.

19a. 17. Discussion of NVE Letter of Interest regarding Healthcare

M/Carpenter S/Schaefer to enter executive session to discuss NVE Letter of Interest regarding Healthcare, a subject which is a matter the immediate knowledge of which would clearly have an adverse effect upon the finances of the government.

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

Council entered the executive session at 8:45 pm and returned to the open meeting at 9:30 pm.

Mayor Allison said no decisions were made in the executive session. The City Manager will be setting up a working group in the next couple of days to develop a letter as a response to the NVE letter. Council and the City are moving forward with NVE and we will be replying to them with a letter.

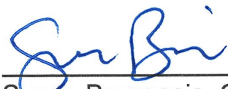
R. Adjournment

M/Guard S/Schaefer to adjourn the meeting.

Hearing no objection **Mayor Allison** adjourned the meeting at 9:32 pm.

Approved March 1, 2023

Attest:



Susan Bourgeois, CMC, City Clerk

