Regular City Council Meeting November 15, 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 November 15, 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 *Tom Bailer*, *Kasey Kinsman*, *Wendy Ranney*, and *Anne Schaefer*. Council members *Cathy Sherman*, and *Ken Jones* were present on zoom videoconference. Council member *Kristin Carpenter* was absent. Also present were Acting City Manager *Samantha Greenwood* and City Clerk *Susan Bourgeois*.

D. Approval of Regular Agenda

M/Bailer S/Schaefer to approve the agenda.

Hearing no objection to approval of the regular agenda, *Mayor Allison* declared it approved as submitted.

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

F. Communications by and Petitions from Visitors

- 1. Guest speakers **Cathy Renfeldt**, Executive Director, Cordova Chamber of Commerce presented a slide show about some of the Chambers initiatives over the past year and discussed cruise ships coming to Cordova in summer 2024.
- 2. Audience comments regarding agenda items

Jim Kacsh of 824 Woodland Drive commented on 2 items: 1) he wrote a letter in the packet about battery recycling – he is upset at the City dumping batteries on his private business; and 2) he spoke against the idea of a split sales tax.

Tommy Sheridan of 610 Spruce Street is a Chamber Board member and he spoke in support of the Chamber. He also spoke in support of Sean den Adel representing the City on the AMA Board.

Alicia Cypher of 1014 Whitshed Rd she spoke in support of CVFD letter in packet and funding the ask. *Marisol Diou* spoke in support of the funding request for first responders.

Ryan McManus of 208 Boardwalk said his business will lose sales with increased cap. His opinion would be 7% straight raise and leave the cap alone.

- Chairpersons and Representatives of Boards and Commissions no reports
- 4. Student Council Report no report.

G. Approval of Consent Calendar

5. Per Charter Section 2-8 and Cordova Municipal Code 3.12.022, recordation of unexcused absence of Council member **Kristin Carpenter** from the November 1, 2023 Regular Meeting.

<u>Vote on the Consent Calendar: 6 yeas, 0 nays, 1 absent. Schaefer-yes; Bailer-yes; Carpenter-absent;</u> Sherman-yes; Kinsman-yes; Jones-yes; and Ranney-yes. Consent Calendar was approved.

H. Approval of Minutes - none

- I. Consideration of Bids/Proposals/Contracts none
- J. Reports of Officers
- **6**. Mayor's Report **Mayor Allison** said he attended sobriety this weekend and will be attending the Chamber's gala this coming weekend. He will probably attend AML the first week in December.
- 7. Acting City Manager's Report *Greenwood* said she has been devoting most of her time to budget, latest update on *Howarth* is she will return to work on January 1. She asked *Collin Bronson* to update Council and the public on progress of South Harbor Renovation project.

8. City Clerk's Report – **Bourgeois** had nothing significant to report.

K. Correspondence

- 9. 10-25-23 Email and letter from S. Denadel re City AMA representation
- 10. 10-31-23 Email from J.Rude of CDFU regarding Board of Fish in Cordova in 2024
- 11. 11-03-23 Email from Anchor Auto/Marine regarding battery disposal problem
- 12. 11-07-23 Email from Fire Chief Robert Mattson regarding incentive for volunteers

L. Ordinances and Resolutions

13. Ordinance 1210 An ordinance of the Council of the City of Cordova, Alaska amending Cordova Municipal Code sections 5.40.010 and 5.40.030 to increase the sales tax rate from 6% to 7% and increase the cap on taxable sales and services from \$3,000 to \$10,000 and revising language in both sections to clarify the scope and application of Cordova's sales tax and exemptions from it -1st reading

M/Bailer S/Schaefer to adopt Ord 1210 an ord of the Council of the City of Cordova, Alaska amending Cordova Municipal Code sections 5.40.010 and 5.40.030 to increase the sales tax rate from 6% to 7% and increase the cap on taxable sales and services from \$3,000 to \$10,000 and revising language in both sections to clarify the scope and application of Cordova's sales tax and exemptions from it.

Mayor Allison clarified that Council had hoped these ordinances would come with each part (tax rate and tax cap) in a separate ordinance. Therefore, the agenda was amended (on Monday Nov 13), and Ordinance 1212 was added after the realization that the 2 parts were combined in 1210 and 1211. The idea being perhaps to remove the cap portion from this ord and vote the cap alone in ord 1212.

M/Bailer S/Schaefer to amend ordinance 1210 by removing the cap language from this ordinance.

Vote on the motion to amend: 6 yeas, 0 nays, 1 absent (Carpenter). Motion to amend was approved. On the main motion as amended – just to increase sales tax rate from 6% to 7%. **Bailer** said he spoke to several business owners who said they would prefer the same rate year-round over a split rate. **Schaefer** struggles with the need to raise revenue but does not have a clear understanding of the magnitude of the deficit. **Kinsman** said he agrees with that but even with the extra revenue this brings in, we are just trying

to pay bills/put out fires – we need to contemplate putting some into savings – to be able to handle unbudgeted items which occur every year. *Kinsman* said he is anxious to see a fee schedule too – he wants to see services paid for by the users – more so than currently. *Ranney* said she has heard from business owners also who prefer 6% to 7% over a split. *Jones* said we are at an impasse; he'd prefer to do this vs. the split and raising the cap, broadens the hit vs. raising property tax. *Sherman* prefers the 7% year-round vs. split – she would really like to see exactly what is in savings. She understands we have to do something – cuts to the expenses in the budget still have to be made; she will support this for now. *Mayor Allion* reiterated that this is first reading, next meeting there will be public hearing and then second reading. *Kinsman* encouraged the public listening as well as the public in attendance tonight to express to Council their ideas, not just "I don't want to pay it" come to Council with solutions – bring it to the table.

To have no constructive things to say, no solutions, just "I don't want to pay it" – is to him, unacceptable. Vote on the motion as amended: 6 yeas, 0 nays, 1 absent (Carpenter). Motion was approved.

14. Ordinance 1211 An ordinance of the Council of the City of Cordova, Alaska amending Cordova Municipal Code sections 5.40.010 and 5.40.030 to increase the sales tax rate from 6% to 7% from April 1 through September 30 and increase the cap on taxable sales and services from \$3,000 to \$10,000 and revising language in both sections to clarify the scope and application of Cordova's sales tax and exemptions from it -1st reading

This ordinance was never moved, therefore, died for lack of a motion.

14a. Ordinance 1212 An ordinance of the Council of the City of Cordova, Alaska amending Cordova Municipal Code section 5.40.030 to increase the cap on taxable sales and services from \$3,000 to \$10,000 – 1st reading

M/Bailer S/Schaefer to adopt Ordinance 1212 an ordinance of the Council of the City of Cordova, Alaska amending Cordova Municipal Code section 5.40.030 to increase the cap on taxable sales and services from \$3,000 to \$10,000.

M/Bailer S/Schaefer to amend the motion by changing \$10,000 to \$5,000.

Schaefer said the rationale behind \$5k is the savings isn't enough to warrant a ferry trip out of town and therefore local businesses have better opportunity to still compete. **Ranney** said she would not support \$10k but will support \$5k. **Jones** said he doesn't support the \$10k but doesn't really support going to \$5k either; he opined that the last action will raise \$625k in revenue he thinks we can make up the rest in cuts. **Kinsman** said he will support this, also the verbiage in here with stricter rules on the cap – he is hopeful. **Sherman** said she will support.

Vote on the motion to amend: 5 yeas, 1 nay (Jones), 1 absent (Carpenter). Motion to amend was approved.

Schaefer said she is in favor – this starts the process, begins the conversation and she is hopeful for public comments. **Bailer** said he agrees and thinks that is where we are all at on this – looking for public comment.

Vote on the motion as amended: 5 yeas, 1 nay (Jones), 1 absent (Carpenter). Motion was approved.

M. Unfinished Business - none

N. New & Miscellaneous Business

15. Council recommendations to ABC Board for renewal of Liquor Licenses #61 and #62 Tiny Wings dba Anchor Bar and Liquor Store

M/Schaefer S/Bailer to recommend renewal of Liquor Licenses #61 and #62 with the following 2 conditions: 1) Tiny Wings, dba Anchor Bar & Grill, shall pay all delinquent utilities and property taxes owing to the City of Cordova by February 15, 2024 (3 months from meeting date) while remaining current on utilities, paying all necessary City business license fees and collecting and remitting all sales taxes monthly; and 2) Tiny Wings, dba Anchor Bar & Grill, shall provide the City with proof of a completed and satisfactorily passed inspection from the State Fire Marshal before opening for business.

Schaefer said it sounds like the business owners are in touch with the City and they want to get square with the City in order to sell. It would be great if the business were up and running again. **Sherman** is in agreement – she thinks this covers us and gives the business an opportunity to catch up and sell, would be best for us not to lose the liquor license for our community. **Jones** and **Kinsman** said they will support. Vote on the motion: 6 yeas, 0 nays, 1 absent (Carpenter). Motion was approved.

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

Council scheduled a budget work session, public hearing and special meeting for Nov 29. Council asked for a discussion of the CVFD letter requesting additional funding at the next budget work session. **Bailer** asked for an update on the transfer of our investments from UBS to AKPCM.

O. Audience Participation

Cathy Renfeldt of 308 Railroad Row thanked Council for reaching out to businesses about the sales tax concerns and she also voiced support for the CVFD.

Rob Mattson of 301 Lake Avenue, CVFD Fire Chief, spoke in support of the letter he wrote to Council asking for on call funding in the 2024 budget for his EMTs.

P. Council Comments

Ranney said she will support compensated the volunteers – she'd hate to live in a community that didn't have these services available to citizens. Appreciates staff work on budget.

Sherman thanked **Susan** and **Sam** for all the work on budget – it is a tough year. She really wants to hear from people on what they want to see funded.

Bailer it is difficult to live in Cordova – it is expensive, we must keep that in mind. He has lots of respect for people who are police, fire and EMTs, he agrees that funding is important, as is ski hill, as is parks and rec, as are all City services, what are the wants and what are the needs, it is a difficult task – the community will have to pay for some of the wants.

Kinsman thanks and appreciation to **Chief Mattson** – echoes what **Tom** says about the respect for first responders.

Schaefer thanks to **Sam** and **Susan** and all the staff for putting all the numbers together – nice to have the public input tonight.

Q. Executive Session - none

R. Adjournment

Hearing no objection *Mayor Allison* adjourned the meeting at 9:03 pm.

Approved: February 7, 2024

Attest:

Susan Bourgeois, CMC, City Clerk