

**Regular City Council Meeting
May 21, 2025 @ 7:00 pm
Cordova Center Community Rooms A & B
Minutes**

A. Call to order – **Vice Mayor Kasey Kinsman** called the Regular City Council Meeting to order at 7:05 pm on May 21, 2025, in the Cordova Center Community Rooms.

B. Invocation and pledge of allegiance – **Vice Mayor Kinsman** led the audience in the Pledge of Allegiance.

C. Roll call – Present for roll call were Council members **Debra Adams, Aaron Hansen, Kasey Kinsman, Wendy Ranney,** and **Dave Zastrow.** **Mayor Kristin Smith** and Council member **Mike Mickelson** were present via zoom videoconference. Council member **Cathy Sherman** was absent. Also present were City Manager **Sam Greenwood,** and City Clerk **Susan Bourgeois.**

D. Approval of Regular Agenda – **M/Ranney S/Zastrow** to approve the agenda with a slight change – moving item 20 until after item 23.

Hearing no objection to approval of the agenda as adjusted, **Vice Mayor Kinsman** declared it approved.

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

Henk Kruithof of 515 Fourth Street urged Council to approve item 18, Resolution 05-25-13 but to include the full amount the School District is asking for, an additional \$117,000.

Pete Hoepfner of 100 Orca Circle urged Council to approve item 18, Resolution 05-25-13 but to include the full amount the School District is asking for, an additional \$117,000.

Diana Riedel spoke to agenda item 20, ongoing negotiations for land sale between City and herself. She wrote a letter also in tonight's packet and is hopeful that she and the City can find a solution. She said she is available to answer questions when the item is discussed.

Barb Jewell of 3101 Whitshed Rd, spoke in support of increased funding for the School District and also in support of the Council raising the mill rate to fund infrastructure needs.

Tom Bailer of Whished Rd, spoke about raising the mill rate and how people can no longer afford to live here. He said the community needs to tell Council what they want to cut and what they support.

3. Chairpersons and Representatives of Boards and Commissions – no verbal reports

a. PWSRCAC – highlights from the May 2025 Board of Directors Meeting

4. Student Council Report - none

G. Approval of Consent Calendar

5. Minutes: **a.** Mar 19, 2025, Regular City Council Meeting Minutes; **b.** Apr 21, 2025, Board of Equalization Meeting Minutes; **c.** May 7, 2025, Council Public Hearing Minutes; **d.** May 14, 2025, Council Public Hearing Minutes

6. Council concurrence of Mayor Smith's appointment to fill a vacancy on the Library Board

7. Proclamation of Appreciation for Mayor **David Allison**

8. Proclamation of Appreciation for Council Member **Tom Bailer**

9. Proclamation of Appreciation for Council Member **Ken Jones**

Vote on the Consent Calendar: 6 yeas, 0 nays, 1 absent. Adams-yes; Kinsman-yes; Ranney-yes; Sherman-absent; Hansen-yes; Mickelson-yes; and Zastrow-yes. Consent Calendar was approved.

Vice Mayor Kinsman read the proclamation to **Tom Bailer** into the record, and he was presented with a gift from the City.

H. Approval of Minutes – in consent calendar

I. Consideration of Bids/Proposals/Contracts - none

J. Reports of Officers

10. Mayor's Report – **Smith** reported: 1) her written report gives an overview of the things she has been tracking: EAS, Capital Project funding, CVFD. 2) she hopes to discuss such things with Senator Murkowski while she is here for Copper River Nouveau. 3) City Manager has been tracking Secure Rural Schools, and she is concerned about Medicare and the effect on CCMC.

Mickelson thanked **Mayor Smith** for her well-written EAS letter – he appreciates her time.

11. City Manager's Report - **Greenwood** reported: 1) DMV has yet to get back to her, they are reviewing what we've sent over and will get back to us with a date for coming here; 2) there has been progress with meetings with the CVFD and paid staff; 3) auditors have been here and gone, she is very proud of the hard work and time put in by the Finance department staff; 4) she attended a meeting with Rasmuson and about RISE grant opportunities; 6) met with NVE Tribal Council Chair, **Brooke Mallory** about hospital.

12. City Clerk's Report - **Bourgeois** reported: 1) thanked Deputy Clerk **Colette Gilmour** who wrote the majority of those 3 proclamations. 2) she included an advertisement for the board commission needs in her report, there may be some appointments forthcoming. **a.** Public Notice for Board and Commission Vacancies

K. Correspondence

13. 05-05-25 Marine Safety Information Bulletin re R/V Rough Rider

14. 05-05-25 Letter from Diana Riedel re Land Sale negotiation

15. 05-06-25 Letter from CRPWSMA request for donation to Buoy Program

16. 05-15-25 Mayor Smith letter to congressional delegation supporting EAS

Kinsman said it seems item 15 is looking for an answer. **Bourgeois** said if a Council member wants to bring up a future agenda item during Pending Agenda, that would be the appropriate time to do so.

L. Ordinances and Resolutions

17. Ordinance 1231 An ordinance of the Council of the City of Cordova, Alaska authorizing the repayment of \$3,000,000 from the Harbor enterprise fund to the general reserve fund (permanent fund) and authorizing the transfer of \$3,000,000 from the general reserve fund (permanent fund) to the general fund to sustain cash flow for city operations – 2nd reading

M/Ranney S/Zastrow to approve Ordinance 1231 An ordinance of the Council of the City of Cordova, Alaska authorizing the repayment of \$3,000,000 from the Harbor enterprise fund to the general reserve fund (permanent fund) and authorizing the transfer of \$3,000,000 from the general reserve fund (permanent fund) to the general fund to sustain cash flow for city operations

Ranney said we have discussed this ad nauseum, ready to vote. **Kinsman** suggested adding this to the pending agenda to ensure we remember to look at cashflow before year-end.

Bourgeois explained that final adoption of an ordinance moving money from the Permanent Fund requires 7 yes votes; if there are 6 yes votes, **Mayor Smith** shall be allowed to vote.

Vote on the motion: 7 yeas, 0 nays, 1 absent. Sherman-absent; Kinsman-yes; Adams-yes; Zastrow-yes; Mickelson-yes; Hansen-yes; and Ranney-yes; Mayor Smith-yes. Motion was approved.

18. Resolution 05-25-13 A resolution of the Council of the City of Cordova, Alaska acknowledging the proposed budget of the Cordova public school district for fiscal year ending June 30, 2026, and determining the amount of local sources available for school purposes subject to modification before city council final approval of the city's FY26 budget in December 2025

M/Zastrow S/Ranney to approve Resolution 05-25-13 a resolution of the Council of the City of Cordova, Alaska acknowledging the proposed budget of the Cordova public school district for fiscal year ending June 30, 2026, and determining the amount of local sources available for school purposes subject to modification before city council final approval of the city's FY26 budget in December 2025.

Zastrow asked the City Clerk to explain how the process went in June and in December last year.

Bourgeois said that in June 2024 the school was asking for a certain amount – Council's June resolution

gave them \$90,000 less than that amount. Then, in December, that “reduced by \$90,000 amount” was what went into the City budget and there was no ask by the school district at that time for that \$90,000 so it must have worked out ok for them, i.e. they got by without the \$90k. The resolution in front of Council which is \$117k less than what they are asking for, puts them at the \$2.183k which is the amount they received last year. **Ranney** feels strongly that the City is obliged to fund the school – she wants to fund them at the full \$2.3m. **Hansen** agreed with **Ranney** said that one of the reasons he and his family moved back to Cordova was the teacher: student ratio in our school district. **Adams** said she stands in total support of what the school is asking for. **Mickelson** said it is a no-brainer, he supports the full ask. **Kinsman** also agreed with what has been said.

M/Ranney S/Adams to amend the resolution to change the city contribution to the full ask of \$2.3 million that the school district is asking for and to allow staff to administratively fix this resolution accordingly.

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

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

19. Resolution 05-25-14 A resolution of the Council of the City of Cordova, Alaska establishing the property tax mill levy for the 2025 tax year at **11.44** mills for all properties in the City of Cordova

M/Zastrow S/Adams to approve Resolution 05-25-13 a resolution of the Council of the City of Cordova, Alaska establishing the property tax mill levy for the 2025 tax year at **11.44 mills** for all properties in the City of Cordova

Zastrow said last year when we set the mill rate it went so quickly, he regrets that we didn’t have the chance to thoroughly discuss it. He said we have been discussing our infrastructure needs for several months now; we are literally closing things down because we cannot maintain them, Skaters, Pool, our roads need repairs, we just approved an increase to the school district, that is why he suggested the 11.44 mill rate. **Adams** said this is still below the historical averages as presented by staff – we have things we need to pay for. **Ranney** said she has a problem raising the mill rate, she thinks Cordova needs to make some decisions; do we need to replace skaters, do we close Bidarki and move the equipment to a school gym, we are taxing people out of this community. **Mickelson** sympathizes with what has been said, he thinks there may be a happy medium. He has heard from a lot of people about this. **Hansen** said he agrees with what has been said before him, he thinks we will have tough decisions to make regardless of raising the mill rate as far as the services we continue to provide, at this time he will support the 11.44.

Kinsman said he sympathizes with the struggle that others are having with raising the mill rate. Inflation is looming though and our costs, especially employee-related costs will continue to go up – that is the reality of our budget. **Greenwood** elaborated on what is not coming in as far as revenue this year, \$730k in secure rural schools funding is out, school bond debt reimbursement will be down, not sure exactly how much yet. She would not be doing her job if she did not advocate for the City budget/City employees. She said we have cut positions, we have pared down our budget, but volunteerism is down, will we have to fund public safety, EMTs, more firefighters, she is consistently told public safety is a priority, she agrees, but those are increased expenses. **Adams** said she uses this building, the Library, shows in the theater, events at the museum, they are full, there is sometimes standing room only, people love these events, they keep people in Cordova; she said all these things cost money, no one likes to pay taxes, but she is willing to pay more in property taxes to retain these services.

Vote on the motion: 4 yeas, 2 nays, 1 absent. Ranney-no; Hansen-yes; Kinsman-yes; Adams-yes; Sherman-absent; Mickelson-no; and Zastrow-yes. Motion was approved.

M. Unfinished Business

20. Council action on negotiations with Diana Riedel for disposal of Lot 4A Block 3, USS3345 (may be discussed in executive session) – this was moved to item 24, after the e.s.

N. New & Miscellaneous Business

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

Mug-up that the Mayor is hosting for the Breakwater Fill Lot – date changed to a non-fishing day, as long as remote participation is available. Clerk to look at dates and room availability – maybe June 18 will work.

But it was determined to NOT have it on June 12. Buoy program letter requesting funding – **Mickelson** said, it is a worthy program, but he thinks it will get funded and the City shouldn't have to chip in especially considering our financial situation currently.

O. Audience Participation

Tom Bailer said everyone knows taxes are a reality, it is all about how we use our resources. Ski Hill is a good example – we've asked them to become a 501C3 so they can bring in more grant money but instead they keep coming to us for funding and we never say no. We have to stop funding all these things. He suggested Council spend wisely.

Pete Hoepfner thanked Council – he appreciates their extra effort for education this year.

Henk Kruithof echoed **Hoepfner's** comments – thanked the Council.

Kelsey Hayden thanked Council for funding the schools at their ask. Raising the mill rate won't solve all the problems, she thinks the City has to start considering only the core elements of the City – education, health, safety – City might have to forego funding non-profits in the future. She knows the non-profits are great in this town, do good work are integral, but we may not be able to assist any longer. Parks & Rec is a core function of the City of Cordova and is an important reason a lot of people live here. She thanked Council for making these difficult decisions for the best of the entire City.

P. Council Comments

Adams said she is feeling some anxiety, there has been some soul searching when the time comes for making these difficult decisions about money; its stressful. She encouraged us to hammer our representatives in Juneau to override in case the Governor does veto some of the education funding.

Mickelson thanked staff for all the prep for the meeting, it is helpful. As volunteerism declines, that is fine, but if the people don't want to fill volunteer roles then don't come complaining to us if the mill rate gets raised. We have a responsibility to step up, or else we have to shell out more money.

Kinsman thanked those who participated tonight. It is expensive to live here – it is expensive to run operations here. There are things like public safety, which is at the forefront, there are opportunities to help there – if that isn't your forte, there are other opportunities for volunteerism.

Ranney appreciates the work by staff – it is expensive to live here, and we can't tax our way out of this – we have to look at the services we are offering and realize, we just aren't going to be able to offer them all in the future. We cannot continue to fall back and tax the base community. She appreciates that we funded the schools the way we did tonight; great things have come out of our schools.

Zastrow said there was fantastic input from the audience tonight and from my fellow council members. This is only a fraction of the community offering input and there are lots of other thoughts, opinions, concerns out there, he wants to hear from everyone. We all have other lives, careers, we rely on staff to provide us with well-researched, well-reasoned information to make our difficult decisions.

Mayor Smith everybody is working hard on this, but she especially thanks the newest council members who have stepped up after only a handful of meetings under their belt to work on these tough decisions. Very impressive that we can have a thoughtful, respectful discussion.

Q. Executive Session

22. Council discussion with City Manager regarding land sale negotiation with Diana Riedel a matter the immediate knowledge of which would clearly have an adverse effect upon the finances of the City

23. Council discussion with City Manager regarding land sale negotiation with Mobile Grid a matter the immediate knowledge of which would clearly have an adverse effect upon the finances of the City

M/Zastrow S/Adams to go into executive sessions for: Council discussion with City Manager regarding land sale negotiation with Diana Riedel and regarding land sale negotiation with Mobile Grid matters the immediate knowledge of which would clearly have an adverse effect upon the finances of the City.

Hearing no objection **Vice Mayor Kinsman** recessed the meeting at 8:22 pm

Council was in the executive session from 8:25pm until 8:55pm.

Vice Mayor Kinsman said they were now back in open session and in the executive session Council discussed the Mobile Grid lease topic and we are all in agreement to support the decisions of the City

Manager. He said they also discussed the Diana Riedel land sale topic, and we are ready for agenda item 24.

24. 20- Council action on negotiations with Diana Riedel for disposal of Lot 4A Block 3, USS3345 (may be discussed in executive session) – this was moved to item 24, after the e.s.

M/Ranney S/Zastrow to direct the City Manager to continue negotiations with Diana Riedel for disposal of Lot 4A Block 3, USS3345, by negotiating with the applicant per the terms as outlined by the City Council – a lease to purchase with a 10-year term and including a 5-year substantial completion.

Ranney said she believes a 10-year term with 5-year substantial completion is realistic and for consistencies sake, we should stick to how we have been doing things. **Zastrow** agreed, this is what we are doing for all land sale applicants. **Adams** said she supports the consistency. **Mickelson** said he supports being consistent. **Kinsman** agreed also.

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

Council allowed **Diana Riedel** public comment time.

Riedel said she will have to see what she can do to make this work. She had hoped they would go longer than 5-years for substantial completion and she hopes council would consider that in the future, especially for residential construction.

R. Adjournment - Hearing no objection **Vice Mayor Kinsman** adjourned the meeting at 9:03 pm.

Approved: July 16, 2025

Attest:



Susan Bourgeois, CMC, City Clerk

