

**City Council Public Hearing
November 6, 2024 @ 6:45 pm
Cordova Center Community Rooms
Minutes**

A. Call to order

Mayor David Allison called the Council public hearing to order at 6:55 pm on November 6, 2024, in the Cordova Center Community Rooms.

B. Roll call

Present for roll call were **Mayor David Allison** and Council members **Wendy Ranney**, and **Dave Zastrow**. Council members **Tom Bailer**, **Cathy Sherman**, **Kasey Kinsman**, **Kristin Carpenter**, and **Ken Jones** were present via zoom videoconference. Also present were City Manager **Samantha Greenwood** and City Clerk **Susan Bourgeois**.

C. Public hearing

1. Substitute Ordinance 1221 An ordinance of the Council of the City of Cordova, Alaska enacting Chapter 5.01 “disbursement and investment of city funds”; amending and renaming Chapter 5.04 “warrants” to “signature requirements” and clarifying the signature process on city fund disbursements; amending, renumbering, and renaming Chapter 5.44 “Cordova general reserve fund” to Chapter 5.02 “Cordova permanent fund (general reserve fund)”; repealing Chapter 5.40 “sales tax” and enacting Chapter 5.10 “sales tax” to adopt a registration process for sellers; update the sales tax return, implementation, enforcement, protest, and collection procedures; remove the sales tax exemptions for travel agencies, professional services commissions and fees, and recreational flights; to clarify the exemption for nonprofit entities and expressly exclude rentals from the exemption; and to require purchasers to file a refund application for the sales tax exemption on construction materials and services and limit the exemption to properties with at least one dwelling unit

Mayor Allison opened the hearing for public testimony on the ordinance.


Karen Peterson of Peterson Welding asked if this ordinance changes how sales tax is done now or just clarifies it. Staff said it mostly clarifies language especially making it easier to understand and administer exemptions and also defines City expectations for sales tax returns. She asked about the \$5,000 sales tax cap. Staff clarified that sales tax is capped at the first \$5,000 of an item, or a single transaction of a service.

Jesse Peterson of Peterson Welding also asked questions about how this ordinance would change the use of the sales tax cap. Staff said that we will be putting out a lot of information, worksheets, and FAQs to help businesses understand how to use the sales tax cap properly.

D. Adjournment

Hearing no objection **Mayor Allison** adjourned the public hearing at 7:04 pm.

Approved: December 4, 2024

Attest: 

Susan Bourgeois, CMC, City Clerk

