

# City of Valdez

212 Chenega Ave.  
Valdez, AK 99686



## Meeting Minutes - DRAFT

Tuesday, December 17, 2024

7:00 PM

Regular Meeting & 2025 Budget Adoption

Council Chambers

**City Council**

**REGULAR AGENDA - 7:00 PM**

**I. CALL TO ORDER**

**II. PLEDGE OF ALLEGIANCE**

**III. ROLL CALL**

Present:7 - Mayor Dennis Fleming  
Mayor Pro Tem Austin Love  
Council Member Alan Sorum  
Council Member Sharon Scheidt  
Council Member Jimmy Devens  
Council Member Olivia Foster  
Council Member Joseph Lally

Also Present: 4 - City Clerk Sheri Pierce  
City Manager John Douglas  
Deputy City Clerk Elise Sorum-Birk  
Assistant City Manager Bart Hinkle

**IV. PUBLIC BUSINESS FROM THE FLOOR**

Faith Revell of the Valdez Museum provided an overview of upcoming museum events.

Jeff Saxe, Valdez resident, spoke on the following topics

- State Right of Way and his desire to see the city take over mowing the area
- Bringing back the Energy Assistance Program for businesses
- Concern over boondocking in the summer
- Business tax exemptions
- BOE and impact of unexpected property assessment increases

Tom Hsieh, Ravn Alaska, spoke on his company's acceptance of the DOT EAS Award.

**V. CONSENT AGENDA**

- 1. Appointment to VMHA Board of Directors - Applicant: Richard Dunkin**
- 2. Appointment to City Permanent Fund Investment Committee (One Vacancy for a Full Three-Year Term; Applicant: James "Mike" Williams)**
- 3. Approval To Go Into Executive Session Regarding Escaped Property Litigation Strategy and Legal Implications of Local Taxation of Oil and Gas Property.**
- 4. Approval of Contract with KVAK Radio for Broadcasting Services in an Amount Not to Exceed \$40,000**

**5. #24-66 - Supporting the Valdez Senior Center's Human Service Transportation Grant Application to the Alaska Community Transit Office for Fiscal Year 2026**

MOTION: Council Member Scheidt moved, seconded by Council Member Lally, to approve all items on the consent agenda.

VOTE ON THE MOTION

Yays: 7 - Fleming, Love, Sorum, Scheidt, Devens, Foster and Lally  
MOTION CARRIED.

**VI. NEW BUSINESS**

**1. Approval of Professional Services Agreement with Kim Hutchinson dba Trust Consultants for State Lobbyist Services in the Amount of \$60,000**

MOTION: Council Member Foster moved, seconded by Mayor Pro Tem Love, to approve the professional services agreement with Kim Hutchison dba Trust Consultants for state lobbyist services in the amount of \$60,000.

VOTE ON THE MOTION

Yays: 7 - Fleming, Love, Sorum, Scheidt, Devens, Foster and Lally  
MOTION CARRIED.

**VII. ORDINANCES**

**1. #24-17 - Amending Section 3.12.040 of the Valdez Municipal Code Establishing a Tax Exemption for Economic Development Property. Second Reading. Adoption. (Reconsideration Requested by Mayor Fleming)**

MOTION: Mayor Pro Tem Love moved, seconded by Council Member Sorum, to reconsider Ordinance 24-17 at first reading for public hearing.

VOTE ON THE MOTION TO RECONSIDER

Yays: 7 - Fleming, Love, Sorum, Scheidt, Devens, Foster and Lally  
MOTION CARRIED.

City Clerk Sheri Pierce read the previously adopted amendment into the record.

MOTION TO AMEND: Council Member Sorum moved, seconded by Council Member Foster, to amend 3.12.040(C) as follows:

- In subsection (C)(3) strike "one to three" and insert "one or more"
- Strike subsection (C)(4) reading: "the construction of four to nineteen residential units in the new townsite neighborhood place type may qualify for an exemption under this section for a period of five years."

- Strike subsection (C)(5) reading: “The construction of twenty residential units in a new townsite may qualify for an exemption for a period of ten years.”

Council Member Devens asked why Council Member Sorum changed his support for the original amendment. Council Member Sorum explained he had been surprised when the ordinance had not originally passed, and would rather the ordinance be successful as originally written.

Samantha Burke, Chugach Naswik representative, spoke in opposition to the amendment.

#### VOTE ON THE AMENDMENT

Yays: 6 - Fleming, Love, Sorum, Scheidt, Foster and Lally

Nays: 1 - Devens

MOTION CARRIED.

Council Member Love asked if on the new townsite portion of the ordinance, if accessory dwelling unit would be allowable. Staff confirmed the ordinance applied to all new dwelling units.

Council Member Love and Council Member Scheidt clarified the Chugach Naswik building would fall under the town center place type in the ordinance.

Council Member Scheidt shared her concern over the residential section of the ordinance and overlap with current programs.

Deputy Clerk Sorum-Birk clarified the new townsite neighborhood place type was for new dwelling units specifically.

Council Member Devens noted the original intent had been to encourage housing as a form of economic development and expressed his concern about straying away from this intention.

Council Member Foster shared Council Member Scheidt’s concern on the overlap of programs.

Sheri Buretta, Chugach Naswik Board Chair, spoke in favor of the ordinance.

#### VOTE ON THE MOTION AS AMENDED

Yays: 7 - Fleming, Love, Sorum, Scheidt, Devens, Foster and Lally

MOTION CARRIED.

## VIII. RESOLUTIONS

### 1. **#24-63 -Amending the 2024 City Budget by Transferring \$24,413 from Budget Variance Reserve**

MOTION: Council Member Foster moved, seconded by Council Member Lally, to approve Resolution 24-63.

VOTE ON THE MOTION

Yays: 7 - Fleming, Love, Sorum, Scheidt, Devens, Foster and Lally  
MOTION CARRIED.

### 2. **#24-64 - Adopting the 2025 Budget for the City of Valdez and Appropriating Monies for that Budget**

MOTION: Council Member Foster moved, seconded by Council Member Scheidt, to approve Resolution 24-64.

Council Member Love commented on the following

- Appreciation of the process
- Holding annual reports closer to the budget sessions
- The Reserve Fund Policy
- City School Undesignated Reserve Fund

VOTE ON THE MOTION

Yays: 7 - Fleming, Love, Sorum, Scheidt, Devens, Foster and Lally  
MOTION CARRIED.

### 3. **#24-65 - Authorizing the Submission of a 2024 Federal Emergency Management Agency (FEMA) Assistance to Firefighters Grant (AFG) Application for the Emergency Services Radio Infrastructure Upgrades Project**

MOTION: Council Member Lally moved, seconded by Mayor Pro Tem Love, to approve Resolution 24-65.

Council Member Foster requested confirmation the new radios would work with the current infrastructure. Chief Hinkle confirmed.

VOTE ON THE MOTION

Yays: 7 - Fleming, Love, Sorum, Scheidt, Devens, Foster and Lally  
MOTION CARRIED.

## IX. CITY MANAGER / CITY CLERK / CITY ATTORNEY / MAYOR REPORTS

### 1. City Manager Report

City Manager Douglas provided updates on the following items

- Housing Grants and Incentive Programs
- Child Care Development
- Long Term Care additional bed request
- 5-year agreement with Providence
- Air Service

## **2. City Clerk Report**

City Clerk Pierce reviewed the recent visit to the Alaska Municipal League (AML), and the Alaska Association of Municipal Clerks Conference. She reviewed the upcoming Council calendar including travel to Washington, D.C.

## **3. City Attorney Report**

City Attorney Staser provided an update on cases his office was working on behalf of the city, including escaped property, the VMTC Plan renewal, and Alderwood.

## **4. City Mayor Report**

Mayor Fleming shared his experience at AML. He requested Council read and review the Code of Conduct.

## **X. COUNCIL BUSINESS FROM THE FLOOR**

Council complimented Community Development Director Kate Huber on her presentation at AML and shared their experiences of the event. They wished the community a Merry Christmas.

Council Member Devens thanked the local medical team and the Anchorage medical team in their efforts to assist his grandmother during a medical emergency.

Council Member Foster thanked the finance team for their efforts on the budget. She reminded Council of the upcoming City Manager review.

Council Member Love requested the Council support the review of the National Avalanche Center. He thanked the Council for the work they do for the community.

## **XI. EXECUTIVE SESSION**

## **XII. RETURN FROM EXECUTIVE SESSION**

## **XIII. ADJOURNMENT**