

City of Valdez

212 Chenega Ave.
Valdez, AK 99686



Meeting Minutes - Draft

Wednesday, May 8, 2019

8:15 PM

**Regular Meeting (Moved from 5/7 due to Municipal Election;
Meeting Start Time Changed to 8:15pm for Quorum Purposes)**

Council Chambers

City Council

REGULAR AGENDA - 8:15 PM

I. CALL TO ORDER

Mayor O'Neil called the meeting to order at 8:15 p.m. in Valdez City Council Chambers.
(The meeting began at 8:15 p.m. due to availability of a quorum.)

II. PLEDGE OF ALLEGIANCE

The Valdez City Council led in the Pledge of Allegiance to the American flag.

III. ROLL CALL

Present: 4 - Mayor Jeremy O'Neil
 Council Member Lon Needles
 Council Member Dennis Fleming
 Council Member Darren Reese

Excused: 3 - Council Member Ron Ruff
 Council Member Christopher Moulton
 Council Member Jim Shirrell

Also Present: 4 - Assistant City Manager Roxanne Murphy
 City Clerk Sheri Pierce
 Deputy City Clerk Allie Ferko
 City Attorney Jake Staser

IV. CERTIFICATION OF MUNICIPAL ELECTION

1. Certification of May 7, 2019 Valdez Regular Municipal Election Results

Ms. Pierce provided her verbal report on the May 7th regular municipal election, including voter turnout, activities of the election board, and results of the election.

 CERTIFICATE OF ELECTION MAY 7, 2019					
CITY COUNCIL MEMBER – TWO VACANCIES – THREE YEAR TERM					
CANDIDATE	PREC. #1	PREC. #2	PREC. #3	ABSENTEE/ QUESTION	TOTAL
SHARON CRISP SCHEIDT	254	119	185	138	696
ALAN SORUM	181	77	130	98	486
JAMES JIMMY DEVENS	151	92	126	101	470
WRITE IN	8	3	9	5	25
SCHOOL BOARD MEMBER – TWO VACANCIES – THREE YEAR TERM					
	PREC. #1	PREC. #2	PREC. #3	ABSENTEE/ QUESTION	TOTAL
SHANNON GROUNDWATER	187	90	156	101	534
JOE PRAX	172	84	125	109	490
ERICA SHIRK	107	61	101	83	352
DALON VCULEK GAGE	127	54	77	57	315
WRITE IN	5	0	1	1	7
PROPOSITION NO. 1					
YES	167	84	102	112	465
NO	157	79	156	83	475
I, Sheri L. Pierce, City Clerk of the City of Valdez, Alaska, do hereby certify this to be the true results of ballots cast at the Municipal Election of May 7, 2019 following the count of regular ballots on May 7, 2019, the count of absentee and questioned ballots on May 8, 2019, and the results of a hand count of all ballots on May 8, 2019.					
Dated: <u>5/8/19</u>  Sheri L. Pierce, MMC, City Clerk					

MOTION: Council Member Reese moved, seconded by Council Member Needles, to certify the results of the 2019 Valdez municipal election. The motion carried by the following vote.

VOTE ON THE MOTION:

Yays: 4 - Mayor O'Neil, Council Member Needles, Council Member Fleming and Council Member Reese

Excused: 3 - Council Member Ruff, Council Member Moulton and Council Member Shirrell

V. APPROVAL OF MINUTES

1. Regular City Council Meeting Minutes of April 16, 2019

The regular City Council meeting minutes of April 16, 2019 were approved as presented.

VI. PUBLIC APPEARANCES

1. Public Appearance: Lanette Oliver, Valdez Adventure Alliance

Ms. Oliver provided a presentation regarding the Valdez Adventure Alliance's recent Fat Bike Bash. She introduced two new VAA board members and the new VAA executive director. City staff thanked Ms. Oliver for all her hard work as interim executive director, which included coordinating two very successful events.

VII. PUBLIC BUSINESS FROM THE FLOOR

There was no public business from the floor.

VIII. CONSENT AGENDA

- 1. Approval of Brewery License Application - Valdez Brewing, LLC #5799**
- 2. Proclamation - 50th Anniversary Municipal Clerks Week**
- 3. Approval to Go Into Executive Session Regarding Pending Litigation**

MOTION: Council Member Reese moved, seconded by Council Member Fleming, to approve the Consent Agenda. The motion carried by the following vote:

VOTE ON THE MOTION:

Yays: 4 - Mayor O'Neil, Council Member Needles, Council Member Fleming and Council Member Reese

Excused: 3 - Council Member Ruff, Council Member Moulton and Council Member Shirrell

IX. NEW BUSINESS**1. Approval of Contract with Meritain Health Inc. for Health Insurance Benefit Third-Party Claims Administration Services**

Mayor O'Neil declared a potential conflict of interest due to his full time employment. Council expressed no objection to his participation in the discussion and vote on the item.

MOTION: Council Member Reese motioned, seconded by Council Member Needles to approve contract with Meritain Health, Inc. for health insurance benefit third-party claims administrative services. The motion carried by the following vote.

VOTE ON THE MOTION:

Yays: 4 - Mayor O'Neil, Council Member Needles, Council Member Fleming and Council Member Reese

Excused: 3 - Council Member Ruff, Council Member Moulton and Council Member Shirrell

2. Discussion Item: Considerations for Improving Emergency Management

Ms. Murphy outlined her recommendations for improving the city's emergency management program, including hiring a specialized consultant to update the city emergency operations plan. She also outlined, in order to focus the appropriate and needed amount of specialty staff time on emergency management activities, the city should ideally invest in hiring either a full or part-time employee to oversee critical emergency management function. The importance of the program warrants more focus than being assigned to a staff member who is already tasked with other full-time responsibilities.

Several council members expressed the emergency management position, if created, should be at the director level and report directly to the city manager. Council provided consensus to have administration move forward with publication of a request for proposals to solicit help with updating the city's emergency operations plan.

Ms. Murphy addressed a rumor about missing emergency management supplies communicated prior to the last meeting. At that meeting, Council Member Reese had asked her to look into the matter. She explained she confirmed the supplies were still maintained by the city. Council Member Needles asked if an audit of the supplies had been done. Ms. Murphy explained she verified the supplies were still maintained by the city as requested. She stated an item-by-item audit would be done as part of overall emergency management program activities, which would likely require replacement of expired items and purchase of other supplies.

Ms. Murphy clarified for the record the current Valdez fire chief was not hired to serve as the city emergency manager and those duties are not part of his official job description. She explained the fire chief will be helping out and lending his expertise related to training programs and other topics. He, however, must focus on leading his department and will not be overseeing the emergency management program.

Council scheduled a work session to continue discussing improvements to the city's emergency management program. Ms. Murphy stated she will also reach out to the state of Alaska Department of Homeland Security and Emergency Management about the work session, as they had expressed interest in participating in the past.

3. Approval of a Contract Award with Harris Sand & Gravel, Inc. for the Mineral Creek Bank Improvements Project in the Amount of \$1,125,180.00

MOTION: Council Member Fleming moved, seconded by Council Member Reese to approve contact award with Harris Sand & Gravel, Inc. for the Mineral Creek Bank Improvement project in the amount of \$1,125,180. The motion carried by the following vote after the following discussion occurred.

Council Member Fleming stated this particular work was supported by the Flood Mitigation Task Force and part of lengthy discussion which started well over a year ago. Mr. Nate Duval, city capital facilities director, explained these projects are the culmination of an eighteen month or more process.

Council Member Reese encouraged ongoing and routine maintenance should be the focus once these upcoming improvements are in place. Council Member Needles expressed reservations with retaining DOWL for work on flood mitigation projects.

Ms. Kate Huber, city senior planner and floodplain manager, stated the next Flood Mitigation Task Force meeting would be scheduled in May or June.

VOTE ON THE MOTION:

Yays: 4 - Mayor O'Neil, Council Member Needles, Council Member Fleming and Council Member Reese

Excused: 3 - Council Member Ruff, Council Member Moulton and Council Member Shirrell

4. Approval of a Contract Award with Jim Psenak Construction, LLC for the Glacier Stream DOT & PF Right of Way to Dump Haul Road Project in the Amount of \$385,150.00

MOTION: Council Member Reese moved, seconded by Council Member Needles to approve a contract award with Jim Psenak Construction, LLC for the Glacier Stream DOT & PF right of way to Dump Hall Road project in the amount of \$385,150. The motion carried by the following vote after the following

discussion occurred.

Council Member Reese asked for the start date for this project. Mr. Duval stated the company would have people on site the next day, if the contract is approved, as the project is time sensitive due to the timeframe for the annual glacier dammed lake outburst event.

VOTE ON THE MOTION:

Yays: 4 - Mayor O'Neil, Council Member Needles, Council Member Fleming and Council Member Reese

Excused: 3 - Council Member Ruff, Council Member Moulton and Council Member Shirrell

5. Approval of Professional Services Agreement with Grace Jang Solutions, LLC in an Amount Not to Exceed \$45,000

MOTION: Council Member Fleming moved, seconded by Council Member Reese to approve a professional services agreement with Grace Jang Consulting, LLC in an amount not to exceed \$45,000. The motion carried by the following vote after the following discussion occurred.

Council Member Reese asked if Ms. Jang was under current contract with the city. Ms. Pierce explained Ms. Jang's services were originally discussed to fall under city legal. However a contract had not yet been executed between city legal and Ms. Jang, nor had she been paid. Now that Ms. Jang's services are being directly coordinated through the city clerk's office, a formal contract is being brought forth for approval by Council.

Council Member Reese asked, based on the terms of the contract, how long Ms. Jang's services would be retained. Ms. Pierce explained her contract terms would last through the end of June 2019, at which time it would be reevaluated if and in what scope Ms. Jang's services would be needed in the future.

Mr. Bill Comer provided testimony about his experience with Ms. Jang during his service as a deputy commissioner for the state of Alaska and the high quality of her work products in public relations and communications. He encouraged city council to retain her services.

Ms. Pierce reiterated her office and Ms. Jang would continue to work with city legal as a team on this particular project.

VOTE ON THE MOTION:

Yays: 4 - Mayor O'Neil, Council Member Needles, Council Member Fleming and Council Member Reese

Excused: 3 - Council Member Ruff, Council Member Moulton and Council Member Shirrell

X. ORDINANCES

- 1. #19-03 - Amending Chapter 15.12, Section 15.12.070(B) Titled Amendments to the Uniform Plumbing Code. First Reading. Public Hearing.**

MOTION: Council Member Fleming moved, seconded by Council Member Needles to approve Ordinance # 19-03 on first reading, public hearing. The motion carried by the following vote after the following discussion occurred.

Council Member Fleming made a motion to postpone this item to allow for future discussion by a full Council. However Mr. Fleming withdrew his motion after the council discussed the changes involved only one sentence.

VOTE ON THE MOTION:

Yays: 4 - Mayor O'Neil, Council Member Needles, Council Member Fleming and Council Member Reese

Excused: 3 - Council Member Ruff, Council Member Moulton and Council Member Shirrell

XI. RESOLUTIONS

- 1. #19-23 - Amending the 2019 City of Valdez Budget by Appropriating Excess Funds in the Amount of \$4,189,671 Carried Forward from the 2018 Budget Year, and Re-appropriating \$13,917,831 of Project Funds**

MOTION: Council Member Fleming moved, seconded by Council Member Reese to approve Resolution #19-23. The motion carried after the following vote occurred.

VOTE ON THE MOTION:

Yays: 4 - Mayor O'Neil, Council Member Needles, Council Member Fleming and Council Member Reese

Excused: 3 - Council Member Ruff, Council Member Moulton and Council Member Shirrell

- 2. #19-24 - Establishing the 2019 Rate of Real Property Tax and Designating the Number of Mills for Each Dollar of Real Property to be Levied for Municipal and School Purposes**

MOTION: Council Member Fleming moved, seconded by Council Member Needles to approve Resolution #19-24. The motion carried by the following vote after the following discussion occurred.

Council Member Reese asked for clarification on what exactly is being voted upon. Mr. Brian Carlson, city finance director, explained this is the annual resolution which sets the rate of taxation for real property, otherwise known as the mil levy. Twenty mils equates to two percent of taxable value after property tax exemptions. He explained this is the maximum rate allowable under state

statute, although there are some related nuances to be explored in the future. Mr. Carlson provided a brief overview of the breakdown in how different types of properties are taxed and briefly touched on the concept of the tax cap.

VOTE ON THE MOTION:

Yays: 4 - Mayor O'Neil, Council Member Needles, Council Member Fleming and Council Member Reese

Excused: 3 - Council Member Ruff, Council Member Moulton and Council Member Shirrell

3. #19-25 - Waiving the Solid Waste Fees for Certain Items from May 13th through May 24th During the 2019 Annual Community Clean Up Event

MOTION: Council Member Reese moved, seconded by Council Member Needles to approve Resolution #19-25. The motion carried by the following vote.

VOTE ON THE MOTION:

Yays: 4 - Mayor O'Neil, Council Member Needles, Council Member Fleming and Council Member Reese

Excused: 3 - Council Member Ruff, Council Member Moulton and Council Member Shirrell

4. #19-26 - Authorizing a Five-year Gravel Lease for RSR Contracting, LLC on a Portion of Tract A, ASLS 79-116 (1500 Airport Road)

MAIN MOTION: Council Member Fleming moved, seconded by Council Member Needles to approve Resolution #19-26.

MOTION TO POSTPONE: Council Member Fleming moved, seconded by Council Member Reese to postpone approval of Resolution # 19-26 until the next regular Council meeting of May 20, 2019. The motion to postpone carried by the following vote after the following discussion occurred.

Council Member Fleming stated he would like to postpone this item until a full Council is present to participate in the discussion.

VOTE ON THE MOTION TO POSTPONE:

Yays: 4 - Mayor O'Neil, Council Member Needles, Council Member Fleming and Council Member Reese

Excused: 3 - Council Member Ruff, Council Member Moulton and Council Member Shirrell

5. #19-27 - Adopting Rates and Fees for the Allison Point Campground

MOTION: Council Member Reese moved, seconded by Council Member Fleming to approve Resolution #19-27. The motion carried by the following vote.

VOTE ON THE MOTION:

Yays: 4 - Mayor O'Neil, Council Member Needles, Council Member Fleming and Council Member Reese

Excused: 3 - Council Member Ruff, Council Member Moulton and Council Member Shirrell

XII. REPORTS**1. Report: Temporary Land Use Permit #19-03 for Alyeska Pipeline Service Company, Agent for TAPS Owners, for Six Months, for a Seventeen (17) Acre Portion of Tract D Section 34 ASCS 98-30**

Council Member Reese asked what the land would be used for related to the permit. Mr. Staser explained it was primarily for access, plus some storage of materials.

2. Report: Kimley Horn Report for April 2019

Council Member Needles asked for staff to provide an update on Kimley-Horn's performance related to their contract. Ms. Martha Barberio, city economic development director, explained the topic would be discussed further in executive session.

3. March/April 2019 New Boat Harbor Report

Mr. Ron Rozak, Arcadis new boat harbor project construction manager, provided a verbal update to accompany the written report included in the meeting agenda packet.

Council Member Reese asked if lack of navigational aids would impact the operation of the new harbor. Mr. Duval explained navigational aids are currently being coordinated between the U.S. Coast Guard and the U.S. Army Corps of Engineers. He explained the intent is to have everything installed and ready to go by June 22nd.

Council had a brief discussion regarding the laundry facilities at the new boat harbor. Several council members expressed concerns about the city competing with other commercial laundry facilities in other parts of town. Mr. Alan Sorum, city Ports and Harbors Commission chair, provided a brief historical background on the topic. He explained it is important to provide a full network of support services for commercial harbor users in one location close to their operational base. Management of the harbor laundry facility could be formatted in different ways to ensure it did not compete with other locally owned businesses, including contracting someone to manage and care for the facility.

4. **Procurement Report: Professional Services Agreement with Arcadis US, Inc. for Pavement Management Plan - Phase 1.**
5. **Implementation of Online Billing/Payments Platform: Xpress Bill Pay**
6. **Report: Legal Billing Summary - March 2019**

XIII. CITY MANAGER / CITY CLERK / CITY ATTORNEY / MAYOR REPORT

1. City Manager Report

Ms. Murphy provided an overview of recent activities and several city programs, including the recently published Summer Fun Guide, an update on the progress of the city human resources director search, an update on bear working group activities, plans for the new boat harbor ribbon cutting, and installation of an accessible desk at the library to better serve patrons.

She stated the city received a request from the state of Alaska Department of Motor Vehicles to explore the option of the municipality managing DMV operations if the state is unable to hire a staff member to work the Valdez DMV office.

She passed along a thank you received from the City of Cordova for donating a surplus fire engine to them.

Lastly, she thanked the men and women of the Valdez Fire Department for their service and dedication to the Valdez community.

2. City Clerk Report

Ms. Pierce explained, during this municipal election, there was a larger than normal number of voters who were required to vote a questioned ballot. The state of Alaska Division of Election manages voter registration statewide and provides municipalities with registers of voters that must be used at each precinct.

Ms. Pierce explained she reached out to the Division of Elections about the larger than normal number of questioned ballots. The director of the Division of Elections investigated the issue and determined an old version of the precinct registers had been printed and sent to Valdez. Thus, the names of many voters who were properly registered did not appear on the precinct registers on Election Day. The director took full responsibility for the printing error and said she would issue a letter of apology to the city to provide to voters. Ms. Pierce explained the printing error did not impact a voter's ability to cast a ballot or have their votes counted. It was merely an inconvenience, as they had to vote a questioned ballot if their name did not appear on the printed precinct register.

Ms. Pierce worked with Council to schedule upcoming work sessions and discussed next steps for the city manager recruitment process. She explained she will be sending out the final draft of the city manager job description by email for Council comments. She will be traveling for official travel for the International Institute of Municipal Clerks May 14th through May 25th.

3. City Attorney Report

Mr. Staser introduced Mr. Mike Corey, a new attorney with Brena, Bell & Walker.

Mr. Staser outlined projects and provided updates on cases his firm is working on behalf of the City, including escaped property, C-Plan adjudication, the Barton case, and Meals Hill purchase.

4. City Mayor Report

Mayor O'Neil expressed his appreciation for the hard work of those championing the new fire station project. He provided an overview of his experience as commencement speaker for Prince William Sound College's graduation ceremonies.

XIV. COUNCIL BUSINESS FROM THE FLOOR

Multiple council members congratulated Ms. Pierce on her election as vice president of the International Institute of Municipal Clerks. Ms. Pierce thanked Council for providing her the opportunity to serve on the IIMC board.

Multiple council members thanked the city's elections for their service and hard work during the municipal election.

Council Member Reese encouraged community members to participate in several different programs the city has going to clean-up the community.

Council Member Fleming passed along appreciation for the hard work of the Valdez Civic Center staff during the recent Regional Citizens Advisory Committee meeting.

XV. EXECUTIVE SESSION

City Council transitioned into executive session at 9:55 p.m.

XVI. RETURN FROM EXECUTIVE SESSION

City Council transitioned out of executive session at 11:06 p.m.

XVII. ADJOURNMENT

There being no further business, Mayor O'Neil adjourned the meeting at 11:07 p.m.