

City of Valdez

212 Chenega Ave.
Valdez, AK 99686



Meeting Minutes - DRAFT

Tuesday, August 15, 2023

7:00 PM

Regular Meeting

Council Chambers

City Council

REGULAR AGENDA - 7:00 PM**I. CALL TO ORDER**

Mayor Sharon Scheidt called the meeting to order at 7:01 p.m.

II. PLEDGE OF ALLEGIANCE**III. ROLL CALL**

Present: 6 - Mayor Sharon Scheidt
Mayor Pro Tem Alan Sorum
Council Member Dennis Fleming
Council Member Todd Wegner
Council Member Jimmy Devens
Council Member Austin Love

Excused: 1 - Council Member Olivia Foster

Also Present: Interim City Manager Nathan Duval
City Clerk Sheri Pierce
Deputy City Clerk Elise Sorum-Birk
City Attorney Jake Staser

IV. APPROVAL OF MINUTES**1. Approval of City Council Minutes- August 1, 2023**

The City Council Minutes of August 1, 2023 were approved by unanimous consent.

V. PUBLIC BUSINESS FROM THE FLOOR

Representative George Rauscher spoke briefly, noting difficulties in discussions relating to gravel extraction with the Department of Natural Resources

Police Chief Bart Hinkle provided an update on opioid overdose awareness and naloxone training of city staff.

VI. CONSENT AGENDA

- 1. Appointment to the Ports & Harbors Commission, Applicant: Neil "Vince" Kelly**
- 2. Appointment to the Economic Diversification Commission, Applicant: Colleen Stephens**

3. Proclamation: Suicide Prevention Awareness Month

MOTION: Sorum moved, seconded by Devens, to approve all items on the consent agenda.

VOTE ON MOTION

Yays: 6 - Scheidt, Sorum, Fleming, Wegner, Devens and Love

Absent: 1 - Foster

MOTION CARRIED.

VII. NEW BUSINESS

1. Approval of Contract with Orion Construction Inc. for Library/Museum Controls and HVAC Upgrades in the Amount of \$2,734,564.00

MOTION: Love moved, seconded by Fleming, to approve the contract with Orion Construction Inc. for Library/Museum Controls and HVAC Upgrades in the amount of \$2,734,564.00.

VOTE ON MOTION

Yays: 6 - Scheidt, Sorum, Fleming, Wegner, Devens and Love

Absent: 1 - Foster

MOTION CARRIED.

2. Approval of Certificate of Public Convenience and Necessity (For Hire Vehicle License) for Pulseline Adventures LLC

MOTION: Love moved, seconded by Wegner, to approve the Certificate of Public Convenience and Necessity for Pulseline Adventures LLC.

VOTE ON MOTION

Yays: 6 - Scheidt, Sorum, Fleming, Wegner, Devens and Love

Absent: 1 - Foster

MOTION CARRIED.

3. Approval of Lopez v. City of Valdez Settlement Agreement

MOTION: Love moved, seconded by Fleming, to approve settlement agreement in Lopez v. Valdez.

Council Member Love asked if the settlement would affect insurance premiums. Mr. Staser stated he would not expect any dramatic effect, but it was tough to say.

Council Member Fleming asked if additional training or programs had stemmed from the incident. Mr. Jeremy Talbott, Ports & Harbor Director, expounded on extensive trainings, certifications, and safety mechanisms put into place for those involved in operating the lift.

VOTE ON MOTION

Yays: 6 - Scheidt, Sorum, Fleming, Wegner, Devens and Love

Absent: 1 - Foster

MOTION CARRIED.**VIII. RESOLUTIONS****1. #23-41- Establishing the Council Priorities for the 2024 Operating Budget**

MOTION: Sorum moved, seconded by Wegner, to approve Resolution 23-41 Establishing the Council Priorities for the 2024 Operating Budget.

Finance Director Jordan Nelson outlined fiscal discussions that had taken place at the City Council's annual strategic planning session, including the process undertaken for outlining budget parameters.

Council Member Wegner brought up the goal qualifiers established at the planning session and requested they be posted.

Council Member Love expressed concerns about the deficit budget. Love requested additional discussion take place on limiting the expected deficit and the role of the repayment reserve.

Council Member Wegner responded that no one was ok with the deficit and noted that savings was only a solution to fill the deficit in the short-term.

Mayor Scheidt stated there was no direct correlation between the deficit amount and the amount appropriated to the repayment reserve.

Council Member Devens discussed factors necessitating the draw from savings including Covid-19 related cost escalations. Devens additionally opined on factors that made revenue estimates uncertain including TAPS valuation, escaped property litigation, and higher returns on short term savings.

Mayor Scheidt noted this resolution was not intended for the long term and was limited to a single budget year.

Council Member Love requested more explicit guidance in the document, and a desire to use the amount allocated to the repayment reserve as a ceiling.

Council Devens noted the expected overrun was well above what normally happens.

Council Member Sorum noted the resolution was simply a starting point.

Mayor Scheidt stated the resolution was guidance to staff and intended to set general parameters.

Finance Director Nelson noted the 1 to 3 million dollar range was intentionally broad. He noted the additional revenue to be set aside in the repayment reserve was estimated to be 2.5 million dollars.

MOTION TO AMEND: Love moved, seconded by Wegner, to amend appendix A of Resolution 23-41 as follows: Following the sentence beginning with after "Council acknowledges" add an additional sentence saying "It is the intent of the city council that this deficit does not exceed the amount being appropriated to the repayment reserve."

VOTE ON MOTION TO AMEND

Yays: 6 - Scheidt, Sorum, Fleming, Wegner, Devens and Love

Absent: 1 - Foster

MOTION CARRIED.

VOTE ON MOTION AS AMENDED

Yays: 6 - Scheidt, Sorum, Fleming, Wegner, Devens and Love

Absent: 1 - Foster

MOTION CARRIED.

1. **#23-42 - Amending the 2023 City Budget by Accepting the Distribution of Additional Funds in the Amount of \$317,476 from the Previously Accepted State of Alaska Municipal Harbor Facilities Grant and Authorizing Expenditure for Small Boat Harbor H-K Major Reconstruction Project**

MOTION: Fleming moved, seconded by Devens, to approve Resolution #23-42 - Amending the 2023 Budget by Accepting the \$317,476 from the State of Alaska Municipal Harbors Facilities Grant Program and Authorizing the Expenditure of \$317,476 for the Valdez Small Boat Harbor H-K Major Reconstruction Project.

VOTE ON MOTION

Yays: 6 - Scheidt, Sorum, Fleming, Wegner, Devens and Love

Absent: 1 - Foster

MOTION CARRIED.

2. **#23-43 - Establishing Fees for Temporary Land Use Permits on City Property and Repealing Resolution #12-36 Formerly Setting Said Fees**

MOTION: Wegner moved, seconded by Fleming, to approve Resolution #23-43 establishing fees for temporary land use permits on city property and repealing Resolution #12-36 formerly setting said fees.

Planning Tech Nicole LeRoy provided an overview of the purpose of the resolution.

Council Member Love asked how land value by type was established. Leroy stated the City Assessor provided the values. She noted commercial land value had surprisingly decreased.

VOTE ON MOTION

Yays: 6 - Scheidt, Sorum, Fleming, Wegner, Devens and Love

Absent: 1 - Foster

MOTION CARRIED.

IX. REPORTS

1. Planning Department Report

Planning Director Kate Huber presented an overview of departmental operations.

Council Member Wegner expressed interest in seeing slides for other departments similar to slide 4 in the presentation included in the agenda packet.

2. Monthly Treasury Report; June, 2023

X. CITY MANAGER / CITY CLERK / CITY ATTORNEY / MAYOR REPORTS

1. City Manager Report

1. Interim City Manager Report

Interim City Manager Duval reviewed his report included in the agenda packet, highlighting the all-staff meeting, the budget parameter resolution, the park shelter project, the high school door project, pavement management updates, and the Robe Lake Corp of Engineers project.

2. City Clerk Report

City Clerk Pierce updated Council on the City Manager search, stating that two candidates would be visiting the community at the end of August and staff would be seeking input from council on interview questions. She reminded Council to submit biographies for the website.

3. City Attorney Report

City Attorney Jake Staser outlined projects and provided updates on the city's legal activities including Alderwood, escaped properties, redistricting, and borough formation.

4. City Mayor Report

Mayor Scheidt thanked those involved in putting together the city webpage for the

senior housing project. She looked forward to helping welcome the new Coast Guard families to town and encouraged the Council to review the Clerk's email regarding Copper Valley Electric's Micro Modular Nuclear Reactor Project.

XI. COUNCIL BUSINESS FROM THE FLOOR

Council Member Devens stressed the importance of Overdose Prevention & Awareness Day on August 31st and Suicide Awareness Day on September 10th.

XII. ADJOURNMENT

Mayor Scheidt adjourned the meeting at 8:48 p.m.

DRAFT