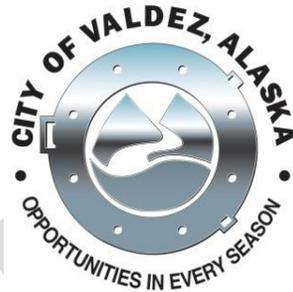


City of Valdez

212 Chenega Ave.

Valdez, AK 99686



Meeting Minutes Draft

Tuesday, February 6, 2018

7:00 PM

Regular Meeting
Council Chambers

City Council

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

Mayor Knight called the meeting to order at 7:00 p.m. in Valdez City Council Chambers.

II. PLEDGE OF ALLEGIANCE

The City Council led the Pledge of Allegiance to the American Flag.

III. ROLL CALL

Present: 6 - Mayor Ruth E. Knight
Council Member Nate Smith
Council Member Christopher Moulton
Council Member Jim Shirrell
Council Member Dennis Fleming
Council Member Darren Reese

Excused: 1 - Council Member Lon Needles

Also Present: 3 - City Clerk Sheri Pierce
Records Manager Shelley McMillen
City Attorney Jake Staser

IV. APPROVAL OF MINUTES**V. PUBLIC APPEARANCES**

There were no public appearances.

VI. PUBLIC BUSINESS FROM THE FLOOR

Ms. Laurine Regan, Executive Director of the Valdez Convention and Visitor's Bureau, presented an update on the formation of a volunteer advisory group to assist with the management of Thompson Pass. She referenced Ms. Lisa Wax's statement about the use of Thompson Pass for Tailgate Alaska from a previous Council meeting as well as City Council's suggestion to form a volunteer advisory group. She said the Alaska Department of Natural Resources had visited Valdez in 2016 to request public comment on the development of a Copper River Basin area use plan that would include Thompson Pass. Ms. Regan referenced data from the Department of Natural Resources website, which reflected 86 comments received, approximately 60 percent of which addressed issues surrounding Tailgate Alaska, heli-ski services, and the use of motorized vehicles in Thompson Pass. Ms. Regan stated she reached out to the operators of the Tailgate Alaska event and asked if they would like to participate in a volunteer organization which would help develop a user plan for Thompson Pass. She discovered later that the Department of Natural Resources was already working on a similar task force.

Ms. Regan said, unfortunately, it is her understanding the Department of Natural Resources planning staff have been temporarily reassigned and anticipated returning to work in about nine months to one year. She had contacted Ms. Lee Hart from the Valdez Adventure Alliance and the planning members of the Department of Natural Resources group to ask if they would be interested in a volunteer community group from Valdez to

assist their efforts. She said she had not yet heard back from the Department of Natural Resources, but wanted to let Council know that there was a user plan in progress.

Ms. Lee Hart, Director of the Valdez Adventure Alliance thanked Ms. Regan for her presentation and invited Council and listeners to the upcoming Valdez Ice Climbing Festival.

VII. CONSENT AGENDA

- 1. Approval of Liquor License Renewal: The Fat Mermaid**
- 2. Approval of Senior Citizen Hardship Property Tax Exemption**
- 2. Appointment to Valdez Museum and Historical Archive Board of Directors - Donna Lane**
- 4. Accept Resignation from Economic Diversification Commission - Board Member Scott Hicks**
- 5. Accept Letter of Resignation from Planning and Zoning Commission- Board Member Victor Weaver**
- 6. Proclamation- Teen Dating Violence Awareness and Prevention Month**

MOTION: Council Member Smith moved, seconded by Council Member Reese to approve the Consent Agenda.

VOTE ON THE MOTION:

Yays: 6 - Mayor Knight, Council Member Smith, Council Member Moulton, Council Member Shirrell, Council Member Fleming, and Council Member Reese

Excused: 1 - Council Member Needles

VIII. NEW BUSINESS

- 1. Discussion Item: Valdez Swimming Pool Renovation**

Mr. Nathan Duval, City Capital Facilities Director, stated the Capital Facilities department would like to alter the Valdez Swimming Pool Renovation project by postponing the full scale renovation of the pool until 2019. He said his department evaluated the current condition of the pool and determined a low catastrophic failure potential over the next year. He said that Capital Facilities would like to present Council with a comprehensive overview of what the full scale project would require. He said postponing the project would allow time to advocate with user groups to explain the change and determine who would be impacted and for how long. He added the option to proceed with the original phased approach remained, but there were some lingering unknowns. Mr. Duval stated his department did not recommend moving forward with segmented efforts.

Council Member Shirrell asked what concerns the user groups and the Valdez School District had voiced about the project. Mr. Duval replied most user groups

were comfortable with both options and there was no strong sentiment either way. He said some users wanted the renovation to be addressed urgently and there was concern that postponement would de-prioritize the project. Mr. Duval added he met with the Valdez Swim Club, Valdez School District, and the City Parks and Recreation Department to discuss the renovation. He stated it appeared there was general consensus of community support for the project.

Council Member Shirrell pointed out during past Council budget sessions, some citizens had expressed frustration that the swimming pool renovation had been discussed for several years but remained unfinished. He added he did not have a personal preference on how the project was completed but he wanted to make sure it was implemented properly and user groups were in support of the changing timeline. He asked if either of the renovation plans affected the Valdez swim teams. Mr. Duval replied that Capital Facilities had selected September 1st as a tentative completion date, with the hope that the renovation would be finished sooner. He explained waiting until 2019 would have the greatest impact on the high school swim team compared to the swim club. Mr. Duval stated there is an average of fifteen members on the high school swim team, a relatively small number compared to the other three user groups. He added that the 2018 segmented project timeline would impact a greater number of users in a more significant capacity.

Council Member Fleming asked when the Valdez High School would begin their swim season. Ms. Marcie Robertson, Acting City Parks and Recreation Director and former High School Swim Coach, replied the swim season generally began in early August. She said, while the goal was to begin swimming practice as soon as possible, there were alternative ways to train during the pool closure. She reiterated that the high school team was a relatively small group, compared to the Valdez Swim Club which represented roughly two hundred participants. By starting this at the end of the Swim Club season, Ms. Robertson said there would be less impact on the majority of users. She added that while there is no good time to shut down an aquatics facility, selecting the timeline with the lowest impact is best.

Mayor Knight said she had met with a Valdez Torpedoes Swim Club board member who expressed satisfaction with the 2019 renovation timeline. Ms. Robertson pointed out that user groups are not the only people that would be affected by the remodel. Employees of the aquatics facility would be out of work during the renovation. Postponing the project would allow those employees time to find alternative income during that time.

Mr. Duval added Capital Facilities did not want the pool renovation project to be de-prioritized and said he would begin design in October. Council Member Reese asked what the cost of lost water and heat would be if the project was extended until 2019. Mr. Duval replied since there would be more contractors at the bidding in 2019, the price of the project could potentially be more competitive. He said it would be difficult to compare this to the cost of lost heat and water but that he felt the City would at least break even on the difference. Council Member Reese said the Superintendent of Valdez City Schools is in support of postponing the project but asked what comments had come from the School Board.

Mr. Duval said he realized the project would be an inconvenience but that it was a priority to complete it accurately. He stated as far as he understood, the School Board was in support of completing the project. Council Member Reese clarified the School Board was presented with project timeline options, 2018 or 2019, and that they were supportive of either option. Council Member Shirrell asked if there

would be action items for the pool renovation available at the next Council meeting. Mr. Duval replied City Council would be voting on a contract amendment with the Burkhart Croft Architects for the Swimming Pool Renovation Project at an upcoming Council meeting. He added that when 2018 City construction projects were outlined in March, he would have a better, more comprehensive cost estimate. He would be asking Council for an appropriation of funds at that time. Council Member Smith said he was supportive of postponing the project and moving forward with Mr. Duval's recommendations. Mayor Knight thanked Mr. Duval for working on the project.

2. Approval of PSA Contract Amendment with Burkhart Croft Architects for Valdez Swimming Pool Renovation Project in the Amount of \$24,523

MOTION: Council Member Smith moved, seconded by Council Member Reese, to approve the PSA Contract Amendment with Burkhart Croft Architects in the amount of \$24,523.00. The motion carried by the following vote after the following discussion occurred.

Council Member Reese asked when the complete design would be up for discussion, if it would come with the engineer's project estimate, and if City Council would have plenty of notice regarding the cost of the project. Mr. Duval said Capital Facilities would have preliminary cost numbers determined in the coming months.

VOTE ON THE MOTION:

Yays: 6 - Mayor Knight, Council Member Smith, Council Member Moulton, Council Member Shirrell, Council Member Fleming and Council Member Reese

Absent: 1 - Council Member Needles

3. Approval of Professional Services Agreement with ECI/HYER Inc. for City Dock Information & Interpretive Center - Phase IIA Design for Airport HVAC Upgrades in the Amount of \$178,989.00

MOTION: Council Member Shirrell moved, seconded by Council Member Smith, to approve Professional Services Agreement with ECI/Hyer for City Dock Information & Interpretive Center - Phase IIA in the amount of \$178,989.00. The motion carried by the following vote after the following discussion occurred.

Council Member Shirrell asked if the City intended to shut down the Valdez Museum Annex location and relocate it to the Whitney Wing at the Valdez Airport. He requested Museum feedback on the project and expressed concerns over meeting the space and air quality needs of the Old Town exhibit and other displays. Mayor Knight clarified this agenda item comprised phase two of the project to dismantle the Museum Annex and prepare a space at the Airport to

receive the Museum's collection. Mr. Duval stated Mayor Knight was correct, but there were a few additional steps required. Approval of the contract would start upgrades on the HVAC system at the Airport, bringing it up to code and making it available to receive the Museum Annex collection if so decided by City Council. Mr. Duval explained the space included roughly 6,200 feet of heated space that was currently unutilized. Mr. Duval explained the intent was to create a space which could temporarily store the museum collection until a permanent Museum location is identified or constructed. He stated the HVAC system would need to be updated as well, even if that portion of the building was utilized for other purposes like offices or rental space, as it currently does not meet code requirements for air exchange.

Council Member Fleming asked if the space could be leased after the HVAC was complete. Mayor Knight said she knew of several lease inquires for the Airport space and asked for more information. Mr. Jeremy Talbott, City Ports and Harbor Director, stated several entities had expressed interest in leasing space in that portion of the Airport. However, he was waiting to solidify an agreement until it is determined if the Museum Annex collection would be stored in the facility. Mayor Knight asked if the space was rentable without the HVAC upgrades. Mr. Talbott replied the City could not rent the space in its current condition because of noncompliance with air exchange code requirements. Mayor Knight asked if the interested parties would be able to wait until after the HVAC system was improved. Mr. Talbot replied he believed they could be flexible. Mr. Talbot cautioned the City would not be able to recoup the costs involved in renovations by renting out the space.

Council Member Fleming asked if the project would include upgrading auxiliary systems like the sprinkler, water, and electrical systems. Mr. Duval replied the extent of the project would require bringing the other components of the space up to code compliance. This is one of the reasons for the cost of the project. Council Member Reese asked if the HVAC system would encompass the entire airport or just the Whitney Wing. Mr. Duval replied this project involved just the Whitney Wing. The rest of the building involved a separate HVAC system which is already in compliance with code.

Council Member Shirrell asked if the upgrades were required by regulations. Mr. Duval replied the system could be left as is, but the spaces would be unable to be leased under FAA regulations and other requirements. Council Member Shirrell asked, if the museum collection was relocated to the Whitney Wing at the airport, would it be open to the public for display or if it would be merely stored in the facility. He expressed concerns that if the space could not be used to display the collection, then the City would be forced to build a new museum.

Mayor Knight stated if the City were to close the current building housing the museum annex, it was important that a replacement site for display be established. She reiterated installing a museum-quality HVAC system in the airport is part of the agenda item being considered for approval. She stated she supported building a new museum and outlined three options for moving forward. First, Council could elect to leave the museum annex site as is. Second, they could move the collection to storage at the airport. The third option would be moving the collection to the airport and put it on display. Mr. Duval said there would be enough square footage in the space to display some of the collection, but not all of it.

Council Member Moulton expressed dissatisfaction with the project and asked what the upfront cost of design and implementation would be if the airport HVAC was updated solely with leasing the space in mind. Mr. Duval replied if the HVAC was scaled back from museum-grade, the City would save approximately 15-25% of the cost. Council Member Shirrell asked what that dollar amount would be for this option. Mr. Duval replied it would be approximately \$20,000-\$30,000. Council Member Shirrell said he was uncomfortable with a storage only plan and would like to consider both storage and display options. Council Member Fleming said he would also like to see the collection displayed. He pointed out the Museum will not be the only user effected as the building currently housing the museum annex is also used by the City for storage.

Ms. Patty Relay, Executive Director of the Valdez Museum, presented the potential implications of temporarily shutting down the museum annex and moving the collection to storage at the Airport. She pointed out the size constraints of the Whitney Wing at the airport would make it impossible to display the entire collection, which currently occupies roughly 7,594 square feet at the museum annex location. Ms. Relay explained the many multifaceted features of the Valdez Museum collection stored in the museum annex. She added that the entryway at the airport facility was not large enough to receive the old town model collection and would need to be renovated.

Ms. Relay stated closing the museum annex would reduce revenue. She explained the two Valdez Museum locations see roughly 15,000-17,000 visitors between May and September each year. The museum raised admission rates in 2017 to increase revenue. If the annex was closed, they would be forced to lower the price of admission. She explained moving the annex collection out of the core of town would also be detrimental to museum operations. Visitors enjoy being able to walk easily between the two museum locations and their accommodations. She stated the collection out to the airport would also affect the museum's workplace efficiency.

Ms. Relay stated she was not opposed to relocating the Museum collection, but urged Council to thoroughly examine options before making a decision. She added alternative spaces throughout the core area of town could be utilized instead of the airport, such as the old Crowley building or the Prospector building. She concluded by saying she hoped for an amendment to the agenda item so City administration, museum staff, and Council would work together to find the best solution. Council Member Smith asked Ms. Relay if she had done research on upgrading any of the alternative storage facilities she suggested. Ms. Relay replied she had not because she did not feel Council requested her to explore those options. Council Member Reese asked how much additional time the Valdez Museum would need to complete those assessments. Ms. Relay said she was not certain but that she could work with the contractors to come up with a timeline. Council Member Reese asked if Ms. Relay could have a clear answer for Council within a month's time. Ms. Relay proposed postponing the decision six weeks, giving the Museum Board time to work with the contractor and assess different sites. Council Member Smith pointed out that if the City had to prepare different spaces to receive the collection, they would be spending a large sum of money updating facilities they were only renting, rather than investing in a City owned facility. Ms. Relay explained if the collections must be moved, moving once would be the ideal.

Council Member Moulton asked if Council was updating the space at the airport specifically to receive the museum annex collection, as he would prefer the space be leased. Mayor Knight stated she did not feel it was urgent to move the museum annex. She said she would support renovating the current museum annex building to improve its appearance and installing a lower cost HVAC system at the airport so the space could be leased. The amended project timeline would free the City to move forward more quickly on the new fire department building.

Mr. Andrew Goldstein, curator for the Valdez Museum, explained some of the implications and risks of moving the museum annex collection to the airport. He said that the Valdez Museum collection contained roughly 75,000 items. The last time the collection was moved in 2007, there was significant detrimental impact. Relocating the collection again exposes it to further damage and loss, risks that could be mitigated by proper planning. This would require time and qualified personnel to transfer the collection. He suggested the City invest in refurbishing the exterior of the museum annex building instead. Council Member Smith stated the museum collection would need to be moved if a new museum is built in the future. Mr. Goldstein replied they could reduce the potential for damage by only moving the items once, instead of twice.

Ms. Faith Revell, public curator for the Museum, presented on the vital role the facility plays in the community. She emphasized access as an importance piece of

the museum's impact and urged Council to avoid creating impediments to learning by making the collection inaccessible. Mr. Gary Minish, vice president of the Valdez Museum Board of Directors, spoke about the vital role the museum plays in the Valdez community. He urged Council to protect that interest.

Mr. Tom McAlister, Valdez Museum board member, asked if the State of Alaska required certain stipulations on airport space leases not for airport related businesses or functions. Mr. Talbott replied the City does not have airport function dependant use at the facility. Mr. McAlister suggested an overhead door would need to be installed at the new facility to ensure the space would be accessible by loading truck.

Ms. Karen Allred, Valdez Museum board member, presented a personal account of the sentimental value the museum annex display held for Valdez residents. She expressed concern over accessibility of the collection by moving it out of the town core. She felt it would disrupt the visitor experience and create an unnecessary disconnect between the two museum sites. She asked Council to carefully consider this impact of relocating the museum annex collection.

Ms. Donna Lane, Valdez Museum board member, said she felt the aesthetic concerns about the museum annex building were subjective. She stated the building represented an important historical site since it was erected shortly after the 1964 earthquake. She expressed concern that proper planning on the project had not been done and felt building a new museum would ultimately not be a priority. She advocated for external renovations to improve the appearance of the building housing the museum annex.

Council Member Smith stated planning responsibility for the future of the museum and its collections is shared with the Valdez Museum board of directors. He reiterated there was no plan to close the Valdez Museum and the agenda item before Council for consideration was simply to decide if there should be museum-grade updates to the airport HVAC system.

Council Member Moulton asked if the cost of the project would change if the HVAC was updated just to code and not to a museum grade system. Mr. Duval said the design costs would change. He reiterated that the Council could amend the current agreement, postpone the project, or revisit the scope of the project. However, he explained if the project scope was changed to a non-museum grade system, the Capital Facilities would need to re-advertise this phase of the project. Mr. Duval explained phase two of the project would include determining relocation spaces for the three users of the yellow building: Parks and Recreation, Building

Maintenance, and the Valdez Museum.

VOTE ON THE MOTION:

Yays: 5 - Mayor Knight, Council Member Smith, Council Member Shirrell,
Council Member Fleming, and Council Member Reese

Nays: 1 - Council Member Moulton

Absent: 1 - Council Member Needles

4. Approval of a Professional Services Agreement with Bettisworth North Architects and Planners, Inc. for New Valdez Fire Station Programming & Site Development Services in the Amount of \$49,247

MOTION: Council Member Smith moved, seconded by Council Member Fleming, to approve the Professional Services Agreement with Bettisworth North Architects and Planners, Inc. for New Valdez Fire Station Programming & Site Development Services in the amount of \$49,247. The motion carried by the following vote after the following discussion occurred.

Mayor Knight thanked the Capital Facilities Department for moving forward on the project in a timely manner.

VOTE ON THE MOTION:

Yays: 6 - Mayor Knight, Council Member Smith, Council Member Moulton,
Council Member Shirrell, Council Member Fleming and Council
Member Reese

Absent: 1 - Council Member Needles

IX. ORDINANCES

1. #18-01 - Amending Title 6 of the Valdez Municipal Code Relating to Animals. Second Reading. Adoption.

MOTION: Council Member Smith moved, seconded by Council Member Moulton, to approve Ordinance # 18-01, Amending Title 6 Animals of the Valdez Municipal Code. Second Reading. Adoption. The motion carried by the following vote after the following discussion occurred.

Council Member Smith asked if anyone had heard unofficial public comments on Ordinance #18-01. Mayor Knight remarked she was surprised there was not more public discussion on the ordinance change. She said she spoke to many people who asked if they would be arrested for feeding the Valdez bunnies in the future. Police Chief Bart Hinkle replied the ordinance included graduated citation fees. Mayor Knight asked who would be enforcing the ordinance. Chief Hinkle replied it would be enforced by the Police Department and the Animal Control Officer.

Council Member Shirrell expressed doubts there would ever be a citation issued for feeding the rabbits. Council Member Reese commented that if the City was not going to issue citations, they should not be included in the ordinance. He asked if there would be a statute of limitations on the offenses. Chief Hinkle replied the statute of limitations for the referenced offenses had not changed. The updated fee schedule allows the offender to know what punishment they will face for specific offenses. The revised fee schedule is intended to increase efficiency and eliminate mandatory court appearances for certain minor offenses. Council Member Reese clarified violators could still voluntarily elect to appear in court if they wanted to dispute the charge. Chief Hinkle stated violators would continue to have that option.

Council Member Moulton suggested that when rabbit feeders are caught, they should have to do community service to clean up rabbit feces. Council Member Fleming expressed support of the ordinance and stated he had received positive feedback from several community business members who are pleased they can now prohibit people from feeding rabbits on their property. Ms. Regan asked if the City would consider developing an educational pamphlet to encourage the tourists to refrain from feeding the rabbits, similar to the bear awareness program materials.

Ms. Janis Johnson, Valdez resident, expressed enthusiastic support for the new ordinance, saying she felt the rabbits in town presented a serious problem, costing residents thousands of dollars of damage. She said she was pleased to see Council taking action on the issue. Council Member Shirrell said he feels the rabbit population needs to be addressed if their presence offends a significant number of people in the Valdez community. He questioned the City's commitment to enforcing the new ordinance.

Council Member Reese said he does not feel that people feeding the rabbits has caused the animal overpopulation issue. He stated there is enough natural vegetation for them to survive without supplemental feeding. He said actively working to reduce the rabbit population is a separate endeavor from enforcing a feeding violation. Council Member Moulton stated he has witnessed people leaving large amounts of food around town for the rabbits. Mayor Knight clarified under this new ordinance, feeding the rabbits will now be illegal.

Ms. Marcie Robertson referenced a study out of Australia detailing the natural habitat destruction caused by rabbit overpopulation. She said for every pair of rabbits, 66 offspring will be produced during their lifetime, causing their numbers to balloon quickly. The rabbit population brings predators like Lynx into residential

areas of town. In addition, she said local rabbits are responsible for destroying more than \$4,000 worth of City landscaping annually. She said prohibiting feeding of the rabbits was a good first step but that the City should look at a long term eradication plan.

VOTE ON THE MOTION:

Yays: 6 - Mayor Knight, Council Member Smith, Council Member Moulton, Council Member Shirrell, Council Member Fleming and Council Member Reese

Absent: 1 - Council Member Needles

X. RESOLUTIONS

1. #18-04 - Amending the 2017 City Budget by Accepting Unbudgeted Port Department Revenues Totaling \$143,000 and Appropriating \$45,000 to Port/Electricity

MOTION: Council Member Smith moved, seconded by Council Member Reese, to approve Resolution #18-04 Amending the 2017 city budget by accepting unbudgeted Port Department revenues totaling \$143,000 and appropriating \$45,000 of this amount to Port/Electricity. The motion carried by the following vote after the following discussion occurred.

Council Member Reese asked if the funds would remain in the Harbor General Fund. Mr. Talbot clarified this resolution indicated the transfer of money from Port revenue to Port expenditure.

VOTE ON THE MOTION:

Yays: 6 - Mayor Knight, Council Member Smith, Council Member Moulton, Council Member Shirrell, Council Member Fleming and Council Member Reese

Absent: 1 - Council Member Needles

2. #18-05 - Amending the 2018 City Budget by Reducing Appropriations to Kelsey Dock Phase II by \$1,500,000, and Transferring \$1,450,000 to Airport HVAC Upgrades and \$50,000 to Building Maintenance Overhead Door Upgrades

MOTION: Council Member Smith moved, seconded by Council Member Reese, to Approve Resolution #18-05 Amending the 2018 City budget by reducing appropriations to Kelsey Dock Phase II by \$1,500,000, and transferring \$1,450,000 to Airport HVAC Upgrades and \$50,000 to Building Maintenance Overhead Door

Upgrades. The motion carried by the following vote after the following discussion occurred.

Council Member Reese asked if the amendment would ensure completion of the projects. Mr. Duval replied it is based on raw estimates provided by ACI. He stated the resolution would take funds budgeted for the Kelsey Dock project and transfer it into the Major Maintenance Fund for specific project accounts. Council Member Reese asked if the funds could be returned to the Kelsey Dock project should Council decide not to move forward with the Airport HVAC renovations. Mr. Brian Carlson, City Finance Director, said the funds could be transferred back to the project. Pierce clarified it takes a resolution to transfer funds, and repurposing funds would require the same process in reverse.

VOTE ON THE MOTION:

Yays: 5 - Mayor Knight, Council Member Smith, Council Member Shirrell, Council Member Fleming and Council Member Reese

Nays: 1 - Council Member Moulton

Absent: 1 - Council Member Needles

XI. REPORTS

1. January 2018 New Boat Harbor Report

Mr. Talbot said the New Boat Harbor project is currently on hold awaiting warmer weather to melt snow at the project site.

2. Municipal Entitlement Report

Council Member Shirrell asked what was driving the report. Mr. Paul Nylund, City Community Development Interim Director, replied he did not know if there was other impetus behind this report but that one of the first projects he had worked on for the City was an easement for GCI. He said the selection was located just down the trail from the water tank on the bank of Mineral Creek. The property had gone through the Planning and Zoning Commission before it was determined the plot was not City owned land but rather a conditionally approved selection from the Municipal Entitlement Program. The plot had previously been listed on maps as City property. The City would have to undergo a process to get the land conveyed to the City which hadn't yet been undertaken. Mr. Nylund indicated the location of the plot to Council on a map. Council Member Reese asked if the selection encompassed the bridge crossing Mineral Creek. Mr. Nylund replied the bridge included a section of private land running parallel to Mineral Creek.

Ms. Pierce stated the Community Development Department was revisiting an effort to obtain the properties conveyed to the City through the Entitlement program. She said Council would receive additional updates as staff moved forward with the process. Council Member Shirrell asked what the entitlement process would include. Mr. Nylund said property identified as part of the program still need to be surveyed. The survey would then be presented to the Alaska Department of Natural Resources. If the survey is accepted, the land is given to the City. Council Member Shirrell asked who was responsible for conducting the survey. Mr. Nylund replied the City was responsible because the entitlement program is conditional on the municipality paying for the survey.

3. Treasury Report - November, 2017

4. Report: Update Regarding Kimley-Horn Marketing and Branding Initiative

Council Member Smith read aloud some items from the Kimley-Horn External Perceptions Study detailing some of the assets and missing features of Valdez. Council Member Fleming asked where the full External Perceptions Study document could be accessed. Ms. Martha Barberio, Economic Development Director, replied the full report can be accessed on the City website. Council Member Smith said that some of the opportunities determined by Kimley-Horn were items the City already had in development.

Ms. Barberio outlined the upcoming workshop dates with Kimley-Horne during the week of March 12th. She said the project's Creative Committee had already met to work on the City logo, tagline, and other aspects of creative development. Mayor Knight asked who serves on the Creative Committee. Ms. Barberio replied that the group was comprised of the City Manager, Mr. Talbot, herself, and Ms. Regan from the Valdez Convention and Visitor's Bureau. Council Member Reese asked why Kimley-Horn would be presenting on a week when Council would be in Juneau on their annual lobbying trip. Ms. Barberio apologized for the scheduling conflict and stated she would work with Kimley-Horn to reschedule.

5. Report Arctic Eagle 18

Council Member Shirrell expressed surprise over the scale and significance of the Arctic Eagle event which was scheduled to include around 200 responders and a variety of equipment. He hoped the Valdez community was sufficiently informed of the scale of the event.

Ms. Barberio explained the final day of the Arctic Eagle exercise would include a closing event at the Civic Center featuring a local vendor market and food. Mayor Knight asked which account would be used for the food budget. Ms. Pierce said

the cost of food for the event would be around \$4,000-\$5,000 and she requested Council consensus to utilize funds from their contingency budget. Council provided consensus for the expenditure. Council Member Smith read the Arctic Eagle response scenario for the 2018 event.

6. Mayor Report - February 6, 2018

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

1. City Manager Report

Ms. Pierce stated the City Manager was absent from the meeting because she was not feeling well.

2. City Clerk Report

Ms. Pierce asked if Council would participate in a brief special meeting to vote on the Library contract remodel project with Wolverine which had been accidentally omitted from the previous Council meeting agenda. She said the contractors were not due to begin until early March, but Mr. Duval requested Council vote whether or not to move forward on the project. Council agreed to schedule the special meeting.

Ms. Pierce stated she, Mr. Staser, and Mr. Duval had been working on updates to the City procurement ordinance. She requested one additional work session to revise the code before it was brought to Council for a vote. Mr. Staser explained the City procurement code revision was intended to include some key terms that are present in the majority of city codes throughout the state of Alaska but were missing from the Valdez Municipal Code. Mr. Staser stated they were working to include additional terms to add flexibility and limit City liability through the procurement code. They were using the American Bar Association (ABA) procurement code as a checklist to cover all necessary inclusions. Council Member Smith requested staff provide Council with the proposed code updates well in advance of the meeting where a decision would need to be made.

Council Member Shirrell asked if the ABA model was designed for the municipal or state level. Mr. Staser replied the ABA code is applicable to both municipal and state codes. He reiterated the intention of the code updates were to ensure the City procurement code had all the necessary provisions. Ms. Pierce added she would be traveling to Anchorage to meet with Mr. Staser to work on the updated ordinances.

Ms. Pierce announced the preliminary notice for the May election had been released. The City Clerks Office was accepting nomination petitions for three Council seats, the Mayor seat, and two School Board seats. She outlined the terms for each race. She encouraged the listening public to apply and outlined the process and eligibility

requirements to run for office in Valdez.

Ms. Pierce closed her report by announcing that Deputy Clerk Allie Ferko had her baby and was officially out on maternity leave.

3. City Attorney Report

Mr. Staser provided an update on the City's open litigation. He said the escaped property and tax cap issues were both in status quo. He provided an AKLNG project update, letting Council know he was continuing to monitor submissions to FERC from AGDC. He said he hoped to have comments regarding the foreseeable impacts of the project filed by the end of February for approval. He transmitted the draft letter opposing the adoption of the ASAP draft environmental impact analysis statement for wetlands impacts. He said the reason for the opposition was ASAP should have to do analysis on a project specific basis due to differing size and scale. Mr. Staser said he feels broad spectrum analysis would be insufficient. He said his firm is still waiting for a decision on the draft from the Corps of Engineers.

Mr. Staser reiterated he had been working with Ms. Pierce on Title 6 of the City code, incrementally updating the code for State compliance and efficiency. He said he hoped to have the procurement code to Council for a vote in March. He added he had also been working on the City planning and zoning code. Ms. Pierce added revisions would be brought to Council for guidance. Mr. Staser explained the Cummings litigation was unchanged and they were working to resolve the case short of having to file an additional substantive motion. He said communication with opposing counsel had been absent and the City may need to file a motion to dismiss the case. Regarding the C-Plan Adjudication, he said the next step is the City's reply to the State's opposition for request for adjudicatory hearing which he was working on at the time. He outlined the timeline and next steps prior to approval or disapproval of an adjudicatory hearing.

Mayor Knight asked if Council was interested in seeing and providing input on the ASAP draft letter before she endorsed it. Council requested Ms. Pierce send the letter out to all Council members for review. Mr. Staser provided a basic overview of the letter, which essentially states the City does not support use of environmental analysis from other projects applied to the AKLNG project. Mr. Staser explained the City is requesting the full scale data analysis specific to the AK LNG project in order to show the Valdez option is less impactful. Council Member Shirrell asked if the letter included signatories from other communities from Alaska. Mr. Staser stated it did not because no other communities were interveners on the docket at that time. Council Member Shirrell asked if Mr. Staser's firm was also representing the Fairbanks Northstar Borough with regard to the AKLNG line. Mr. Staser stated they did not represent the Borough for the large diameter AKLNG line. However, in the past the Borough was

included as a signatory for support purposes only.

Mr. Robin Brena called in by teleconference to outline the details of a memorandum provided to City Council regarding clarification of legal services, staff roles, and communication methods by his firm to City staff, City Council, and the Mayor. He explained the memo was in direct response to feedback provided by City Council on the recent performance of his firm.

Mayor Knight requested clarification on the process by which City department heads communicate with legal services. She explained there were concerns that department heads were requested assistance from legal without going through a formal authorization from the city manager or city clerk. Ms. Pierce clarified the concern was not regarding established procedures such as contract review. She stated, however, some department heads in the past contacted legal, at substantial cost, with questions which could have been answered by the city clerk or city manager. She recommended the process needed to be established internally. Mr. Brena stated communications between legal and department heads are copied to the city manager and often discussed during weekly department head meetings. Council Member Shirrell expressed his support for an internal policy regarding how department heads communicate with legal.

Council Member Shirrell asked how existing work would be incorporated under Brena's firm. Mr. Brena explained his firm would reach out to all other firms doing business on behalf of the City and request they begin to keep Brena, Bell, and Clarkson updated on their work.

Council Member Shirrell asked what types of Mayoral inquiries would not be related to the business of the City Council. He stated there should not be inquiries unrelated to Council business, as they are one of seven members of the Council from a legislative perspective. Mr. Brena stated most all interactions between the Mayor and legal would be related to Council, but he did not want to exclude a potential exception. Council Member Shirrell stated for purposes of this memo, he did not see a difference between legal's interaction with the Mayor and Council Members.

Mr. Staser stated the document would be revised and provided to City staff. He reiterated City staff should copy Robin, Jake, and himself on all correspondence.

4. City Mayor Report

Mayor Knight opened the floor to questions on her written Mayor's report. She added the City Manager's annual evaluation would need to be scheduled during the month of February. She said the City Manager was interested in working with Council to update

the evaluation process for the City Manager. Mayor Knight said Council would use the old evaluation model for this evaluation and then discuss how to change the form in the future. Council agreed to this plan.

XIII. COUNCIL BUSINESS FROM THE FLOOR

Council Member Shirrell asked for clarification on a notice Council had received from the Prince William Sound Regional Citizens' Advisory Council (RCAC.) He was unclear if the statement was informational only or a request for Council support for a resolution. Mayor Knight replied she was under the impression it was simply a letter of notification. Council Member Moulton seconded he was confused as to the intention of the letter. Ms. Pierce said she would reach out to the RCAC for clarification.

Council Member Smith congratulated Ms. Ferko and her partner Bryan Tolle on the birth of their son. He also asked when the new Assistant City Manager would be beginning work. Mayor Knight replied Mr. Phil Miller, Assistant City Manager, would begin work on February 12th. Council Member Fleming and Council Member Reese also expressed congratulations to Ms. Ferko and her family.

Council Member Moulton stated there should be future discussion on the condition and use of the City building and property on West Hanagita across from Coast Guard housing. He also described local and state informational booths set up at a recreation trade show he recently attended.

Council Member Moulton referenced a community event that takes place in Colorado called Spontaneous Combustion which includes the public burning of Christmas trees for a social bonfire featuring alcohol and food. He suggested Valdez might hold a similar type of community event.

XIV. ADJOURNMENT

There being no further business, Mayor Knight adjourned the meeting at 10:53 p.m.