

City of Valdez

212 Chenega Ave.
Valdez, AK 99686



Meeting Minutes - Draft

Tuesday, November 26, 2019

7:00 PM

Regular Meeting (Moved from 11/19 due to AML)

Council Chambers

City Council

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

Mayor O'Neil called the meeting to order at 7:04 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: 5 - Mayor Jeremy O'Neil
Council Member Ron Ruff
Council Member Sharon Scheidt
Council Member Darren Reese
Council Member Alan Sorum

Excused: 1 - Council Member Christopher Moulton

Absent: 1 - Council Member Dennis Fleming

Also Present: 5 - City Manager Mark Detter
Assistant City Manager Nathan Duval
City Clerk Sheri Pierce
Deputy City Clerk Allie Ferko
City Attorney Jake Staser

IV. PUBLIC HEARINGS**1. Public Hearing - 2020 City Budget**

As an introduction to the public hearing, Mr. Detter provided a verbal overview of his written budget analysis included in the Council agenda packet.

No public testimony was given during the hearing.

V. APPROVAL OF MINUTES

- 1. City Council Regular Meeting Minutes of January 15, 2019**
- 2. City Council Regular Meeting Minutes of November 5, 2019**

The regular City Council meeting minutes of January 15, 2019 and November 5, 2019 were approved as presented.

VI. PUBLIC APPEARANCES

- 1. Public Appearance: Joe Lally, Director of Programs, Prince William Sound Regional Citizens' Advisory Council (PWSRCAC)**

Mr. Lally provided an overview of the PWSRCAC's organization, mission, and board composition. He introduced Ms. Amanda Bauer and Ms. Dorothy Moore

who serve as the two Valdez representatives on the PWSRCAC Board of Directors.

Mr. Lally provided information on the public scoping notice issued by the Alaska Department of Environmental Conservation (ADEC) regarding oil discharge prevention and contingency plan regulations and statutes. He explained ADEC has asked for public input on what changes or deletions the public would like to see, with specific comments on what is working well and what is not working by the deadline of January 15, 2020.

He stated PWSRCAC is concerned with the lack of transparency of this scoping process, as well as the potential to weaken the strong oil spill prevention and response safeguards put in place after the Exxon Valdez oil spill. He handed out *Alaska's Oil Spill Response Planning Standard* booklet which provides some of the history and intent behind the regulations and statutes. He stated these regulations and statutes have been successful in preventing another catastrophic oil spill for over 30 years.

Mr. Lally explained PWSRCAC is asking all of their member entities, including the City of Valdez, to provide comments to ADEC by the January 15th deadline. He stated PWSRCAC strongly opposes any legislative or regulatory changes that would weaken or erode oil spill prevention and response standards, increase the risk of a catastrophic spill, or demonstrate a return to the complacency which was determined to be a primary cause of the Exxon Valdez oil spill.

He explained the Council agenda packet includes a briefing paper prepared by PWSRCAC and a resolution passed by their Board of Directors with information regarding the public scoping process.

Mr. Lally stated PWSRCAC is also concerned about is the acquisition of BP Pipelines by Harvest Alaska, LLC, a wholly-owned subsidiary of Hilcorp Alaska. PWSRCAC recently submitted comments, suggested actions, and requests to the Regulatory Commission of Alaska (RCA) focused on four major areas of concern: (1) operational implications, including those related to Hilcorp's history of regulatory non-compliance, (2) adequacy of resources available for dismantlement, removal, and restoration, (3) public access to information sufficient to assess whether the transfer of operating authority is in the best interest of the public, and (4) conditions required to ensure the transfer is in the public's best interest. He explained the comments were included in the Council agenda packet in their entirety to assist the City of Valdez with the development of comments and submittal to the RCA by the revised deadline of December 13, 2019.

Mr. Lally thanked Mayor O'Neil and the Council for providing grant funding in support of deployment and maintenance of two new weather buoys in Port Valdez. The buoys are located in the vicinity of the Valdez Marine Terminal off of Jackson Point and just outside of the entrance to the Valdez Duck Flats. He

explained a flyer, included in the Council agenda packet, provides buoy locations and links to access buoy information. The weather buoy information refreshes every 15 minutes and can also be accessed from the www.pwsrcac.org. The buoys will improve the understanding of weather conditions in Port Valdez which effect marine vessel safety and movement of spilled oil, as well as help with decisions regarding the timing of protecting environmentally sensitive areas. The preliminary information from these buoys has been valuable in developing protection measures to ensure the Valdez Duck Flats and the Solomon Gulch Hatchery are protected from an oil spill.

Mr. Lally explained Ms. Dorothy Moore provided written comments in the Council agenda packet to highlight some of PWSRCAC's projects and work discussed at their last Board of Directors meeting held in Kenai, AK in September. Projects discussed included: weather data from the new weather buoys in Port Valdez, Places of Refuge for tankers in distress, ADEC commissioner comments on the public scoping process, long term environmental monitoring, VMT contingency plan update, and a report on Alyeska/SERVS drills and exercises completed in 2018.

Ms. Moore invited the Council to the May 2020 PWSRCAC Board meeting in Valdez. Mayor O'Neil thanked the PWSRCAC for the good work being done on behalf of Valdez and other communities.

VII. PUBLIC BUSINESS FROM THE FLOOR

There was no public business from the floor.

VIII. CONSENT AGENDA

- 1. Appointment to City Permanent Fund Committee (Three-Year Term)**
- 2. Appointments to City Planning & Zoning Commission (Three-Year Term)**
- 3. Acceptance of Resignation from the Valdez Museum & Historical Archive Association Board of Directors (Jhon Alegado)**
- 4. Proclamation: 37th Annual Community Christmas Tree Lighting Ceremony**

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

VOTE ON THE MOTION:

Yays: 5 - Mayor O'Neil, Council Member Ruff, Council Member Scheidt,
Council Member Reese and Council Member Sorum
Excused: 1 - Council Member Moulton
Absent: 1 - Council Member Fleming

IX. NEW BUSINESS**1. Approval of Recommendation that the 2019 Annual Appropriation of 1.5% Remain in the Valdez Permanent Fund**

MOTION: Council Member Reese moved, seconded by Council Member Scheidt, to approve the 2019 annual appropriation of 1.5% remain in the Valdez Permanent Fund. The motion carried by the following vote after the following discussion occurred.

Mayor O'Neil stated the interest earning potential of the amount remaining in the permanent fund is about 5% greater than if the 1.5% was transitioned into cash.

VOTE ON THE MOTION:

Yays: 5 - Mayor O'Neil, Council Member Ruff, Council Member Scheidt,
Council Member Reese and Council Member Sorum

Excused: 1 - Council Member Moulton

Absent: 1 - Council Member Fleming

2. Approval of Contract with Goertz Construction, Inc. for Airport HVAC Upgrades - West Wing Project in the Amount of \$213,404

MOTION: Council Member Sorum moved, seconded by Council Member Scheidt to approve contract with Goertz Construction, Inc. for Airport HVAC Upgrades - West Wing Project in the amount of \$213,404. The motion carried by the following vote.

VOTE ON THE MOTION:

Yays: 5 - Mayor O'Neil, Council Member Ruff, Council Member Scheidt,
Council Member Reese and Council Member Sorum

Excused: 1 - Council Member Moulton

Absent: 1 - Council Member Fleming

3. Approval of Professional Services Agreement with Dawson Construction, LLC for Fire Station 1 Replacement CM/GC services in the Amount of \$51,000

MOTION: Council Member Sorum moved, seconded by Council Member Scheidt, to approve professional services agreement with Dawson Construction, LLC for Fire Station 1 Replacement CM/GC services in the amount of \$51,000. The motion carried by the following vote.

VOTE ON THE MOTION:

Yays: 5 - Mayor O'Neil, Council Member Ruff, Council Member Scheidt,
Council Member Reese and Council Member Sorum

Excused: 1 - Council Member Moulton

Absent: 1 - Council Member Fleming

X. RESOLUTIONS

- 1. #19-55 - Repealing Resolution 19-53, and Amending the 2019 Budget by Accepting the Alaska Department of Fish and Game Clean Vessel Act Grant Program Award in the amount of \$127,294, Authorizing the Expenditure for the Purchase of a Sewage Pump-Out Boat and Cart for the Harbor Facilities, and Reallocating Funds from Major Equipment Reserve Previously Appropriated for this Purchase**

MOTION: Council Member Reese moved, seconded by Council Member Scheidt to approve Resolution #19-55. The motion carried by the following vote.

VOTE ON THE MOTION:

Yays: 5 - Mayor O'Neil, Council Member Ruff, Council Member Scheidt, Council Member Reese and Council Member Sorum

Excused: 1 - Council Member Moulton

Absent: 1 - Council Member Fleming

XI. REPORTS

- 1. Report: Valdez Medical Clinic Lease Extension**

Council Member Reese asked when the new lease with the Valdez Medical Clinic would be completed. Ms. Kate Huber, city interim planning director, explained she will first work with the city clerk to bring forward an ordinance to address the city building lease process. Current municipal code only addresses the lease process for city land. Once the code revision process is complete, a new lease would be brought to Council for consideration prior to the lease extension expiration. Ms. Pierce stated she planned to bring the building lease ordinance to Council during the second meeting in January.

- 2. Valdez Fire Department 2018 Annual Report**

Council Member Scheidt asked for the definition of general service calls. Fire Chief Tracy Raynor explained those calls were for public service assistance such as non-emergency transports to the hospital.

- 3. Quarterly Financial Statements: 3rd Quarter 2019 Report**

- 4. Change Order Report: Change Order #5 with HS&G for West Klutina Repave, Gutter & Sidewalk Replacement**

Council Member Reese asked if there had been any additional public feedback on the location of the light poles along West Klutina. Mr. Nate Duval, city capital facilities director/assistant city manager, stated no additional feedback related to the light poles had been received in over a year. Council Member Reese stated he received a large amount of positive feedback on the improvement to safety due to new lighting along West Klutina.

XII. CITY MANAGER / CITY CLERK / CITY ATTORNEY / MAYOR REPORTS**1. City Manager Report**

Mr. Detter provided a verbal update on his recent activities, including his attendance at the AML conference and recent meetings in Anchorage with the city legal team.

He explained in the next couple of weeks he will be working to fill the planning department director position, looking at the design of the Flood Mitigation Task Force, and completing other tasks outlined in his written report included in the Council agenda packet.

He stated he will be out of town traveling for the Thanksgiving holiday.

2. City Clerk Report

Ms. Pierce outlined upcoming vacancies on city boards and commissions. She announced the date for the city employee holiday party and invited Council to attend.

3. City Attorney Report

Mr. Staser provided updates on projects and cases his firm is working on behalf of the City, including concerns regarding the LNG pipeline, C-Plan adjudication, ADEC's request for public comment regarding revisions related to oil spill prevention and response regulations, the process for the five year renewal of Prince William Sound C-Plans, the Meals Hill acquisition, the Barton case, the Pacific Pile & Marine case, and comments on the Hilcorp acquisition of BP.

He explained the Governor provided a prerecorded statement during the AML conference which included his intention not to bring forth SB57-type legislation in 2020.

He provided an overview of the city legal team's recent meeting with the city manager and city clerk and his attendance at the Municipal Attorney's Association conference,

4. City Mayor Report

Mayor O'Neil provided an overview of his experience at the AML conference, including the Governor's prerecorded statement which included his intention not to bring forth legislation in 2020 regarding municipal property or fisheries taxes. He explained many of the challenges experienced in Valdez are common in other municipalities around the state.

Mayor O'Neil expressed his appreciation for Ms. Pierce's excellent service as parliamentarian for the AML business meeting. He suggested scheduling regular parliamentary procedure training for Council and city commissions. He also expressed his appreciation for the hard work of the Clerk's Office, most especially the front office staff, for putting together the Valdez display table for AML.

Mayor O'Neil thanked the Valdez Senior Center for hosting him for lunch.

XIII. COUNCIL BUSINESS FROM THE FLOOR

Council wished the community a safe and happy Thanksgiving holiday.

Several Council members provided upcoming absence dates.

Council Member Sorum stated the AML conference went well. He noted Governor Dunleavy and Senator Shower did not appear during the conference. Representative Rauscher participated in the conference and engaged with Valdez City Council members in attendance.

Council Member Scheidt provided an overview of her experience at the AML Newly Elected Officials training the previous week.

Council Member Scheidt explained she is the Council representative on the Valdez Convention and Visitors Bureau Board of Directors. She recently met with the VCVB Board to address City Council concerns regarding VCVB staffing challenges and other topics. She provided an overview of the VCVB letter recently sent to Council addressing those concerns, including the upcoming hire of a new executive director and continuing to conduct VCVB business as usual even with staffing shortages.

Council provided consensus to schedule a Council work session in late January or early February 2020 with the VCVB Board of Directors, VCVB executive director, and the city Economic Development Department.

XIV. ADJOURNMENT

There being no further business, Mayor O'Neil adjourned the meeting at 8:03 p.m.