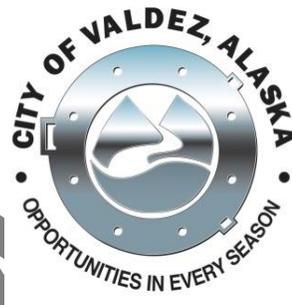


# City of Valdez

212 Chenega Ave.  
Valdez, AK 99686



**DRAFT Minutes**

**Tuesday, April 3, 2018**

**5:30 PM**

**Work Session (New Fire Station) & Regular Meeting**

**Council Chambers**

**City Council**

**WORK SESSION AGENDA - 5:30 PM**  
Fire Station Programming Review & Concept Design Information

**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**

City Council led the Pledge of Allegiance to the American flag.

**III. ROLL CALL**

Present: 7 - Mayor Ruth E. Knight  
Council Member Nate Smith  
Council Member Christopher Moulton  
Council Member Lon Needles  
Council Member Jim Shirrell  
Council Member Dennis Fleming  
Council Member Darren Reese

Also Present: 4 - City Manager Elke Doom  
City Clerk Sheri Pierce  
Records Manager Shelley McMillen  
City Attorney Jake Staser

**IV. APPROVAL OF MINUTES**

- 1. City Council Regular Meeting Minutes of February 6, 2018**
- 2. City Council Regular Meeting Minutes of March 20, 2018**

Minutes were approved as presented.

**V. PUBLIC APPEARANCES**

**VI. PUBLIC BUSINESS FROM THE FLOOR**

**VII. CONSENT AGENDA**

- 1. Approval of Brewery License Application: Growler Bay Brewing Company, LLC.**
- 2. Proclamation: Child Abuse Prevention Month**
- 3. Proclamation: Sexual Assault Awareness Month**

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

## VOTE ON THE MOTION:

Yays: 7 - Mayor Knight, Council Member Smith, Council Member Moulton, Council Member Needles, Council Member Shirrell, Council Member Fleming and Council Member Reese

**VIII. NEW BUSINESS****1. Discussion Item: City Warehouse Building (Museum Annex)**

Mayor Knight said the discussion item was brought forward by Council Member Moulton and Council Member Fleming. Council Member Moulton stated he wanted to ensure all parties were in agreement regarding the Museum Annex plans. He asked Mr. Nathan Duval, Capital Facilities Director, to confirm that the intention to update the HVAC system at the Airport was to accommodate the Museum Annex collection in the event that its current building was removed. Mr. Duval said it was. Council Member Moulton said he thought the issue was time sensitive since the project timeline read April of 2018 as the completion date. Mr. Duval clarified the completion date for the HVAC updates was April of 2019. Council Member Moulton said the statement read April 2018. Mr. Duval said the April 2018 deadline was for project design only.

Mr. Duval explained he had not moved forward with the project yet and was exploring a third option of truncating the Museum Annex and beautifying the exterior, rather than preparing to remove the building entirely. He said the City had not moved forward with the HVAC project beyond the design. He said there was a contract in place to proceed with the Airport renovations if Council decided to do so. Council Member Moulton asked if moving the museum collection had been included in the contract. Mr. Duval replied it had not. Council Member Moulton said the contract worded the Airport section as museum storage, and asked if that was the intention. Mr. Duval replied it was; the collection would not be on display at the Airport, it would be stored.

Council Member Moulton asked if a storage only option was the museum's assumption as well and wanted to clear up any confusion about whether or not the collection would be displayed at the Airport site if the HVAC system was updated to support the collection. Council Member Moulton said the collection would be in storage indefinitely, because there were no plans to build a new museum currently underway. He said the City would also have to find alternative storage options for Parks and Recreation items housed at the Museum Annex. He felt that demolishing just to rebuild in the near future was costly and ineffective.

Council Member Moulton referred to the phase one design option listed in the Council packet, indicating that the plan for the location was a green recreation space. He asked if the phase one design could support vendors, events, and music festivals. Mr. Duval replied it could, adding that it was as large as the

outdoor event space currently located adjacent to the Kelsey Dock. Council Member Moulton asked if the phase one design could host concerts. Mr. Duval said it depended on the size and scope of the concert. Council Member Moulton said that even though the project was driven by the need for recreation space, and a desire to beautify the waterfront location, he did not believe the phase one design would not be suitable to host most music events. He added that in the process, the City would be putting the museum collection into storage indefinitely.

Council Member Shirrell said he initially felt the Museum Annex should be removed. However, he thought Ms. Donna Lane, Valdez Museum Board Member, had made a compelling case for why it was important to not move the collection during the prior discussion about the Museum Annex. He said he was in favor of truncating the museum, beautifying the exterior, and erecting a temporary event site in the parking lot across from the Museum Annex.

Mayor Knight said she felt the same, but was concerned about the small side of the phase one design. She had been under the impression it could host some of Valdez's annual music events like the Richardson Highway Rendezvous. Mr. Duval replied events could absolutely be hosted in the space but it was not designed for large, commercial productions featuring a 30 or 40 foot stage. Ms. Pierce said she and her husband had worked sound at events at the Kelsey Dock uplands before. She said the biggest requirement was electrical and proper wattage. She asked if the phase one design was open on the north and south end. Mr. Duval replied it was, adding the side wall was composed of only a windscreen to allow sound to permeate outdoors. Ms. Pierce said based on her sound experience, it would not be an issue to host music events at the phase one design site. Mr. Duval apologized for the confusion, saying he had much larger events in mind. For small local music events the space would work well. Ms. Pierce said the biggest problem with the current location at the "Pringle" has been the exposure to inclement weather. She said she thought the phase one design might help mitigate those issues.

Council Member Moulton asked if Council members were prepared to build a new museum. Council Member Shirrell said he thought there was the prospect of a museum in the future and did not doubt it would happen. Council Member Smith said beautifying the Museum Annex had been described as cost prohibitive during previous discussions about the issue. He said he was concerned about not having a new museum site ready to house the collection. Council Member Smith added he did not see a use for the new parking lot included in the phase one design when there was a large, unused parking lot across the street from the site. He said he felt the land could be better used for more museum storage or green space.

Council Member Fleming said he had wanted to bring the discussion back to Council because he felt they did not understand what they were about to do. He pointed out the Museum would also be losing the profit from the annex. He said he was in favor of refurbishing the building and thought an entirely new

museum was unrealistic in the near future.

Council Member Reese said he thought the City was creating more problems than it was worth by removing the Museum Annex building. Council Member Needles said he personally wanted the Museum Annex to be removed, and the collection to be transferred to the Airport and displayed. He said he thought visitor traffic would be better at the Airport as well. He said a new museum was ten or twenty years in the future and would not be a funding priority when there were more pressing City needs. Council Member Needles wanted a community events center in the Museum Annex's place.

Council Member Fleming asked what the cost of displaying the museum collection at the Airport would be. Mr. Duval said relative to the cost of the HVAC updates, it was negligible and would not be a significant cost driver. Council Member Needles said that once the air system was updated for museum quality, it could be used in the future. Mr. Duval said in theory yes, but some cosmetic updates would also be required.

Mr. Duval clarified the three courses of action available for the Airport updates. The first would be to update the HVAC system strictly to code, the second would be to update the HVAC to museum quality for museum storage and the third would be to update the HVAC for museum quality and prepare the space for museum display. Mr. Duval said the third option was the most costly. Mayor Knight added that it would cost 1.5 million to move the collection. She also said that during the previous discussions, the square footage at the museum indicated the airport space is not big enough to accommodate displaying the collection.

Ms. Doom said the City was considering alternatives to demolishing the Museum Annex and was seriously considering refurbishing the exterior, including better signage and landscaping, and adding the phase one design recreation center to encourage events at the site. Council Member Needles reiterated he wanted to see an events area at the location and an improvement to what he considered to be an eyesore.

Mayor Knight asked if the warehouse building was structurally sound. Mr. Duval replied it was, however, the metal roof and siding needed repair. Council Member Fleming asked if the building could last another ten years. Mr. Duval replied it could, but in its current state the collection was in jeopardy due to the leaky roof. Council Member Shirrell asked if the structural integrity would be negatively affected if the building was truncated. Mr. Duval replied it would be improved. Council Member Moulton said he was pleased to see alternatives discussed, but he was unsure why the City would shorten the building. Mr. Duval said it was to expand the view at the location.

Council Member Fleming seconded Council Member Smith's sentiment that there was plenty of parking across the street and the phase one design did not need additional parking. Mayor Knight asked if the design would shorten both

ends of the building. Mr. Duval replied that either could be accomplished, as long as there was enough support strength in the final design. Council Member Moulton said it was probably more cost effective and sensible to refurbish the building's exterior than to remove it entirely. He acknowledged he had wanted to remove the building in the past, but now felt it was important to explore other options.

Council Member Reese said the refurbished project would probably last thirty years. Mr. Duval said the Parks and Recreation portion of the building storage was still in use and would need to be relocated. Council Member Smith suggested that Parks and Recreation storage be moved to the old fire station, after the new one was completed. Council Member Reese said Council did not need to rush making a decision since the project would not be undertaken until the next summer. Council Member Moulton pointed out that decisions needed to be made in a timely manner because there was a contract awaiting action for the Airport HVAC upgrades.

Mr. Gary Minish, Valdez Museum board member, said he was in favor of the phase one design, and refurbishing the Museum Annex. Mayor Knight pointed out that the phase one design would be paid for mostly by the Kelsey Dock grant. Council Member Needles said if there was compromise, positive progress could be made. Council Member Fleming said he was pleased to move forward with the phase one design. Council Member Smith said he wanted to ensure there was only one concert and multi-use covered area established, and not two. Mr. Duval said based on what Ms. Pierce had said he felt the phase one design would fill the community's need. Mayor Knight asked if City administration was comfortable with the Council's recommendation of moving forward with phase one. Ms. Doom replied they were.

Mayor Knight said she wanted to see the Whitney museum portion of the Airport leased and wanted to see the HVAC updated to code compliance. Mr. Duval said he would complete an Airport HVAC contract solicitation for lease-level upgrades. Ms. Relay thanked Council Member Moulton and Council Member Fleming for bringing the Museum Annex discussion back to Council. Council Member Smith thanked staff and the museum for working with Council.

## **2. Approval of Contracts Comprising the City and School Health Insurance Benefit Plan for the Twelve Months Beginning April 1, 2018.**

MOTION: Council Member Needles moved, seconded by Council Member Reese, to approve three contracts comprising the City/School Health Insurance Benefit Plan for the 2018-2019 plan year. The motion carried by the following vote after the following discussion occurred.

Council Member Shirrell asked what was driving the continual increase in healthcare costs and what plan was being developed to stabilize the City's healthcare spending. Mr. Carlson said the primary driver to the premium

increase was expected claims, an estimate based on review of the past eighteen months of claims. He provided a claims history for the City and the schools, and reviewed regional trends. He said he did not expect to see an eighteen percent increase in 2018. He said the City was moving forward with a new broker, Parker, Smith & Feek to help develop a plan to stabilize costs. He said they would review each component of the healthcare plan and meet with stakeholders to develop solutions.

Mayor Knight said she was pleased to see the new broker consultant and Mr. Carlson being proactive. Council Member Shirrell asked Mr. Carlson why the City did not select HCC as the carrier and instead had selected Sun Life Financial. Council Member Shirrell said he was concerned that Sun Life's ratings were not as high as HCC's. Mr. Carlson said he could not speak to the company's rating as he had selected based on the plan structure. Council Member Shirrell asked why the City did not select the lower cost option.

Mr. Carlson said the City found Sun Life to be the best carrier option because of their constant stop loss deductible, excluding "lasering" that was common with other industry carriers. Mr. Carlson explained the City set the stop loss deductible at \$150,000 for the plan renewal but it was common for carriers to single out plan participants who may be expected to have higher claims, and raise their stop loss deductibles throughout the year. Sun Life was selected because they were the only carrier that did not participate in this selective increasing.

Mayor Knight said the School Board had decided that Sun Life Financial was a better overall package. Council Member Shirrell asked if the City was awarding the contract to Sun Life. Mr. Carlson replied they were. Mr. Carlson clarified the overall healthcare plan cost was increased by fourteen percent but the City side had increased by eighteen percent.

**VOTE ON THE MOTION:**

Yays: 7 - Mayor Knight, Council Member Smith, Council Member Moulton, Council Member Needles, Council Member Shirrell, Council Member Fleming and Council Member Reese

**3. Approval of a Contract with F & W Construction, Inc. for the Hospital Oxygen Generator Project in the Amount of \$552,280.00**

MOTION: Council Member Smith moved, seconded by Council Member Shirrell, to approve the contract with F & W Construction, Inc. for the Hospital Oxygen Generator Project in the amount of \$552,280.00. The motion carried by the following vote after the following discussion occurred.

Council Member Shirrell asked if the project would be an addition to the building or simply an interior renovation. Mr. Duval replied it would add square footage to the hospital. Council Member Reese said he read in the agenda

packet the engineers estimate was \$500,000 and asked why the resolution was approximately ten percent over that amount. Mr. Duval replied federal changes had driven up the price of steel, impacting the cost of the project. Mayor Knight said there were two different price estimates listed in the contract documents. She said the total base bid amount on March 15<sup>th</sup> was listed as \$1.1 million but the final was \$552,000. She asked Mr. Duval to explain why this was the case. Mr. Duval said the competitive bidding process allowed contractors to submit a bid and then submit a fax modification if necessary. This allowed contractors to submit their own subcontractor bids and obtain the actual estimated amounts back before making a final submission. He explained contractors usually placed a higher than necessary estimate to cover the unknown costs of subcontractors as they waited their responses. Mayor Knight asked if the contractors knew others had submitted lower bids, motivating them to lower their numbers. Mr. Duval replied they did not; the contractors were usually waiting on their subcontractors' bids to give them a more accurate cost estimate. Council Member Shirrell said if there were no other bids, and the original submission was \$1.1 million, the contractor would have no incentive to lower their price. He asked if the City was still free to deny the contractor and send the item back out to bid. Mr. Duval replied they were.

VOTE ON THE MOTION:

Yays: 7 - Mayor Knight, Council Member Smith, Council Member Moulton, Council Member Needles, Council Member Shirrell, Council Member Fleming and Council Member Reese

**4. Approval of Professional Services Agreement with Alaska Testlab, LLC for the Kelsey Dock Interpretive Center - Phase 1 Project in the Amount of \$138,253.00**

MOTION: Council Member Needles moved, seconded by Council Member Reese, to approve the professional services agreement with Alaska Testlab, LLC for the Kelsey Dock Interpretive Center - Phase 1 Project in the amount of \$ 138,253.00. The motion carried by the following vote after the following discussion occurred.

Council Member Shirrell confirmed the resolution was for contract management, inspection, and test services.

VOTE ON THE MOTION:

Yays: 7 - Mayor Knight, Council Member Smith, Council Member Moulton, Council Member Needles, Council Member Shirrell, Council Member Fleming and Council Member Reese

**5. Approval of Professional Services Agreement with Alaska Testlab LLC for the West Klutina Repave, Gutter & Sidewalk Replacement Project in the Amount of \$131,670**

MOTION: Council Member Smith moved, seconded by Council Member Reese, to approve the professional services agreement with Alaska Testlab LLC for the West Klutina Repave, Gutter & Sidewalk Replacement Project in the amount of \$ 131,670.00. The motion carried by the following vote after the following discussion occurred.

Mayor Knight thanked Capital Facilities for moving forward. Council Member Needles asked if there were plans to widen the street included in the project. Mr. Duval replied the final dimension of the street would not change but the sidewalk would be widened. Council Member Smith asked how far down West Klutina the work would cover. Mr. Duval replied it was from Hazlet Avenue to Cottonwood Street. He invited everyone to an Open House to discuss the project on April 5<sup>th</sup> at 6:00 p.m. at the elementary school. He said he was hoping to hear public input and discussion from stakeholders. Council Member Moulton said streets projects would continually resurface. Mr. Duval replied the Capital Facilities department was working on a long range streets plan, with the intention of bringing the plan to Council in the coming weeks.

VOTE ON THE MOTION:

Yays: 7 - Mayor Knight, Council Member Smith, Council Member Moulton, Council Member Needles, Council Member Shirrell, Council Member Fleming and Council Member Reese

**6. Approval of Professional Services Agreement with Alaska Testlab LLC for the Citywide Roof Replacement Project in the Amount of \$59,251**

MOTION: Council Member Smith moved, seconded by Council Member Moulton, to approve the professional services agreement with Alaska Testlab LLC for the Citywide Roof Replacement Project in the amount of \$ 59,251.00. The motion carried by the following vote.

VOTE ON THE MOTION:

Yays: 7 - Mayor Knight, Council Member Smith, Council Member Moulton, Council Member Needles, Council Member Shirrell, Council Member Fleming and Council Member Reese

**7. Approval to Purchase a 2018 Chevrolet Tahoe SSV and Accessories from Alaska Sales and Service in the Amount of \$69,735.32**

MOTION: Council Member Smith moved, seconded by Council Member Moulton, to approve the purchase of a 2018 Chevrolet Tahoe SSV from Alaska Sales and Service including accessories from various suppliers and travel expenses in the amount of \$69,735.32. The motion carried by the following vote after the following discussion occurred.

Council Member Reese asked what the additional \$30,000 listed on the invoice included. Ms. Cindy Rymer, Public Works Operations Manager, replied the funds breakdown was listed in the agenda statement. Council Member Reese thanked her for clarifying.

Council Member Reese asked what the City intended to do with the radio operating in the old vehicle. Ms. Rymer replied the technology was outdated. Council Member Reese asked if it had zero value. Chief of Police, Mr. Bart Hinkle, replied the radio was outdated and no longer serviceable. Council Member Reese asked if the current vehicle was an active patrol vehicle. Chief Hinkle replied it was and could be used for probably another year or two, but the City was buying a new radio system supported by Motorola. Council Member Reese asked if Chief Hinkle intended to purchase more trucks for the fleet. Chief Hinkle replied the department was waiting to see if any unforeseen issues arose from the new vehicle, but otherwise intended to do so if the Tahoe proved useful.

**VOTE ON THE MOTION:**

Yays: 7 - Mayor Knight, Council Member Smith, Council Member Moulton, Council Member Needles, Council Member Shirrell, Council Member Fleming and Council Member Reese

**IX. ORDINANCES**

**1. #18-03 - Amending Chapter 2.80 of the Valdez Municipal Code Titled Procurement Policy. First Reading. Public Hearing.**

MOTION: Council Member Smith moved, seconded by Council Member Moulton, to approve Ordinance #18-03 Amending chapter 2.80 of the Valdez Municipal Code titled Procurement Policy. The motion carried by the following vote after the following discussion occurred.

Mayor Knight asked if Mr. Staser wanted to add anything about the procurement policy updates. Mr. Staser said the policy was the subject of a Council work session, and collaboration with Mr. Duval, Ms. Pierce, and Mr. Rob Comstock, Public Works Director. He said the impetus for the updates was to revise the code with modern best procurement practices in mind. He said the policy relied heavily on the American Bar Association model code, with the aim of maximizing public funds, and providing Mr. Duval with the

flexibility of modern contracting techniques.

Mr. Staser said the prior code was cumbersome, and lacked an ethics section. He said the new code was doubled or tripled in size and now included an ethics section. He added there were also increases in the threshold required for Council approval as well as new contract reporting requirements. He said the threshold for Council approval was now \$100,000, when it had previously been \$40,000. He said the increase had been generally agreed upon by Council members and staff.

Council Member Shirrell said the new code stated a project less than \$100,000 did not require a contract for services. He said he felt a stipulation should be included stating if the work is done on City property, it would require a contract. He said this would mitigate liability issues and risk to the City if someone were to get injured on City property. He also added he thought the project amount or less should be required as a budgeted item within the current year. He said he did not have a problem with expanding to the \$100,000 threshold, but wanted to ensure projects were properly budgeted. He said if the ceiling was raised without this contingency, projects that were not within the scope of the budget year could potentially pass. He clarified that the current threshold of \$40,000 was for exceeding the budgeted amount, within the budget year.

Council Member Shirrell asked how much of the competitive bidding process would be open to the public. He asked if public bids were available immediately at the time of bidding or after the award. He said in order to negotiate competitively, contractors would have to know the proposed values of competitors. He said he had also repeatedly emphasized the need to reframe the procurement process as a value decision, not just a low cost one. He said page 11, Section F of the code revision implied it remained at the lower cost incentive. Mr. Staser replied Council Member Shirrell was correct, noting the terminology was changed from Department Director to Procurement Agent to include delegation within the department. He said there was a revision allowing the Procurement Agent to make a case that competitive bidding should not be used and appeal the competitive bidding option.

Council Member Shirrell asked how procurement authority was defined and if it was delegated by directors. Mr. Staser read the definition of Procurement Agent aloud for the record. Mr. Staser said procurement authority would be appointed from Council if the amount was over \$100,000 and was broadly defined. He said it was ultimately the department director who would designate procurement authority to a staff member. Council Member Shirrell said he felt it was the incorrect approach to fail to bid competitively for Professional Services Agreements. He reiterated he did not think the selection should be based on the lowest cost. He said departments should hold a collection of service agreements and contractors to reach out to if they did not want to competitively bid every service agreement.

Mr. Staser said under the new procurement policy, if the item is over \$100,000, there would be a formal request with public notice and an opportunity for contractors to respond to that request. Mr. Staser said Council and administration would have some control over how department heads completed procurement, and Council would see the requests over \$100,000 for approval. Council Member Shirrell said Council only viewed awarded contracts. By the time the project was on the Council agenda, it had already gone through the procurement process and was awaiting a simple approval. Mr. Staser said Council could always deny a proposal and send it back out to bid. Council Member Shirrell said it would be extremely inefficient for Council to do that. Mr. Staser said there had to be some level of trust in the City employees to properly handle procurement and use sound judgment with public funds. Council Member Shirrell said the issue was not about trust in City employees, but about meeting industry standards.

Council Member Shirrell said was under the impression Council would have another work session before the procurement policy approval. Council Member Smith suggested they postpone the vote. Ms. Pierce said it could be postponed with a motion. Council Member Smith suggested additional discussion be included in the work session on Thursday April 5<sup>th</sup> at 6:00 p.m.

MOTION TO POSTPONE: Council Member Smith moved, seconded by Council Member Reese, to postpone Ordinance #18-03 until the next regular Council Meeting on April 17, 2018 and to add item for discussion on the work session scheduled for Thursday, April 5, 2018. The motion carried by the following vote.

VOTE ON THE MOTION TO POSTPONE:

Yays: 7 - Mayor Knight, Council Member Smith, Council Member Moulton, Council Member Needles, Council Member Shirrell, Council Member Fleming and Council Member Reese

## X. RESOLUTIONS

### 1. **#18-12 - Amending the 2018 City Budget by Transferring \$40,000 from Capital Projects/ Project Contingency to Major Maintenance Reserve/ Senior Center Upgrades**

MOTION: Council Member Moulton moved, seconded by Council Member Shirrell, to approve Resolution #18-12 Revising the 2018 City Budget by transferring \$40,000 from Capital Projects / Project Contingency to Major Maintenance Reserve / Senior Center Upgrades. The motion carried by the following vote.

VOTE ON THE MOTION:

Yays: 7 - Mayor Knight, Council Member Smith, Council Member Moulton, Council Member Needles, Council Member Shirrell, Council Member Fleming and Council Member Reese

**XI. REPORTS****1. Financial Reports: 2017 Q4**

Council Member Reese asked why the \$50,000 allocated for the land study for the new fire hall came out of a separate line item from the budgeted \$2 million. Mr. Carlson asked if Council Member Reese was referring to soil testing for the Gavora property. Council Member Reese replied he was, explaining the soil testing was its own line item instead of being included in the budgeted \$2 million. Mr. Carlson explained there was one line item for Fire Station Assessment and one for New Fire Station. Council Member Reese asked why the \$50,000 was not included in the Fire Station Assessment. Mr. Duval replied it was. Council Member Reese asked why it was not included in the budgeted \$2 million. Mr. Duval explained that the \$50,000 for soil testing was a budgeted item and if the new fire station moved forward, the funds would be included in the New Fire Station line item. However, if the new fire station project did not proceed, it would be included under the Fire Station Assessment line item.

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

Ms. Doom said she attended High School Career Day and had a positive discussion with the Principal about partnering with the City to potentially provide work-study or internship opportunities to local high school students. She said she intended to invite the Principal to an upcoming Director's meeting to discuss what the City could do to assist the school's career training efforts. She said she was aware of some departments that could benefit from a work study or internship aide with the goal of preparing students for careers in Valdez.

Ms. Doom said she was pleased to attend the National School of Distinction Title One Ceremony at the Elementary School and thanked the students and faculty for their work. Ms. Doom also thanked Ms. Martha Barberio, Economic Development Director, for recruiting a housing development company that was interested in building in Valdez. Ms. Doom said the company met with City staff and departed Valdez enthusiastic about a potential project. She said they were hoping to build affordable housing for purchase and rent. She thanked Mr. Duval and Ms. Barberio for taking part in those discussions.

Ms. Doom said the recent Kimley-Horn community outreach meeting was not well attended, but was still a productive conversation. She said they had assurances from Kimley-Horn that poor event publicity would not be an issue again. She said the team was working on branding sessions going forward. Council Member Smith asked if the Kimley-Horn and the City had already completed branding sessions once. Ms. Doom said they were compiling the

results of their research, and submitting the material to Northstar, the contracted branding development company. Council Member Smith asked if the City intended to complete branding research for a third time. Ms. Doom replied they did not. Ms. Doom closed her report by welcoming Ms. Rochelle Rollenhagen as the new Community Development Director.

## 2. City Clerk Report

Ms. Pierce said the City had received the ballots for the upcoming election and announced absentee voting would begin on April 16<sup>th</sup> and run until April 30<sup>th</sup>. She said the Clerk's Office would be printing a sample ballot in the newspaper, posting on the website, and advertising on the radio.

Council Member Smith thanked everyone who was running in the election, especially those running for Mayor. Ms. Pierce said some members of the community expressed interest in hosting a Meet the Candidates Night. She said that as an election official, she could not facilitate the event, but she left Council Chambers open several days if someone wanted to step forward and facilitate the event.

Ms. Pierce said Mr. Carlson hoped to schedule a work session for a discussion on Capital Improvement and Major Maintenance Projects. Mr. Carlson explained the work session would be the final step before establishing a budget resolution. He said Mr. Duval had already established stakeholder progress requests. He hoped to separate the projects budget from the general budget. Ms. Pierce listed potential work session dates and asked Council members for their preferences. It was settled that Thursday April 26<sup>th</sup>, at 6 p.m. would be the work session date. Council Member Shirrell asked if there would be a report on lessons learned from 2016 and 2017. Mr. Carlson asked that he be allowed to meet with Ms. Doom to discuss the timing of that report.

Ms. Pierce closed her report by stating Deputy Clerk Ms. Allie Ferko would be returning to work full time in the second week of May.

## 3. City Attorney Report

Mr. Staser said he was in the process of negotiating with the Department of Revenue regarding the state taxable property valuation criteria. He said there had been promising progress on the state tax cap matter with State Assessor, Mr. Marty McGee. Mr. Staser said Mr. McGee was receptive to working with the City and indicated he intended to provide formal written guidance on the application of the tax cap to the City by the end of the week.

Mr. Staser said there had been progress on the AK LNG project as well. There was a conference with the Alaska Department of Environmental Conservation (ADEC) and the Federal Energy Regulatory Commission (FERC) held in Washington D.C. since the last Council meeting. He said they refused to allow him to call into the conference but that Valdez had

representation in D.C. that encouraged discussion about alternative analysis for Valdez. FERC said the ADEC would need to submit all their data for the Valdez alternative. Mr. Staser said ADEC wanted the necessary GIS data for the Valdez alternative and intended to conduct a thorough analysis of wetlands impacts.

Mr. Staser said there was no movement on the ASAP project. Council Member Reese asked if the FERC decision deadline was still scheduled for December 19<sup>th</sup>. Mr. Staser said it was, but meeting the December 19<sup>th</sup> date was contingent on ADEC meeting their deadlines.

Mr. Staser said he was continuing to work on municipal code revisions. He said once the procurement code was completed, he and Ms. Pierce would move on to planning and zoning code. He said they would be focusing on the enforcement mechanisms in the code. Ms. Pierce said she and Mr. Staser would be meeting with the Council code revision subcommittee and the Planning and Zoning Commission to complete draft revisions before bringing a draft to Council.

Mr. Staser said he was working to get the Cummings litigation dismissed, since the damages claims had been dismissed. Mr. Staser said he was pursuing global settlement on the C-plan adjudication as well..

#### **4. City Mayor Report**

Mayor Knight said she was encouraged by the discussion about the Great Land Trust. She was pleased to announce that one of Valdez High School's volleyball players had been chosen to participate in the Arctic Winter Games. Mayor Knight said Team Alaska had won gold. She added Valdez went to the State basketball tournaments as well, winning fourth and fifth place.

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

Council Member Moulton said he was pleased to have such a productive discussion about the Museum Annex location.

Council Member Reese encouraged everyone to attend the work session Thursday, April 5<sup>th</sup> at 6:00 p.m.

Council Member Fleming asked if the Community Development Department could determine where the property line was for the Water Tower Hill property and report back to Council. Ms. Pierce said she would work with Ms. Rollenhagen to research the property.

Council Member Smith said he was pleased to see progress on the new fire station project.

Council Member Shirrell said he was pleased with how Council had handled the Museum Annex discussion and thanked Council Member Fleming and Council Member Moulton for

organizing the discussion.

**XIV. ADJOURNMENT**

There being no further business, Mayor Knight adjourned the meeting at 9:32 p.m.

DRAFT