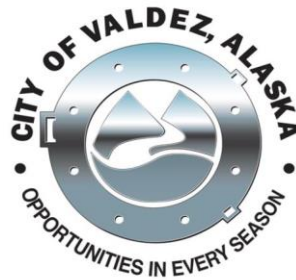


City of Valdez

212 Chenega Ave.
Valdez, AK 99686



Meeting Minutes - Draft

Tuesday, January 16, 2018

6:00 PM

Work Session (Museum) & Regular Meeting

Council Chambers

City Council

WORK SESSION AGENDA - 6:00 pm
Work Session: Valdez Museum Project

Minutes not transcribed for work sessions. Audio available online or by request.

REGULAR AGENDA - 7:00 PM

I. CALL TO ORDER

Mayor Knight called the meeting to order at 7:03 p.m. in Valdez City Council Chambers.

II. PLEDGE OF ALLEGIANCE

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 January 2, 2018

City Council regular meeting minutes of January 2, 2018 were approved as presented.

V. PUBLIC BUSINESS FROM THE FLOOR

Mr. Dan O'Connor, Campus Director of Prince William Sound College (PWSC), presented his plans to collaborate with the City to expand workforce training opportunities for high school and college students in Valdez. The College plans to develop new coursework in construction to offer students the opportunity for workplace training while filling necessary gaps in the town's labor force.

Mr. O'Connor explained he would like to see the program operated similarly to the College's Certified Nursing Assistant (CNA) and Registered Nurse (RN) programs by partnering with the City, local contractors, and other branches of the University of Alaska, to teach credit and non-credit courses. Mr. O'Connor emphasized the need for collaboration of resources, acknowledging the vital role Providence Valdez Medical Center and the Valdez School District have played in the success of the College's programs. In addition, Mr. O'Connor stated PWSC also developed emergency management coursework and has begun training young people in emergency response. This training was intended to provide students with an enriched educational experience while developing a valuable community asset in the event of disaster.

Mr. O'Connor explained his vision for devising a construction education program. The College wanted to develop apprenticeships to train students in the basics of

construction, much like Habitat for Humanity. Mr. O'Connor announced he is scheduled to meet with the University of Alaska Anchorage, Providence Hospital, and the Valdez School District to discuss the potential of diversifying the College's programs. He explained the construction program had already been partially funded by grants through the University of Alaska and the U.S. Department of Labor. Mr. O'Connor said he also expects to receive support from Chugach Alaska Native Corporation and Edison Chouest Offshore Company, both of whom have expressed interest in investing in workplace training for students.

Council Member Needles was enthusiastic about the proposed program and asked if it was possible for students in Valdez to apprentice under the City's Building Maintenance Department. He also offered his support on the College's efforts to diversify their education programs. Council Member Shirrell expressed support for Mr. O'Connor's plan, adding that the College's RN and CNA programs have both had a positive impact on Providence Hospital and the Valdez community. Council Member Shirrell saw great value in developing a local workforce and added he would also like to see marine education and auto repair included on the program list.

Mayor Knight expressed appreciation over the grants PWSC received for the construction program, adding she would like the School District and the City to assist the College as needed. She asked how many slots PWSC had for their CNA program. Mr. O'Connor replied there were five students currently studying to become CNAs. Mayor Knight asked if five students was the maximum the College could accommodate. Mr. O'Connor explained that providing the appropriate number of clinical experiences for their students was a challenge due to the town's small population and relatively inactive emergency room. The College was working with Providence Hospital to develop alternative training solutions, including using special equipment and simulated training to provide an adequate learning experience for PWSC CNA students.

Mayor Knight stated a few years prior the College had explored the option of creating more openings in their nursing program and asked if this would be something they would be interested in accomplishing in the future. Mr. O'Connor explained the College would create more openings if Providence Medical Center had a need for CNAs and RNs and could support an increase in adequate clinical experience for students. Council Member Moulton asked if students currently received offsite training for some of their clinical experience. Mr. O'Connor replied students do end up needing to travel to the University of Alaska Anchorage and Fairbanks for some training.

Mr. O'Connor referenced a construction program operating through University of Alaska Southeast in which high school students, college students, and volunteers had built several homes. He said the University of Alaska Southeast is willing to collaborate with PWSC and help them develop a similar construction training program and support them through the process. Mr. O'Connor said he had also been in contact with the Cold Climate Research Center at University of Fairbanks Alaska and they had agreed to offer workshops and demonstrations to help PWSC design cold climate research houses. Mr. O'Connor said he would love to see Valdez have a model home with cold climate technology and envisioned a development destination for people interested in learning how energy efficient construction could be completed in cold climates.

Council Member Moulton expressed his support for the construction curriculum concept and urged the College to reach out to local contractors as well as the City to include them in the planning discussion. Council Member Smith requested updates from the College as the programs at PWSC expand. Mr. O'Connor added program design was the next phase and stated the College would update Council on their progress.

VI. CONSENT AGENDA

1. **Approval of Beverage Dispensary License Renewal - Landing Lights LLC, dba Puddle Jumpers Saloon**
2. **Approval to Go Into Executive Session Regarding Pending Litigation Strategy**

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

VII. NEW BUSINESS

1. **Approval of Professional Services Agreement with Parker, Smith, & Feek for Employee Benefits Consulting Services in the Amount of \$55,000**

MOTION: Council Member Smith moved, seconded by Council Member Moulton, to approve Professional Services Agreement with Parker, Smith, & Feek for Employee Benefits Consulting Services in the amount of \$55,000. The motion carried by the following vote after the following discussion occurred.

Council Member Shirrell said he would like to see a provision in the contract that assigned specific consulting firm representatives to the City's account. He said he would like Council to have the opportunity to discuss selection of the account manager, should that person change. The current agreement allowed the contractors to change the account manager at any time, something he felt was not in the City's best interest.

Mayor Knight asked if Council was interested in amending the agreement to include this stipulation. She added the project consultants she had spoken to during the interview process were adamant they would familiarize themselves with Valdez and commit to managing the account.

Mr. Brian Carlson, City Finance Director, added that although the account managers had worked together for upwards of fourteen years, if the stipulation was not written into the contract, the verbal agreement might as well not exist. Mr. Carlson added the contract renews annually and asked if Council would find it acceptable for him to include the clause in the next annual renewal of the contract. This would ensure that the design could get underway with the new broker. Council Member Shirrell agreed that waiting until the next annual renewal would be acceptable. Mayor Knight thanked Mr. Carlson for managing the agreement.

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. ORDINANCES

1. **#18-01 - Amending Title 6 of the Valdez Municipal Code Relating to Animals. First Reading. Public Hearing.**

MOTION: Council Member Moulton moved, seconded by Council Member Reese, to approve Ordinance # 18-01, amending Title 6 Animals of the Valdez Municipal Code. First Reading. Public Hearing. The motion carried by the following vote after the following discussion occurred.

Council Member Shirrell asked what was driving the change for this ordinance. Mr. Staser replied it was part of the overall revision of the City Code. He said he had worked with the City Clerk's Office to ensure the ordinance was in compliance with state law and make obvious changes after discussions with the Valdez Animal Control Officer and Police Chief. The fine schedule included in the updated ordinance was intended to improve efficiency by preventing people from having to appear in court over minor offenses.

Mayor Knight added the amended ordinance would mean fines for those who feed the local bunnies, which would be classified as deleterious exotic wildlife under the new ordinance. Council Member Moulton asked if this addition would mean there was no closed season and no bag limit on hunting the rabbits. Mr. Staser replied this may be true, but there is no discharge of firearms within City limits, making this a non-issue. Council Member Moulton stated nets could be used to kill the rabbits. Chief Hinkle explained the ordinance changes were designed to improve efficiency and prevent minor offenses from clogging up the court system.

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. RESOLUTIONS

1. **#18-01 - Accepting the 2017-2018 EMPG Grant from the Division of Homeland Security and Emergency Management in the Amount of \$24,750 and Approving Expenditure of Funds**

MOTION: Council Member Moulton moved, seconded by Council Member Smith, to approve Resolution #18-01, accepting the 2017-2018 EMPG Grant from the Division of Homeland Security and Emergency Management in the amount of \$24,750 and approving expenditure of funds. The motion carried by the following vote after the following discussion occurred.

Council Member Needles said he was under the impression the City Fire Chief was responsible for Emergency Management. Mayor Knight replied that in the past this had been the case. Ms. Martha Barberio, City Economic Development Director, explained the assignment of the City's Emergency Manager position is in

transition. She stated in order to keep the program grant from expiring during the transition, she had volunteered to work with Fire Chief Tracy Raynor as the interim Emergency Manager.

Mayor Knight asked for clarification on the Emergency Manager's responsibilities, and if Ms. Barberio was responsible for managing Emergency Medical Services (EMS). Ms. Barberio replied the Emergency Manager does not handle EMS but serves as the director of the City's emergency response system in the case of a major disaster. Through the National Incident Management System, each department head is assigned a specific role in the event of a crisis. This allows for efficient task delegation and improved disaster response. The Emergency Manager utilizes the Federal Emergency Management Agency Incident Command System, a generalized emergency response program. Directors and staff are also required to take certification courses to prepare for a disaster event.

Mayor Knight asked if Ms. Barberio was the contact for this program. Ms. Barberio replied that she was, in concert with Police Chief Hinkle and Fire Chief Raynor. Ms. Doom clarified that once the Assistant City Manager began work, Ms. Barberio would train him to take over the position. Ms. Barberio was only committed to a six month period as Emergency Management Coordinator. It was hoped that by the time six months on the job had passed, the Assistant City Manager would be proficient enough to take on the role.

Council Member Shirrell stated that based on ICS structure, Ms. Barberio's could not be the incident coordinator in a large response. That role would fall to the City Manager or Assistant City Manager. He said he would like to see a robust ICS program with named individuals placed in specific role. Council Member Reese expressed gratitude to Ms. Barberio for stepping forward as temporary Emergency Management Coordinator and approved of the Assistant City Manager taking on long term emergency management duties.

Council Member Reese clarified the City would be responsible for matching the \$24,750 grant. Mayor Knight replied the City would be responsible for the match. Council Member Needles also expressed gratitude to Ms. Barberio for volunteering to create a plan and ensuring the City did not lose out on this grant funding. Ms. Pierce reminded the Council of the upcoming ICS training with the State of Alaska. She said in the past, the City had a robust ICS team in place, but with staff turnover there was now a need to train new employees.

Council Member Smith asked if the grant match was a budgeted item. Mr. Carlson replied the City had not budgeted explicitly for the match. However, when the City files for the match claim, the expenses could come from Ms. Barberio's departmental costs reflecting the time she spent on the emergency planning process. Council Member Smith asked if the grant match will be a line item for the following year's budget. Mr. Carlson replied it would. Council Member Smith said he wanted to ensure it was budgeted as a line item to prevent funds from being drawn from other programs. Ms. Barberio replied since the following year's grant would be applied for in July, the City would know if it was received in time for the annual budget process in the future.

Council Member Shirrell said he hoped the City would utilize the robust ICS training resources in Valdez through the U.S. Coast Guard and Alyeska Pipeline Terminal rather than sending individuals out of town or state to training. Mayor Knight reminded Council of the upcoming Arctic Eagle training and clarified Ms.

Doom will be in command during that training. Chief Raynor explained Arctic Eagle is primarily a military exercise and, thus the City will not be standing up a full emergency operations center. He stated, however, several City departments will be participating within the drill.

Mayor Knight requested a report on the drill at the next Council meeting. She also asked if the Assistant City Manager is aware he will be the Emergency Manager. Ms. Doom replied he is aware. She added the new Assistant City Manager, Phil Miller, would be starting work in early February.

Council Member Shirrell asked if there would be significant military presence in Valdez during the drill. Mr. Jeremy Talbott, City Ports & Harbor Director replied there would be a significant influx of National Guard and other military personnel and equipment. Council Member Shirrell said Arctic Eagle presented an economic opportunity for Valdez and asked if the City was organizing a welcoming event for exercise participants. Ms. Barberio replied she had asked the City Community Events Coordinator, Mr. Doug Desorcie, to develop a community event in association with the exercise. Chief Hinkle added Arctic Eagle would also host a community showcase of some of their equipment. Mayor Knight requested additional details at the next meeting.

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

2. #18-02 - Adopting an Alternate Allocation Method for the FY17 Shared Fisheries Business Tax Program and Certifying That This Allocation Method Fairly Represents the Distribution of Significant Effects of Fisheries Business Activity in FMA 16: Prince William Sound

MOTION: Council Member Moulton moved, seconded by Council Member Reese, to approve Resolution #18-03 adopting an alternate allocation method for the FY17 Shared Fisheries Business Tax Program and certifying that this allocation method fairly represents the distribution of significant effects of fisheries business activity in FMA 16: Prince William Sound. The motion carried by the following vote after the following discussion occurred.

Council Member Shirrell asked if this allocation was the same as the previous year. Mayor Knight and Mr. Talbot replied the total amount is not the same as last year as the allocation is based upon fisheries for that year. However, the amount reflects the same percentage split between the three involved communities. Council Member Shirrell asked what this funding would go towards. Mr. Talbot replied the money would go into the Harbor Fund along with the other main fisheries tax. Ms. Pierce clarified the total allocation of funds would be \$69,433.19, split three ways for the municipalities of Cordova, Valdez, and Whittier.

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. #18-03 - Adopting Terminal Tariff No. 100-18 and Terminal Rules & Regulations for the Port of Valdez

MOTION: Council Member Moulton moved, seconded by Council Member Smith, to approve Resolution # 18-03 adopting Terminal Tariff No. 100-18 and Terminal Rules & Regulations for the Port of Valdez. The motion carried by the following vote after the following discussion occurred.

Mr. Talbott requested an amendment to change the Terminal Rules & Regulations. He clarified the Port only wanted the terminal tariff to increase to \$0.15 per square foot per month, not \$0.25 as listed in the document. Council Member Shirrell asked why this amendment was requested. Mr. Talbot replied the Port did not want to make an extreme tariff increase and wanted to encourage revenue by remaining a preferred and cost effective option. He said the Port felt they could make up the cost in traffic volume. Council Member Shirrell asked how much decreasing from a \$0.25 to a \$0.15 tariff would reduce Terminal revenue. Mr. Talbot replied it would reduce revenue by approximately \$25,000-\$35,000 per year. He explained the Terminal was focusing on volume of traffic. Council Member Shirrell clarified the smaller price increase was intended to create an incentive. Mr. Talbot confirmed the reduced price would be an incentive for choosing Valdez.

Mayor Knight asked if this tariff change would apply to the upland storage. Ms. Jenessa Ables, City Port Operations Manager, clarified the Port would like to amend both the upland storage and the demurrage tariffs to the rate of \$0.15 per square foot per month.

MOTION TO AMEND: Council Member Shirrell moved, seconded by Council Member Reese to amend Resolution # 18-03 on page 19 under sections N (Demurrage) and O (Upland Storage) from the rate of \$0.25 to \$0.15 per square foot. The motion to amend carried by the following vote after the following discussion occurred.

VOTE ON THE MOTION TO AMEND:

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

Council Member Smith said he appreciated the Port comparison in the Terminal Rules and Regulations. Council Member Shirrell asked if the changes were based on the recommendations of the City Ports and Harbor Commission. Mr. Talbott confirmed they were recommended by the Commission. Council Member Moulton asked if there was a mechanism through which the Port could determine if the theory that a lower tariff would increase Port traffic was accurate. Mr. Talbot replied the Port would be tracking traffic and compiling data.

VOTE ON THE MAIN MOTION AS AMENDED:

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

4. ~~**#18-04 – Amending the 2017 City Budget by Reducing Utility Fund Electricity Appropriations by \$30,000, and Transferring that Amount to Port Fund to Increase Port/Electricity Appropriations (Item administratively pulled from agenda and moved to the next regular City Council meeting.)**~~

X. REPORTS

1. **Report: Change Order to Pacific Pile & Marine, LP in the Amount of \$33,742.43 for the New Harbor Project.**
2. **Report: City Buildings - Mobile Generator Project Update**

Council Member Shirrell asked if the plan was to expand the mobile capacity of two permanent generators for the City well houses in order to support other locations. Mr. Nathan Duval, Capital Facilities Director, replied the Capital Facilities Department would install two mobile hookups to utilize the existing generators. He felt it was the best use of the public funds by building on existing infrastructure. He said there could be a reassessment of future need based on how frequently these generators are used.

3. **Report: Kelsey Dock Phase 1a Project Update**

Council Member Smith remarked it was good to see progress on the project.

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

1. **City Manager Report**

Ms. Doom said she had recently met with Mr. O'Connor, Mayor Knight, and School District Superintendent Mr. Jim Nygaard to discuss collaboration on community educational programming. She said the group was enthusiastic about the grant PWSC had received for the College's construction education project and was looking forward to progressing with the program. She said they were set to meet again to determine how the City could best support the project. Ms. Doom said she had also attended several recent Ports and Harbor Commission meetings. The Commission had worked exceptionally hard to devise a new cost efficient fee structure and was working on becoming financially self sustaining.

Mayor Knight and Ms. Doom attended a Regional Citizen's Advisory Council teleconference meeting to determine how to move forward to protect local waterways and wildlife in the case of an oil spill or other disaster. Ms. Doom said efforts were still in process.

Ms. Doom also gave the Human Resources report, informing Council of her meetings with Human Resources Director Mr. Tim James to rework the evaluation process for employees. She said they were working with feedback from managers

and aiming to make the evaluation process more meaningful. She announced that Community Development Director Ms. Ann Marie Lain had resigned and her position was advertised. Ms. Doom said the City would begin interviewing for a new Information Technology (IT) Director in the coming week. Interim IT Director Mr. John Lynch is scheduled to give a report on the IT Department to Council next meeting. Council Member Shirrell asked if Mr. Lynch would be involved in interviewing for the new IT Director. The City Manager replied that Mr. Lynch would be involved to ask specific technical questions.

Council Member Smith asked for an update on the Kimley-Horn revisioning process. Ms. Barberio replied Kimley-Horn was making plans to visit Valdez in February. She said the firm's creative committee is meeting to work on taglines, logos, and branding components. Council Member Smith asked Ms. Doom to keep City Council and the community updated on the project's progress.

2. City Clerk Report

Ms. Pierce reminded Council of several upcoming work sessions. She stated Deputy Clerk Ms. Allie Ferko is out on maternity leave until late April. She explained Ms. Ferko would be telecommuting and working remotely during this time. She added the City Records Manager and front office employees were also assisting with some of Ms. Ferko's responsibilities in her absence.

Ms. Pierce said she would have the first draft of the new purchasing ordinance prepared for the next Council meeting. She said she would continue to work with the city attorneys to review the City Code and complete revisions. Council Member Smith asked which Code Sessions were being revised. Ms. Pierce replied the nuisance section, the abatement section, and anything Council expressed interest in revising would be reviewed. She said her department would revise Code sections and present them to Council during work sessions before developing new ordinances.

Council Member Shirrell asked if the City was planning on hiring an Abatement Officer. Ms. Doom replied the City was waiting until after the new Community Development Director was selected to hire the Abatement Officer. Council Member Shirrell asked if the Code revision would be put on hold until the City hired the Abatement Officer. Ms. Doom replied that City Code revision would begin without the new hire. Council Member Shirrell stated the Abatement Officer could provide expert insight on Municipal Code revision and might bring value to the process. He did not want the City to miss out on valuable input by not including the Abatement Officer in the Code updates. Ms. Doom said the new hire may have some insight to offer but typically, the Abatement Officer's role was to follow City Code, not necessarily revise it. Mayor Knight added there was nothing preventing the City from including the Abatement Officer's feedback in a later revision.

Council Member Moulton said he had worked with Ms. Lain to discuss the Code and potential revisions. He asked if input from their discussion would be considered when rewriting the Code. Ms. Pierce replied that it would be taken into account. She added that completing Code revision was a priority for her this year.

3. City Attorney Report

Mr. Staser elected to postpone his report until the Council's executive session when he would answer more nuanced questions about ongoing litigation. He said

he would give grounds for Executive Session before beginning the session.

4. City Mayor Report

Mayor Knight referenced her written report in which she discussed the C-Plan. She said there would be elaboration on this topic in Executive Session.

She stated a lack of office space for new City employees was something she wanted Council to keep in mind as an upcoming issue and to consider different options to save and create new work spaces.

Council Member Shirrell said he hoped to begin discussing the office space issue at the upcoming Fire work session. Council Member Fleming stated he would like to concentrate on getting the Fire Department operational at the work session instead of addressing City-wide office space needs. Council Member Moulton stated moving the Fire Department to a new building would open up space which could be used for other office space needs.

Mayor Knight asked Council if they would participate in the annual state lobbying trip in March on the dates City Lobbyist Mr. Hutchinson scheduled. Ms. Pierce requested a head count of Council members who would attend in order to coordinate reservations and travel arrangements.

Mayor Knight stated she had received a resignation email from Economic Diversification Commission Member Scott Hicks. She asked him to recommend someone to fill his position.

XII. COUNCIL BUSINESS FROM THE FLOOR

Council Member Smith thanked City staff for moving forward swiftly on new projects, adapting to changes in staffing, and working together efficiently. Council Member Needles reminded Council of an upcoming work session regarding the Valdez Senior Center to discuss resolving their car port and bird control issues. He added he would be attending the Juneau lobbying session. Council Member Reese asked for progress on the Robe River lot bid. Ms. Pierce replied the City had not received any bids and it will now be put up for sale over the counter.

Council Member Moulton expressed appreciation for the Santa Snowtown delivery organized by the Fire Department. He stated the 2018 Healthier You event would be hosted by PWSC this year. However, due to the College's status as a publically funded institution, they would be unable to provide gifts and incentives to participants. Council Member Moulton stated Prospector offered support for the annual event in the form of material incentives. Ms. Doom replied she would reach out to the College to see if they need City assistance for incentives in support of Healthier You.

XIII. EXECUTIVE SESSION

Council Members Smith and Fleming recused themselves from participating in Executive Session due to conflict of interest.

City Council transitioned into Executive Session at 8:26 p.m.

XIV. RETURN FROM EXECUTIVE SESSION

City Council transitioned out of Executive Session at 10:54 p.m.

XV. ADJOURNMENT

There being no further business, Mayor Knight adjourned the meeting at 10:55 p.m.

DRAFT