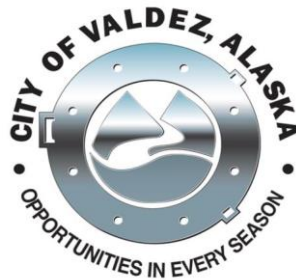


City of Valdez

212 Chenega Ave.
Valdez, AK 99686



Meeting Minutes - Draft

Tuesday, July 3, 2018

7:00 PM

Regular Meeting

Council Chambers

City Council

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

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

II. PLEDGE OF ALLEGIANCE

The Valdez City Council led in the Pledge of Allegiance to the American flag.

III. ROLL CALL

Present: 6 - Mayor Jeremy O'Neil
Council Member Ron Ruff
Council Member Christopher Moulton
Council Member Lon Needles
Council Member Jim Shirrell
Council Member Darren Reese

Excused: 1 - Council Member Dennis Fleming

Also Present: 4 - City Manager Elke Doom
City Clerk Sheri Pierce
Deputy City Clerk Allie Ferko
City Attorney Jack Wakeland

IV. PUBLIC BUSINESS FROM THE FLOOR

Mr. Allen Crume, Valdez resident, raised concerns over flood mitigation of the Lowe River at 10 mile. Mr. Crume asked which City staff members were working on the issue and expressed hope that the city manager was also involved. He stated he believed the issue should have been addressed over the winter. He explained water appeared to be flowing under the levee and taking off the end of the levee. Mr. Crume stated water was flowing towards the woods, towards homes, and down the sides of Whispering Spruce Drive. He requested action be taken to preserve the levee because water appears to be eating it away. He requested the situation be monitored closely by the City because he had concerns the hydraulic pressure of the river is causing water to push through the levee and cause everything to collapse. He requested City staff evaluate the situation as a potential emergency as it could cause the destruction of homes.

Council Member Shirrell asked administration if the City staff were aware of the situation and what actions were being taken. City Manager Elke Doom stated City staff are monitoring the situation and aware there is seepage and a high water table. Ms. Doom explained police officers are on rotations monitoring the situation. Mr. Crume explained the river level where he lives is at the usual level it is during summer but the water appears to be pushing through the levee underneath due to pressure. He observed the water is funneling along the sides of Whispering Spruce and through Alpine Woods. He stated if the spur had been extended another 60 feet three years ago, it would have redirected the river from the levees and provided additional protection to the homes in the area.

Council Member Reese asked Ms. Pierce if a Council work session had been scheduled regarding the issue. Ms. Pierce stated DOWL said they were not available until August.

Council Member Reese pointed out that this is a time of year with major flood risk and the meeting with DOWL cannot wait until August. He stated it should be scheduled before or by the next Council meeting. Ms. Pierce said she would work with the City Community Development Director to schedule the work session with DOWL. Council Member Lon Needles stated he believed the City should consider getting a different engineering firm.

Council Member Shirrell raised a question of what constitutes an emergency and if the City has a plan of action in place for emergencies. Ms. Doom explained this topic is being worked on by City staff.

V. CONSENT AGENDA

1. Appointment to Valdez Museum & Historical Archive Board of Directors

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

VOTE ON THE MOTION

Yays: 6 - Mayor O'Neil, Council Member Ruff, Council Member Moulton, Council Member Needles, Council Member Shirrell and Council Member Reese

Excused: 1 - Council Member Fleming

VI. NEW BUSINESS

1. Approve Contract Amendment #2 with RSA Engineering, Inc. for the Hospital and Clinic Copper Piping Replacement Project in the amount of \$45,556

Mayor O'Neil recused himself from this agenda item due to a potential conflict of interest because of his employment as hospital administrator for Providence Valdez Medical Center. Council Member Moulton assumed the position of meeting chair for this agenda item.

MOTION: Council Member Ruff moved, seconded by Council Member Shirrell, to approve contract amendment #2 with RSA Engineering, Inc. for the hospital and clinic copper piping replacement project in the amount of \$45,556. The motion carried by the following vote after the following discussion occurred.

Council Member Shirrell asked if the contact was for the design side of the project rather than the implementation side, and asked how much had been spent on the project thus far. City Capital Facilities Director Nate Duval said this agreement will take the total up to \$148,000 and explained the project started with RSA Engineering. The initial scope of the project had exorbitant costs and was realigned to something more practical. He explained the project was a multi-year endeavor and RSA lost their architecture firm subcontract. The hospital has three projects with interior finishes being worked on: the copper piping project, the airborne infection isolation (AII) project, and a mold remediation project. Instead of using three architectural firms and managers, all three projects have been consolidated into one. The design portion with RSA will be \$140,000 to \$150,000 and Architects Alaska will oversee the broader scope.

Mr. Duval stated a different procurement method is being used, called a construction manager/general contractor (CMGC) contract, to attract more favorable contractors and get them involved on the front end of projects. Construction in the hospital can be difficult since the hospital must be kept running during the process.

Council Member Shirrell asked what component Architects Alaska's will handle. Mr. Duval explained Architects Alaska will coordinate all the sub-consultants, such as the mechanical designers and the environmental firm, ATC Environmental. Council Member Shirrell asked what this component will cost. Mr. Duval answered it will be \$100,000 to \$150,000. Council Member Shirrell asked what the total cost is projected to be for the project. Mr. Duval answered the three projects in sum will cost approximately two to four million dollars.

Council Member Reese asked for clarification on what the projects included. Mr. Duval explained they were the copper pipe replacement for the clinic and hospital, the construction of the All negative pressure room, and mold remediation. Mr. Duval stated a component of the project will involve installing a two-hour fire wall between the hospital and the long term care unit (LTC) to add additional fire protection and for ease of inspection of the facility.

Council Member Reese asked what the inspections included. Mr. Duval explained a fire wall enable outside surveyors and inspectors to treat the hospital and long term care unit as separate units. Currently, based on the construction of the facility, they must be treated as the same unit. Council Member Moulton invited Mr. Jeremy O'Neil, in his role as hospital administrator, to provide clarification. Mr. O'Neil explained the one-hour fire wall requires agencies doing inspections (such as Medicare and Medicaid) to have to inspect the entire facility each time they visit the hospital or LTC unit. Surveyors who are onsite to inspect just the LTC unit are also required to survey the entire hospital. A two-hour firewall would meet the requirements for those two parts of the hospital building to be treated as separate units and alleviate some of the frustrations felt by the inspectors, surveyors, and hospital employees. The fire wall would also provide more evacuation time for LTC residents if evacuation of the hospital is necessary during a fire.

Mr. Duval added the cost of this fire wall would be nominal, maybe \$100,000 worth of work that could be done by contractors in town. He explained it is more efficient and cost effective to have the construction completed now while other construction on the hospital is already being done.

Council Member Reese asked if the cost of inspections is something the City is bearing or the hospital is bearing. Mr. Duval clarified the cost involves the hospital's man hours required for dealing with the additional inspections. However, the infrastructure and maintenance of the facility is an element that must be handled by the City. Council Member Reese raised concerns about the City undertaking the project to save Providence money. Council Member Moulton pointed out the hospital serves the local community. Council Member Shirrell repeated the same concern about safety versus convenience. He pointed out the City is furnishing money and saving money on the construction can go into the reserves for future use.

Council Member Shirrell asked for clarification on the cost of the copper piping and if escalation in cost had been resolved. Mr. Duval said he shared the same

concern and the copper piping alone would cost \$4 million. Mr. Duval explained the process and different points along the way where cost could be assessed. City staff will get a design, solicit a contractor, request a cost estimate, and then submit it to Council for approval. Mr. Duval and his staff will also be assessing the costs for value and to see if repairing the pipes as they break would be more cost effective. He stated, however, to move forward on the project, soliciting a contractor and getting a cost estimate is required.

Council Member Shirrell asked what the timelines around the process would involve. Mr. Duval explained the next step would be to solicit qualifications from a contractor. Then construction would begin in late fall or early winter. It would take eight weeks for the contractor to get involved and make assessments. Work could start in November or December and then there would be a three to four month remodel within the hospital. Council Member Shirrell asked what a request for qualifications of contractors would entail. Mr. Duval explained this evaluation would involve a contractor giving the city a fixed fee, as well as information on quality, safety records, past experience in hospital environments, their mark up on changes, and other items.

Council Member Reese asked about where this project ranked among the City's top 35 projects for the next year. Mr. Duval stated this project was in the top 30.

Mr. Crume, Valdez resident, asked if the existing copper was inferior copper and if there was a better material that can be used for the project. Mr. Duval stated information on what material is recommended for this application should be solicited from these contracting firms.

VOTE ON THE MOTION

Yays: 5 - Council Member Ruff, Council Member Moulton, Council Member Needles, Council Member Shirrell and Council Member Reese

Recused: 1 - Mayor O'Neil

Excused: 1 - Council Member Fleming

2. Approval of Contract Amendment #1 with Kimley-Horn and Associates, Inc.

MOTION: Council Member Moulton moved, seconded by Council Member Reese to approve contract amendment #1 with Kimley-Horn and Associates, Inc. The motion passed after the following discussion occurred.

Council Member Shirrell stated the City is identifying deliverables to scope. He stated he was concerned because \$250,000 of the contract went to branding efforts performed by a subcontractor. He stated this was not a time and materials contract and explained Kimley-Horn gave an estimate based on the scope designed by them to deliver a final product. He expressed concern over the City spending \$250,000 and not receiving the final product and asked what Kimley-Horn would do to deliver a modified branding or recovery effort.

Mr. Dave Barquist of Kimley-Horn explained the effort done by the subcontractor Northstar still provided valid deliverables for future branding efforts and analysis. Northstar itself is no longer continuing on the project, but information gathered during their previous work on marketing and branding is not lost. He stated the marketing and branding information will be used in the vision and scope of the total project. Mr. Barquist stated Kimley-Horn can try to articulate that better and

provide a more comprehensive plan and revised scope to the Council.

Council Member Shirrell said he understands the information will be kept and integrated into the final project but asked if KH will provide a document that summarizes and documents the marketing components that have already been paid for, including findings and recommendations. Mr. Barquist said a document would be provided. He stated his firm would work with City staff to make sure everything is organized in a manner agreeable to Council.

City Economic Development Director Martha Barberio asked if the document on marketing and branding will be different from the report presented to Council back in December 2017. Mr. Barquist said it would be a separate report.

VOTE ON THE MOTION

Yays: 6 - Mayor O'Neil, Council Member Ruff, Council Member Moulton, Council Member Needles, Council Member Shirrell and Council Member Reese

Excused: 1 - Council Member Fleming

3. Approval of Memorandum of Understanding Between the City of Valdez and Providence Health and Services - Washington, d.b.a. Providence Valdez Medical Center for Physician Recruitment and Retention Program

Mayor O'Neil recused himself from this agenda item due to a potential conflict of interest because of his employment as hospital administrator for Providence Valdez Medical Center. Council Member Moulton assumed the position of meeting chair for this agenda item.

MOTION: Council Member Ruff moved, seconded by Council Member Shirrell, to approve MOU with Providence Health and Services - Washington, d.b.a. Providence Valdez Medical Center. The motion carried by the following vote after the following discussion occurred.

Council Member Shirrell asked for clarification on whether the hospital and clinic are committed to providing at least \$15,000 in bonuses for physicians up front. He explained he would prefer to see this commitment if City would be committed to providing \$60,000 per physician in retention. He stated he would like to see this language added to the MOU. Ms. Pierce stated adding the language would require a formal amendment.

Council Member Moulton asked for clarification as to the need for an amendment, as section two of the MOU discusses physician compensation and bonuses customarily offered upon signing an employment agreement to practice medicine. Council Member Shirrell said for clarity's sake, he felt it would be beneficial for language to be added that specifically notates a commitment on the part of the hospital and clinic to provide bonuses in addition to what was being offered by the City. City Attorney Wakeland suggested verbiage for the amendment.

Council Member Reese raised concerns about listing a specific amount for bonuses provided by the clinic or hospital. Mr. O'Neil, Providence Valdez Medical Center hospital administrator, stated he had concerns about the amount of detail listed due to potential future scrutiny of the wording and fair market value issues.

He stated the likelihood of that occurring is small, but the wording could come under scrutiny by the Providence legal department. Council Member Shirrell pointed out the language refers to a bonus. He stated Providence has a history of offering sign on bonuses equal to or in excess of \$15,000. Mr. O'Neil explained the language seems to infer the bonus amount may not be reduced in any way. Council Member Shirrell asked if Mr. O'Neil, as hospital administrator, has had conversations with the Providence legal department about the issue. Mayor O'Neil stated many MOUs are done locally and there needs to be discernment on whether it will need to be reviewed with the Providence legal department. The more detail involved, the more scrutiny may be required from the legal office.

Council Member Shirrell stated the more specific language would ensure commitment of the parties besides the City. He stated, without the amendment, the agenda item would not receive his affirmative vote.

MOTION TO AMEND: Council Member Shirrell moved, seconded by Council Member Needles to amend MOU with Providence Health and Services - Washington, d.b.a. Providence Valdez Medical Center to add the following to paragraph 2 of the MOU: "Providence Valdez Medical Center further agrees that any physician who will receive compensation under this agreement will receive a signing bonus from Providence in an amount not less than \$15,000." The motion to amend carried.

VOTE ON THE MOTION TO AMEND:

Yays: 4 - Council Member Ruff, Council Member Moulton, Council Member Needles, and Council Member Shirrell

Nays: 1 - Council Member Reese

Recused: 1 - Mayor O'Neil

Excused: 1 - Council Member Fleming

Council Member Moulton stated it was understandable if the language required review by the Providence legal department.

VOTE ON THE MAIN MOTION AS AMENDED:

Yays: 5 - Council Member Ruff, Council Member Moulton, Council Member Needles, Council Member Shirrell and Council Member Reese

Recused: 1 - Mayor O'Neil

Excused: 1 - Council Member Fleming

4. Approval of Memorandum of Understanding Between City of Valdez and Valdez Medical Clinic, LLC for Physician Recruitment and Retention Program

Mayor O'Neil recused himself from this agenda item due to a potential conflict of interest because of his employment as hospital administrator for Providence Valdez Medical Center. Council Member Moulton assumed the position of meeting chair for this agenda item.

MOTION: Council Member Reese moved, seconded by Council Member Ruff, to approve MOU between City of Valdez and Valdez Medical Clinic, LLC for Physician Recruitment and Retention Program. The motion carried by the

following vote after the following discussion occurred.

MOTION TO AMEND: Council Member Shirrell moved, seconded by Council Member Needles to amend MOU with Valdez Medical Clinic, LLC to add the following to paragraph 3 of the MOU: "Valdez Medical Clinic, LLC further agrees that any physician who will receive compensation under this agreement will receive a signing bonus from Valdez Medical Clinic, LLC in an amount not less than \$15,000." The motion to amend carried after the following discussion occurred.

Mr. Crume, Valdez resident, asked if establishing these bonuses would preclude a doctor coming into town and establishing their own clinic. Council Member Moulton clarified the bonus is open to any physician at this time regardless of who employs them. Council Member Shirrell clarified there is specific language which indicates there will not be employment contracts to qualify for the bonus and there will not be a non-compete clause. Council Member Moulton clarified as long as they have a medical license in the state of Alaska and are working full-time in Valdez, they will be eligible for the bonus. Specifics related to the bonus would be outlined in the contract between the physician and the City.

VOTE ON THE MOTION TO AMEND:

Yays: 4 - Council Member Ruff, Council Member Moulton, Council Member Needles, and Council Member Shirrell

Nays: 1 - Council Member Reese

Recused: 1 - Mayor O'Neil

Excused: 1 - Council Member Fleming

Mr. O'Neil asked if proration language should be added in the event a physician wanted to work half-time. Council Member Reese asked for clarification on what would constitute half-time. Mr. O'Neil explained doctors share the burden of on-call work for the hospital and take days working in the clinic. There might be a recruitment opportunity for a physician who wants to work half-time. Council Member Reese explained the current need is for full-time physicians and the program should focus on the current need for the time being. Council Members Shirrell stated discussion on the possibility of proration could be brought up as individual physician contracts are presented to Council for approval.

VOTE ON THE MAIN MOTION AS AMENDED:

Yays: 5 - Council Member Ruff, Council Member Moulton, Council Member Needles, Council Member Shirrell and Council Member Reese

Recused: 1 - Mayor O'Neil

Excused: 1 - Council Member Fleming

5. Approval of Physician Recruitment and Retention Agreement Between City of Valdez and Dr. Samuel Shirk

Mayor O'Neil recused himself from this agenda item due to a potential conflict of interest because of his employment as hospital administrator for Providence Valdez Medical Center. Council Member Moulton assumed the position of meeting chair for this agenda item.

MOTION: Council Member Reese moved, seconded by Council Member Ruff, to approve the physician recruitment and retention agreement between City of Valdez and Dr. Samuel Shirk. The motion carried by the following vote after the following discussion occurred.

Council Member Shirrell stated Dr. Shirk, who was not present at the meeting, was not a principal in the Valdez Medical Clinic, LLC. Council Member Shirrell explained he would like to discuss ensuring future agreements of this nature continue going to doctors who are not the owners of the clinic and share in profits. Council Member Moulton asked if someone would then be ineligible if they establish a private practice where they are the sole physician. Council Member Shirrell stated he felt physicians receive profits from clinic or private practice should not be eligible to receive funds from the City's recruitment and retention program. Council Member Moulton pointed out that any physician who did not work for the Valdez Medical Clinic LLC would have to open their own practice. He stated if those physicians were not eligible for the program, it might discourage additional physicians from practicing in Valdez. He explained this would be counter to what some members of Council want for recruitment and retention of any qualified physician, not just those working at the clinic.

Council Member Shirrell said each physician's recruitment and retention contract with the City may be potentially be different depending on the situation. Council Member Reese stated he agreed Council should review each on a case by case basis.

VOTE ON THE MOTION:

Yays: 5 - Council Member Ruff, Council Member Moulton, Council Member Needles, Council Member Shirrell and Council Member Reese

Recused: 1 - Mayor O'Neil

Excused: 1 - Council Member Fleming

6. Appointment to Providence Valdez Medical Center Health Advisory Council

Mayor O'Neil recused himself from this agenda item due to a potential conflict of interest because of his employment as hospital administrator for Providence Valdez Medical Center. Council Member Moulton assumed the position of meeting chair for this agenda item.

City Council cast paper ballots to select between two candidates applying for appointment to the position on the Providence Valdez Medical Center Health Advisory Council. After tallying paper ballots, Ms. Pierce announced Mr. Ray Tapp received the most votes.

MOTION: Council Member Reese moved, seconded by Council Member Needles, to appoint Ray Tapp to serve on the Providence Valdez Medical Center

Health Advisory Council. The motion carried by the following vote.

VOTE ON THE MOTION:

Yays: 5 - Council Member Ruff, Council Member Moulton, Council Member Needles, Council Member Shirrell and Council Member Reese

Recused: 1 - Mayor O'Neil

Excused: 1 - Council Member Fleming

VII. RESOLUTIONS

1. #18-24 - Supporting the Valdez Fisheries Development Association Inc. Solomon Gulch Hatchery Permitted Increase of 20 Million Pink Salmon Eggs

MOTION: Council Member Shirrell moved, seconded by Council Member Reese, to approve Resolution #18-24 supporting the Valdez Fisheries Development Association Inc. Solomon Gulch Hatchery permitted increase of 20 million pink salmon eggs. The motion carried by the following vote after the following discussion occurred.

Mr. Mike Wells, executive director of Valdez Fisheries Development Association, asked for Council support of the resolution. VFDA has been working in a phased approach to increase pink salmon eggs. This is the last year of that increase.

Mr. Wells explained an emergency petition was filed by the Kenai River Sportsman Association and several other signatories. The petition asks the VFDA to stay the increase. The Board of Fish has scheduled a hearing on July 17, 2018. Comments for the hearing must be submitted by July 9, 2018. Mr. Wells explained the petitioners' concerns are focused on the straying of hatchery fish into natural streams. They are also concerned about the ocean's overall carrying capacity and whether or not there are too many pink salmon in the ocean. Mr. Wells explained these issues have been well studied and well documented since the 1970s. He stated fisheries have done research to make sure strays do not impact natural stocks. Mr. Wells explained the state of Alaska, in conjunction with hatchery operators and seafood industry, has taken on a multi-year study on hatchery straying of pink salmon and chum salmon in Prince William Sound and southeast Alaska and its impacts on natural streams. When the 16-year study concludes, the data collected will span multiple generations of fish. The study cost \$14 million, with VFDA providing \$50,000 annually towards research. While the study is not yet complete, Mr. Wells explained the research to date shows no red flags.

Mr. Wells addressed concerns regarding the ocean's carrying capacity, whether pink salmon will cause a trophic cascade by eating too much of the zooplankton. He stated pink salmon are the majority in the North Pacific basin, but only 15% are hatchery fish. He said the largest majority of pink salmon are a strain of Russian salmon and the majority of fishery salmon are chum salmon. Mr. Wells explained the increase was well researched.

Mr. Wells stated the Board of Fish has ruled in two separate meetings that an emergency does not exist. He explained that Commissioner Cotton, from the Alaska Department of Fish & Game, also reviewed the issue and determined an emergency does not exist.

Mr. Wells stated the Department of Fish and Game has reviewed the request to increase permitted eggs. It has also gone through the Departments of Sport Fish and Commercial Fisheries Division, who looked at the request from both a management perspective and on a genetics level. After all this review, they found the increase request reasonable and sustainable and believe it fits within the state's sustainable fisheries policy.

Mr. Wells explained the VFDA invested heavily to renew the hatchery. He addressed concerns about the timing of the permit meeting when a lot of stakeholders are not available, not allowing for a lot of public input. He stated the VFDA is concerned about their permit getting stayed. He said that those that benefit from the hatchery programs, like the community of Valdez, should be included. He stated pink salmon are the foundation of the hatchery program.

Council Member Reese asked how many salmon would return if 20 million eggs were released. Mr. Wells explained 20 million fertilized eggs would end up with 96% survival to fry (approx. 19,600,000 fry). Of that, about six percent or one and one half to two million will return to Prince William Sound as adults. Council Member Reese asked about the harvest success rate. Mr. Wells explained the success rate for the fishing fleet is high and, because of that, the processing industry has heavily invested in the area.

Ms. Pierce stated the City of Cordova sent an email several weeks ago, requesting a copy of the Valdez resolution because they wanted to adopt a similar resolution. Mr. Wells stated Cordova already passed a similar resolution.

VOTE ON THE MOTION

Yays: 6 - Mayor O'Neil, Council Member Ruff, Council Member Moulton, Council Member Needles, Council Member Shirrell and Council Member Reese

Excused: 1 - Council Member Fleming

2. **#18-25 - Granting a 10ft Wide and 62ft Long Public Utility Easement To Copper Valley Telecom, Across City of Valdez-Owned Lot 2 Block 25, Mineral Creek Subdivision**

MOTION: Council Member Moulton moved, seconded by Council Member Ruff to approve Resolution #18-25 granting a 10ft wide and 62ft long public utility easement, to Copper Valley Telecom across City of Valdez owned Lot 2 Block 25, Mineral Creek Subdivision. The motion carried by the following vote.

VOTE ON THE MOTION

Yays: 6 - Mayor O'Neil, Council Member Ruff, Council Member Moulton, Council Member Needles, Council Member Shirrell and Council Member Reese

Excused: 1 - Council Member Fleming

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

Ms. Doom stated she had a meeting in Girdwood with representatives of other area municipalities about aligning communities to benefit all of Prince William Sound. She received a thank you letter for participating and their hopes the City can continue a dialog.

Alongside the City Economic Development Director, Ms. Doom attended "Vitalize Alaska", a day and a half program about revitalizing Alaska. There was discussion about businesses operating in Alaska and how they can thrive in our economy.

Ms. Doom explained interviews for the City Parks, Recreation and Cultural Services Department Director interviews were complete. Mr. Nick Farline from Seattle has been hired to fill the position.

The ERT team is busy reviewing the City's Personnel Regulations. Ms. Doom hopes to provide proposed updates to the regulations for Council to review in coming months.

2. City Clerk Report

Ms. Pierce provided an overview of the Air National Guard memorial dedication ceremony at the new harbor which occurred on June 23, 2018. Project champion, Mr. Chuck Volanti and his family were in attendance at the ceremony, as well as the families of the fallen National Guard members recognized in the memorial. General Slaten of the Alaska National Guard was present, as well as Governor Walker and First Lady Donna Walker. Ms. Pierce said family members present were pleased with the ceremony. She expressed thanks to all the City staff members who helped make the memorial and memorial ceremony possible, with special thanks to Ms. Marcie Robertson from City Parks & Recreation, Mr. Nate Duval from City Capital Facilities, and Mr. Jeremy Talbot from City Ports & Harbors. Ms. Pierce explained Mr. Volanti stated he would like to return to Valdez back next year when the harbor opens and the plaque is permanently affixed.

Ms. Pierce also welcomed two new employees to the City Clerk's Office, Ms. Kira Polillo and Ms. Sheri Boyles, both of whom will be serving as customer service representatives in the City Hall front office.

3. City Attorney Report

Attorney Wakeland provided a brief litigation report. Regarding the escaped property case, the attorneys are waiting due to a complicated audit process and the state's ambiguity on the tax cap. He stated there have been attempts to get the state assessor to provide written guidance on the applicability of the tax cap to supplemental assessments, an issue that was litigated and settled. Calls with the assessor were positive, however follow up emails have not been positive. The state of Alaska commissioners of DCCED and DOR are reviewing the issue but no timeline has been given.

Regarding the AK LNG project, Mr. Wakeland's firm is reviewing final comments and if additional arguments should be added. ADC is trying to use the EIS from

the ASAP line, which the City's legal firm has already submitted arguments against.

Regarding municipal code updates, City Attorney Jake Staser continues to work with Ms. Pierce and Police Chief Bart Hinkle on revisions to title 8 Public Nuisances. Mr. Staser is also working with staff to address and revise inconsistencies between title 8 and title 17.

There is no update on the Cummings litigation. Summary judgment would be due on July 23rd. If settlement is not achieved by then, the motion will proceed and also move for attorney's fees.

On the C-Plan adjudication, the hearing has been set for the week of December 3rd. Settlement discussions are ongoing. Discovery has begun and the City's legal team is now interviewing expert witnesses.

For the Boulder Bay vessel incident, they are working with insurance company and opposing counsel regarding this potential claim. Discussions are ongoing.

Ms. Pierce stated that at the last meeting there had been discussion of bringing forth an ordinance to change the hours of operation for the bars in Valdez. She said Chief Hinkle spoke with the owners of all the bars in town and they are amenable to the change. Ms. Pierce asked if the Council wants a work session first or whether the ordinance should just be drafted and submitted for approval. Council Member Reese asked if they are reducing their hours on their own. Ms. Pierce stated that most of them, but not all already have reduced hours. Council Member Shirrell asked for clarification on the proposed hours. Ms. Pierce explained bar operational hours would mirror rules in Anchorage. On the weekends, the establishments must close by 3:00 a.m. and close by 2:00 a.m. on weekdays. Council Members Reese and Shirrell stated a work session would be preferable. Council Member Shirrell asked if the bar owners and citizens working group would be invited to the work session. Ms. Pierce said Chief Hinkle would extend an invitation to them. Council Member Shirrell asked if the citizen working group established on the topic were comfortable with a change to mirror Anchorage's bar hours. Ms. Pierce responded the citizen's group actually brought the proposal to reduce bar hours forward.

4. City Mayor Report

Mayor O'Neil described his experience at the Air National Guard memorial ceremony. He thanked Ms. Pierce for all her hard work collaborating with the fallen airmen's families and Chuck Volanti.

Mayor O'Neil explained Governor Walker also signed a bill in Valdez over the weekend. Governor Walker stated it was the first time a bill has been signed in Valdez.

Mayor O'Neil stated the Solomon Gulch hatchery unveiled their interactive education program regarding fish biology and the hatchery process. Touchscreen kiosk displays are now installed at the hatchery to complement the walking tour available to the public. Mayor O'Neil thanked Council for providing some of the funding for that project.

IX. COUNCIL BUSINESS FROM THE FLOOR

Mayor O'Neil and several Council members thanked Ms. Pierce and staff for organization of the ANG memorial and for their efforts coordinating the City 4th of July festival. They also welcomed Ms. Kira Polillo and Ms. Sheri Boyles to the City staff.

Council Member Reese expressed concerns about an increase of high speed vehicles in residential areas and their impact on pedestrians, especially children. He said the sign in Robe River subdivision advising drivers to slow down is a good start in addressing the issue. He stated if the signs don't work, the City may need to consider restoring speed bumps.

Council Member Needles asked Mr. Duval for an update on bird netting for the senior center. Mr. Duval explained a final inspection would be done on Thursday.

Speaking as the President of the Providence Valdez Medical Center Health Advisory Council (HAC), Council Member Needles raised concerns over Providence Valdez Medical Center's administration, specifically hospital administrator Mr. Jeremy O'Neil. He stated he believes several HAC members have quit due to nothing getting done. He said that after the health needs survey was completed, the board was promised transparency into hospital operations. However, they have not received requested information. Ms. Pierce stated Council Member Needles' concerns would more appropriately be addressed in an executive session. Council Member Needles concurred.

Mayor O'Neil discussed convening the Mayor's Flood Control Task Force and said he already spoke with Ms. Pierce about setting up a meeting to address flood risk issues.

In celebration of 4th of July holiday, Mayor O'Neil closed the meeting by reciting a section of the Declaration of Independence.

X. ADJOURNMENT

There being no further business, Mayor O'Neil adjourned the meeting at 8:39 p.m.