City of Valdez

212 Chenega Ave.
Valdez, AK 99686

Meeting Minutes - Draft

Tuesday, July 16, 2019

7:00 PM

Regular Meeting

Council Chambers

City Council

DRAFT

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

III. ROLL CALL

Present: 7 - Mayor Jeremy O'Neil
Council Member Ron Ruff
Council Member Christopher Moulton
Council Member Sharon Scheidt
Council Member Darren Reese
Council Member Dennis Fleming
Council Member Alan Sorum

Also Present: 4 - Assistant City Manager Roxanne Murphy
City Clerk Sheri Pierce
Deputy City Clerk Allie Ferko
City Attorney Jake Staser

IV. PUBLIC BUSINESS FROM THE FLOOR

No public business from the floor.

V. CONSENT AGENDA

1. Approval of License Renewal: Herbal Outfitters, LLC

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

VOTE ON THE MOTION:
Yays: 7 - Mayor O'Neil, Council Member Ruff, Council Member Moulton, Council Member Scheidt, Council Member Reese, Council Member Fleming and Council Member Sorum

VI. NEW BUSINESS

1. Approval of a Professional Services Agreement with Kinney Engineering, LLC, for Pavement Management Plan, Phase One

MOTION: Council Member Moulton moved, seconded by Council Member Fleming, to approve a Professional Services Agreement with Kinney Engineering, LLC, for the Design Services-Pavement Management Plan Phase 1 Project in the amount of $1,154,801. The motion carried by the following vote after the following discussion occurred.

Council Member Moulton asked if this item was in addition to the proposed bond. Mr. Nate Duval, City capital facilities director, explained City Council funded $1.5 million in the last budget for pavement maintenance work which is independent of and paid for without the proposed bond.

Council Member Sorum asked if there were plans to pave the Alpine Woods subdivision. Mr. Duval explained the current scope of the pavement management plan is repair and maintenance of existing paved infrastructure. He explained the scope of the plan could be modified.

Council Member Fleming recommended there be careful consideration about how the City proceeds with plans to pave unpaved roads moving forward. He explained there are two unpaved roads in Robe River Subdivision which are recommended in the phase one plan to be paved. Mr. Duval explained design of the two roads is included in phase one to tie them into the rest of the paved subdivision. Council Member Fleming explained he understands and supports the phased approached, but there are also many residents in other subdivisions who wish to have their streets paved. He stated property values will also be affected once roads are paved.

VOTE ON THE MOTION:
Yays: 7 - Mayor O'Neil, Council Member Ruff, Council Member Moulton, Council Member Scheidt, Council Member Reese, Council Member Fleming and Council Member Sorum

2. Approval of Change Order No. 2 with Prosser-Dagg Construction for the VHS Concrete Replacement Project in the Amount of $54,917.50

MOTION: Council Member Moulton moved, seconded by Council Member Ruff, to approve Change Order #2 with Prosser-Dagg Construction Co. LLC for the VHS Concrete Replacement project in the amount of $54,917.50. The motion carried by the following vote after the following discussion occurred.

Council Member Moulton asked for clarification on the project. Mr. Duval explained a significant portion of the project is relative to as-found conditions and part of the project is relative to problems related to human error when the concrete was placed.

Council Member Reese asked if there were any other anticipated change orders for this project. Mr. Duval explained there may be an adjustment once demolition work, grading, and leveling are complete. Council Member Reese asked where the project was in relation to its budget. Mr. Duval explained, including this change order, the project is close to the approved budget.

VOTE ON THE MOTION:
Yays: 7 - Mayor O'Neil, Council Member Ruff, Council Member Moulton, Council Member Scheidt, Council Member Reese, Council Member Fleming and Council Member Sorum

3. Approval of Contract with Roger Hickel Contracting, Inc., for Kelsey Dock Phase II in the Amount of $6,477,829

MAIN MOTION: Council Member Moulton moved, seconded by Council Member Fleming to approve contract with Roger Hickel Contracting, Inc. for Kelsey Dock Phase II in the amount of $6,477,829.

Council and staff had a brief discussion regarding the proper way to postpone the agenda item until after a work session could be scheduled.

MOTION TO POSTPONE: Council Member Moulton moved, seconded by Council Member Sorum to postpone approval of the contract with Roger Hickel Contracting, Inc. for Kelsey Dock Phase II in the amount of $6,477,829 to the next regular City Council meeting of August 6, 2019. The motion to postpone carried by the following vote.

Council and staff held a brief discussion about

VOTE ON THE MOTION TO POSTPONE:
Yays: 6 - Mayor O'Neil, Council Member Ruff, Council Member Moulton, Council Member Scheidt, Council Member Fleming and Council Member Sorum
Nays: 1 - Council Member Reese

4. Approval of Professional Services Agreement with Meridian Management, Inc. for Construction Management Services in the Amount of $253,803

MOTION: Council Member Reese moved, seconded by Council Member Moulton, to approve the Professional Services Agreement with Meridian Management, Inc. for Construction Management Services in the amount of $253,803. The motion carried by the following vote after the following discussion occurred.

Council Member Fleming asked how long Meridian Management would be retained. Mr. Duval explained their services would be retained through spring of 2020 to augment the work of the capital facilities project managers. They would provide technical construction oversight and design management. Council Member Fleming asked if there was currently an electrical administrator on staff. Mr. Duval stated there was not, thus the construction management services firm would serve as the owner's representative.

Council Member Reese asked if Meridian's staff would be required to live in Valdez. Mr. Duval stated they would work six days per week, ten-hour days in Valdez through December and then return in the spring. Council Member Scheidt asked if this structure was typical or just related to staff transition. Mr. Duval stated it is typical for Valdez. The City project management team serves as project managers, construction managers, troubleshooters, and design support. Utilizing consultant allows staff to focus on specific areas to best utilize resources. He stated it is difficult to dedicate staff full-time to one specific large project.

Mayor O'Neil asked if the amount of the contract would be sufficient to cover the scope of projects being managed. Mr. Duval stated Meridian would be involved in management of five specific projects and the amount of the PSA is reasonable for the size and scope of those projects.

VOTE ON THE MOTION:
Yays: 7 - Mayor O'Neil, Council Member Ruff, Council Member Moulton, Council Member Scheidt, Council Member Reese, Council Member Fleming and Council Member Sorum

VII. ORDINANCES

1. #19-04 Amending Title 6, Chapters 6.04 and 6.08 of the Valdez Municipal Code Related to Animals. Second Reading. Adoption.

MOTION: Council Member Moulton moved, seconded by Council Member Scheidt to approve Ordinance #19-04. Second reading. Adoption. The motion carried by the following vote after the following discussion occurred.

Council Member Reese asked for clarification on the definition of sufficient restraint of an animal in the back of an open vehicle. Mr. Staser explained the intent of that section would be to require sufficient restraint, so the animal is not able to fall out a moving vehicle. He explained the ordinance splits code related to animals into three different levels of conduct with more commensurate penalties. For example, dog fighting is a different level of severity than having an unrestrained dog in the back of a pick-up truck.

Council Member Reese asked if it would apply only when the vehicle was in motion. Chief of Police Bart Hinkle explained the specific portion of code is not new language. The ordinance merely splits the severity of different violation out into three levels. He stated officer discretion has been in place for several years related to the safety of the animals themselves in the back of open vehicles. If the animal is lunging out and trying to bite people when the vehicle is parked, that is an entirely different issue.

Council Member Scheidt asked what the additional burden mandatory court appearances would place on the police department. Mr. Staser explained all code violations in the section required mandatory court appearances in the past. The last revision of this section provided for an option to simply agree to the citation and pay a fine for certain violations. He stated there is no additional burden with changes under Ordinance #19-04.

Council Member Scheidt asked if someone specific was responsible for paying for destruction of suffering animals or if there would be a citation involved. Mr. Staser explained that section was not a citable offense. The intent is merely to provide more authority for a police officer or animal control officer to act in a humane manner for a suffering animal in the absence of a veterinarian.

Council Member Scheidt asked if the state or City offers permits to feed wildlife. Chief Hinkle stated there is no permit for feeding feral bunnies. He explained the only permit he is aware of is for the gentleman who is authorized to feed bald eagles. That permit is not issued by the City.

VOTE ON THE MOTION:
Yays: 7 - Mayor O'Neil, Council Member Ruff, Council Member Moulton, Council Member Scheidt, Council Member Reese, Council Member Fleming And Council Member Sorum

2. #19-05 - Amending Title 10, Chapter 10.04 of the Valdez Municipal Code Related to Traffic Code. Second Reading. Adoption.

MOTION: Council Member Moulton moved, seconded by Council Member Reese, to approve Ordinance #19-05. Second reading. Adoption. The motion carried by the following vote.

VOTE ON THE MOTION:
Yays: 7 - Mayor O'Neil, Council Member Ruff, Council Member Moulton, Council Member Scheidt, Council Member Reese, Council Member Fleming and Council Member Sorum

3. #19-06 - Authorizing an Amendment to the Zoning Map to Effect a Change to a Portion of ASLS 79-94, 1570 Dayville Road, from Unclassified Lands to Public Lands. First Reading. Public Hearing.

MOTION: Council Member Sorum moved, seconded by Council Member Moulton, to approve Ordinance #19-06. First reading. Public hearing. The motion carried by the following vote.

Council Member Scheidt declared for the record she is employed by Copper Valley Electric Association.

VOTE ON THE MOTION:
Yays: 7 - Mayor O'Neil, Council Member Ruff, Council Member Moulton, Council Member Scheidt, Council Member Reese, Council Member Fleming and Council Member Sorum

VIII. RESOLUTIONS

1. #19-32 - Providing for the Submission to the Qualified Voters of the City of Valdez, Alaska, the Question of Incurring General Obligation Bond Indebtedness in an Amount Not to Exceed $15,000,000 for the Design and Construction of the Citywide Pavement and Utilities Upgrades

MOTION: Council Member Moulton moved, seconded by Council Member Reese, to approve Resolution No. 19-32. The motion carried by the following vote after the following discussion occurred.

Council Member Moulton explained this project is to maintain and improve the infrastructure the community already has in place.

Council Member Reese stated for the record the special election would be held

on September 10, 2019. Ms. Pierce added funding for a special election was included in the 2019 budget.

Mayor O'Neil explained mechanisms like debt allow the City to retain maximum property tax revenues locally. The paving project involves expenses the City will already incur. He stated appropriate levels of debt are responsible for a community the size of Valdez.

Council Member Scheidt stated she would like to make sure communications about the bond to the public are clear. The project has already been approved and the bond is simply a funding mechanism.

Council Member Moulton asked how much unfunded debt the City currently holds. Mr. Brian Carlson, City finance director, stated the City holds approximately $20 million of fully defeased debt and $20 million of remaining undefeased principle balance. There is approximately $7 million in the debt service fund which would offset the undefeased balance.

Mayor O'Neil asked if the state of Alaska cut to school bond debt reimbursement effects the tax cap. Mr. Carlson explained the tax cap relates to property taxes which is a separate revenue source.

VOTE ON THE MOTION:
Yays: 7 - Mayor O'Neil, Council Member Ruff, Council Member Moulton, Council Member Scheidt, Council Member Reese, Council Member Fleming and Council Member Sorum

2. #19-33 - Amending the 2019 City Budget by Accepting Grant Funds in the Amount of $2,940.07 to the Valdez Consortium Library and Authorizing its Expenditure

MOTION: Council Member Moulton moved, seconded by Council Member Reese, to amend the 2019 City Budget and accept grant funds in the amount of $2,940.07 to the Valdez Consortium Library and authorize its expenditure. The motion carried by the following vote.

VOTE ON THE MOTION:
Yays: 7 - Mayor O'Neil, Council Member Ruff, Council Member Moulton, Council Member Scheidt, Council Member Reese, Council Member Fleming and Council Member Sorum

3. #19-34 - Amending the 2019 City Budget by Transferring $275,000 of Unencumbered Project Funds from the Kelsey Dock Parks Storage Project to the Kelsey Dock Yellow Building Project

MAIN MOTION: Council Member Moulton moved, seconded by Council Member Scheidt to approve Resolution #19-34.

MOTION TO POSTPONE: Council Member Moulton moved, seconded by Council Member Sorum to postpone approval of Resolution #19-34 to the next

regular City Council meeting of August 6, 2019. The motion to postpone carried by the following vote.

VOTE ON THE MOTION TO POSTPONE:
Yays: 7 - Mayor O'Neil, Council Member Ruff, Council Member Moulton, Council Member Scheidt, Council Member Reese, Council Member Fleming and Council Member Sorum

4. #19-35 - Amending the 2019 City Budget by Transferring $500,000 from Unassigned General Fund Balance to the Citywide Pavement Management Plan

MOTION: Council Member Moulton moved, seconded by Council Member Fleming, to approve Resolution #19-35. The motion carried by the following vote.

VOTE ON THE MOTION:
Yays: 7 - Mayor O'Neil, Council Member Ruff, Council Member Moulton, Council Member Scheidt, Council Member Reese, Council Member Fleming and Council Member Sorum

IX. REPORTS

1. Report: Temporary Land Use Permit for Haltness Equipment

2. Report: Temporary Land Use Permit for Faith Harbor Fellowship

3. May 2019 Treasury Report

4. Economic Development Department Staff Report – Second Quarter 2019

Council Member Scheidt asked for the timeline for the strategic housing plan. Ms. Martha Barberio, City economic development director, stated she is gathering quotes and hopes to have a plan submitted by the end of the year.

Mayor O'Neil stated he has been very impressed with recent City events. He explained, however, there are some lessons learned when comparing budgeted expenses and actual event participants for some of the events. Ms. Barberio stated her department will provide an analysis of lessons learned and bring recommendations to City Council during budget time for next year's events.

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

1. City Manager Report

Ms. Murphy reiterated the campfire, burn, and fireworks ban remains in place due to high fire danger.

She explained she will be reaching out to local organizations impacted by state of Alaska budget cuts to determine how the City could potentially provide support to fill crucial gaps.

She thanked City staff for their dedicated work for the annual fourth of July

festival. She stated it was a great demonstration of departmental cooperation.

She provided an update on the City emergency management program. Administration is proceeding with issuing a request for proposals to update the City emergency operations plan. Once the City emergency management team provides a recommendation of an organization or firm to use, it will be provided to Council for discussion. She explained she recently volunteered with the Valdez Food Bank and thanked them for their important work in the community.

She provided a brief update on cruise ship visits to Valdez.

She thanked several members of City staff, including the Valdez Fire Department for their recent firefighting work to keep the community safe, City building maintenance staff for their response to the sprinkler head malfunction in the Civic Center, and Mr. Duval for his work as capital facilities director.

2. City Clerk Report

Ms. Pierce reminded City Council about upcoming work sessions over the next several weeks and scheduled an additional work session regarding the Kelsey Dock Phase II project.

She reviewed upcoming vacancies on City boards and commissions and how to apply online through the City boards and commissions portal. She announced the Fire Department Facebook page went live the previous week.

She provided an update on the City manager recruitment process. The hiring committee narrowed the applicant pool down to semi-finalists who would receive Skype interviews. She explained the names of the recommended finalists would be provided to Council; at which time the process would become public.

She explained she has been invited to attend an elections cyber security conference on July 23rd in Anchorage. She stated she feels it is important for the City clerk, who is responsible for elections, to attend. Mr. Matt Osburn, City information technology director, will attend as well.

3. City Attorney Report

Mr. Staser provided updates on projects and cases his firm is working on behalf of the City, including filing a formal response to the FERC DEIS, the C-Plan adjudication, the Meals Hill acquisition, the Pacific Pile & Marine settlement negotiations, and the Kimley-Horn stop work order.

4. City Mayor Report

Mayor O'Neil stated his overall thank you to city staff for their hard work on the 4th of July festival. He thanked the Valdez Fire Department and Alyeska Fire & Rescue for their response to the Petro Star truck fire and stated he grateful there were no injuries.

He provided brief comments on the impacts of state of Alaska budget cuts and vetoes by Governor Dunleavy, most especially the University of Alaska system and the Alaska Marine Highway System. He applauded those reaching out to their legislators with comments and concerns. He encouraged Valdez residents

to continue to stay engaged and informed.

XI. COUNCIL BUSINESS FROM THE FLOOR

Several Council Members provided updates regarding their schedules.

Council Member Ruff reiterated his thank you to the Valdez Fire Department and Alyeska Fire & Rescue for their response to the Petro Star truck fire.

Council Member Moulton discussed recent Valdez Fire Department activities.

Council Member Scheidt thanked city staff for their willingness to answer questions and provide background information as she seeks to learn more about city programs and operations.

XII. ADJOURNMENT

There being no further business, Mayor O'Neil adjourned the meeting at 8:08 p.m.

DRAFT