

City of Valdez

212 Chenega Ave.
Valdez, AK 99686



Meeting Minutes - Final

Tuesday, August 17, 2021

7:00 PM

Regular Meeting

Civic Center Conference Room

City Council

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

Mayor Pro Tempore Sorum called the meeting to order at 7:00 p.m. in the Civic Center Conference Room.

II. PLEDGE OF ALLEGIANCE

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

III. ROLL CALL

Present: 6 - Council Member Todd Wegner
Council Member Susan Love
Council Member Dawson Moore
Council Member Jimmy Devens
Council Member Dennis Fleming
Mayor Pro Tem Alan Sorum

Excused: 1 - Mayor Sharon Scheidt

Also Present: 5 - City Manager Mark Detter
Assistant City Manager Nathan Duval
Deputy City Clerk Allie Ferko
Records Manager Shelley McMillen
City Attorney Jake Staser

IV. PUBLIC APPEARANCES**1. Public Appearance-Stratton Edwards, Capitol Hill Consulting Group**

Mr. Edwards outlined the recent federal bipartisan infrastructure bill, highlighting funding for ports and rural ferries. The bill also includes a human infrastructure package, with items such as child care, education, and housing.

Mr. Edwards provided a verbal review of his presentation included in the agenda packet, which outlines Council priorities his company was working on behalf of the City.

Mr. Edwards reminded Council the local U.S. Post Office postmaster would be retiring at the end of August. Capitol Hill Consulting Group was taking steps to make sure City leadership was kept informed during the process of hiring the new Postmaster. Mr. Detter thanked Senator Sullivan and his office for their aid in ensuring the local postal service was staffed adequately to meet community needs. Mayor Pro Tem Sorum thanked the community members who had taken time to reach out directly to the federal delegation on this topic.

Mr. Edwards outlined his firm's plan to improve reporting and feedback process for City Council, including quarterly summaries of work on federal issues completed on the City's behalf.

V. PUBLIC BUSINESS FROM THE FLOOR

No members of the public appeared to provide testimony on a non-agenda item.

VI. CONSENT AGENDA

1. **Appointments to City Library Board (Sharry Miller & Wendy Langseth - Full Terms)**
2. **Approval To Go Into Executive Session Re: Alaska Trappers Association and B.P./Hilcorp Transaction Appeal.**

MOTION: Council Member Devens moved, seconded by Council Member Moore to approve the Consent Agenda.

VOTE ON THE MOTION:

Yays: 6 - Council Member Wegner, Council Member Love, Council Member Moore, Council Member Devens, Council Member Fleming and Mayor Pro Tem Sorum

Excused: 1 - Mayor Scheidt

MOTION CARRIED.

VII. NEW BUSINESS

1. **Approval of Amendment #1 to Exclusive Stevedoring Services Permit for Valdez Container Terminal Dock and Marshalling Yard**

MOTION: Council Member Fleming moved, seconded by Council Member Devens, to approve Amendment #1 to Exclusive Stevedoring Services Permit for Valdez Container Terminal Dock and Marshalling Yard.

VOTE ON THE MOTION:

Yays: 6 - Council Member Wegner, Council Member Love, Council Member Moore, Council Member Devens, Council Member Fleming and Mayor Pro Tem Sorum

Excused: 1 - Mayor Scheidt

MOTION CARRIED.

2. **Approval of Contract with Central Environmental, Inc. for the Pipeline Club and Landsharks Strip Mall Demolition in the Amount of \$586,493.00**

MOTION: Council Member Fleming moved, seconded by Council Member Devens, to approve contract with Central Environmental, Inc. for the Pipeline Club and Landsharks Strip Mall demolition in the amount of \$ \$586,493.

Mr. Pat Day, Valdez resident, stated he owned a number of properties in the downtown commercial district and had helped build the Pipeline Club building. He expressed concern over a policy of tearing down old buildings when there

was historical value to those buildings. He stated he had been to City Hall three times over the summer to discuss his concerns. He had been told someone would call him and no one appeared to have followed up. He asked if there had been any thought put into rehabilitation of the buildings, or if an open discussion had been had with other building owners and commercial businesses interested in using the buildings. He expressed concern economically over the lack of buildings people can rent inexpensively.

Mr. Detter reminded Council of the work session held in the spring where Council urged City staff to move forward with demolition of the buildings due to safety concerns. He explained staff had been approached by the owners of the Valdez Food Cache, who recently purchased the land adjacent to the Landsharks property. He explained the owners were interested in purchasing the Landsharks property as well to build a new building.

Mr. Day requested, if the City was going to negotiate with people in regards to sale of these properties, it should be a public process so other interested parties can negotiate or bid as well. He stated the City would not make enough money off the sale of the properties to make up the cost of the demolition of the buildings.

Mr. Detter stated the buildings were unsafe and had been foreclosed upon. By demolishing the buildings and then selling the land, the City was trying to do what was best for the future use of the properties. Council Member Devens added, when the topic was first discussed he had been interested in the renovation of the Landsharks property for the same reasons Mr. Day had cited. He stated, however, the Pipeline Club property had been deemed unsafe and would need to be torn down. He explained his concerns over demolition of the Landsharks building had been alleviated due to local interest in purchasing the property. He stated he felt the land would not remain vacant for long after it was sold.

VOTE ON THE MOTION:

Yays: 6 - Council Member Wegner, Council Member Love, Council Member Moore, Council Member Devens, Council Member Fleming and Mayor Pro Tem Sorum

Excused: 1 - Mayor Scheidt

MOTION CARRIED.

3. Approval of the 2020 Financial Audit

MOTION: Council Member Devens moved, seconded by Council Member Fleming, to approve the 2020 City Financial Audit.

Mr. Detter reminded Council the audit included an audit of the monies received through the federal CARES Act.

Auditor Gavin Schultze with Altman Rodgers provided a brief overview of the audit approach, procedures, and results. Finance Director Brian Carlson explained the process once the audit was approved by Council.

Council Member Fleming complimented the Finance Department on superior performance as indicated by audit results.

VOTE ON THE MOTION:

Yays: 6 - Council Member Wegner, Council Member Love, Council Member Moore, Council Member Devens, Council Member Fleming and Mayor Pro Tem Sorum

Excused: 1 - Mayor Scheidt

MOTION CARRIED.

4. Approval to Purchase a Caterpillar 160AWD Motor Grader from NC Machinery Including Tire Chains and a Radio in the Amount of \$346,567

MOTION: Council Member Fleming moved, seconded by Council Member Devens, to approve the purchase of a Caterpillar 160AWD motor grader from NC Machinery including tire chains and a radio in the amount of \$346,567.

Council Member Fleming asked if there was benefit to rebuilding the old machine in addition to purchase of the new machine. Public Works Director Rob Comstock explained the new machine was a huge upgrade to the old machine and the benefits of purchasing the new machine outweighed other options.

Council Member Devens stated he appreciated the funding for the new machine was sourced from savings on previously deferred replacements. He stated he was impressed by the CAT rebuild program as well.

VOTE ON THE MOTION:

Yays: 6 - Council Member Wegner, Council Member Love, Council Member Moore, Council Member Devens, Council Member Fleming and Mayor Pro Tem Sorum

Excused: 1 - Mayor Scheidt

MOTION CARRIED.

5. Approval of Professional Services Agreement with Alaska CAMA Company for Provision of Mass-Appraisal Software and Related Services in the Amount of \$126,141

MOTION: Council Member Fleming moved, seconded by Council Member Wegner, to approve professional services agreement with Alaska CAMA Company for provision of mass-appraisal software and related services in the amount of \$126,141.

Council Member Love asked if property tax information will be accessible online to the public after the implementation of the software. Mr. Carlson explained it would eventually be available online, however that feature was not part of the preliminary stages of the project.

Council Member Fleming asked when initial implementation would begin. Mr. Carlson hoped to have the software ready for his staff and the city's contract assessor to use before the 2022 assessment process began.

Council Member Devens appreciated the streamlining of municipal services and the use of an Alaskan-based company. He asked how the proposal price compared to the market average. Mr. Carlson explained the proposal was significantly less, but a quarter, as compared to the next highest bidder. He stated the company met the needs of the project even at the low price point.

VOTE ON THE MOTION:

Yays: 6 - Council Member Wegner, Council Member Love, Council Member Moore, Council Member Devens, Council Member Fleming and Mayor Pro Tem Sorum

Excused: 1 - Mayor Scheidt

MOTION CARRIED.

VIII. RESOLUTIONS

1. #21-33 - Amending the 2021 Budget by Transferring \$534,154 from Capital Projects and Major Maintenance Reserve to Nuisance Abatement Reserve

MOTION: Council Member Fleming moved, seconded by Council Member Moore, to approve Resolution #21-33.

VOTE ON THE MOTION:

Yays: 6 - Council Member Wegner, Council Member Love, Council Member Moore, Council Member Devens, Council Member Fleming and Mayor Pro Tem Sorum

Excused: 1 - Mayor Scheidt

MOTION CARRIED.

2. #21-34 - Establishing Council Priorities for the 2022 City Operating Budget

MAIN MOTION: Council Member Devens moved, seconded by Council Member Moore, to approve Resolution #21-34 as amended.

Council Members Devens and Wegner stated they thought Council preference for the permanent fund was not to spend the monies in the 2022 budget unless necessary.

Council Members Love and Moore stated they remembered the Council

conversation had included using the fund as a last source for major maintenance projects.

Mr. Detter provided a reminder that staff would have to seek Council approval prior to the funds being used.

MOTION TO AMEND: Council Member Devens moved, seconded by Council Member Wegner, to amend Resolution #21-34 by amending the last sentence of the Attachment A section titled "Permanent Fund" by striking the word "will" and replacing it with the word "may", and adding the phrase "at Council discretion" to the end of the sentence.

Mr. Joe Prax, Valdez resident, urged Council to make an amendment not to spend the fund at all.

VOTE ON THE MOTION TO AMEND:

Yays: 6 - Council Member Wegner, Council Member Love, Council Member Moore, Council Member Devens, Council Member Fleming and Mayor Pro Tem Sorum

Excused: 1 - Mayor Scheidt

MOTION CARRIED.

Mr. Prax stated the City was beginning to spend more than it brings in, drawing parallels to the State's budgeting issues. He stated some minor belt tightening now would benefit the City in the long term.

VOTE ON THE MAIN MOTION AS AMENDED:

Yays: 6 - Council Member Wegner, Council Member Love, Council Member Moore, Council Member Devens, Council Member Fleming and Mayor Pro Tem Sorum

Excused: 1 - Mayor Scheidt

MOTION CARRIED.

3. #21-35 - Amending the 2021 City Budget by Transferring \$42,095 from General Fund/Finance Department to Technology Reserve to Fund Mass Appraisal Software Contract

MOTION: Council Member Devens moved, seconded by Council Member Fleming, to approve Resolution #21-35.

VOTE ON THE MOTION:

Yays: 6 - Council Member Wegner, Council Member Love, Council Member Moore, Council Member Devens, Council Member Fleming and Mayor Pro Tem Sorum

Excused: 1 - Mayor Scheidt

MOTION CARRIED.

IX. REPORTS

- 1. Procurement Report - Professional Services Agreement with Callan and Associates for Permanent Fund Investment Services**
- 2. Quarterly Financial Summary Reports: June 30, 2021**

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

Mr. Detter outlined current city projects, including the Cottonwood Drive paving project, West Hanagita paving project, Ptarmigan Place paving project, Council Chambers, Mineral Creek Bridge repairs, High School and Elementary School water line repairs, and the school generator project. Council Member Wegner thanked Mr. Duval for working with the schools on the generator project scheduling.

Mr. Detter continued his update on projects, including design updates, bid solicitation for the new well, the H-K small boat harbor grant application, bidding for the Robe River fire water booster pump replacement, Architects of Alaska and the hospital master plan update, and child care facility.

Council Member Wegner asked when more information would be brought forward on the hospital master plan update. Mr. Detter and Mr. Duval explained they were planning for the second meeting in September.

Council Member Fleming asked if the child care facility discussion as part of the hospital master plan was the only additional child care option currently in the works. Mr. Detter reminded Council the Parks & Recreation Master Plan also included a Recreation Facility with child care space identified as a priority.

Mr. Detter explained the Zero to Three with Families Alliance headed by Ms. Olivia Foster would like to meet with Council in a work session. Timing of that work session would be once the Alliance was farther along with their assessment study on local child care needs, as well as work by their subcommittees.

Mr. Detter provided an update on housing projects, including senior housing, and the St. Patrick Subdivision.

Mr. Detter provided an update on his attendance at the recent Providence Health Advisory Council meeting.

He provided a brief update on local COVID-19 case trends expressed his concern over the Delta Variant induced surge in case numbers. He stated he would be meeting with members of the local medical community and key city staff to discuss topics including public communication needs and spending

proposals related to the COVID-19 response. He stated a number of people had reached out to him asking about the need for another mask mandate and emergency order. He requested guidance from Council in regards to another mask mandate.

Council Member Wegner expressed his interest in providing educational materials to the community and allowing people to make their own decisions. He did not feel comfortable moving backwards and mandating masks again.

Council Member Fleming agreed with Council Member Wegner, stating he was in favor on not mandating masks at this point. He supported local businesses requiring masks if they wanted to do so and receiving the support of local law enforcement to trespass individuals who did not comply.

Council Member Devens expressed his concerns. He stated the last 30 days had been the worst locally regarding case numbers. He stated he felt the original emergency order and mandate had been put into place during a time with less cases and reestablishing both should at least be considered under the circumstances.

Council Member Love shared her concern over the local vaccination rate. She stated she was prepared to discuss another mask mandate, but had reservations over making the mandate more punitive versus educational.

Council Member Moore shared frustration regarding the local vaccination rate. He was in favor of the City taking stronger action on masking in city facilities and providing a strongly worded statement encouraging masking in the broader community. However, he did not feel a mandate would be appropriate at this time.

Mayor Pro Temp Sorum expressed interest in setting a good example for the community in regards to masking.

Mr. Detter explained the current exhaustion level within the medical community. He stated the testing trailers would remain in place at both the Alfa Doc Clinic and the Valdez Medical Clinic. The City would continue to provide support to the local medical community.

Ms. Ferko provided a reminder of Valdez Municipal Code provisions for mandates, including the necessity of a formal disaster declaration prior to issuing a mandate.

2. City Clerk Report

Ms. Ferko reviewed the upcoming Council calendar, including upcoming work sessions. She reminded Council City Clerk Sheri Pierce was out on vacation through August 27th. She updated Council on a tsunami preparedness brochure

and letter mailed to all post office box holders by the city emergency management team.

3. City Attorney Report

Mr. Staser outlined projects and provided updates on cases his firm is working on behalf of the City, including the census, redistricting, escaped property, and Pacific Pile & Marine. Comments on BP Hilcorp and Alaska Trappers were reserved for executive session.

4. City Mayor Report

Mayor Pro Tem Sorum asked for an update on the Coast Guard City sign. Ms. Ferko explained she reached out to all of the other Alaskan Coast Guard Cities to determine best practice for signage across the state. She explained staff are looking at a design combining elements from the Cordova and Kodiak signs. She stated she is working with Mr. Talbott and Mr. Duval to finalize design and determine cost estimates and location. She explained once all of those items were identified, they would return to Council to request authorization to fund the project out of Council's contingency budget.

XI. COUNCIL BUSINESS FROM THE FLOOR

Council Member Wegner shared his appreciation for Council's willingness to respectfully listen to and consider opposing opinions and points of view.

Council Member Fleming thanked those involved in reviving the working relationship with the City's federal lobbyist.

Council Member Love encouraged members of the community to reach out to the Council and express their concerns. She also took a moment to recognize impacts of the recent tragic loss of three young men in the community. She stated many members of the community were sitting with very heavy hearts and she offered her condolences and thoughts to those impacted by loss.

Council Member Moore expressed his increased appreciation for the hard work of the City Ports and Harbors Department, under the leadership of department director Jeremy Talbott.

XII. EXECUTIVE SESSION

City Council transitioned into executive session at 9:37 p.m.

XIII. RETURN FROM EXECUTIVE SESSION

City Council transitioned out of executive session at 10:08 p.m.

XIV. ADJOURNMENT

There being no further business, Mayor Pro Tempore Sorum adjourned the meeting at 10:08 p.m.