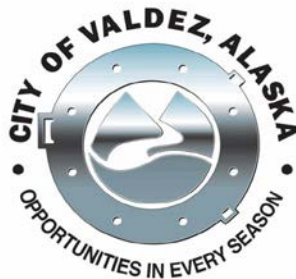


City of Valdez

*212 Chenega Ave.
Valdez, AK 99686*



Meeting Minutes - Final

Tuesday, April 25, 2017

6:00 PM

Special Meeting

Work Session (City Employee Controlled Substance Policy)

Council Chambers

City Council

SPECIAL MEETING AGENDA - 6:00 PM**I. CALL TO ORDER**

Mayor Knight called the meeting to order at 6:00 p.m. in the Valdez City Council Chambers.

II. ROLL CALL

Present: 6 - Mayor Ruth E. Knight
Council Member Nate Smith
Council Member Christopher Moulton
Council Member Lon Needles
Council Member H. Lea Cockerham
Council Member Ryan McCune

Absent: 1 - Council Member Dennis Fleming

Also Present: 5 - City Manager Elke Doom
Deputy City Clerk Allie Ferko
City Attorney Tony Guerriero
City Attorney Jake Staser
Assistant City Manager Todd Wegner

III. NEW BUSINESS**1. Approval of Contract Award to Harris Sand & Gravel for Copper Avenue Erosion Protection and Gravel Extraction in the Amount of \$1,088,500**

MOTION: Council Member Smith moved, seconded by Council Member Cockerham to approve contract award to Harris Sand & Gravel for Copper Avenue Erosion Protection and Gravel Extraction in the amount of \$1,088,500. The motion carried by the following vote after the following discussion occurred.

Mr. Allen Crume, Valdez resident, asked if gravel extraction permits are in place for the project. Mr. Scott Benda, City Capital Facilities Project Manager, explained DOWL Engineering is handling permitting on behalf of the City. DOWL indicates gravel extraction may begin May 4th. Mr. Benda explain, if the contract is approved, the contractor will begin clearing the gravel storage sites tomorrow.

Mr. Allen Crume asked if the City obtained clearance from the property owners in the area of the project. Mr. Benda stated the area utilized is on City land and access through privately owned land is not needed.

Council Member Needles asked for details on the bidders for the project. Mr. Benda explained the project was bid for 14 days, with only one bid received. Several other contractors traveled to Valdez to view the project area. Mr. Benda stated he believes the City only received one bid because the project needs to be done quickly. Thus, it has a short 30-day completion timeline.

Mr. James "Hotai" Williams, Valdez resident, stated he is speaking on behalf of the owners of private property adjacent to Valdez Glacier Stream. He explained he has concerns with heavy equipment transiting across a salmon spawning stream near the construction site. Mayor Knight explained during a recent Mayor's Flooding and Gravel Extraction Task Force meeting, Alaska Department of Fish

and Game (ADF&G) expressed no objections to the construction projects in or around Valdez Glacier Stream. Mr. Williams explained his concern is with the smaller tributary stream that feeds into the Valdez Glacier Stream, which he believes is a fish bearing stream. He stated he contacted ADF&G directly regarding his concerns.

Mr. Williams stated he spoke with Mr. Tom Landy, an adjacent private property owner. He explained he advised Mr. Landy to not allow the City or State of Alaska permission to cross his property for this project. Mr. Williams stated Mr. Landy will not allow City employees or contractors access to his property unless the City purchases his property. Mr. Williams also expressed concerns with the placement of proposed dikes for the Valdez Glacier Stream.

Mr. Williams stated he discussed with Mr. Landy the value of his property and his recommendations for purchase price. Mr. Williams discussed a few historical concerns with City interaction with the property.

Mayor Knight asked Mr. Benda if access to the property being discussed crossed private property. Mr. Benda explained dikes one through four will be built upstream of the property described by Mr. Williams. Mr. Benda stated, while he cannot speak to the contractor's exact means and methods, access to the project site can be accessed through City property. A temporary bridge is also an option. Mr. Benda stated the Valdez Glacier Stream is not a catalogued salmon stream. He stated the Landy property will come into play in a separate NRCS project. He stated gravel will be stockpiled on City land, and he is not concerned regarding private property access for the project currently being discussed.

Mr. Staser stated the current Copper Avenue traverses Mr. Landy's land. The publically maintained road has been in place for several decades. He explained the City has a prescribed easement to use the road to access its own property.

Mr. Staser explained, as a matter of courtesy, he did reach out to Mr. Landy to ask for access to Copper Avenue free of interference from Mr. Williams or otherwise. Mr. Staser stated he is in the process of negotiating with Mr. Landy for the purchase of that land for flood mitigation purposes. The land sale, once negotiated, must be approved by City Council.

Mr. Williams provided a brief synopsis of the historical background of Copper Avenue. He stated he does not believe the City paid or is paying Mr. Landy rent for the Copper Avenue easement. Mr. Williams recommended to Mr. Landy that he ask for back rent for the easement. He explained he does not believe the placement or use of the easement was handled appropriately by the City.

Mr. Rick Wade, Valdez resident, stated he believes the plan design as presented will create more, not less issues with movements of the stream. He stated he feels the engineers and others involved in the design do not have correct information by which to make good decisions. He also expressed concerns with the lack of involvement of adjacent landowners in the decision making process.

Mr. Wade stated he believes City and contract staff were not necessarily following input of task force members. He explained it appears task force conversations were turned into action without closing the loop with citizen task force members. He stated he feels more time should be taken to better work out the details of

design and the plan before moving forward. He stated the City does need to get in and remove the gravel. However, he would like to see a change in the personnel responsible for overseeing the project. He stated, in his opinion, the location of the lower dikes should also be modified. Mining in the main channel of the stream will be the main solution to the dealing with flooding.

Mayor Knight clarified that gravel extraction will occur as part of the contract being discussed. She stated, as verified by the City's contract hydrologist, the kicker dikes will help divert the water back into the main stream channel. She explained many of the concerns expressed by both Mr. Williams and Mr. Wade relate to the NCRS project at the mouth of the stream. She stated the Flooding and Gravel Extraction Task Force, as well as DOWL engineers and hydrologists, supported the gravel extraction plan.

Mr. Crume stated there was no formal vote during the last Task Force meeting. He believes staff agreed with the plan, but the citizen members did not necessarily agree.

Mr. Williams provided his recollection of management of the Glacier Stream in 2003 and 2004. He stated he believes a new deep channel should be created in the stream. He recommended the City Council table the item until additional details can be explored.

Council Member Needles stated he believes the project is poorly planned and will not work. He explained he would have liked to have had the opportunity to speak with the DOWL engineer and ask questions prior to voting on the item. He stated he believes the project will be a failure. Mayor Knight stated she stated questions were asked in detail of both the DOWL engineer and hydrologist as part of the Flooding and Gravel Task Force meeting process.

Council Member McCune asked if a hole is dug in the sandbar, what will prevent it from filling in again. He also asked if the dog leg outlined in the design would be feathered into the main channel. Mr. Benda stated when he first reviewed the plans, he had similar concerns. He was present for the gravel extraction work in 2015 and watched the main channel fill in after extraction. He explained the height, width, and depth of the gravel material being removed is based upon scientific measurements and hydrology to mimic what the river is doing naturally. In the past, the channel was dug too deep, it slowed the water, and material filled in quickly. He stated there is more to the process than merely moving gravel out of the stream bed.

Mr. Benda explained gravel removed as part of this project will be stockpiled and used for the NRCS project.

Council Member Smith stated the flooding and gravel extraction process has been discussed for a long time. He expressed frustration that requests have been made to delay the project when proactive measures are finally being taken based upon the input of professional hydrologists and engineers. He expressed concern that there may be greater repercussions if no action is taken. He explained a few different options may have to be explored and a maintenance plan must be put in place. He encouraged everyone to work together to keep the project moving forward.

Council Member Cockerham stated he agrees this is the first phase of a multi-year project and something needs to get done this year. He explained the understands the high cost of the project and the reason for receiving only one bid, however would have preferred to have a longer bid window.

Council Member McCune stated extraction work should have begun in mid-March. He asked for additional information on the selection of the site for the gravel stockpile. Mr. Benda explained the site is right next to the future location of the NRCS dike. The gravel will be used for that project to lower the cost.

Council Member Smith explained this is a plan that came together with professional and community input. A lot went into the design and plan and now the work needs to get done.

VOTE ON MOTION:

Yays: 5 - Mayor Knight, Council Member Smith, Council Member Moulton, Council Member Cockerham, and Council Member McCune

Nays: 1 - Council Member Needles

Absent: 1 - Council Member Fleming

2. Approval of Contract Award to Pacific Pile & Marine for Phase 2 of the Valdez New Boat Harbor Project in the Amount of \$24,907,321

MOTION: Council Member McCune moved, seconded by Council Member Smith to approve contract award to Pacific Pile & Marine for Phase 2 of the Valdez New Boat Harbor Project in the amount of \$24,907,321. The motion carried by the following vote after the following discussion occurred.

Council Member Needles asked how soon Arcadis and Mr. Rozak would begin project management for Phase 2. Mr. Jason Miles, City Capital Facilities Director, explained the City is in discussions with Arcadis regarding project management. However, an RFP will be released for project management bids as required in City Code.

Council Member Smith asked Mr. Miles to explain the basic bid and selection process, as well as bid modifications. Mr. Miles explained that until bidding closes, the City will accept bid modifications. This means bidders have until bid close to provide the City with an update to their pricing. After bid closing, bids are opened by staff.

Mr. Miles explained R&M Engineering were tasked with putting together a comprehensive bid package to complete the remainder of the New Harbor Project in one contract. Plans were put out to bid in March. Bids were opened on April 14th with Pacific Pile & Marine as the lowest bidder. Four bids total were received, with the lowest three bidders being very close in price. Mr. Miles stated this speaks to a tight design package. The engineer's estimate is only a 2% difference from the low bid. Mr. Miles explained there is enough money in the budget to complete Phase 2 of the project, as bid, and he could not be more satisfied with the bid results.

Council Member Moulton stated Western Marine is currently conducting work in the new harbor basin. He asked if that company retains control of that area for the near future. Mr. Miles stated Western Marine generally retains control until the end

of 2017. Council Member Moulton asked if Western Marine's presence would have any impact to the work for Phase 2. Mr. Miles explained following bid opening, he and Ms. Kim Nielson from R&M had a conversation with Pacific Pile & Marine to better understand elements of their bid package. Part of that conversation was a discussion regarding schedules and Western Marine's presence in the area.

Mr. Miles explained Pacific Pile does not have in-water work scheduled until March 2018, which will prevent conflicts with Western Marine. He also explained Pacific Pile estimates the project completion date as September or October 2018, well ahead of the previously projected schedule.

Council Member Moulton asked if there are preexisting conflicts between Western Marine and any of the contractors who bid on the project. Mr. Miles explained contracting can be a cutthroat business and legal issues can arise as part of the process or project. However, it is written into the contract documents that Pacific Pile must coordinate with Western Marine especially on Uplands work. The bid is structured to state in-water work cannot begin until Western Marine is out of the basin. The bid package was structured around what was known at the time, which included the Army Corps of Engineers contract with Western Marine for basin work through the end of 2017. Mr. Miles stated there will be contractors working around each other, but he does not anticipate conflicts.

Mayor Knight asked if the proposed contract award went to the Ports & Harbor Commission. Mr. Miles stated these types of contracts go to the Commission first for review, input, guidance, and recommendation to City Council. He explained the Commission met the previous Friday and recommends moving forward with awarding Pacific Pile & Marine the contract.

Mr. Miles explained staff looked very closely at the difference between the lowest bidder and the second lowest bidder, a local contractor. Staff would need to provide a very clear, valid reason if they went with the second lowest bidder. Mr. Miles stated this justification did not exist. However, there is a portion of the contract that encourages local hires by the contractor for the project. He explained Pacific Pile has already expressed the intention to work with several local subcontractors.

Mr. Crume asked if Phase 2 of the project is still within the bounds of the budget. Mr. Miles stated yes it is within the budget, with money to spare.

VOTE ON MOTION:

Yays: 6 - Mayor Knight, Council Member Smith, Council Member Moulton, Council Member Needles, Cockerham and McCune

Absent: 1 - Council Member Fleming

IV. RESOLUTIONS

- #17-14 - Amending the 2017 City Budget by Reallocating Previously Appropriated Funds Totaling \$2,011,795 among the Flood Mitigation Maintenance Reserve, the Master Planning Reserve and the Capital Facilities Fund, to Reflect Appropriations for Specific Flood Mitigation**

Projects

Mayor Knight noted the resolution published online was amended prior to the meeting to correct the total amount of funds to be reallocated. The motion for this agenda item needed to include the correction.

Council Member Smith moved, seconded by Council Member McCune to approve Resolution # 17-14 amending the 2017 City Budget by reallocating previously appropriated funds totaling \$2,011,795 among the Flood Mitigation Maintenance Reserve, the Master Planning Reserve, and the Capital Facilities Fund, to reflect appropriations for specific flood mitigation project. The motion carried by the following vote after the following discussion occurred.

Council Member McCune asked what caused the difference between the published amount and the amount being voted upon. Mayor Knight explained the increase of \$535,790 came from adding the Glacier Stream Emergency Watershed Match.

VOTE ON THE MOTION:

Yays: 6 - Mayor Knight, Council Member Smith, Council Member Moulton, Council Member Needles, Cockerham and McCune

Absent: 1 - Council Member Fleming

IV. ADJOURNMENT

There being no further business, Mayor Knight adjourned the special meeting at 6:55 p.m.

**WORK SESSION AGENDA – 7:00 PM
Controlled Substance/Alcohol Policy**

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