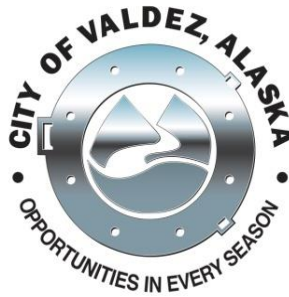


City of Valdez

*212 Chenega Ave.
Valdez, AK 99686*



Meeting Minutes

Tuesday, March 6, 2018

6:00 PM

Work Session (Senior Center) & Regular Meeting

Council Chambers

City Council

WORK SESSION AGENDA - 6:00 pm
Work Session: Valdez Senior Center

REGULAR AGENDA - 7:00 PM

I. CALL TO ORDER

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

II. PLEDGE OF ALLEGIANCE

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

III. ROLL CALL

Present: 5 - Mayor Ruth E. Knight
Council Member Lon Needles
Council Member Jim Shirrell
Council Member Dennis Fleming
Council Member Darren Reese

Excused: 2 - Council Member Nate Smith
Council Member Christopher Moulton

Also Present: 4 - City Manager Elke Doom
City Clerk Sheri Pierce
Records Manager Shelley McMillen
City Attorney Jake Staser

IV. PUBLIC APPEARANCES

1. Dorothy M. Moore - Regional Citizens' Advisory Council Report

Ms. Dorothy Moore, Board member on the Regional Citizens' Advisory Council (RCAC) for Prince William Sound, presented a report to City Council on the RCAC's activities. She thanked Council for allowing her to represent Valdez for the past ten years and offered some personal and local history. The RCAC, under the Oil Pollution Act of 1990 (OPA), was developed after the spill with the mission of providing citizen oversight to ensure environmentally safe operation of the pipeline terminal and associated tankers. She explained the relationship between the RCAC and the Alyeska Pipeline Service Company was mediated by the Alyeska contract and described the structure of the RCAC Board and Council representatives, as well as ex-officio members from Aleyska, Edison Chouest Offshore Company, and the Alaska Department of Environmental Conservation (ADEC).

Ms. Moore suggested new technologies such as drones might be used to effectively monitor spills aerially. She also reviewed some of the accomplishments and challenges

the RCAC had experienced over the past ten years. She said the RCAC had successfully advocated for double tug escort for oil tankers, improved weather studies, regular buoy maintenance, and the implementation of the Terminal fire symposium. She expressed concern over an invasive species of green crab, which could devastate the Prince William Sound shrimp population if it were transmitted to Valdez through ballast water. Ms. Moore also encouraged City Council to read a recent article by retired Crowley engineer and RCAC Board Member Mr. Robert Archibald on the safe transport of oil through the Sound in adverse weather conditions.

Ms. Moore announced the May 2nd RCAC reception date and invited City Council to attend. She also provided City Council with a copy of the RCAC's legislative priority list from their recent Juneau lobbying session. Mayor Knight thanked Ms. Moore for providing the RCAC's legislative briefing. Ms. Moore said if City Council wanted to know who was most responsive to their campaigns in Juneau before traveling to Juneau, she would be happy to give them contact information for receptive legislators. Mayor Knight agreed Mr. Archibald's article was excellent and suggested all City Council members read it if they had not yet done so.

Council Member Reese asked if the PWSC C-Plan had been discussed in Juneau. Ms. Moore replied the C-Plan for the Valdez area is very complex and require region-specific knowledge. She said the RCAC has been pressuring the ADEC to review the C-Plan and said she had received an email explaining the judge had denied to motion to intervene on revisions to the C-Plan. Mayor Knight thanked Ms. Moore for her report.

V. PUBLIC BUSINESS FROM THE FLOOR

Mr. Allen Crume, Valdez resident, expressed concern the City was discouraging development by placing a stop work order on a building project for Geeks in the Woods in Valdez. He said he would like to see the City invested in encouraging development, rather than discouraging it, claiming that there was unnecessary paperwork standing in the way of progress. He said the group had their easement relief signed by the Mayor and City Clerk and that once the easement had been vacated, development on the property should not have been halted. Council Member Shirrell asked if the document had released a surveyed and documented easement. Mr. Crume said he was unclear if it had ever been recorded. Council Member Needles asked if a stop work order had been issued for the project. Mr. Crume replied that it had. Mr. Paul Nylund, Interim Community Development Director, explained that once the easement was vacated, the next step was for the company to apply for a subdivision of the property. He said Geeks in the Woods was given the application for subdivision in December of 2017, and again in January of 2018, and had not yet returned the completed application to his department. He clarified that the stop work order had been issued specifically for building a structure without a permit.

Mr. Crume said this was the first time he had heard a connex referred to as a structure and said the City could not arbitrarily label buildings. Mr. Nylund said he agreed with Mr. Crume, the definition of structures could not be arbitrarily changed. He explained the structure in question was composed of three connex, set over poured cement to compose a 2,200 square foot structure. Mr. Crume reiterated the City should be working with the company to develop instead of creating barriers, citing the group's connectivity as an incentive for working effectively with them.

Council Member Shirrell requested a report from the City indicating what had occurred regarding the permit. Ms. Doom replied a report could be generated, but that she could speak to the project because she had visited the site repeatedly. She explained the connex were sitting on a foundation, heavily insulated and sided, with electricity, running water and a roof. She explained, as a result, the City building inspector determined the site was not a storage connex, but a structure requiring a building permit. She said the Community Development Department had been working to accommodate Geeks in the Woods but there continued to be delays due to lack of communication from the company. She said the City building inspector could develop a report for Council when he returned from out of town training. She explained to Mr. Crume the City was not hindering development; they were simply enforcing municipal code.

Mr. Crume said he was not expecting the City to bend the code but he was concerned that the company would leave Valdez if they were not accommodated. Ms. Doom replied the Community Development Department had presented the company with the necessary paperwork twice to no avail and that the City had gone above and beyond to accommodate them. Mr. Crume said he would be happy to work with the City and Geeks in the Woods to expedite the permit process.

Mayor Knight read an email from Geeks in the Woods addressed to her and the City Manager dated January 3rd, 2018 and signed by the company's executive assistant Ms. Camille Sutherland. Ms. Sutherland wrote she was writing a letter of appreciation to the City thanking them for their assistance. Mayor Knight noted the communication seemed positive. Council Member Fleming and Council Member Shirrell seconded the request for a report from the City on the issue.

Mr. Rick Wade, Valdez resident, and general contractor for Geeks in the Woods, said the company had hired him to resolve the situation. He said the stop work order was a result of confusion over the definition of a structure built using a connex versus a storage connex. Mr. Nylund replied the stop work order was for building a structure without a permit. Council Member Reese asked if the stop work order would be removed if the company obtained a building permit. Mr. Nylund replied that it would. He explained Mr. Brad Barnett, the original contractor for the project, had submitted a permit application.

However, before it was processed, Mr. Barnett pulled the permit application and ceased working for the company. Mr. Nylund explained the permit review had discovered a zoning issue with the connex structure. The connex structure was considered an accessory building without a primary structure. It was prohibited by City code to build an accessory building without the presence of a primary structure on the lot. He explained if the lot had been subdivided, which was a condition of the vacation, the accessory building without a primary structure would not be an issue because an existing building on the lot could serve as the primary structure. He stated the Community Development Department had explained this process to the company but had not received the application for the subdivision.

Council Member Reese asked how long the subdivision review would take. Mr. Nylund replied that it would have to undergo zoning review. Council Member Reese asked for an approximate time frame. Mr. Nylund replied it would depend on the findings of the review. Mayor Knight clarified the company would need to complete the subdivision of the property if they were to continue building on the property. Mr. Nylund replied this was true and he had received an email from Geeks in the Woods acknowledging they realized they could not build without subdividing the lot. However, they still had not completed the application.

Council Member Reese replied that the issue needed to be a high priority for the department. Council Member Needles suggested hosting a work session on the issue. Mr. Nylund replied the department was not asking anything from the Geeks in the Woods that they would not ask of any other contractor. Ms. Doom replied the City could not complete the company's paperwork for them and this was an instance of the property owner being in blatant non-compliance with city code.

Mr. Wade said the company never got notice of the easement of the property and were waiting for the release of the easement to move forward. He also took issue with the specification of connex as structures. He said connex construction in Valdez had always been unregulated and the City could not change the rules for this project. He added he had tried to obtain the original building permit submitted by Mr. Barnett but had received conflicting answers as to where it was. Council Member Fleming reiterated the connex for this particular project were conjoined to compose a structure of 2,200 square feet. Mr. Wade stated this was correct. Council Member Fleming restated the approved plans for building were different than what was submitted to the City. Mr. Wade replied the original building plans and design were submitted by Mr. Barnett. Mr. Wade said he had completed a records request with the City and received a document with the permit number on it but that no one could tell him where the permit was. He reiterated the company was very frustrated and did not feel welcome in Valdez.

Council Member Shirrell suggested there needed to be updates to City code to include tiny homes and renovated connex as structures. He repeated he would like a summary of the facts about the situation from the City. He said he wanted the City to help the developers understand that they were not being run out of town; the City was simply enforcing code. Council Member Needles asked what the permit number was and if there could be a Council work session to discuss the issue. Mr. Nylund replied there had never been a building permit issued for the project, but there were electrical and plumbing permits issued. He repeated that Mr. Barnett had submitted a permit for the building, but had withdrawn it before the department could complete the zoning review. The application was returned to Mr. Barnett because it was not a matter of public record without being completed.

Mr. Wade repeated he had a permit number on the documents that he had been given from the City, claiming the City had thrown away the permit. He said the company held 14 permits for the project. Council Member Fleming supported Council Member Needle's recommendation for a work session. He said he would like to see a clear understanding of what should be defined as a permitted structure. Council Member Shirrell said he did not think a work session was necessary, since a work session was for determining policy. He challenged administration to find a way to turn the failing relationship with Geeks in the Woods into a positive partnership.

Ms. Doom replied she had met with Mr. Wade and the City building inspector to sort out what had happened. She said the permit application was not thrown away, it was returned to Mr. Barnett when he withdrew from the job. She had asked the company to provide their subdivision and building permit paperwork so the City could assist their development efforts. She said the company had been clear about wanting the City to look the other way, but they would not. She cautioned against demonizing the department for simply doing their jobs. She said Mr. Nylund, the acting Community Development Director, and the City building inspector had worked tirelessly to assist the developers. Ms. Doom said it was unacceptable for the company to fail to return the necessary paperwork and blame the City for the stop work order. She reiterated the City would continue to work with them, but stated that they must be responsible property owners and comply with the City's requirements.

Mayor Knight said that if a work session was held to discuss this issue, it would be a work session on City policy and codes, not the specific incident. Council Member Shirrell said he wanted to remain proactive to resolve the issue. He asked the City Manager what she would recommend moving forward. Ms. Doom replied the first step would be for the property owners to file the required paperwork that the City had provided them. She said she would also generate a report from the Building Inspector, reiterating the information she and Mr. Nylund provided to Council. Council Member Shirrell asked if

Mr. Nylund and Ms. Doom would reach out to the developers diplomatically with an itemized list of what it would require to restart construction. Ms. Doom agreed.

Mayor Knight asked how likely the company was to complete their paperwork. Mr. Wade responded the developers were out of town, but that their Executive Assistant Ms. Sutherland had been working on the paperwork. He said the company had not received the easement release. Council Member Fleming said the easement release had been provided. Mr. Wade said the company had not received it. Mr. Nylund clarified the dedication of the easement had been vacated, but that the developers did not require that paperwork to move forward. Ms. Pierce said the vacation of the easement was completed, and would no longer appear on the plat. Mr. Wade asked if the vacation was filed with the courthouse. Ms. Pierce replied that it was sent to the State of Alaska Records Office. Mayor Knight clarified that the zoning change needs had been accomplished, but the City was waiting on the building permit application.

Mr. Staser added that the definition of a structure within the International Building Code (IBC) was clearly defined as a building employing a foundation, insulation, plumbing etc. and that it would be difficult to argue that the multi-connex structure with plumbing and electricity was simply storage, and not a structure. Mr. Nathan Duval, Capital Facilities Director, pointed out that the IBC also recognizes the structure's intended use as the coding category. The intended or most common use, if the structure has multiple uses, is what a building would be coded under. Mayor Knight said she would like a thorough review of the building codes, and that she hoped the company would complete their paperwork.

Mr. Crume said there had been a lack of communication, and that it was unfair for staff to place a stop order when the builders were working in such adverse winter conditions. He said they should not issue a stop work order, but rather wait until the structure was built to review it and if they determined that it was unsuitable at that time, the City could remove it. Council Member Fleming said it was prohibited to work without a building permit, and the City was forced to complete the stop order due to lack of compliance.

Mr. Crume said the delays were the result of removing an imaginary line on the property. He asked who would assume the liability if the company were to build without a permit. Council Member Fleming replied that it would be the builders. Mr. Crume said the City should allow them to continue and remove the building if it does not meet code. Council Member Shirrell said that the risk is born by the company, to the degree that they refuse to obtain a building permit. However, if the City inspector knowingly fails to enforce code, the City is vulnerable to litigation.

VI. NEW BUSINESS**1. Approval of 2018 Legislative Priorities**

MOTION: Council Member Reese moved, seconded by Council Member Fleming to approve the 2018 State Legislative Priorities. The motion carried by the following vote after the following discussion occurred.

Mayor Knight thanked Ms. Pierce for developing the 2018 Legislative Priority list, using the 2017 items, the Alaska Municipal League list, and the 2018 Valdez Ferry Terminal use concerns.

VOTE ON THE MOTION:

Yays: 5 - Mayor Knight, Council Member Needles, Council Member Shirrell,
Council Member Fleming and Council Member Reese

Absent: 2 - Council Member Smith and Council Member Moulton

2. Approval to Purchase a Caterpillar 966M Loader from NC Machinery with Accessories in the Amount of \$321,348.37

MOTION: Council Member Reese moved, seconded by Council Member Needles to approve the purchase of a Caterpillar 966M Loader from NC Machinery with accessories in the amount of \$321,348.37. The motion carried by the following vote after the following discussion occurred.

Council Member Needles asked which loader the new machinery would be replacing. Mr. Rob Comstock, Public Works Director, replied the new loader would replace one currently operating at the City landfill. He explained the loaders were rotated between the City Shop and the landfill, as needed. He added the City was able to make this purchase off of the State of the Alaska procurement contract which was subsidized by Caterpillar corporate. Council Member Shirrell asked if the replaced loader would go through the equipment sale bid process, assuming that the bid price would be higher than the Caterpillar buy-back program price. Mr. Comstock replied the City could get a better price and would put the loader up for bid.

VOTE ON THE MOTION:

Yays: 5 - Mayor Knight, Council Member Needles, Council Member Shirrell,
Council Member Fleming and Council Member Reese

Absent: 2 - Council Member Smith and Council Member Moulton

3. Approval of Contract Change Order #2 with John Lynch & Associates, LLC for Information Technology Services in the Amount of \$86,000

MOTION: Council Member Needles moved, seconded by Council Member Reese to approve change order #2 with John Lynch & Associates, LLC for Information Technology Services in the amount of \$86,000. The motion carried by the following vote after the following discussion occurred.

Council Member Fleming asked what the long term goals were for the IT director position. Ms. Doom explained the new IT Director Mr. Ben Barrio would begin work March 19th but the City would like the contract with interim IT Director John Lynch and Associates, LLC to continue to ensure a smooth transition. Ms. Doom explained the City was developing a new position for Network Manager for the IT department as well. Council Member Reese asked if the change order would cover the cost of extending the contract with Mr. Lynch until April of 2018. Ms. Doom replied it would and said she had attempted overestimate the cost so as to avoid going to Council with another change order for the contract.

VOTE ON THE MOTION:

Yays: 5 - Mayor Knight, Council Member Needles, Council Member Shirrell, Council Member Fleming and Council Member Reese

Absent: 2 - Council Member Smith and Council Member Moulton

VII. ORDINANCES

1. #18-02 - Amending Title 1 Chapter 1.08 of the Valdez Municipal Code Titled General Penalty- Continuing Violations. Second Reading. Adoption.

MOTION: Council Member Fleming moved, seconded by Council Member Shirrell, to approve Ordinance # 18-02, amending Title 1 Chapter 1.08 of the Valdez Municipal Code titled General Penalty - Continuing Violations. Second Reading. Adoption. The motion carried by the following vote.

VOTE ON THE MOTION:

Yays: 5 - Mayor Knight, Council Member Needles, Council Member Shirrell, Council Member Fleming and Council Member Reese

Absent: 2 - Council Member Smith and Council Member Moulton

VIII. RESOLUTIONS

- 1. #18-07 - Amending the 2018 City Budget by Transferring \$50,000 from General Fund Balance to Reserve Funds and Appropriating \$50,000 to the SHARP III Tuition Reimbursement Program. RECONSIDERATION**

MOTION: Council Member Reese moved, seconded by Council Member Shirrell, to approve Resolution # 18-07, amending the 2018 City Budget by transferring \$50,000 from General Fund Balance to Reserve Funds, and appropriating \$50,000 to the SHARP III tuition reimbursement program. This item was brought back to the City Council under Reconsideration. The motion carried by the following vote after the following discussion occurred.

Council Member Shirrell stated he had done research on the requirements of the SHARP III program and felt it had potential benefits for the recruitment and retention of healthcare personnel in Valdez. He said he would like to meet with the SHARP III administrator during the legislative session in Juneau to learn more about how the program would work. He said the program was funded by respective employers and contributors, in this case Providence Hospital and the City of Valdez. He said SHARP III required an employer match and the State would simply act as administrator for the program.

Council Member Shirrell asked Providence Valdez Director Mr. Jeremy O'Neil if he was prepared to provide the match for his employees. Mr. O'Neil replied Providence had already provided employer matches with the SHARP I and II programs. Council Member Shirrell asked if those had been completed in Valdez, including the fiscal agent and the SHARPS Council. Mr. O'Neil replied that they had. He clarified there would be one SHARPS Council and one fiscal agent throughout the State of Alaska. It would not be Providence's role to develop these personnel. He mentioned that at the next Health Advisory Council (HAC) meeting, he would have Mr. Robert Sewell, Program Manager for SHARP III, clarify the details of the program. Council Member Shirrell asked if Providence was prepared to contribute their portion to the program. Mr. O'Neil replied they were and repeated that there had been matching components to the SHARP I and II programs.

Council Member Shirrell asked if the Valdez Medical Clinic was prepared to offer the 80 percent match required for a physician under SHARPS III. Mr. O'Neil said he could not speak to their operation but the Valdez Medical Clinic had reviewed the terms of SHARP III. Mr. O'Neil said he hoped meeting with Mr. Sewell would give the HAC confidence in the program and the HAC could then give City Council the assurance they were seeking. Council Member Shirrell said the City could return the funds to Providence and have the Health Advisory Council allocate the

money or the City could hold the money and disperse it. He asked if Mr. O'Neil had a preference. Mr. O'Neil said he hopes that SHARP III would make the Valdez community a more competitive location for healthcare providers by elevating some of their enormous student debts and did not have a preference. Mr. O'Neil felt the program was necessary for Valdez to remain competitive. Council Member Shirrell said he was comfortable giving the funds back to Providence and directing the HAC to allocate.

Council Member Reese said the Health Advisory Council had already supported SHARP III and the funds did not belong to the City to allocate. The money needed to be removed from the General Fund and put towards SHARP III, as the Health Advisory Council wished. He pointed out the resolution in question was not to justify SHARPS III, but to decide whether the funds should be put into Reserve or be distributed into the City General Fund. Council Member Shirrell said the Health Advisory Council had received pressure from Providence to support the program when they had received the funds two years prior. Mayor Knight said Council Member Shirrell should not speak to the process, since he had not attended that meeting.

Council Member Needles asked that Council move on from the issue and take the money out of the General Fund. Mayor Knight thanked Mr. O'Neil and Council Member Shirrell for elaborating on the SHARPS III program. She said she understood the funds could be used for either direct incentive or student loan repayment for practitioners in health and social services. She said that it was similar to the State's scholarship program which repays student debt for teachers who agree to work for five years in a rural area. Mayor Knight asked if Mr. Sewell was located in Anchorage or Juneau. Mr. O'Neil replied Mr. Sewell worked out of Juneau. Mayor Knight requested Ms. Pierce contact the City lobbyist to make an appointment with Mr. Sewell for the lobbying sessions in Juneau the following week.

Council Member Shirrell said the Health Advisory Council did not support SHARPS III in 2017. Mayor Knight said she did not think that the HAC fully understood what the program was when they made their decision. Council Member Needles said he did not feel Council should accept \$50,000 for a program that does not exist and asked what Council should do with the funds. Mayor Knight asked Mr. O'Neil about the approximate start date for the program. Mr. O'Neil said the program was delayed at the legal review level within the State, awaiting a legal recommendation before the program could be adopted.

Council Member Fleming clarified it had been determined by the HAC two years prior that the \$50,000 should be held Reserve for the SHARPS III program. Mr.

O'Neil said this was correct. Council Member Fleming asked why the City could not continue to hold the money. Council Member Reese replied since the funds had been held for over a year, the money had defaulted to the City's General Fund. The resolution at hand was to determine whether the \$50,000 should be kept in the General Fund or moved to Reserve. Council Member Fleming said the resolution was simple book-keeping. Council Member Shirrell said he felt SHARPS III could be funded, when and if it was developed. Council Member Reese repeated that the \$50,000 did not belong to the City and it needed to be removed out of the City's General Fund. Council Member Shirrell said he would like to give the money back to Providence and have the Health Advisory Council make a decision. Council Member Reese said that the Health Advisory Council had already decided to allocate the money to SHARPS III. Council Member Shirrell said the current Health Advisory Council felt differently about the program. Mr. O'Neil said that it would be problematic to return the money to Providence.

Council Member Shirrell proposed an amendment to the motion that allowed appropriation to await direction from the HAC. Council Member Fleming seconded the motion. Mr. Brian Carlson, Finance Director, suggested that the motion could be amended by adding a clause obligating Council to get direction from the HAC committee before funding.

Ms. Cindy Rymer, former HAC member, asked why Council wanted to change the original mission that was intended for the funds. She asked Council not to interfere on the decision already made by the HAC to allocate the funds to SHARP III. Ms. Rymer said she felt previous board members from the HAC should have been invited to attend the meeting to defend their position. Council Member Fleming said he disagreed with Council Member Shirrell's suggested amendment.

MOTION TO AMEND: Council Member Shirrell moved, seconded by Council Member Fleming to approve Resolution #18-07, amending the 2018 City Budget by transferring \$50,000 from General Fund Balance to Reserve Funds, and appropriating \$50,000 to the SHARP III tuition reimbursement program adding that the decision should be made with concurrence from the Providence Valdez Healthcare Advisory Council. The motion failed by the following vote.

VOTE ON THE MOTION TO AMEND:

Yays: 2 - Council Member Shirrell and Council Member Needles
Nays: 3 - Council Member Fleming, Council Member Reese and Mayor Knight
Absent: 2 - Council Member Smith and Council Member Moulton

Council Member Fleming asked if the funds would have to go before Council review

if they went into Reserve. Mr. Carlson replied the previous dollar cap requiring Council review had been \$40,000, but a new ordinance for the March 20th Council meeting would increase the cap to \$100,000. In this case, the \$50,000 would not come back for Council review. Ms. Doom said she was happy to bring the item back for Council to review as a professional courtesy.

MOTION TO AMEND: Council Member Fleming moved, seconded by Council Member Reese to approve Resolution #18-07, amending the 2018 City Budget by transferring \$50,000 from General Fund Balance to Reserve Funds, and appropriating \$50,000 to the SHARP III tuition reimbursement program adding whereas requiring Council review prior to appropriation. The motion carried by the following vote.

VOTE ON THE MOTION TO AMEND:

Yays: 5 - Mayor Knight, Council Member Needles, Council Member Shirrell,
Council Member Fleming and Council Member Reese
Absent: 2 - Council Member Smith and Council Member Moulton

VOTE ON THE MAIN MOTION, AS AMENDED:

Yays: 5 - Mayor Knight, Council Member Needles, Council Member Shirrell,
Council Member Fleming and Council Member Reese
Absent: 2 - Council Member Smith and Council Member Moulton

**2. #18-08 - Adopting the City's 457(b) Deferred Compensation Plan
Restatement Document with Mass Mutual**

MOTION: Council Member Fleming moved, seconded by Council Member Reese, to approve Resolution #18-08, adopting the City's 457(b) Deferred Compensation Plan Document with Mass Mutual. The motion carried by the following vote after the following discussion occurred.

Council Member Shirrell asked if there was any significant fiscal impact from the program upgrade. Mr. Carlson replied that there was not.

VOTE ON THE MOTION:

Yays: 5 - Mayor Knight, Council Member Needles, Council Member Shirrell,
Council Member Fleming and Council Member Reese
Absent: 2 - Council Member Smith and Council Member Moulton

3. #18-09 - Amending the 2018 City Budget by Transferring \$41,000 From Technology Reserve to General Fund/Information Services Department for Contracted Interim Department Director Services

MOTION: Council Member Shirrell moved, seconded by Council Member Reese, to approve amending the 2018 City Budget by transferring \$41,000 from Technology Reserve to General Fund/Information Services department for contracted interim department director services. The motion carried by the following vote after the following discussion occurred.

Mayor Knight clarified the resolution was for appropriating funds to accommodate the extended contract with the interim IT department director.

VOTE ON THE MOTION:

Yays: 5 - Mayor Knight, Council Member Needles, Council Member Shirrell, Council Member Fleming and Council Member Reese

Absent: 2 - Council Member Smith and Council Member Moulton

IX. REPORTS

- 1. Treasury Report - December, 2017**
- 2. Community Development - Annual Report**

Council Member Fleming thanked Community Development for the report. Council Member Shirrell thanked Ms. Doom for hiring excellent staff for the department.

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

1. City Manager Report

Ms. Doom announced that meetings for the New Harbor Project had begun as they readied for construction season. She said Arctic Eagle Exercise had been in Valdez conducting training and drills. She was pleased to tell Council that Ms. Martha Barberio, Emergency Manager and Economic Development Director, was making great strides in understanding the functions and roles of emergency response. Ms. Doom said she had met with the State of Alaska Division of Homeland Security during the Arctic Eagle drill and they had offered themselves and their resources to Valdez should the City ever require their assistance. Ms. Doom attended the recent Ports and Harbor meeting and planned to attend the upcoming Parks and Recreation Commission meeting as well. She said she met with Ms. Lee Hart of the Valdez Adventure Alliance about the recent ice climbing event and the preparations for the Fire Tire Bike Race at the Harbor in April 2018. Finally, Ms. Doom said she had communicated with Mr. Russ Blacker from Frontier Community Living who had been surveying property for additional assisted living

housing. She said Mr. Blacker had been successful in Fairbanks and had verified a need in Valdez. She said she invited Mr. Blacker to speak to Council and had been working with him on land purchase.

2. City Clerk Report

Ms. Pierce announced that during the last Planning and Zoning Commission, the commission requested work on the City appeal, nuisance and abatement codes. She said she began working with Mr. Nylund and Mr. Staser to discuss the necessary steps to revise those sections of the code. She said they would like to reconvene the Council's code revision subcommittee composed of Council Member Fleming, Mayor Knight and Council Member Moulton and include them in the process.

Council Member Shirrell asked if the task force would address the connex issues that arose from the Geeks in the Woods development and if tiny homes would be included in the new code. Ms. Pierce replied that they would. She announced the next Food Task Force meeting would be at 12:00 p.m. on Thursday March 8th in Council Chambers. Ms. Pierce closed her report by reminding everyone of the upcoming elections and inviting the listening public to apply for open positions on City Council, School Board, and the Mayor seat.

3. City Attorney Report

Mr. Staser reviewed the City's open litigation matters, beginning with the State property valuation negotiations. He said his firm planned to have a memorandum transmitted to the Department of Natural Resources by the end of that week, with the goal of determining a firm primary use standard. He submitted a written request to the State tax assessor Mr. Marty McGee, who acknowledged that he received the letter. He said the City was still awaiting his response.

Mr. Staser said he was finishing comments on the Alaska Liquefied Natural Gas (AK LNG) project and was nearing completion. Mr. Staser suggested City Council have a strategy discussion on how to move forward with support from the Federal Energy Regulatory Commission.

Mr. Staser reiterated that he, Mr. Nylund, and Ms. Pierce had been working on City planning and zoning, nuisance, and permitting code. He said the group had determined the enforcement and appeals process of the code needed to be updated to clearly define those processes. He said there was minimal guidance as to how to handle enforcement and appeals, which was lacking compared to code existing throughout the State. He said he was continuing to work on procurement code as well. He and Mr. Nylund had been compiling all necessary information on

the Cummings litigation and were working to get the case dismissed because there were no damage claims remaining.

Mr. Staser said the motion to intervene on the Valdez Marine Terminal Oil Discharge Prevention and Contingency Plan (VMT C-Plan) was denied, and he was waiting to hear from the administrative law judge. He added he could not speak in depth on the strategy going forward.

Finally, Mr. Staser introduced his colleague, Mr. Jack Wakeland, who was handling the majority of the firm's contract work through the City. He said Mr. Wakeland would be acting City Attorney on his behalf at the next Council meeting.

4. City Mayor Report

Mayor Knight submitted a written report but added she was unable to attend the recent School Board Budget Session. However, she said it appears to have gone smoothly. She explained the elementary school was undergoing a staffing transition as senior teachers retired and less experienced staff were hired at a lower pay grade. This change allowed the elementary school to hire a third 5th grade teacher, keeping class sizes small.

Mayor Knight asked if Ms. Rochelle Rollenhagen, Senior Planner, would be leading the upcoming Flood Mitigation Task Force meeting on Thursday March 8th. Ms. Pierce replied that Ms. Rollenhagen would. Mayor Knight remarked she was looking forward to the lobbying sessions in Juneau March 12th-16th. Ms. Pierce announced she would have priority and agenda packets ready for those Council members that would be attending the legislative session.

XI. COUNCIL BUSINESS FROM THE FLOOR

Council Member Fleming requested a meeting with Mr. Nylund to discuss building permits and zoning code. Mayor Knight asked Council Fleming if he would like to stay on the Council's planning and zoning code revision subcommittee. Council Member Fleming replied that he would. Council Member Fleming also welcomed new residents from the Edison Chouest Offshore Company to Valdez.

Council Member Needles asked when Council would have a work session to review the City's contract with Providence. Mr. Staser replied he had reviewed the hospital contract and said there was nothing remarkable about it. He offered to answer any questions Council had about the contract. Mayor Knight asked what the objective of a work session on the subject would be. Mr. Staser said it could be educational. Council Member Needles reiterated that he would like a work session on the contract. Ms. Pierce suggested Council meet on March 20th at 6:00 p.m. to discuss the contract. She

added staff recommended a new fire station progress work session meeting to be scheduled April 3rd, at 5:30 p.m. Council agreed to the date and time.

Council Member Shirrell remarked the recent preschool fundraising event had gone well and was pleased to report that the bizarre for the Arctic Eagle event was also a success. He encouraged the listening public to apply for the open Council, Mayor, and School Board positions as well.

XII. ADJOURNMENT

There being no further business, Mayor Knight adjourned the meeting at 9:46 p.m.