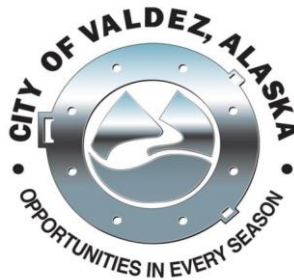


City of Valdez

212 Chenega Ave.
Valdez, AK 99686



Meeting Minutes

Wednesday, May 2, 2018

7:00 PM

Board of Equalization & Regular Meeting

Council Chambers

City Council

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

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

II. PLEDGE OF ALLEGIANCE

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


III. ROLL CALL

Present: 6 - Mayor Ruth E. Knight
 Council Member Nate Smith
 Council Member Christopher Moulton
 Council Member Lon Needles
 Council Member Jim Shirrell
 Council Member Darren Reese

Excused: 1 - Council Member Dennis Fleming

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

IV. CERTIFICATION OF MUNICIPAL ELECTION



CERTIFICATE OF ELECTION
MAY 1, 2018

MAYOR – THREE YEAR TERM					
CANDIDATE	PREC. #1	PREC. #2	PREC. #3	ABSENTEE/ QUESTION	TOTAL
JEREMY O'NEIL	242	113	138	85	578
JIM SHIRRELL	57	37	44	22	160
DARREN REESE	35	36	53	25	149
WRITE-IN	2	1	2	1	6

CITY COUNCIL MEMBER – ONE VACANCY – TWO YEAR TERM					
CANDIDATE	PREC. #1	PREC. #2	PREC. #3	ABSENTEE/ QUESTION	TOTAL
CHRISTOPHER MOULTON	199	89	141	76	505
SHERIKAY GRIFFITH	102	79	74	50	305
WRITE-IN	9	3	4	4	20

CITY COUNCIL MEMBER – TWO VACANCIES – THREE YEAR TERM					
CANDIDATE	PREC. #1	PREC. #2	PREC. #3	ABSENTEE/ QUESTION	TOTAL
DENNIS FLEMING	184	96	121	69	470
RON RUFF	152	89	108	48	397
DEREK MORRIS	70	44	64	39	217
JAMES DEVENS	70	51	65	30	216
BOB ENGBRETSON	84	20	27	25	156
SUE ELLEN MONTES	50	37	44	24	155
WRITE-IN	6	3	3	1	13

SCHOOL BOARD MEMBER – TWO VACANCIES – THREE YEAR TERM					
CANDIDATE	PREC. #1	PREC. #2	PREC. #3	ABSENTEE/ QUESTION	TOTAL
KATHLEEN TODD	258	141	179	94	672
JOE LALLY	203	97	130	59	489
DOLORES GARD	117	95	102	58	372
WRITE-IN	6	5	4	0	15

I, Sheri L. Pierce, City Clerk of the City of Valdez, Alaska, do hereby certify this to be the true results of ballots cast at the Municipal Election of May 1, 2018 following the count of regular ballots on May 1, 2018 and the count of absentee and questioned ballots on May 2, 2018.

Dated: _____

Sheri L. Pierce, MMC, City Clerk

MOTION: Council Member Smith moved, seconded by Council Member Reese, to certify results of the 2018 Valdez Municipal Election. The motion carried by the following vote after the following discussion occurred.

Ms. Pierce provided a verbal report outlining the results of the 2018 Valdez Municipal Election.

VOTE ON THE MOTION:

Yays: 6 - Mayor Knight, Council Member Smith, Council Member Moulton, Council Member Needles, Council Member Shirrell and Council Member Reese

Absent: 1 - Council Member Fleming

V. BOARD OF EQUALIZATION HEARING

All appeals were settled prior to Board of Equalization hearing. Item administratively removed from the agenda.

VI. APPROVAL OF MINUTES

1. **City Council Regular Meeting Minutes of March 6, 2018**
2. **City Council Regular Meeting Minutes of April 3, 2018**
3. **City Council Regular Meeting Minutes of April 17, 2018**

All three sets of City Council meeting minutes were approved as presented.

VII. PUBLIC APPEARANCES

1. Valdez Adventure Alliance (Lee Hart)

Ms. Lee Hart, Executive Director of the Valdez Adventure Alliance, presented an update on her organization's recent initiatives. She explained the mission of the Valdez Adventure Alliance continued to be economic diversification through mountain sports. Ms. Hart said Ms. Doom suggested regular presentations to Council as an effective means to keep Council members informed of the Valdez Adventure Alliance's activities. Ms. Hart said her organization was working with many local businesses and had been successful with event promotion. She said the Adventure Alliance hosted the third annual Fat Tire Bike Festival in early April and received promotion on bicycling.com. Ms. Hart said some of the bike races were captured with drone footage and would be featured in Alaska Airlines Magazine. She said the Fat Tire Bike Race boasted predominately female staff and presenters. Recording of the event would be featured in a Colorado women's film festival called No Man's Land. Ms. Hart said the film would be touring nationally and anticipated it would receive millions of views.

Ms. Hart said the Valdez Adventure Alliance went to Juneau in early March to raise awareness of the importance of the outdoor recreation industry to the Alaskan economy. In Juneau, organizational representatives attended a networking event for members of the outdoor recreation industry. Ms. Hart said they hoped to create a state wide inventory of Alaska's trails to demonstrate to Alaskan legislators the public's grassroots volunteer efforts and dedication to outdoor recreation.

Ms. Hart said the Valdez Adventure Alliance renewed their State contract as stewards of Worthington Glacier, Blueberry Hill, Shoup Trail, and Shoup Bay public use cabins. She said the State did alter their new contract to exclude the second section of Shoup Bay trail from required maintenance. Ms. Hart said she requested Mr. Jeremy Talbott, Ports and Harbors Director, expand the Waterfront Master Plan to include Shoup Bay trail section A from the trailhead to Gold Creek.

Ms. Hart said she was in the process of seeking approval of their first draft of a trails master plan with the Department of Natural Resources (DNR.) She added the Confluence event would be held in September. She stated she was pleased to report the Adventure Alliance had support from the University of Alaska Anchorage and the State Department of Commerce and Development for the event. She said Confluence was scheduled over two days and would feature discussion on e-commerce.

Ms. Hart showed Council some of the Valdez Adventure Alliance's promotional media included in Rock and Ice magazine. She said the Adventure Alliance focused their efforts on media promotion in Colorado, the Pacific Northwest, and throughout Alaska. Ms. Hart said the ADIDAS brand was sending climbers Mr. Marcus Garcia and Ms. Olivia Sodder for the Valdez Rock and Flow festival in June. Many yoga instructors would be attending as well. Ms. Hart wanted Council to know the Valdez Adventure Alliance was more than just an events company; they were stimulating the economic growth by creating new off-peak season visitors. Ms. Hart said the organization hoped to complete more work on local trails and thanked Council for their continued support.

Council Member Smith asked what the usage numbers had been for section two of Shoup Bay trail. Ms. Hart replied she did not have quantitative data, but did have anecdotal reports from residents who had completed the hike in 2017. She said the Valdez Adventure Alliance knew it would take a considerable funds and rerouting to transform the trail. Council Member Smith asked if the Valdez Adventure Alliance was applying for federal grant funds to continue work on section two of Shoup Bay. Ms. Hart replied they had applied for another grant for the first section of Shoup Bay but did not receive the award. She said they had discussed collaborating with the State Parks Department to avoid competing for grants.

Council Member Smith said he appreciated Ms. Hart's presentation and thought the Valdez Adventure Alliance's advertising campaigns were excellent. Ms. Hart replied the Adventure Alliance had more advertising than what she had displayed, including many digital ads. She said they were striving to keep consistent advertising throughout all platforms. Council Member Smith asked how many participants there were for the Fat Bike Festival. Ms. Hart said they had over 100 riders and felt the festival would grow considerably in 2019. Mayor Knight thanked Ms. Hart for her work and said she was impressed with the company's advertising. Mayor Knight asked if Confluence would be held in Valdez. Ms. Hart said yes, she felt they had a strong enough event last year to host Confluence in Valdez.

2. Port Valdez Company (John Clark)

Mr. John Clark, President of the Port of Valdez Company, presented on a potential housing development located on his company's Meals Hill property. He said his family, the Hazelets, and the Meals family were part of the original Gold Rush settlers that founded Valdez in the 1890s. He explained that his great grandfather,

Mr. Hazelet, had laid claim to around 1,000 acres near Mineral Creek. He said the best available property for development after the 1964 earthquake was the land owned by his family. Mr. Clark said the Meals and Hazelet families formed the Port of Valdez Company after the 1964 earthquake and donated 110 acres of land to the City to help rebuild the town.

Mr. Clark said he was seeking ways to partner with the City to leverage what remained of his family's property, the Meals Hill site, to improve quality of life in Valdez. The Port of Valdez Company was proposing to develop Meals Hill with a combination of around 80 single and multifamily homes with a price point of \$270,000-\$350,000. He recognized there were other needs in Valdez, but felt the company would be successful with homes in that price range. He said the project would cost over 20 million dollars and would be completed over five to ten years.

Mr. Clark said the Port of Valdez Company had discovered two willing partners, Mr. Bob Zastrow and Harris Sand and Gravel. In order to complete the development, however, they would need access to City utilities. Mr. Clark said the City would need to finish development on Whalen Drive in order to make the Meals Hill development possible.

Council Member Shirrell asked Mr. Clark if he wanted the City to extend utilities down Whalen Drive. Mr. Clark replied that was correct. Council Member Moulton asked if the Whalen Drive extension was already listed as an upcoming Capital Improvement Project (CIP). Mr. Rob Comstock, Public Works Director, replied it was, and the extension project had already been engineered. Council Member Moulton asked for the timeline of completion. Mr. Nathan Duval, Capital Facilities Director, replied the completion of Whalen Drive was on the CIP list for 2019. Mayor Knight asked Mr. Clark if 2019 completion would fit into his timeline. Mr. Clark said his company had been holding the property for 100 years but wanted to get started on the project as soon as possible. Council Member Needles asked if Mr. Clark's plans were flexible. Mr. Clark replied the preliminary plat was engineered and was usable, but could also be altered if the City was interested in doing so. Council Member Needles said he was curious about snow removal for the location. Mr. Clark replied snow storage was included in the design but might not be sufficient. Council Member Shirrell asked Mr. Clark his preferred timeline. Mr. Clark said he was surprised Whalen Drive was not already started. Realistically, however, he said if Whalen construction was completed in early spring of 2019, the Port of Valdez Company could begin work in 2019. Council Member Needles said he was glad to be discussing housing development with Mr. Clark. Mr. Clark said the Port of Valdez Company would like the City's support on the project.

Council Member Shirrell said he recommended beginning development in the corner of the lot and working back to Mineral Creek. Mr. Clark replied the lots against Mineral Creek would be premier lots. Council Member Shirrell asked what would assure the City that the Port of Valdez Company would follow up with development in late 2019 if they finished construction on Whalen Drive. Mr. Clark

said if Council could confirm Whalen Drive would be completed in spring 2019, he would fast track the project. He said he had been trying to find someone interested in developing Meals Hill since 2008 and was excited he had found development partners. He said the Great Land Trust was interested in conservation easement of the site and while the property would make an excellent recreation space, it would be unavailable for development if the land went into conservation easement. Council Member Shirrell thanked Mr. Clark for his presentation. Council Member Moulton thanked Mr. Clark as well and said he looked forward to further discussion. He added that one of the things that had been discussed with former Community Development Director, Ms. Ann Marie Lain, was the need to provide housing options for lower income residents. He said it seemed Mr. Clark was building for a single price point.

Mr. Clark said some of the homes built in the 1960s in Valdez would become available for lower income residents as wealthier residents moved into the new development. He said that young people and artists would be particularly suited to make do with older homes in Valdez as higher income residents transitioned to new housing. Council Member Moulton said Mr. Duval had provided reliable timelines in the past and expected Whalen Drive would be finished in 2019. Council Member Smith said mixed income residential housing was appealing to foster diversity in the community. Mr. Clark said he felt diversity strengthened the community as well. Mayor Knight thanked Mr. Clark for his presentation. She said Whalen Drive completion was on the CIP list and suggested Mr. Clark work with Ms. Rochelle Rollenhagen, Community Development Director, Ms. Doom, and Ms. Martha Barberio, Economic Development Director, to solidify a development timeline.

VIII. PUBLIC BUSINESS FROM THE FLOOR

Mr. Ozzo Clubb, Valdez resident, spoke about the importance of reducing drunk driving to prevent tragedies like the recent death of Valdez resident Ms. Chellsie Hoffman. Mr. Clubb presented DUI statistics nationwide and throughout Alaska. He said there was a new DUI reported in the local police report almost every week and was coming to City Council to seek solutions to the problem. He said he would like to see Council pressure the State of Alaska to revisit laws requiring only limited training for bartenders. He said he wanted additional cameras placed inside bars, increased safe ride options, and better communications between bartenders regarding intoxicated patrons. He mentioned limited cab service and limited safe rides presented a barrier to drunken residents safely arriving home. He said the hours of operation for liquor establishments in Valdez Municipal codes stated they only had to be closed for a short period of time within a 24 hour period in Valdez. In comparison, Mr. Clubb said bars in Anchorage were required to close by 1:00 or 2:00 a.m.

Ms. Sue Ellen Montes, Valdez Yellow Cab and Valdez resident, thanked the community for attending the meeting. She said she was glad to see community concern over drunk driving. She said Yellow Cab had a serious discussion about what to do during the hours of 2:00 to 6:00 a.m. for intoxicated residents. She said these hours were extremely busy and stressful times to work for Yellow Cab drivers. She said Yellow Cab often brought

residents to the Peter Pan Seafoods and Silver Bay Seafoods dormitories from the bars during the summer. Ms. Montes said her company did offer safe rides but were limited in their ability to offer the service due to limited funding. Ms. Montes said she and her co-workers often took people home who are too intoxicated to pay or failed to pay. She said as a result, the Yellow Cab business was struggling financially. Mayor Knight thanked Ms. Montes for presenting. She stated City Council was invested in drunk driving prevention. She said the City had a memorandum composed by the Chief of Police, Mr. Bart Hinkle outlining options to change the hours of operation for liquor establishments.

Council Member Shirrell suggested the City compose a working group to address the issue of drunk driving in Valdez. Mayor Knight agreed. Chief Hinkle said his memorandum was intended to be internal, but had highlighted some of the statistics Mr. Clubb had mentioned. He said in 2017 there had been a total of 96 DUI charges in Valdez. He said the local bars were required to close at 5 a.m. and could reopen again at 8 a.m. per Valdez Municipal Code. He said establishments in Anchorage and Fairbanks had to close before 3:30 a.m. Chief Hinkle said placing limitations on the hours of operation was an immediate measure the City could control to help mitigate the issue, while other solutions would take more time and collaboration with the State.

Council Member Smith thanked Mr. Clubb for presenting. Council Member Shirrell said he did not think closing the bar earlier would produce dramatic positive results because residents were often drinking on private property. He said he thought there was merit in exploring more stringent licensing criteria with the State of Alaska and pointed out Ms. Hoffman's death occurred between 1:00 a.m. and 2:00 a.m. in the morning. Chief Hinkle replied that excessive drinking produced problems beyond DUIs, including domestic violence, and other measures would need to be taken to mitigate those issues. He said limiting hours of operation was an immediate action the City could take to prevent drunk driving and excessive intoxication, but was not the only step to prevention. Council Member Moulton asked if there were any local bars besides the Boardroom that stayed open until 5 a.m. Chief Hinkle replied there had been in the past, but no other establishments currently stayed open that late.

Ms. Jerri Devens, Valdez resident and local bartender, said accidents could be prevented if responsible bartending was practiced. She said bartenders were liable under the state of Alaska law for over serving customers. She emphasized the importance of properly training bartenders to identify the signs of excessive intoxication. She said the death of Ms. Hoffman was not the result of a lack of ride, as the driver had been offered rides. She also said a roadblock would not have helped because the driver did not make it to the road. She emphasized that Ms. Hoffman's death was caused by an accident which was the direct result of over serving. Mayor Knight asked Ms. Devens if there was something the City could do in relation to her observations. Ms. Devens suggested the City should work with the State ABC Board to create greater oversight of bartender training and licensing. Ms. Devens said the ID numbers listed on Alaska State bartending licenses were not tracked by the ABC Board, citing it as a flaw that decreased accountability and oversight of bartenders in Alaska. She said the ABC Board often gave establishments three days notice before inspections, allowing bars that were operating without proper licensing ample time to hide their transgressions. Ms. Devens added she thought bars in

Valdez were often understaffed, which prevented bartenders from being able to adequately manage drinkers on their premises.

Mayor Knight requested a show of hands from the audience to express their interest in serving on an alcohol working group. She asked interested community members to write their contact information down before leaving the meeting. Ms. Pierce asked if the Police Department patrolled the bars on weekends. Chief Hinkle said officers both patrolled and responded to calls at local bars. Council Member Shirrell said he thought the Police Department, Advocates for Victims of Violence (AVV), bar owners, cab owners, Providence Counseling Center, and residents would need to collaborate to form an effective working group. He asked what could be enforced regarding alcohol at the municipal level. Mr. Staser replied the City could regulate the "time, place, and manner of local bars". He said he would obtain specific guidelines and report back to Council.

Mr. Thomas Durham, Valdez resident and former bartender, explained when he was a bartender in Oregon, he was required to hold a state permit in order to work. He said inspections were diligent and frequent. He said the state of Oregon held bartenders and drinking establishments responsible if intoxicated customers drove from their establishment. He said he thought bartender licensing in Alaska needed stronger enforcement by local police. Council Member Smith asked what was the difference between the Oregon and Alaska licensing process. Ms. Pierce replied the laws were more stringent in Oregon than in Alaska but they were essentially the same.

Mr. James Devens, Valdez resident, said he thought it was important to contribute funding to the safe ride program. He said the safe rides cost an average of only ten dollars per ride, and the City could offer citizens hundreds of safe rides for under \$10,000 per year. Mayor Knight invited everyone interested in participating with the working group to leave their contact information before the end of the meeting. Council Member Smith thanked members of the community for coming forward with good solutions and thanked Mr. Clubb for speaking up about drinking and driving. Mr. Clubb said bartenders in Valdez would hand out passes for safe rides in the past and thought it was a potential solution to offer safe ride tickets again. Ms. Pierce said former Chief of Police Mr. Bert Cottle managed the safe ride program in the past and said she and Chief Hinkle could reach out to him for guidance.

IX. CONSENT AGENDA

- 1. Approval to Purchase a 2018 908M Loader from NC Machinery Including Accessories from Various Suppliers in the Amount of \$134,817.30**
- 2. Approval To Go Into Executive Session: 1. Pending Litigation and 2. City Clerk Request for Contract Review**
- 3. Approval of Professional Services Agreement with Microsoft for Microsoft Volume Licensing Compliance in the Amount \$73,794.49**

4. Proclamation: Motorcycle Awareness Month

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

VOTE ON THE MOTION:

Yays: 6 - Mayor Knight, Council Member Smith, Council Member Moulton, Council Member Needles, Council Member Shirrell and Council Member Reese

Absent: 1 - Council Member Fleming

X. NEW BUSINESS**1. Authorize the City Manager to Negotiate the Purchase of Lot 3, Tract K, Mineral Creek Industrial Subdivision**

MOTION: Council Member Smith moved, seconded by Council Member Moulton, to Authorize the city manager to enter into negotiations with the Port Valdez Company for the purchase of a five acre parcel located at 802 W. Egan Drive, described as Lot 3, Tract K, Mineral Creek Industrial Subdivision. The motion failed by the following vote after the following discussion occurred.

Council Member Moulton proposed moving discussion on the Fire Park Meeting Report to item one of New Business. He said he had heard the majority of residents at the public forum expressed they did not want the new fire station built on West Egan. He said as a result, some Council members and Fire Department personnel no longer favored the West Egan location. Council Member Moulton said he wished the location was selected before the public forum was held to avoid confusion. He said he supported Ms. Doom negotiating the price of the West Egan site due to uncertainty surrounding the Skate Park location. Council Member Moulton said he did not attend the open house because he did not want to influence the public's decision about the fire house and urged Council members who do attend public forums to act as observers and avoid personal bias in their commentary. Council Member Shirrell said he did not attend the forum and asked how many residents and Council members attended. Council Member Reese said he attended. Council Member Smith said there were fourteen or fifteen total attendees.

Mayor Knight reiterated the motion before Council was an authorization for the City Manager to move forward with property negotiations for West Egan. Ms. Doom said if Council would like her to negotiate the purchase price of the property on their behalf, she recommended they complete a soil quality test. Mayor Knight said during the Fire Station Work Session, the West Egan site had been selected as number one. She asked if the City planned to move forward with West Egan even though some residents were not pleased with the location.

Council Member Moulton said that if Council moved forward with the Skate Park location, they had to weigh the objections of fourteen residents against the benefits of having the new fire station at that location. Ms. Doom suggested Council allow soil testing to be done to determine the quality of the site. She said if the West Egan location returned with buildable soil, they could work to mitigate the public's concerns if there were any. Council Member Moulton said that if the City was going to do soil testing on the West Egan property, they might as well test the Skate Park property as well. Council Member Reese agreed.

Ms. Doom asked about the Providence Hospital property location. Council Member Shirrell said the number one selection was the West Egan site, number two was Clark, number three was the Skate Park on Pioneer Street, number four was the Hospital property, and number five was the Gavora property. Council Member Shirrell said he was thought the decision needed to be dictated by the property assessment if community feedback was not driving the location selection. He said if the City did not conduct the process in a way that made the public felt heard, the new fire station would not pass a public vote. Council Member Smith said Council had been through a lot of process and discussion on the topic and urged it was time to select the location and move forward to begin construction in 2018 or 2019.

Council Member Moulton said he agreed with Council Member Smith and was sorry to see Council Member Smith's term expire on Council. He added the Fire Department's choice location was not the West Egan site, but rather the Skate Park. Mayor Knight said she was under the impression that West Egan was the preferred location of the Fire Department. Council Member Smith asked Fire Chief Mr. Tracy Raynor if West Egan was his preference. Chief Raynor replied that the original ranking of West Egan as number one was outdated. He said the Fire Department's top selection was the Skate Park property and was reflected in the scoring. Mayor Knight asked if Council had the scoring information. Chief Raynor replied it was in their meeting packet. He said the sites had been narrowed down to West Egan or the Skate Park at the Fire Station Work Session.

Council Member Shirrell said he was concerned that the Skate Park site was one of the larger tracts of land developable for residential housing. He said he thought they could optimize City resources by leaving the Skate Park site open for housing development and using the West Egan site for the new fire station. He pointed out the West Egan location was zoned industrial and would be unavailable for residential development. He said he supported any of the locations, but was hesitant to use scarce residential zoned land for a fire station. Council Member Smith agreed. He added, the Port of Valdez company was selling the land to someone regardless of what the City decided to do and residents would have to determine if they wanted a City building or some other private development there. He thought the City should negotiate the price and do soil sampling to determine if the West Egan site was even a viable option. Council Member Reese agreed.

Council Member Shirrell asked if an environmental screening would be included with soil testing. Ms. Doom replied a basic environmental screening was included. Council Member Smith said he thought the City needed a new well, and proposed the Egan property as a viable location for the well and a reason to screen both sites. Mayor Knight asked how Council felt about doing soil samples on both properties. Council Member Reese replied there was no cost because the Skate Park was City owned. Council Member Smith pointed out there was always a cost associated with the soil tests. Council Member Reese said if the soil or negotiation results did not return in the City's favor, at least they would have back up information about the Skate Park property. Mr. Duval suggested it might be more efficient to do soil sampling at both sites at once to avoid having a contractor mobilize a drill rig twice.

Mayor Knight asked if Council needed to authorize explicitly or if they could simply direct staff to perform soil sampling at their discretion. Mayor Knight reiterated the motion before Council was to authorize the City Manager to negotiate the land price. She asked if Council members wanted to amend the motion to include soil sampling. Ms. Pierce replied it was part of the negotiation. Council Member Moulton said he did not want to slow the project down, but did think the City should complete soil sampling for both locations. He said it was good information to have on file for future projects and would benefit the City to have soil quality information if they were negotiating price. Ms. Doom thought Council Member Moulton made a good point. Council Member Shirrell agreed with doing both samples at once as well.

Council Member Smith said the original top choice of the Fire Department and administration had been West Egan, and was confused as to why Council was now considering the Skate Park property instead. He asked Chief Raynor about his preference. Chief Raynor replied he felt the Skate Park property was a better location for the Fire Department, both logistically and aesthetically. Council Member Shirrell said it was only three blocks difference and would compromise the potential for housing development in Valdez if the Skate Park was selected. Mayor Knight asked if the new fire department would fill the entirety of the Skate Park lot. Mr. Duval replied if the snow dumps at the location were maintained, the new fire station would fill the lot. Mayor Knight opened to the floor to public discussion.

Mr. Matt Smelcer, Valdez Volunteer Firefighter, said the Fire Department needed a new fire house because the working conditions at the current fire station were unacceptable. He said he and his children spent time at the Fire Station and did not want their health to be adversely affected by the condition of the building. He said he thought the time for discussion was over and wanted action. He implored Council to do everything within their power to move towards actual construction of the new fire hall. Mayor Knight asked Mr. Smelcer if it would be acceptable to him if Council chose to move forward with development on West Egan. Mr. Smelcer said he supported the Skate Park property. He said he understood Council Member Shirrell's concern about the Skate Park being zoned residential but pointed out the property had gone undeveloped for twenty years. He said

ultimately, either West Egan or the Skate Park would be an acceptable location. Council Member Shirrell said the City would find a new location for the Skate Park if it was the chosen site.

Mr. Harold Blehm, Valdez resident and Valdez Fire Department alumni, said he felt the Fire Department should be in a publically visible location and thought the Skate Park property was an excellent site. He was concerned that placing the fire station on West Egan would lower response times due to increased traffic in summer and asked if there would be a negative effect on the Fire Department's Insurance Services Office (ISO) rating. Council Member Moulton said the new fire hall would actually raise their ISO rating because it would include improved training facilities. Chief Raynor said they were currently a class four and would be moved to a class three with a proper training tower on the new fire station. Mr. Blehm said he thought a centrally located, visible fire house would assist in the rebranding efforts of the community and improve the appearance of the town. Council Member Smith said if the Fire Chief wanted the Skate Park location, he would approve it.

Mayor Knight said it seemed the West Egan property was off the table for consideration. She asked why they would move forward with testing and negotiating at the West Egan site if that was the case. Council Member Smith explained, if the soil results were not suitable at the Skate Park or if the City wanted to develop on the West Egan property in the future, they would have the necessary information. Council Member Shirrell asked why they would waste time negotiating if the Fire Department would not be located on West Egan. Mayor Knight said Council would need to vote the question down and direct City administration to complete soil sampling at the Skate Park. Mayor Knight clarified Council was giving City administration direction to pursue the Skate Park property. Mayor Knight thanked City administration for moving forward with the project.

VOTE ON THE MOTION (FAILED):

Yays: 3 - Council Member Smith, Council Member Moulton, and Council Member Shirrell

Nays: 3 - Mayor Knight, Council Member Needles, and Council Member Reese

Absent: 1 - Council Member Fleming

2. Approval of Contract with F & W Construction Co. Inc. for the Kelsey Dock Interpretive Center - Phase 1 Project in the Amount of \$2,728,168.00

MOTION: Council Member Smith moved, seconded by Council Member Shirrell, to approve the contract with F&W Construction Co. Inc, for the Kelsey Dock Interpretive Center - Phase 1 Project in the amount of \$2,728,168.00. The motion carried by the following vote after the following discussion occurred.

Council Member Needles asked Mr. Duval why the price of the project had increased. Mr. Duval replied he did not know, but suspected it was due to increased cost of materials such as steel and other imports. He said suppliers were not holding prices for more than five or ten days at the time of the bid. He said the

bids were significantly over the engineer's estimate. However, all the bids received were within the same price range, leading him to conclude it was the true price of the work. Council Member Reese asked what the original engineers estimate had been. Mr. Duval replied it was less than two million dollars. Council Member Reese asked if it increased by a quarter of a million dollars due to the price of steel. Mr. Duval replied it did. Council Member Moulton said the cost increased by almost half a million dollars. Mr. Duval said the dirt work estimates stayed constant, leading him to conclude the increase was due to price of materials.

Council Member Reese asked what Council's options were. Mr. Duval replied he had done a qualitative scoring process, weighing the price in conjunction with the qualifications packet to determine the contractor of choice. In this case he said the award would have been the same regardless of price and combination of alternates, and would have been awarded to the same contractor. He said that if Council were to make a motion to amend the contract value, it would not change the contractor. Council Member Reese said they had the option of separate costs for different projects such as the bus pullout, Alyeska statute, etc, and asked if Council could modify the separate items as desired.

Mr. Duval explained the bid was advertised as cumulative. Council Member Reese said the price was broken down in separate projects and was curious as to why. Mr. Duval said Council could select alternative one with the base bid, but if they wanted alternative two with the base bid, they would have to approve both one and two. He said he was unsure of the legalities of cherry picking sections of the contract. Mr. Staser replied the bid was cumulative and would have to be relet if Council was interested in modifying specific aspects. He explained, if Council wanted to select the base bid plus alternative one, they could do so. However, if they wanted base bid and alternative three, they would have to select all three alternatives.

Council Member Shirrell asked how often the estimated cost return back equal or less compared to bid. Mr. Duval replied he could not provide an accurate percentage, but could estimate it was evenly divided. Council Member Shirrell said the City had to be careful not to misrepresent the true value of projects, especially when there were four or five bidders with the same response price estimate. He agreed with Mr. Duval that similar estimates within a price range were a market indicator of true cost. He said he was not concerned by the price increase, and trusted the competitive bidding process to determine the value of the work.

Council Member Needles said he wanted the project to break ground because cruise ships were scheduled to dock in Valdez in 2019. He explained he wanted to ensure the City was not being unfairly charged for the work. He stated that if Mr. Duval did not feel that was happening, he was happy with the contract. Mr. Duval said he did not think the City was being taken advantage of and felt the contractor would produce a quality product.

VOTE ON THE MOTION:

- Yays: 5 - Mayor Knight, Council Member Smith, Council Member Needles, Council Member Shirrell and Council Member Reese
- Nays: 1 - Council Member Moulton
- Absent: 1 - Council Member Fleming

3. Approval of Payment to State of Alaska for Settlement of Liabilities Arising from the 2012 Valdez Senior Center Medicaid Audit in the Amount of \$225,000

MOTION: Council Member Needles moved, seconded by Council Member Reese, to approve \$225,000 payment to State of Alaska, representing settlement of liabilities arising from the 2012 Valdez Senior Center Medicaid Audit. The motion carried by the following vote after the following discussion occurred.

Council Member Needles asked if the settlement amount was less than the amount the Senior Center had originally requested from the City. Ms. Pierce replied it was less.

VOTE ON THE MOTION:

Yays: 6 - Mayor Knight, Council Member Smith, Council Member Moulton, Council Member Needles, Council Member Shirrell and Council Member Reese

Absent: 1 - Council Member Fleming

4. Approval to Donate a 1998 Aries Sewer Camera to the City & Borough of Yakutat

MOTION: Council Member Smith moved, seconded by Council Member Reese, to approve donation of camera to City and Borough of Yakutat. The motion carried by the following vote after the following discussion occurred.

Council Member Reese asked what the working condition of the camera was and if Yakutat would be able to use the donation. Mr. Comstock said there were a few issues with the camera but it was functional and the City of Yakutat would get some use out of it. He said Public Works reached out to find the cost of repairing the camera, verses cost of a new model and discovered it would be cost prohibitive. Mr. Comstock said he explained the condition of the camera to the City of Yakutat. Council Member Reese clarified he did not want to pass on unusable materials, but was glad to see the camera being donated.

Council Member Needles asked why Yakutat was chosen. Mr. Comstock replied Public Works had reached out to the Rural Water Association and networked to determine what community had need for a sewer camera. Yakutat was identified. Council Member Needles asked if the camera would be cleaned before it was sent to Yakutat. Mr. Comstock replied it would be cleaned.

VOTE ON THE MOTION:

Yays: 6 - Mayor Knight, Council Member Smith, Council Member Moulton, Council Member Needles, Council Member Shirrell and Council Member Reese

Absent: 1 - Council Member Fleming

5. Approval of the 2018-2019 Valdez City Schools Budget

MOTION: Council Member Moulton moved, seconded by Council Member Smith, to approve 2018-2019 Schools Budget as presented. The motion carried by the following vote after the following discussion occurred.

Council Member Shirrell asked if the City was funding the Valdez City School District to the state funding cap. Ms. Amber Cockerham, Valdez City School District Finance Director, replied they were funding to the cap. Council Member Shirrell asked if the City Schools were drawing additional funding from their reserve. Ms. Cockerham replied they were not.

Mr. Joe Prax, School Board President, thanked the City of Valdez for their support, and was pleased to report Valdez City Schools were number three in the State with regard to percentage of funding from municipal government. He said he felt the community should be proud of the local school district. He added the schools were constantly improving and the district is working on starting a preschool using savings from their health insurance plan. Mr. Prax said they were excited to welcome new Superintendent, Mr. Shawn Arnold. Council Member Shirrell asked if the three percent increase in funding was a result of City funding. Ms. Cockerham replied it was. Mr. Prax said the schools had achieved savings by offering a retirement incentive, which ten eligible employees accepted.

Council Member Shirrell said one of the biggest risks perceived by the City Schools was the potential decrease in State education funding. He said if State funding did not keep pace with the School District's needs, there was the perception that the City could compensate for those losses. Council Member Shirrell said that while Council would support the schools, Alaska State Statute mandated a limit on their financial support. He said this highlighted the importance of electing State officials who support education funding. Mr. Prax said the City funded the School District to the cap and beyond with additional funding for IT, activities, and community use of the buildings. Council Member Shirrell said he was concerned the City would be unable to compensate for loss of State funding unless the cap law was changed. Mayor Knight said there had been consideration about increasing the City funding limit, and the emphasized the importance of electing leaders at all levels who support education funding.

VOTE ON THE MOTION:

Yays: 6 - Mayor Knight, Council Member Smith, Council Member Moulton, Council Member Needles, Council Member Shirrell and Council Member Reese

Absent: 1 - Council Member Fleming

XI. ORDINANCES**1. #18-03 - Amending Chapter 2.80 of the Valdez Municipal Code Titled Procurement Policy. Second Reading. Adoption.**

MOTION: Council Member Smith moved, seconded by Council Member Reese, to approve Ordinance #18-03. Second Reading. Adoption. The motion carried by the following vote.

VOTE ON THE MOTION:

Yays: 6 - Mayor Knight, Council Member Smith, Council Member Moulton, Council Member Needles, Council Member Shirrell and Council Member Reese

Absent: 1 - Council Member Fleming

XII. RESOLUTIONS**1. #18-14 - Amending the 2018 City Budget by Accepting Grant Funds in the Amount of \$1,095.10 to the Valdez Consortium Library and Authorizing its Expenditure**

MOTION: Council Member Smith moved, seconded by Council Member Moulton, to approve Resolution #18-14 amending the 2018 City Budget by accepting grant funds in the amount of \$1,095.10 to the Valdez Consortium Library and authorizing its expenditure. The motion carried by the following vote.

VOTE ON THE MOTION:

Yays: 6 - Mayor Knight, Council Member Smith, Council Member Moulton, Council Member Needles, Council Member Shirrell and Council Member Reese

Absent: 1 - Council Member Fleming

2. #18-15 - Amending the City of Valdez 2018 Budget by Transferring \$225,000 from Council Contingency Reserve to Valdez Senior Center for Settlement of Liabilities Arising from the 2012 Medicaid Audit

MOTION: Council Member Smith moved, seconded by Council Member Moulton, to approve Resolution # 18-15 amending the City of Valdez 2018 Budget by transferring \$225,000 from Council Contingency Reserve to Valdez Senior Center for settlement of liabilities arising from the 2012 Medicaid Audit. The motion carried by the following vote after the following discussion occurred.

Council Member Needles asked Mr. Brian Carlson, Finance Director, what the process of transferring the settlement to the State of Alaska involved. Mr. Carlson replied the City would pay the settlement directly to the State. Council Member Needles asked how long it would take for the settlement to be dispersed if Council passed the resolution. Mr. Carlson said he was aiming to issue the funds Friday of that week. Mr. Doug Davies, Senior Center board member, thanked the City of Valdez and Council for continuing to support the Valdez Senior Center. He credited Senior Center Director, Ms. Debbie Plant for aggressively negotiating to

lower the settlement amount.

VOTE ON THE MOTION:

Yays: 6 - Mayor Knight, Council Member Smith, Council Member Moulton, Council Member Needles, Council Member Shirrell and Council Member Reese

Absent: 1 - Council Member Fleming

3. #18-16 - Amending the City of Valdez 2018 Budget to Reflect Council - Approved Capital and Maintenance Projects through 2019, by Establishing New Appropriations Totaling \$9,297,045.66

MOTION: Council Member Smith moved, seconded by Council Member Moulton, to approve Resolution #18-16 amending the City of Valdez 2018 Budget to reflect Council - approved capital and maintenance projects through 2019, by establishing new appropriations totaling \$9,297,045.66. The motion carried by the following vote after the following discussion occurred.

Council Member Shirrell asked if the City could expedite the Whalen Drive project for completion in early 2019. Mr. Duval said he would expedite the project as much as was within his control. He said the City needed information with regard to developing a new well and were working on preliminary engineering and design for Whalen over summer 2018. Council Member Shirrell said he would like to have support from Council members to direct the City Manager to prioritize the Whalen project and provide progress reports to Council. Council Member Moulton said he did not have a problem holding City staff accountable to complete Whalen quickly but pointed out that the Port of Valdez Company seemed unprepared when asked about funding. He added that it did not seem the Port of Valdez Company had the necessary development planning completed to begin construction in 2019, even if Whalen was finished.

Council Member Shirrell said the first step was to complete the City utilities to allow the Port of Valdez Company to move forward. Council Member Moulton said Whalen Drive was on the CIP list, and Council could not reasonably ask Mr. Duval to say with complete certainty the project would be complete in early 2019. He said he had no problem asking Mr. Duval to move forward quickly, but urged against rushing through the Whalen project without proper planning.

Mayor Knight said the 2019 CIP list was on track and felt comfortable that Ms. Barberio, Ms. Rollenhagen, Mr. Duval, and Ms. Doom could work with the Port of Valdez Company to develop a timeline. Council Member Shirrell said he did not want to expedite unreasonably, but thought it was prudent to hold a tight timeline. Mayor Knight said she thought that staff direction was clear to move forward with Whalen construction.

VOTE ON THE MOTION:

Yays: 6 - Mayor Knight, Council Member Smith, Council Member Moulton, Council Member Needles, Council Member Shirrell and Council Member Reese

Absent: 1 - Council Member Fleming

4. #18-17 - Waiving the Solid Waste Fees for Certain Items During the 2018 Community Clean Up

MOTION: Council Member Smith moved, seconded by Council Member Reese, to Approve Resolution # 18-17 authorizing waiving landfill fees during the 2018 clean up event. The motion carried by the following vote after the following discussion occurred.

Council Member Reese asked for the dates of fee waived dumping. Mr. Comstock replied the Community Clean-Up dumping fee waiver would take place from May 14th- May 26th. He advised interested community members to call the Public Works office to schedule a pick up.

VOTE ON THE MOTION:

Yays: 6 - Mayor Knight, Council Member Smith, Council Member Moulton, Council Member Needles, Council Member Shirrell and Council Member Reese

Absent: 1 - Council Member Fleming

XIII. REPORTS

1. Fire Station Neighborhood Open House Report - Winter Park

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

1. City Manager Report

Ms. Doom stated she met with the finance auditors and attended the Flood Task Force and Beautification Task Force meetings over the past two weeks. She added that Mr. Doug Desorcie, former City Events Coordinator, had retired that week and was temporarily replaced by Interim Events Coordinator, Mr. Brandon Reid. Council Member Smith asked if Mr. Desorcie had already left Valdez. Ms. Doom said she was unsure if he had left town. Council Member Smith said he was not aware of the circumstances of Mr. Desorcie's sudden retirement, but wanted to recognize his long standing work in the community. Ms. Barberio said he gave his notice last Tuesday and had completed his final workday on Monday. She said she thought he had left Valdez shortly afterwards. Ms. Barberio said Mr. Reid worked events sound for Parks and Recreation and volunteered to fill the coordinator position until the City found a replacement.

Ms. Doom said she and Ms. Barberio had a firm discussion with Kimley-Horn about the City's expectations for their professional services contract. Ms. Doom said Ms. Barberio had requested a progress update for Council, which Kimley-Horn had failed to deliver. Ms. Barberio said she asked Kimley-Horn for an update from their March visit and received with no response. She said she and Ms. Doom had finally met with Kimley-Horn the previous Friday to clearly outline their expectations and frustrations. Ms. Barberio added she had written a letter to Kimley-Horn stating their disappointment and hoped to see improvement from Kimley-Horn going forward. Ms. Barberio said Kimley-Horn also owed the City an extra visit because they failed to present to Council in December.

Council Member Smith said he was interested to see Kimley-Horn's proposed timeline, compared to their modified timeline, and what they had already

accomplished. Ms. Barberio said their billing and reports included line items for projects and percentage of completion. She said they had almost completed phase one of the contract and had already begun phase two. Ms. Barberio said Kimley-Horn had proposed the creation of a Vision Committee. Ms. Pierce explained Kimley-Horn requested the City develop an ad-hoc Community Vision Committee that would consist of members of the current Economic Development Commission (EDC) and five additional members from the community. Ms. Pierce said the Vision Committee would temporarily replace the EDC and would meet quarterly rather than monthly. Ms. Pierce said Kimley-Horn wanted to hand select members from the community and requested names from Ms. Barberio. However, Ms. Pierce said the City would need to advertise those positions publicly rather than hand selecting new members. Ms. Pierce said the City Clerk's Office would be advertising the Vision Committee positions. Member Moulton asked if Council could obtain a progress summary from Kimley-Horn.

Council Member Shirrell said the City was facing an underperforming contractor who had been notified of their tenuous status on several occasions. He thought the City should seek a recovery plan from Kimley-Horn detailing current projects, work that had yet to be completed, and completion timelines. Council Member Needles said he supported Kimley-Horn from the beginning but thought Council should consider suspending the contract in light of poor performance. He said he, personally, was finished working with them. Council Member Needles asked Ms. Pierce if suspension of the Kimley-Horn contract could be included on the next agenda. Ms. Pierce said it could be included. Council Member Moulton said he would support suspension as well.

Ms. Pierce asked Council members if they would like her to postpone moving forward with the Vision Committee. Council Member Moulton said he did not even fully understand what the role of the Vision Committee would be. Ms. Pierce said she would send Council information about the Vision Committee but would postpone advertising until the contract issues were settled. Council Member Needles said he was concerned Kimley-Horn would furiously work for two weeks and bill the City under the threat of suspension before Council could vote to suspend the contract at the next meeting. Council Member Reese asked if there was a way to suspend the contract that night. Ms. Pierce said they could not, since it was not included on the public meeting agenda as an action item. Council Member Reese asked if suspension would require a vote. Ms. Pierce replied it would. Mayor Knight added that a motion to suspend required public advertising.

Council Member Smith asked if Council members were interested in exploring a recovery plan with Kimley-Horn. Council Member Needles said he was, but was apprehensive that Kimley-Horn would complete quick and careless work for the sake of a paycheck. Council Member Smith said part of the mandated recovery plan would be to give Kimley-Horn two weeks to create a draft. Mr. Staser said he reviewed the contract which included a termination for convenience clause. He explained this meant there was no penalty for terminating the contract aside from paying for work that had already been completed.

Mr. Staser added the contract also contemplated a stop work order stating Council could direct the City Manager to place a stop work order on the contract to evaluate the situation without a vote. Council Member Needles asked if a stop work order could be issued immediately. Mayor Knight replied with the consent of four Council Members, they could direct Ms. Doom to place a stop work order on the contract. It would be a temporary suspension and would not nullify the contract, allowing time

for Ms. Doom and Ms. Barberio to determine a recovery plan. Mr. Staser said he thought they could place a stop work order on the contract. Council would simply need the consent of four members. However, terminating the contract would require a vote.

Council Member Shirrell said he did not support suspension on the project. He said the first step was to have Ms. Doom negotiate and develop a recovery plan. He said he thought Kimley-Horn was capable of creating a worthwhile product and cautioned against tarnishing their relationship. Ms. Doom said she had already been direct with her disappointment in Kimley-Horn and the company had been non-responsive. She said it was clear to her they did not register the seriousness of their conversation. She said that if there was no stop work order placed, the company would continue to bill the City. She said any work completed by Kimley-Horn to date was property of the City. Mr. Staser said this provision was expressly stated in the contract. Ms. Doom said a stop work order might stir Kimley-Horn into meaningful action. Ms. Barberio reiterated Ms. Doom had been clear about the City's expectations. Council Member Shirrell said he felt the City needed to compose a letter to Kimley-Horn clearly stating their position if they were to move forward with a stop work order. Mr. Staser said he was happy to draft a letter with the Council's direction.

Council Member Shirrell said the company would either respond with action or they would lose the contract. Council Member Needles said he did not feel the City would be losing anything from an underperforming contractor. Council Member Smith pointed out this was not the first time the City had issues with Kimley-Horn and had been hoping they would improve. He said he supported a stop work order. Mr. Staser said the company might be close to completing phase one and the City might miss out on that work if they halted the contract. Council Member Moulton asked if Council could hold a work session with Kimley-Horn instead of issuing a stop work order. Council Member Needles said he would still like to see a suspension. Mayor Knight asked if they could set requirements for Kimley-Horn to meet in order to avoid suspension of the contract. Ms. Doom said she felt a stop work order in conjunction with a work session would be appropriate to get clear answers from Kimley-Horn.

Council Member Needles reiterated that he no longer wanted to work with Kimley-Horn. Council Member Needles said he thought the contract should have a stop work order placed first thing in the morning. Ms. Doom asked if it would be a temporary stop work order until Kimley-Horn was able to meet with Council. Mayor Knight said a temporary stop work order until the Council work session. Council Member Shirrell said he thought a work session would be useless without a recovery plan, with a monitored and managed timeline.

Council Member Shirrell said he thought Council needed to see a recovery plan before the work session. Ms. Doom said she did not feel a recovery plan was needed when the expectations and timelines were already clearly stated in their contract. Council Member Shirrell asked Ms. Doom for an alternative. He said if the Kimley-Horn contract was cancelled, the City would not see another similar contractor for the next few years. Mayor Knight suggested a stop work order and a work session, with the option of nullifying the contract if Kimley-Horn failed to deliver.

Council Member Moulton said administration might suggest a work session would not be worthwhile after communicating with Kimley-Horn. Council Member

Needles said he felt the company needed a wake-up call. Ms. Doom said she thought the wake-up call should have been the conversation she and Ms. Barberio had with Kimley-Horn. Ms. Doom said their response was to fail to meet the timeline Ms. Barberio requested. Council Member Reese said he thought Council needed a stop work order to protect the City. Council Member Shirrell said he thought Council could either do nothing and waste \$900,000 or create a recovery plan. He asked Ms. Doom what she would recommend. Ms. Doom recommended a stop work order, discussion of a recovery plan, and a scheduled work session with clear requirements for Kimley-Horn.

Ms. Doom said she attended the most recent Beautification Task Force and was pleased to report there had been more beautification grant respondents. She added Human Resources Director Mr. Tim James was out on vacation. Ms. Doom said the City was accepting applications for Parks and Recreation Director. She encouraged qualified individuals to apply. Ms. Doom thanked the City's management team for collaborating to manage some of the work load that Mr. Desorcie's retirement left behind. She said they were working on organizing a meet and greet with the Alaska Chamber of Commerce. Council Member Needles asked if Ms. Doom would be advertising for Mr. Desorcie's position. Ms. Doom said they would be advertising the position when Mr. James returned to Valdez. She said they had completed some updates to the job description in the meantime. Ms. Doom urged anyone interested in volunteering for a City event to work contact Ms. Barberio in the City Economic Development Department.

2. City Clerk Report

Ms. Pierce said the Alaska Center of Chamber of Commerce asked the City to sponsor a reception at Valdez Convention and Visitor's Bureau. Ms. Pierce asked Council members if they had any objection to sponsoring the event. She said she would organize and book the caterer, which would cost approximately \$1,000. Ms. Pierce said the Theater Conference would be held June 7th – June 16th. She said June 13th would be the annual City dinner for the Theater Conference and hoped to host it at the Fat Mermaid.

Ms. Pierce said the National Guard Memorial plaque was ready to be installed. She said she was working with Mr. Duval, Ms. Doom, Mr. Talbott and Mr. Ron Rozak, new harbor construction manager, to organize a dedication ceremony. She said they hoped to host the dedication in June, with Governor Bill Walker and Mr. Charles Volanti attending. She said they were working to organize the event quickly because Mr. Volanti was not in good health. Ms. Pierce said Mr. Rozak had cautioned against having too many participants at the site, to keep construction on track. Ms. Pierce said Interim Parks and Recreation Director Ms. Marcie Robertson was working on landscaping for the location. Ms. Pierce said she was covering the costs of the dedication with her budget.

Ms. Pierce reminded the public that the All American City scholarship applications were due May 11th. She said she needed three Council volunteers to serve on the application review committee. Mayor Knight asked if she could volunteer even though her Council term was expiring. Ms. Pierce confirmed Mayor Knight could participate. Council Member Moulton and Council Member Smith also volunteered.

Ms. Pierce explained she would be out of the office from May 14th-May 25th at the International Municipal Clerks Conference. Ms. Pierce added that Ms. Ferko had returned to work part time.

3. City Attorney Report

Mr. Staser thanked Council Member Smith and Mayor Knight for their service on Council, saying it was a pleasure working with them. He welcomed Mr. Jeremy O'Neil, as Mayor-Elect and said he looked forward to working with him. Mr. Staser said Council would be going into Executive Session after the meeting to discuss a personnel issue. He added that he would like to schedule a session to orient new members of Council and bring them up to speed on open litigation. He said he hoped to have Mr. Robin Brenna, City Attorney, present for the meeting as well. Mr. Staser said his team was finalizing their memorandum to the State of Alaska regarding the state property negotiation. He said the process was delayed due to the lack of a detailed legislative history analysis available digitally. He said they requested the legislative history analysis and would be submitting it with a memorandum to the State.

Mr. Staser said he had hoped to have an answer about the State tax cap from State Assessor Mr. Marty McGee prior to the Council meeting. However, Mr. McGee was still holding internal meetings to discuss the matter further. Mr. Staser said his team was finalizing their comments on the AKLNG Project. Mr. Staser said he would be revising the Planning and Zoning Code with Ms. Rollenhagen and Ms. Pierce on the nuisance and abatement sections.

Mr. Staser said there was an outstanding settlement offer regarding the Cummings litigation. He said the offer was such that the case would be dismissed at no expense to the City, other parties would bear the settlement burden. Mr. Staser said he heard the offer had not yet been relayed to the opposing party, but did not see the case going to litigation and wanted to avoid cost to the City.

Mr. Staser said his team filed their response to the order to settle a case planning conference regarding the C-plan adjudication on May 10th, 2018. He said they drafted the discussion topics for the meeting and had been exploring mediating and including political influence at the meeting to avoid a fully fledged adjudicatory hearing.

Mayor Knight said there was a Building Code revision subcommittee composed of Council Member Fleming, Council Member Moulton, the Planning and Zoning Commission, and herself. She asked if the City intended to reconvene the subcommittee. Ms. Pierce replied she, Ms. Rollenhagen, and Mr. Staser would complete preliminary work on the Code and bring the draft to the subcommittee. Mr. Staser said they would begin with work on enforcement and appeals procedures, building codes, nuisance, and abatement. Council Member Moulton said the main point of the task force was not to determine enforcement, but rather to determine what portions of Code continued to serve the City. Mr. Staser said the Code would be revised line by line in that capacity as well.

4. City Mayor Report

Mayor Knight said Ms. Doom had reviewed most of the content in her report but added the Flood Mitigation Task Force was approved for assistance from a state grant. She said the Army Corp of Engineers would be sending a memorandum for the new Mayor-Elect to sign as the next major step in the City's flood plan. Mayor Knight said they removed the Lowe River from the agreement, because it would require federal funding. Mayor Knight said the head of the Army Corp visited to

inspect the new harbor site and identified the Lowe River as a top priority during their visit.

Mayor Knight said the Beautification Task Force would be purchasing new Christmas lights for the City.

Mayor Knight thanked Council and staff, saying it had been a pleasure working with them. Council Member Needles said Mayor Knight would be missed.

XV. COUNCIL BUSINESS FROM THE FLOOR

Council Member Shirrell said he would like to see a Council priorities work session shortly after the formation of the new Council. He said it was important to reestablish or revise priorities going forward to bring newly elected Council members up to speed in light of the upcoming budget process. He said he felt Council priorities should drive the budget. Council Member Shirrell thanked everyone for participating in the recent elections.

Council Member Smith congratulated newly elected Council members. He added that the Valdez Fly-In would be May 11th-13th.

Council Member Needles said newly elected Mayor Jeremy O'Neil had a conflict of interest as Director of Providence Valdez Medical Center. Council Member Needles asked Mr. Staser to clarify for Council in writing what constituted a conflict of interest. He added that Mr. Dwain Glover had passed away at 12:30 p.m. Eastern time.

Council Member Reese thanked those who ran in the recent election. He said he looked forward to working with the new Council members.

XVI. EXECUTIVE SESSION

City Council transitioned into Executive Session at 11:07 p.m.

XVII. RETURN FROM EXECUTIVE SESSION

City Council transitioned out of Executive Session at 11:58 p.m.

XVIII. ADJOURNMENT

There being no further business, Mayor Knight adjourned the meeting at 11:58 p.m.