

I. CALL TO ORDER

Mayor Cobb called the meeting to order at 7:00 pm in the City Council chambers.

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL

Mayor Dave Cobb	Council member Dorothy M. Moore
Council member Karen Ables	Council member Alan Sorum
Council member Prax	

Absent and excused: Council member Steve McCann and Council member Mike Wells.

Also Present:

Eric Phillips, Acting City Manger
Sheri Pierce, City Clerk
Joe Levesque, Acting City Attorney

Members of staff and approximately 10 people were in the audience.

IV. APPROVAL OF MINUTES OF THE REGULAR MEETING OF MARCH 21, 2011

The minutes from March 21, 2011 were approved as presented with one minor correction.

V. PUBLIC APPEARANCES

VI. PUBLIC BUSINESS FROM THE FLOOR

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

CITY MANAGER

Eric Phillips, Acting City Manager, stated that he did not have a City Manager's report for the evening but that he did want to solidify some dates of upcoming meetings. The first was a follow up to the Council strategic planning session to discuss current projects and operations as a result of possible revenue shortfalls. Council agreed to meet on April 5th at 6:00 PM. Mr. Phillips asked Council to confirm a date to discuss the redistricting plan. Council agreed to meet on March 29, 2011 at noon. Finally, Mr. Phillips announced that they have extended the bid deadline for the Lowe River Dike Project to April 21st and the designers of the project are coming to Valdez to meet with the Council and the public to respond to any concerns. Council asked Jack McCay,

Capital Facilities Director, to see if the designers could come to Valdez for this purpose on April 11th. Mr. McCay replied in the affirmative.

CITY CLERK

Ms. Pierce addressed the Council stating that she attended the redistricting meeting where the dates were set for the pre-plan hearings and the post plan hearings for redistricting. Ms. Pierce reported that for the pre-plan hearings, Valdez is not a hearing site. However, she listed the dates and times for all hearing sites across the state. She stated on March 31st that there will be a state wide teleconference public hearing from noon – 7:00 PM. Ms. Pierce indicated that the board stated that if a municipality is not near one of the scheduled pre-plan sites and want to present their plan in person they will allow this on March 31st at their final pre-plan hearing in Anchorage. Ms. Pierce stated that it will be held at the LIO office, not the redistricting office. Ms. Pierce reported that our deadline is March 31st if we want to submit a pre-plan from Valdez for them to consider. She reported that after the public hearing the redistricting board will be meeting April 4- 14th. They will convene every day at 2:00 pm and will hold a board hearing that will be available via video or teleconference. Ms. Pierce stated that after April 14th they will take the plans they have drawn and will begin the post-plan public hearings which will begin on April 18th. They will visit many municipalities in the state in teams of two from the redistricting board. Ms. Pierce indicated that Valdez is a post-plan hearing site. She stated that Valdez is on the schedule but the dates have not be set as of yet.

CITY ATTORNEY

Mr. Levesque stated that he was at the redistricting meeting as well and he reported that 10 years ago they wanted to put Valdez in with Hillside in Anchorage to form a senate district. He stated that the early stages of the redistricting process are very important. Mr. Levesque pointed out that every redistricting decision in the past has been litigated. Most, if not all of them, have been overturned. Mr. Levesque stressed the importance of Valdez being at the forefront of this in order to achieve the best results.

Ms. Pierce stated that the board did ask what the protocol was going to be for contacting individual board members. Their legal council said he would address that question and would establish the protocol for that process.

Mayor Cobb stated that District 12 had lost 2300 people. It takes 17,800 to add a district. He indicated that we are faced with the task of figuring out where we will get extra people. South East Alaska has lost 3800 people and they are looking to do the same thing. He reported that there is also the Native Alaskan requirement to ensure fair representation. He stated that Senator Torgeson already has several plans for Valdez including the idea of putting us in the Seward district. So, they are already talking about many possibilities.

Council member Ables asked Mayor Cobb if it is advantageous for other areas to want Valdez in their district. Mayor Cobb replied in the affirmative.

Mr. Levesque closed stating that their brief to the Supreme Court on the Sea Hawk case is due on April 25th and that they are currently working on that.

MAYOR

Mayor Cobb stated that while he was in Juneau with the Port Authority, Sempra & Mitsubishi had a meeting with the Senate Majority. He stated that it went very well. He stated that they met with the Deputy Commissioner of DNR for a total of 5.5 hours exchanging information between the Port Authority, Sempra and Mitsubishi. Mayor Cobb said that there were a lot of great questions asked and the overall consensus was that it was probably the best meeting they have ever had. Mayor Cobb expressed his condolences to the people of Japan indicating that two Japanese people were present with Mitsubishi. Mayor Cobb reported on the gas market stating that the day before the earthquake the LNG was at \$10.00 an MCF and it was at \$3.80 in the lower 48. The day of the earthquake it was at \$11.00 an MCF and the day after it was at \$12.40. Mayor Cobb stated that he believed the price was not going down in the near future. Because of their reliance on nuclear energy they felt that they would take the worst nuclear plants and shut them down and those that could be repaired would be repaired and reopened. Mayor Cobb indicated that what is important to Alaska is the fact that the resulting earthquake and tidal wave increased the demand of LNG by 20 percent and that was the unofficial numbers which may be as high as 40 percent. He stated that Mitsubishi had no problem asking Alaska for its gas and indicated that they are willing to sign long term contracts. He reported that the market for gas is there.

Mayor Cobb closed by acknowledging that it was so unfortunate that such a dynamic and robust country was so suddenly brought to its knees by this catastrophic event. He indicated however that the Japanese representatives he spoke with assured him that they would survive. Mayor Cobb agreed feeling certain that they would.

VIII. CONSENT AGENDA

1. Proclamation: Earthquake Memorial Day
2. Appointment to the Valdez Museum and Historical Archive Board
3. Approval of Late File Senior Citizen Tax Exemptions

MOTION: Council member Moore moved, seconded by Council member Ables, to approve all items on the Consent Agenda.

VOTE ON THE MOTION: 5 yeas, 2 absent (Council member McCann, Council member Wells), motion carried.

IX. NEW BUSINESS

1. Approval of Professional Services Contract with Northern Consultants for Temporary Project Management Services in the Amount of \$120,375

MOTION: Council member Ables moved, seconded by Council member Moore, to approve a professional services contract with Northern Consultants for temporary project management services in the amount of \$120,375.

Council member Moore asked if this is the same person that worked for us last year and if their work was satisfactory. Jack McCay, Capital Facilities Director, stated that he worked out wonderfully last year and that they were happy to bring him back. Council member Sorum asked if this was put out to bid. Mr. McCay replied in the affirmative stating that it was put out to bid and was advertised in the local, Fairbanks, and Anchorage newspapers.

Council member Prax stated that he understands the use of a private contractor but that this was \$120,000 for about 60 percent of the year. He stated that it was a lot to pay someone compared to what other City employees make. Mr. McCay stated that this includes his benefits at \$65 an hour. Council member Prax stated that if you calculated that for an entire year the annual pay would be \$210,000. Eric Phillips stated that it is a lot of money but compared to market standards \$65 an hour is pretty reasonable. He also reported that it is scalable and that we do not have a long term commitment with him. Council member Prax asked how long we expect to have this need at the City. Mr. McCay stated that as long as Council wanted them to complete 50 – 60 projects a year that they would need this level of personnel to administer that many projects. Council member Prax stated that the Council needs to look at this. He stated that though he might not be in favor of adding full time employees that at \$200,000 a year to hire a private contractor it might be something to consider. Council member Prax also stated that if they are giving an unreasonable amount of work to the Capital Facilities Department then they need to look at that too.

Mayor Cobb asked Mr. McCay about the norm in the industry if the City hired someone to work for the City what would the salary be. Mr. McCay replied that all of the Engineering staff were in the \$65,000 - \$100,000 range.

Council member Sorum stated that though they have not gotten into strategic planning yet they do have an incredible amount of deferred maintenance and all kinds of proposed projects on the table. Perhaps it would be beneficial to look at a contract employee on a full time basis for a few years. Mr. McCay stated that if this is to continue for many years that it would be advantageous to bring someone on board full time.

Council member Moore asked if there are any projects that do not have to be engineered. Mr. Phillips stated that this person would not be engineering the projects but would actually be managing them once they have been bid out. Mr. Phillips stated that this was addressed at their budget meetings and if they are going to do all of the proposed projects this is the only way to do it short of hiring a full time employee.

Council member Ables noted that the private contractor worked for us last year through another company. He has since left that company and signed on with another one and has come in at a considerably lower rate. Council member Ables stated that it is a given that we need this service in order to properly manage our proposed projects.

Alan Crume, Alpine Woods resident, addressed the Council stating that in the past there have been issues with the City being deficient in contract management. He stated that this is a full time position that should be looked at by the City. He felt that it would only benefit the City to make this position permanent.

VOTE ON THE MOTION: 4 yeas, 1 nay (Council member Sorum) 2 absent (Council member McCann and Council member Wells), motion carried.

2. Approval of Design Services Contract with McCool, Carlson & Green in the Amount of \$44,708 for Design, Bidding, and Construction Administration for Civic Center Roofing Project

MOTION: Council member Ables moved, seconded by Council member Moore, to approve a design services contract with McCool, Carlson & Green in the amount of \$44,708 for design, bidding and construction administration for the civic center roofing project.

Council member Moore asked if the private contractor that was just approved would be managing this contract. Mr. Phillips stated that this motion is just for the design of the roofing structure. Mr. Phillips stated that once designed it would be turned over to a project manager within the Capital Facilities Department.

VOTE ON THE MOTION: 4 yeas, 1 nay (Council member Prax) 2 absent (Council member McCann and Council member Wells), motion carried.

3. Approval of Health Insurance Broker Services Agreement with Alaska USA Insurance Brokers in the Amount of \$27,972

MOTION: Council member Ables moved, seconded by Council member Sorum, to approve the health insurance broker services agreement with Alaska USA Insurance Brokers in the amount of \$27,972.

VOTE ON THE MOTION: 5 yeas, two absent (Council member McCann, Council member Wells), motion carried.

4. Approval of Life and Health Insurance Plan Renewal

MOTION: Council member Moore moved, seconded by Council member Ables, to approve the life and health insurance plan renewal.

Council member Moore stated that in the agenda statement there was not a budget expenditure but asked if we do adopt this plan is it in the health and benefits budgeting. Walter Sapp, Finance Director, stated that it is a part of the benefits package and a part of the benefits that are added to the personnel costs line item. Council member Moore stated that she was very interested in reading the health plan and encouraged anyone who uses the plan to read it and understand it.

Lisa Von Bargen, Community and Economic Development Director, stated her appreciation for the Council's continued consideration of a benefit package that includes life and health benefits for the City of Valdez employees and the School District as well.

VOTE ON THE MOTION: 5 yays, 2 absent (Council member McCann, Council member Wells), motion carried.

5. Approval of Ambulance Billing Services Agreement with Providence Valdez Medical Center

MOTION: Council member Sorum moved, seconded by Council member Ables, to approve the ambulance billing services agreement with Providence Valdez Medical Center.

Council member Moore asked if this was changed from before or is it simply a renewal. Fire Chief Keeney stated that the only difference was in implementing the use of a similar process that Providence uses in writing off costs associated with people who are not able to pay their bills.

VOTE ON THE MOTION: 5 yeas, two absent (Council member McCann, Council member Wells), motion carried.

X. RESOLUTIONS

1. #11-17 – Amending the 2011 Budget by Accepting Additional Grant Funds in the Amount of \$15,676 from the State of Alaska, Department of Veteran and Military Affairs, Division of Homeland Security and Emergency Management for the Purchase of Accessories for the EOD Robot

MOTION: Council member Ables moved, seconded by Council member Moore, to approve Resolution No. 11-17.

Council member Moore asked if the robot and all accessories were funded by grant funds and not general fund monies. Mr. Phillips replied in the affirmative. Council member Moore asked if it the robot would just be used in Valdez or would it be shared with other communities. Mr. Phillips stated that it was his understanding that there is the

possibility of sharing it as needed. He reported that there are only three bomb squads in the state of Alaska so if the need arises they would be willing to share the robot.

VOTE ON THE MOTION: 5 yeas, two absent (Council member McCann, Council member Wells), motion carried.

2. #11-18 – Authorizing the Negotiated Sale of Lots 7-12, Block 31, Valdez Townsite (VTS) and 19,000 Square Feet of Vacated Keystone Avenue Right-of-Way to Karen and Mark Cline

MOTION TO POSTPONE: Council member Moore moved, seconded by Council member Ables, to postpone Resolution No. 11-18 to the meeting of April 4, 2011.

VOTE ON THE MOTION: 5 yeas, two absent (Council member McCann, Council member Wells), motion carried.

3. #11-19 - Authorizing the Purchase of Lot 1B, Block 8, Robe River Subdivision in the Amount of \$45,000 for Snow Storage

MOTION: Council member Moore moved, seconded by Council member Ables, to approve Resolution No. 11-19.

Council member Ables asked how many snow storage lots we own in Robe River Subdivision. Larry Weaver, Public Works Director, stated that there are a total of eight lots presently. Council member Ables asked if there was a formula for how many are needed. Mr. Weaver explained that when a new subdivision goes in it is required that for every square foot of roadway there must be an equal amount of snow storage. He stated that the reason they were looking at this lot is because it will complete the area in that subdivision.

VOTE ON THE MOTION: 4 yeas, 1 nay (Council member Prax) two absent (Council member McCann, Council member Wells), motion carried.

XI. REPORTS

1. Community Purpose Exemption Report
2. Alaska Explorer Conference Report
3. Movie Report
4. Building Permit Report
5. Building Inspection Report
6. Civic Center Report/Summary

Council member Prax stated that it would be interesting to see a list detailing who gets the exempted uses at the Civic Center. He stated that it would be nice to add that to the report.

XII. COUNCIL BUSINESS FROM THE FLOOR

COUNCIL MEMBER PRAX

Council member Prax asked that we request from the School District a line item detailed budget. He stated that he felt like we are not getting enough information from the schools at budget time. He said that it would be beneficial to be able to compare what happens from year to year.

COUNCIL MEMBER MOORE

Council member Moore stated that in Mayor Cobb's absence she was afforded the opportunity to raise the flag for the Mayor's cup. She was very impressed with the organization that Laura Saxe, Joe Freitag and the other 33 volunteers put together for the event. There were 33 entrants and each entrant brought 4-8 people with them for their pit crew. There were people winning who were sons and daughters of people who have entered and won since 1979. Council member Moore stated that this is a real economic boost for our community and is also a family event that attracts people all over the road system to Valdez.

Council member Moore stated that her heart goes out to the victims of the 1964 earthquake and that she is very glad we do a proclamation each year in their memory. She acknowledged the live filming that took place in 1964 and compared that to the valuable recordings seen in recent weeks of the tragedy in Japan. She also recognized the fact that a main reason Alaska adopted the plan to keep victim's names anonymous in the wake of emergencies until families are notified is due to the fact that a college student in 1964 heard of deaths in her family from the Air National Guard Plane crash here in Valdez over the radio in Anchorage. This was one occurrence that helped persuade the adoption of the new plan to protect families.

MAYOR COBB

Mayor Cobb stated that a meeting was held with Tom Case, the new chancellor for the UAA system, and there were very frank and productive discussions on how they feel the Community college should be going in regards to health care and new programs that should be added. He reported that it was a very positive meeting.

Mayor Cobb stated that there was a fund raiser for Children's Cancer that was put on by the Fire Department. It was a huge success and he was very impressed with the event. He thanked Karen Ables for a very good dinner that she provided and stated that it was very well attended.

Mayor Cobb asked Ms. Pierce if we have a sister city in Japan. She stated that we do not currently belong to the program but that we could look into starting that up again.

Mayor Cobb stated that Valdez lost a very valuable citizen during the previous week, Jim Flasher. He was a bus driver who was very dedicated to caring for the children on his bus. He was an outstanding example of a loyal and dedicated citizen to this community. Mayor Cobb offered his condolences to the family.

XIII. COUNCIL TRAVEL

XIV. ADJOURNMENT

There being no further business, Mayor Cobb adjourned the meeting at 8:00 pm.