

I. CALL TO ORDER

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

II. PLEDGE OF ALLEGIANCE

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

III. ROLL CALL

Mayor Dave Cobb	Council member Steve McCann
Council member Karen Ables	Council member Alan Sorum
Council member Mike Wells	Council member Dorothy Moore

Absent and excused: Council member Prax

Also Present:

Eric Phillips, Acting City Manager
Sheri Pierce, City Clerk
Bill Walker, City Attorney

Members of staff and approximately 10 people in the audience.

IV. APPROVAL OF MINUTES OF THE REGULAR MEETING OF September 6,2011

The minutes from the meeting of September 6, 2011 were approved with corrections.

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 a special council meeting needed to be scheduled in regard to the Salmonberry Ski Hill project. Mr. Phillips explained that bids would need to be awarded and funds moved in order for this project to keep moving forward and to be finished for the upcoming snow season.

He explained that it was estimated that the electrical costs would be approximately \$80,000 including excavation. However, Mr. Roger Kipar had

volunteered to do the excavation work for free, leading the City to believe that bids would come in at about half of the original estimate. However when the bids came in, the lowest bid was \$84,000. The other two bids received were for \$104,000 and \$152,000. Mr. Phillips indicated that the electrical oversight was the main reason the project was over budget.

Council member McCann asked if these were local contractors. Mr. Phillips replied that one of the bidders was based out of Palmer but had a local office; the other two were from Anchorage and Wasilla.

Council member McCann asked if the City could act as the contractor. It was explained that the City was not in a position to serve in that capacity. There was a local bidder preference, but no local bids came in for this contract.

Council member Ables asked if, when the bids were put out, the potential contractors were aware that the excavation work had been donated. This was affirmed by Mr. Phillips; they had to acknowledge they realized that before they submitted their bid.

A special meeting was scheduled for Wednesday, September 21st at noon to consider the award of a contract for electrical work related to the Salmonberry Ski Hill project.

City Clerk

Ms. Pierce announced that absentee voting for the regular municipal election had started. She asked that those wishing to participate to come to City Hall from 8:30 a.m. to 5 p.m. in order to vote. There would be a secondary announcement of the upcoming election in the newspaper shortly, in which the entire ballot including a summary sheet for Proposition 1 would be included.

City Attorney

Mr. Walker informed the Council that he had been asked to speak and give a special presentation at the North American Gas Summit in Washington DC, which would be held from October 3rd through October 5th. He would therefore not be attending the next City Council meeting.

The weekend before this City Council meeting, Mr. Walker had been in Talkeetna for the Institute of the North annual Alaska Dialogue. They did not have a political agenda, he said; rather, they merely wanted to discuss what was best for Alaska.

This year the topic was coming to terms with the fact that Alaska is slowly running out of oil. Also being discussed was the matter of LNG in Alaska and the trip to Norway which Mr. Walker partook of. It was a true dialogue between three or four hundred people about what the State should do in regards to LNG and the future of gas exports in Alaska.

Mayor

Mayor Cobb stated that he had joined Tim Bradner, a reporter on oil and gas from Anchorage, as well as John Kingston, executive director and chief editor for the Platt Group, and they had discussed the current status of Alaska gas and oil. Mayor Cobb reported that Mr. Kingston had questioned why Alaska would send their gas to the lower 48 instead of sending it to the Far East where a much better price would be given. Mayor Cobb stated that Mr. Walker would be meeting with Mr. Kingston in the future to expand on that discussion. Mayor Cobb also mentioned that he was also a part of a presentation in recent weeks in Glennallen on the idea of the all Alaska gas line.

VIII. CONSENT AGENDA

1. Proclamation: National Rehabilitative Therapies Awareness Week
2. Approval to go into Executive Session Regarding
 - a. City Clerk Evaluation
 - b. TAPS Valuation/Litigation

MOTION: Council member Wells moved, seconded by Council member Moore, to approve all items on the consent agenda.

VOTE ON THE MOTION: 6 yeas, 1 absent (Council member Prax); motion carried.

IX. NEW BUSINESS

1. Approval of Amendment #3 to City of Valdez Health Plan

MOTION: Council member Moore moved, seconded by Council member McCann, to approve amendment #3 to the City of Valdez Health Plan.

VOTE ON THE MOTION: 6 yeas, 1 absent (Council member Prax); motion carried.

2. Approval of Amendment #4 to City of Valdez Health Plan

MOTION: Council member Moore moved, seconded by Council member Wells, to approve amendment #4 to the City of Valdez Health Plan.

Council member Wells asked Walter Sapp, Finance Director, if this program would be available to all City employees. Mr. Sapp confirmed that it would be, stating that all City employees would be enrolled. He stated that it is not a mandatory program. Council member Wells said that it seemed like offering this would not cost the City any more, but wondered how many people would use this. Mr. Sapp could not say for sure but explained that people going in for surgery would most likely choose a local surgeon if possible, so the number of people who would leave Valdez for surgery and choose to use this program would likely be a small figure.

VOTE ON THE MOTION: 6 yeas, 1 absent (Council member Prax); motion carried.

3. Approval to Purchase Two (2) Loaders from NC Machinery Co in the Amount of \$672,406

MOTION: Council member Sorum moved, seconded by Council member Ables, to approve the purchase of 2 Caterpillar 966K loaders from NC Machinery Company in the amount of \$672,406.00.

Council member Wells asked Larry Weaver, Public Works Director, to explain the buy-back agreement the City had with NC Machinery. Mr. Weaver said that as long as the City rotates the loaders out per schedule, NC machinery will guarantee a minimum of \$240,000 back for both loaders. Depending on the market, he explained, the City could receive more than that back. Council member Wells asked if these were scheduled to be replaced in 2011 and Mr. Weaver replied in the affirmative.

VOTE ON THE MOTION: 6 yeas, 1 absent (Council member Prax); motion carried.

4. Approval of Contract for Harbormaster Office Boiler and Restroom Renovation with Zastrow Enterprises Inc. in the Amount of \$131,145.00

MOTION: Council member Wells moved, seconded by Council member Sorum, to approve a contract award to Zastrow Enterprises, Inc. in the amount of \$131,145.00 for Harbormaster building restroom renovation and boiler replacement.

VOTE ON THE MOTION: 6 yeas, 1 absent (Council member Prax); motion carried.

5. Approval of Purchase of LED Lights from Arctic Sales Inc. in the Amount of \$53,542

MOTION: Council member Wells moved, seconded by Council member Ables, to approve the purchase of LED lights from Arctic Sales, Inc. in the amount of \$53,542.00.

VOTE ON THE MOTION: 6 yeas, 1 absent (Council member Prax); motion carried.

X. RESOLUTIONS

1. #11- 62 Appointing the Judges and Clerks for the Regular Municipal Election to Be Held October 4, 2011 and Setting the Hourly Rate of Compensation

MOTION: Council member Ables moved, seconded by Council member Moore, to approve Resolution No. 11-62.

VOTE ON THE MOTION: 6 yeas, 1 absent (Council member Prax); motion carried.

XI. REPORTS

1. Change Order Report

XII. COUNCIL BUSINESS FROM THE FLOOR

COUNCIL MEMBER MOORE

Council member Moore stated that she had attended the Prince William Sound RCAC meeting in Kenai.

Council member Moore referred to an electrical usage history graph which had been provided to the council earlier in the meeting. By putting in the phase 1 and phase 2 LED lights, Council member Moore said, the City had saved money that could be then spent elsewhere. This project, she said, was a good thing; every little bit helps. Mayor Cobb concurred. Lisa Von Bargen, Community Development Director, explained that the City was now seeing an approximate 55% savings on electricity costs. Due to this success she was eager to move forward with the replacement program.

COUNCIL MEMBER SORUM

Council member Sorum informed the Council and the public that the Marine Firefighting Symposium would be taking place October 4th through the 6th for land based firefighters. He indicated that a group of five professional marine firefighting instructors would be training the estimated 65-75 attendants, which would include local firefighters and a group from the Coast Guard. Council member Sorum stated that the events will primarily take place at the Civic Center, with forays to the Small Boat Harbor and City Dock. Alaska Air, Era, Grant Aviation, Totem Inn, Best Western, and Mountain Sky Hotel had all provided discounts for this event. VCVB, he reported, had put together a care package for this event as well. He concluded by saying that the symposium was a great opportunity for the City of Valdez.

COUNCIL MEMBER WELLS

Council member Wells extended his congratulations to the Valdez High School Volleyball team, as well as their excellent coach, for winning first place at the Valdez invite. They played extremely well, and sent members Mikaela Hill, Sidney Mann, and Holly Wells to participate in the All-Tournament team. Overall, he said, they are a fantastic group of students.

COUNCIL MEMBER McCANN

Council member McCann let it be known that he would not be attending the City Council meeting scheduled for October 3rd, 2011.

MAYOR COBB

Mayor Cobb wished everyone the best of luck in the upcoming regular municipal election. He noted that he had seen many signs up around town, sometimes competing for space. He also wanted everyone to know that the Valdez fisheries were still harvesting silver salmon and would continue to do so for the next few weeks.

Mayor Cobb invited Todd Wegner, Parks and Recreation Director, to speak about the upcoming schedule at the Civic Center. Mr. Wegner explained that they had just concluded the 95th Pioneers Convention which had been quite fun. He also announced that The Museum and Historical Society would be hosting their convention at the Civic Center. Finally, as Council member Sorum

mentioned, the firefighters would have their Symposium, and after that, BP would be in town. Mr. Wegner concluded that it was going to be a very busy month.

Council member Moore asked if large events could be included on the City Council's calendar. Ms. Pierce replied in the affirmative.

Mayor Cobb let it be known that there would be a reception at the Museum on Thursday, September 22 from 6-8 p.m. However, the "Meet the Candidates" for the upcoming regular municipal election would also be taking place at the same time in the City Council Chambers. On September 23rd, Mayor Cobb announced, that the City will be hosting a picnic for the City employees and their spouses/significant others. He said that they will be serving steaks and silver salmon, and that the City Council was invited to attend as well.

XIII. EXECUTIVE SESSION

Council member McCann did not attend the TAPS Valuation/Litigation part of the executive session.

- XIV. RETURN FROM EXECUTIVE SESSION
- XV. COUNCIL TRAVEL
- XVI. ADJOURNMENT

There being no further business, Mayor Cobb adjourned the meeting at 9:00 pm.