# I. CALL TO ORDER

Mayor Cobb called the meeting to order at 7:00 pm 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 Dorothy M. Moore

Council member Karen Ables Council member Alan Sorum
Council member Mike Wells Council member Joe Prax

Absent and excused: Council member Steve McCann.

Also Present:

John Hozey, City Manger Sheri Pierce, City Clerk Bill Walker, City Attorney

Members of staff and approximately 15 people were in the audience.

# IV. APPROVAL OF MINUTES OF THE REGULAR MEETING OF August 1, 2011

The minutes from the meeting of August 1, 2011 were approved with one minor correction.

- V. PUBLIC APPEARANCES
- VI. PUBLIC BUSINESS FROM THE FLOOR
- VII. CITY MANAGER/CITY CLERK/CITY ATTORNEY/MAYOR REPORTS

# **CITY MANAGER**

Mr. Hozey reported that the Homestead Road improvements have been moving along nicely. The contractor has completed the sewer installation; all pumps would be installed by September. The majority of culverts have been done, and the contractor hopes to begin paving by the end of August. Council member Moore stated that due to the current schedule, residential hookup to the sewer system would not be required until next year. Mr. Hozey concurred. Council member Wells asked if the people along Homestead Road were signing up for the assessment district. Lisa Von Bargen, Community Development Director, stated that at this time no agreements have been signed, but that estimates have been received.

Mr. Hozey stated that the Assisted Care Living Task Force is continuing to work on their financial analysis and would most likely be meeting in early September.

Mr. Hozey said that the city had received four proposals for the new middle school and a selection committee had narrowed the proposals down to two. These firms would come to Valdez to be interviewed on Wednesday, August 17, 2011. Mr. Hozey hoped to bring the results of those interviews to the City Council at the next meeting.

Mr. Hozey stated that a delegation from the Army Corp of Engineers, including an Undersecretary of the Army, the District Commander, and a few other people were scheduled to come to Valdez to discuss the Small Boat Harbor expansion project, however, the trip was canceled due to weather. Dave Martinson, the project manager for the Corp of Engineers did make it to town and talked about possible strategy for moving forward in the current federal environment.

Council member Moore stated that as a member of RCAC, she had met with the Admiral Papp, 24<sup>th</sup> Commandant of the United States Coast Guard while he was in Valdez on August 11, 2011. The following day she attended a field hearing with Admiral Papp and Senator Begich, among others. At the hearing, the Senate Committee on Commerce, Science, Transportation: Oceans, Atmosphere, Fisheries and Coast Guard sub-committee met with various members of the public who had been invited to discuss how best to keep the Coast Guard on the ready in Alaska. They listened to a variety of people including herself and Sheri Pierce, the City Clerk. Council member Moore stated she had found the hearing to be very informative.

Mr. Hozey stated he was currently in the process of re-evaluating his annual fall lobbying trip to Washington D.C. in support of the new harbor. He had been in discussion with the city lobbyist about this and the issue of the federal debt ceiling agreements and the long term strategy that will come from this, makes the utility of a trip to DC right now questionable.

Mr. Hozey reported that the museum and library boiler replacement project is progressing. The boilers would be hooked up to the library first, and then the museum would be done next.

Mr. Hozey stated that the city had received the initial draft of the phase 1 report for the CDQ fleet relocation study, and it had not seemed promising. The report showed that the CDQ groups have little say in where their ships are home ported. The City of Valdez, therefore, would not be moving forward with phase two at this time.

Mr. Hozey stated that he attended the Alaska Municipal League conference as well as the Alaska Municipal Managers Association meetings in Sitka. Mr. Walker gave

a presentation on the Alaska Liquid Natural Gas Exports Competitiveness Study (or ALECS), which seemed to help that effort along a great deal.

Mr. Hozey stated that one of the main issues the Alaska Managers Association is dealing with right now is the matter of required termination studies within the PERS regulations. This is having the unintentional effect of severely limiting how a city can manage its personnel. AMMA will be monitoring this situation and backing legislation to help correct the problem.

# CITY CLERK

Ms. Pierce stated that she attended the AML summer meeting this past week as well. She informed the Council and the public at large that Valdez would host this meeting during the summer of 2013. Ms. Pierce reported that she had recently testified at the Senate Committee Hearing on the Coast Guard Cities program. Her testimony included the fact that the City of Valdez was very interested in the program, and was moving forward with its application with the help of Senator Beigich. She would be working with the Coast Guard in the months ahead as well.

Ms. Pierce informed the Council that the filing period for election petitions had been closed earlier that evening. The School Board candidates for 2011 would be: Anita Fannin, Dawn Farmer, Dolores Gard, and Dan Walker. The candidates for City Council would be: Karen Ables, Rich Long, Dorothy Moore, and Mike Wells. Both the School Board and City Council had 3 vacancies each. Also on the ballot would be a proposition authorizing a change to the City Charter which Council had authorized by resolution a few sessions ago. Ms. Pierce asked that citizens interested in absentee voting by mail please submit their request for a ballot as soon as possible. Forms to request an absentee ballot are available on the City Clerk website.

## CITY ATTORNEY

Mr. Walked began by thanking Mayor Dave Cobb for enabling him to give his presentation during the AML conference. Since then, a number of people had made contact with him in regards to his presentation and the information therein. There was, he said, a lot of talk about liquid natural gas (LNG) now. Not only that, but there is now talk about exporting it rather than importing it to the Cook Inlet, which is how they have discussed LNG in the past. The Alaska LNG Exports Competitiveness Study (ALECS) has really seemed to cause quite a stir, he said. The Alaska State Senate will be holding three days of hearings starting on August 15, 2011 to discuss the various gas line proposals.

Mr. Walker was looking for someone to do an in-state report to make a comparison between the five different gas line proposals. This report would compare things such as costs, revenue, and the expected price of gas. The new report should be as equally impressive as ALECS when it comes out, Mr. Walker said.

Mr. Walker stated he has heard no word about a special session of the Legislature. The special session would have rolled the 200 million dollars into the bullet line, which would have been a significant display of support for the line. He was happy to note that the All-Alaska Gasline to Valdez was getting the attention he had hoped for; this seemed to be the summer of the Gasline Discussion to him. He concluded by saying that he would keep the council appraised of any and all speaking opportunities.

# <u>MAYOR</u>

Mayor Cobb wished to point out that Mr. Walker also gave his presentation to the Anchorage Chamber of Commerce and that about 300 people attended at that meeting. It was very well received. He also stated that the Port Authority had passed a resolution to drop out of any trucking deal with Fairbanks over natural gas.

Mayor Cobb announced that on September 8, 2011 a delegation from the state legislature would be coming through Valdez to discuss transportation. A vast majority would be from the transportation commission. They would be going to Alyeska for a tour, but afterwards they had made themselves available to the City. They would be open to discussing all the modes of transportation the City wished to discuss.

Mr. Hozey wished to throw in one more comment that he had not discussed in his report. The Alaska Department of Transportation would be working on a culvert project out on the Duck Flats during the month of October: five culverts are scheduled to be replaced. This would cause traffic interruptions and delays, but they thought it would be better to work on this project once the fishing season was over and before the snow fell.

Mr. Walker also wished to add a comment of his own. He had told the Council that if they gave \$300,000 to the AGPA, he would find another \$300,000 to match it. He stated that he was pleased to report that they had actually met and exceeded that number: they had found \$316,000 in matching funds. He stated that a lot of media is being prepared to go out in various forms such as radio, print, social media and unsocial media. However, it is a question of strategy to decide how much information and when to distribute it.

# VIII. CONSENT AGENDA

- 1. Appointments to Providence Valdez Health Advisory Council
- 2. Approval to go into Executive Session Regarding
- a. TAPS Valuation/Litigation

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

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

# IX. NEW BUSINESS

1. Approval of Memorandum of Agreement with Copper Valley Internet for the Installation of an Internet Access Point and Antenna at the Port Office

MOTION: Council member Sorum moved, seconded by Council member Wells, to approve a memorandum of agreement with Copper Valley Internet for the installation of an internet access point and antenna at the Port office.

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

2. Approval of the Valdez City Schools Capital Improvement Grant Submission to the State of Alaska Department of Education and Early Development

MOTION: Council member Wells moved, seconded by Council member Ables, to approve the submission of the Valdez City Schools Capital Improvement requests to the State of Alaska Department of Education and Early Development.

Council member Moore stated that the list included some items that the City had already funded, and she wondered if the City would be able to get its money back. Mr. Hozey explained that the City could be reimbursed, but ultimately it was subject to the Governor's veto. Council member Wells wanted to thank the school district for providing the City Council with this list. He was happy to see this collaborative process coming together.

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

3. Discussion Item: Sandy Moore

Sandy Moore from Alaska Consulting spoke at this time. She informed the Council that the Military Appreciation Weekend was a great success. She had recently attended Global Food Alaska, a conference for buyers and suppliers of local foodstuff. Every single item she had seen there had been made in Alaska: wine, beer, chips, salsa, and other goodies had been provided, the most interesting of which proved to be the salmon bacon. Ms. Moore attended in the hopes that she could see if there was anything that Valdez had to offer these people, such as cold storage capacity or the Port of Valdez as a shipping outlet. Another possibility was that Valdez could be the site for the conference in 2015. She had rounded up

several leads and made contacts with people, and would be following those leads up as soon as possible.

Council member Wells wondered if there was a way for not just the City but for businesses as well to become a member of the conference. Ms. Moore answered that she would have to check with Global Food Collaborative on that. Council member Ables thought that this might bring attention to local businesses and/or motivate people to make products here in Valdez.

# 4. Discussion Item: Testing and Training Platform

Ms. Von Bargen informed the Council that the testing and training platform project had come to a stop, and that this discussion was to see if City Council wished to get the ball rolling again or if they wanted to wait and continue this project through the Strategic Planning Committee. Not a huge amount of investment needs to be made, she said, but this project, if it is going to be taken to the next step, needs direction.

Council member Sorum stated that anything that we do in this direction is a good thing, but he had to wonder how much the military and federal government would be interested in this sort of thing anymore. Mayor Dave Cobb stated that it was not just the military, but there were also several private companies that were looking into this, to the tune of 600 companies established in San Diego in order to do counterterrorism training and drills. Council member Wells thought that what Council member Sorum had said was correct, but that would allow additional opportunities for privatization. Also, the military would not just stop training. In light of this, Council member Wells wished to see this project continue to move forward. Council member Ables likened this to a perfect storm, and thought Valdez could and should easily be rented out for various trainings and exercising. Mayor Dave Cobb wanted to take this idea and put it within the strategic planning process.

Council member Moore thought that the city needed to look into diversifying its economy, perhaps though strategic planning. As an example of how the city could diversify its economy, she brought up the fact that it snows over 30 feet per year on average. The city could advertise itself as a place to test snow tires, or do snow safety training, or that sort of thing. Ms. Von Bargen concurred with Councilwoman Moore stating that she had talked with businessmen Mark Sullivan and Dean Cummings about Valdez becoming a premiere venue for snow safety training. Both were interested in discussing the matter; Dean in particular has shipped his people to train out of Valdez, and would rather see them trained here instead. Piecing together all parts and consolidating it would really be important at this point in time, she said, but it would take a lot of time to put everything together.

Council member Ables restated that there are over 600 companies who do this kind of training. Just sending each company a letter inviting them to check out our area would be simple and interesting, she said. She thought that the City of Valdez should not spin their wheels over it, but rather they should keep moving forward with

this idea. Ms. Von Bargen replied that sending out letters would be easy but that responding to the letters the City would receive in turn would be more difficult. If such a plan was set in motion, she said, the City would need to be able to respond succinctly, and they might have to hire someone in order to do so. Council member Wells stated that it sounded like this work had already been done and that it should be included in the upcoming strategic planning process to give it more public exposure. Mr. Hozey said this plan is being included with all of the other ideas in the strategic planning process, and if it came out as a priority then we would move forward with it.

5. Approval of the 2012 Budget Policy Statement

MOTION: Council member Wells moved, seconded by Council member Moore, to approve the 2012 Budget Policy Statement.

VOTE ON THE MOTION: 5 yeas, 1 nay (Council member Prax), 1 absent (Council member McCann), motion carried.

6. Acceptance of the 2010 Audit

MOTION: Council member Moore moved, seconded by Council member Sorum, to accept the 2010 City of Valdez Audit.

Council member Moore hoped that no major errors in the audit had been found, and that the mistakes that had been made were corrected. Walter Sapp, Finance Director explained that a few minor corrections had been done, and a correction action plan would be submitted. However, the errors that had been found were very minor.

# **VOTE ON THE MOTION: 6 yeas, 1 absent (Council member McCann)**

7. Approval of purchase of 2011 Velocity Pumper Tanker in the amount of \$595,677.00

MOTION: Council member Wells moved, seconded by Council member Moore, to approve the purchase of a 2011 Velocity Pumper Tanker from Hughes Fire Equipment, Inc. in the amount of \$595,677.00.

Council member Wells pointed out that the city would be replacing a 1980 vintage truck. Council member Prax asked if any of the equipment from the old truck was reusable. Fire Chief George Keeney explained that a lot of the equipment was too old or too specialized to be reused. Council member Sorum asked where the fire truck would be stationed, and Chief Keeney replied that it would be going to Alpine Woods. Council member Sorum voiced his approval over that fact.

VOTE ON THE MOTION: 5 yeas, 1 nay (Council member Prax), 1 absent (Council member McCann), motion carried.

# X. ORDINANCES

 #11-04 – Amending the Zoning Map to Effect a Change to Lots 1, 2A & 3A, Block 1, Alpine Woods Estates from Rural Residential to Commercial Residential. Second Reading. Adoption

MOTION: Council member Moore moved, seconded by Council member Wells, to adopt Ordinance #11-04.

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

2. #11-05 – Amending Section 17.14.090 of the Valdez Municipal Code Related to the Maximum Height of Accessory Structures in the Single Family (RA) Zoning District. First Reading. Public Hearing.

MOTION: Council member Wells moved, seconded by Council member Moore, to approve Ordinance #11-05 at first reading.

Council member Wells noted that the Planning and Zoning Commission had held a public meeting on this matter wherein two members of the public spoke in favor of the amendment. Ms. Von Bargen stated that she had not heard any negative comments regarding the applicants proposed structure. The lots around the house are occupied, she said, but the applicant brought in a petition saying that everyone surrounding his property found this change agreeable. Ms. VonBargen stated that she looked at this amendment as an opportunity to allow people to fully develop their property. People who have larger lots, she reasoned, should be able to have larger structures on them.

AMENDMENT: Council member Prax moved, seconded by Council member Ables, to amend Section 1. (C) by deleting the last sentence which reads "Such prohibition shall be in the form of an agreement between the property owner and the City and shall be recorded to the property".

Mr. Walker stated an agreement was not necessary as the ordinance speaks for itself.

Council member Sorum voiced his concern that a person with a large property would be able to subdivide. Ms. VonBargen replied that this ordinance would prohibit resubdivision of a parcel to less than one acre if a structure was constructed on the property which exceeded sixteen feet in height.

**VOTE ON THE AMENDMENT:** 5 yeas, 1 nay (Council member Sorum), 1 absent (Council member McCann), amendment carried.

Council member Prax commended Ms. Von Bargen on a job well done.

VOTE ON MAIN MOTION AS AMENDED: 6 yeas, 1 absent (Council member McCann), motion carried.

## XI. REPORTS

- 1. Building Permit Report
- 2. Building Inspection Report
- 3. STIP Report

Council member Moore asked why the Richardson Highway/Loop Road turn lanes were not included in the STIP report. Mr. Hozey replied that the City was in the process of getting that project going once more.

## XII. COUNCIL BUSINESS FROM THE FLOOR

# **COUNCIL MEMBER WELLS**

Council member Wells wished to extended his congratulations to the Women's Silver Salmon Derby Committee.

# **COUNCIL MEMBER ABLES**

Council member Ables wished to reiterate what council member Wells had said. She had the opportunity to go fishing during the derby, she said, and she had a blast. Council member Ables then asked as to how the derbies are organized. Mayor Cobb referred this question to Council member Prax.

## COUNCIL MEMBER PRAX

Council member Prax explained that all of the fish derbies are run by the Valdez Fish Derby organization to promote sport fishing in Valdez. They use their profits to fund prizes as well as to promote both the Derby and Valdez. The profits from the derby tickets are largely used for marketing. The committee itself is staffed by volunteers: there are only three people involved with the various derbies that are paid. These people do the bookkeeping and data entry as well as ticket collecting. If there was anyone who wished to see where the money was going, they were welcome to. Council member Prax voiced his pride over the committee, and felt that people need to know this sort of information about it.

Council member Prax stated that by all accounts the 7<sup>th</sup> annual Women's Silver Salmon Fishing Derby was off the charts this year (except for the fish). It could not have been done without the huge group of volunteers and, of course, the

fisherwomen. He stated that 789 women bought derby tickets, up from 710 women last year. During the day 452 women weighed in over 900 fish, and the Women's Derby was won by resident Lance Groundwater's mother Lenore, a 93 year old woman from Arizona. Her fished weighed in at 16.6 pounds. The volunteers helped make sure that the event went as smoothly as possible. The weigh-in staff had their hands full towards the end, but still did an excellent job. The City helped make sure that the line of boats in the Harbor going out was moving forward at a steady pace. Also, the City provided the Civic Center as the location of the Awards Ceremony. Council member Prax mentioned that last year Carhartt had donated over 700 pairs of women's pants to the event, and this year they donated over 700 sweatshirts. Over 1,100 dollars had been raised for "Fishing for a Dream", a program similar to the "Make a Wish Foundation" which enables terminally ill children to go on a fishing trip. There was also a lovely cake auction, and the cakes were made and donated by Charlene McCay. All in all, it was a wonderfully successful event.

Council member Prax also wished to thank Larry Weaver, Public Works Director, for doing such a good job of cleaning off the snow lots.

## COUNCIL MEMBER MOORE

Council member Moore reminded the Council that Gold Rush Days had also occurred since the last City Council meeting, and that it was also a huge success even if it did rain.

## MAYOR COBB

Mayor Cobb pointed out that it takes great leadership to organize the various fishing derbies, and that Council member Prax provided that leadership to the committee. Mayor Cobb mentioned that the Kid's Pink Salmon Derby was another part of the Valdez derby. He concluded by saying that the weighing station and carts down at the Harbor were all paid for by the derby and that the funds from ticket sales goes to public purposes.

XIII. EXECUTIVE SESSION

XIV. RETURN FROM EXECUTIVE SESSION

XV. COUNCIL TRAVEL XVI. ADJOURNMENT

There being no further business, Mayor Cobb adjourned the meeting at 9:45 pm.