## I. CALL TO ORDER

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

## II. PLEDGE OF ALLEGIANCE

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

### III. ROLL CALL

Present:

Mayor Bert Cottle Council member Mike Wells Council member Dave Cobb Council member Dorothy M. Moore Council member Gay Dunham Council member Joe Prax Council member Karen Ables

Also Present:

John Hozey, City Manager Sheri Pierce, MMC, City Clerk Bill Walker, City Attorney

Members of staff and approximately 15 people in the audience.

# IV. APPROVAL OF MINUTES OF THE REGULAR MEETING OF December 21, 2009

The minutes were approved as presented.

## V. PUBLIC BUSINESS FROM THE FLOOR

There was no public business from the floor.

### VI. CITY MANAGER/CITY CLERK/CITY ATTORNEY/MAYOR REPORTS

### City Manager

Energy Assistance Program

Mr. Hozey stated that 1,301 residents applied for the City energy assistance program. Mr. Hozey said that the funds would be distributed to Copper Valley Electric and the local fuel companies during January and will be credited to the applicant's accounts as designated on their application.

Alpine Woods Septic Meeting

Mr. Hozey said the Alpine Woods residents have requested that the meeting be held sometime during the week of January 25<sup>th</sup>. Mr. Hozey said he would advise the council when a specific date is selected.

Request for Work Session by US Forest Service

Mr. Hozey stated that the US Forest Service has requested a work session with the council in February.

City Clerk

Ms. Pierce asked which members of the City Council would be travelling to Juneau the first week of February to meet with members of the legislature. Council member Ables, Council member Cobb and Council member Dunham indicated that they would be travelling to Juneau.

## City Attorney

Mr. Walker stated that he was in Fairbanks two weeks ago attending meetings with Golden Valley Electric regarding the transportation of natural gas off of the North Slope to Fairbanks and on to Valdez. Mr. Walker said that he was asked how Valdez could benefit from this project. Mr. Walker responded that the benefits would be working with Copper Valley Electric to lower the cost of electricity in Valdez and offering propane and natural gas at a low price to Valdez consumers. Mr. Walker stated that trucking natural gas from the North Slope to Fairbanks and on to Valdez would be the first transportation of LNG from the North Slope. Mr. Walker mentioned that one of the underwriters for the project requested to ride in a transport truck from Fairbanks to Prudhoe Bay.

#### Mayor Cottle

Mayor Cottle said that there had been prior discussion by the city council regarding organizing a meeting between Valdez, Cordova, Tatitlek and Whittier to discuss Prince William Sound issues. Mayor Cottle stated that he would try and schedule a meeting for January 16<sup>th</sup>.

Mayor Cottle stated that the City was not notified of the recent grounding of the tugboat on Bligh Reef until three hours after the incident. Mayor Cottle said that he was notified by Alyeska. He expressed concern that he was not notified by RCAC. Council member Moore suggested that the council hold a future work session with RCAC to discuss protocol and other issues associated with the recent grounding of the tugboat.

#### VII. CONSENT AGENDA

- 1. Approval of State Lobbyist Contract
- 2. Approval of Federal Lobbyist Contract
- 3. Approval of Amendment to the City Manager's Contract

Council member Dunham requested that item #3 on the Consent Agenda be moved to New Business item #3 for the purpose of discussion.

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

**VOTE ON THE MOTION: 6 yeas, 1 nay (Prax). Motion carried.** 

### VIII. NEW BUSINESS

1. Approval to Classify the Valdez Fish Derbies as an Auxiliary Organization for Use of the Valdez Civic Center

MOTION: Council member Cobb moved, seconded by Council member Moore for approval to classify the Valdez Fish Derbies as an auxiliary organization for use of the Valdez Civic Center.

Council member Prax declared that he is presently the Chairman of the Valdez Fish Derby Association but receives no financial benefit from this organization. Mr. Walker acknowledged the declaration and stated that Council member Prax would not be required to abstain from participating and voting on this agenda item.

Mayor Cottle asked what the economic impact was to the Fish Derbies. Mr. Hozey replied that the Fish Derbies would have saved approximately \$900.00 last year in civic center use fees if they had been classified as an auxiliary organization.

# **VOTE ON THE MOTION: 7 yeas. Motion carried.**

Approval of Design Contract with PN & D for the Kelsey Dock Improvements, Phase II in an Amount Not to Exceed \$80,000

MOTION: Council member Wells moved, seconded by Council member Moore to approve a design contract with P N & D for the Kelsey Dock improvements phase II in an amount not to exceed \$80,000.

**VOTE ON THE MOTION: 7 yeas. Motion carried.** 

3. Approval of City Manager Contract

MOTION: Council member Cobb moved, seconded by Council member Moore, to approve the City Manager Contract.

Council member Dunham said that the cost of living increase should not be written into the City Manager contract as an automatic appropriation, but should instead be authorized by the council on a year to year basis. Mr. Hozey replied that the contract amendment was a one-time increase to his salary of 2 percent starting this year. Any future cost of living increases would require approval by the city council.

**VOTE ON THE MOTION: 7 yeas. Motion carried.** 

### IX. RESOLUTIONS

 #10-01 – Amending the 2009 Budget by Accepting Two Grants from the State of Alaska, Department of Commerce, Community and Economic Development, One in the Amount of \$3,325,000 and One in the Amount of \$800,000 for the John Kelsey Dock, Dock Uplands, and Related Facilities and Improvements

MOTION: Council member Wells moved, seconded by Council member Moore to approve Resolution No. 10-01.

**VOTE ON THE MOTION: 6 yeas, 1 nay (Prax). Motion carried.** 

2. #10-02 – Setting the Tax Calendar for the 2010 Tax Year

MOTION: Council member Moore moved, seconded by Council member Cobb to approve Resolution No. 10-02.

## **VOTE ON THE MOTION: 7 yeas. Motion carried.**

#### X. REPORTS

- 1. Glass Recycling Report
- 2. US Forest Service Request for a Work Session

Mayor Cottle asked how much the city had previously spent on the design of a new Forest Service/Visitors Center building. Mr. Ridderbush responded from the audience that he believed the amount was \$242,000.

Council member Prax questioned the number of visitors who visit the Crooked Creek forest service building during the summer as stated in their report. Ms. Colleen Stephens, VCVB, stated that the figure is obtained by the number of vehicles which pass over a "tire click" counting device which is then multiplied by a number representing the average number of persons in a vehicle. The tire click is located at the Salmon Turnaround parking lot.

Mayor Cottle stated that administration will set up a meeting date for the work session.

### XI. COUNCIL BUSINESS FROM THE FLOOR

#### Council member Moore

Council member Moore asked that the calendar on the City website be updated to include council meeting dates. Mr. Hozey replied that the calendar is currently a work in progress and that he would speak with the IT department.

Council member Moore asked for more information regarding the letter in the information packet from the Alaska Department of Transportation, Design and Engineering Services, regarding the 2006 flood permanent repairs along the Richardson Highway. Mayor Cottle stated that he would contact ADOT and request that they attend an upcoming city council meeting to explain the repair project and answer questions from the council.

#### Council member Prax

Council member Prax said that he was contacted by a resident who lives on Homestead Road who disagrees with the decision to apply chip seal material to Homestead Road. The resident was also under the impression that water and

> sewer would be installed prior to improving the road surface. Council member Prax stated that the residents should have been informed regarding the proposed project before the city went forward to solicit bids for the work. He asked if the request for bids could be delayed until the residents who live on the street have an opportunity to discuss their concerns with the city. Mr. Hozey responded that the bid can be delayed or stopped, and asked what the council wanted to accomplish before the city moves forward on the project. Council member Prax said that the residents should have been informed of the project and given the opportunity to voice their questions or concerns. Council member Prax stated that the resident who approached him asked about the possibility of the city installing sewer and water improvements and offering the residents a repayment program for installation and hook up costs which could be paid over time. Council member Prax said he understood this was the opinion of only one resident: however he would be interested in hearing from other residents in the subdivision. Mr. Hozey suggested that the city continue the bid process and schedule a meeting with the residents. If after meeting with the residents it is decided to substantially change the project then the bids can be rejected. Consensus of the council was to schedule a meeting with the residents.

> Council member Cobb stated that paving the road in the subdivision was not the number one problem, but in fact failing septic systems in the subdivision was the imminent concern. Council member Cobb stated that chip sealing the road and delaying installation of needed water and sewer lines would be a waste of \$500,000 due to the need to dig up the road at a later date. Council member Wells stated that he agreed with Council member Cobb and Council member Prax that a meeting with the residents should be held. Council member Prax asked what the estimate was to install water and sewer. Mr. Hozey responded that the estimate to pave the road and install water, sewer and street lights was approximately 4.1 million dollars.

Council member Ables asked what kind of sewer problems were associated with the subdivision. Mayor Cottle responded that septic systems are failing. Mr. Hozey responded that similar to Alpine Woods there is a high water level in this area.

Council member Prax said that he was in California when he heard on the news that a tugboat in Prince William Sound was grounded on Bligh Reef. He stated that this was negative publicity for Prince William Sound and suggested that RCAC could have issued a statement which differentiated this incident from the grounding of the Exxon Valdez. Council member Prax said that in some people's minds the Exxon Valdez spill was happening all over again. Council member Moore said there is a difference between a diesel spill and a crude oil spill and

there has been some controversy over if RCAC should be involved or concerned with diesel fuel spills. Council member Cobb stated that the problem is conflicting statements by the parties involved which leads to speculation and negative publicity by the news media.

## Council member Cobb

Council member Cobb stated that the navigation aids at the Valdez airport are not working. He was told by ERA Aviation that in poor weather conditions flights can be cancelled when the navigation aids are out. Council member Cobb said there needed to be a qualified person in Valdez trained to repair the navigation aids. Currently it may take days for the weather to clear so that a person can fly from Anchorage to Valdez to make the repairs. Mr. Hozey responded that he would look into the issue.

## Council member Dunham

Council member Dunham urged residents to inspect their chimney for buildup which could cause a fire such as happened recently to a Valdez residence. Council member Dunham stated that residents could borrow chimney cleaning brushes from the Valdez fire department.

#### Council member Ables

Council member Ables said that the Christmas Dinner at the civic center this year was a success. She stated that not as many people attended as last year but that the food was delicious. She thanked those people who volunteered their time to the event.

#### Mayor Cottle

Mayor Cottle said that residents of Corbin Creek subdivision had spoken to him about bad water quality and expressed their support for the city looking into providing water to the subdivision.

### XII. ADJOURNMENT

There being no further business, Mayor Cottle adjourned the meeting at 7:50 pm.