VALDEZ CITY COUNCIL Regular Meeting Minutes January 3, 2012 Page 1

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 Karen Ables
Council member Mike Wells
Council member Joe Prax

Council member Dorothy Moore Council member Steve McCann

Absent and Excused: Council member Sorum

Also Present:

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

Members of staff and approximately 20 people were in the audience.

IV. APPROVAL OF MINUTES OF THE REGULAR MEETING OF December 19, 2011

The minutes of the regular meeting of December 19, 2011 were approved as presented with one minor correction that Council member McCann was absent and excused from the Executive Session.

V. CITY MANAGER/CITY CLERK/CITY ATTORNEY REPORTS

CITY MANAGER

Energy Assistance Program

The city has closed out the registration for the Energy Assistance Program. The City had received 1,328 applications, down slightly from the 1,335 that signed up last year.

Phase III of the LED light replacement project is now complete. Mr. Hozey stated that the City had replaced 19 lights around various city buildings and the parkstrip. This phase alone was expected to result in an annual savings to the city of \$8,800 dollars.

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Lisa von Bargen, Director of Community Development, has begun the prep work for putting together a Borough petition. Mr. Hozey stated that meetings with the council on this effort could take place in about next six weeks or so.

Mr. Hozey stated that bids have been requested for the Small Boat Harbor launch ramp, the Small Boat Harbor seawall dock and High School and Civic Center roof replacement projects. Council member Prax asked if the high school roof was being bid to replace what was there. Mr. Hozey responded that the design is for the entire roof replacement which will be solicited in the bid. However, all that is budgeted for at this time is replacement of the roof over the gym. It is based on the concept that routine shoveling would be required due to the fact that installation of structural upgrades would make the cost substantially higher.

Mr. Hozey reported that Salmonberry Ski Hill was almost ready. There was enough snow at this time to be operational, but the City was waiting on three pieces of equipment before it could be opened to the public. These include alert signals, a safety device for the rope at the top of the lift, and a bull wheel adjusting device.

Council member Prax wondered how much longer this delay could possibly take, and if the people in charge of the project were sufficiently motivated to finish it within the next two weeks. Mr. Hozey pointed out that this project was initiated by a group other than the City of Valdez, and because of that, the work involved had been underestimated and the project under-designed from the beginning. However, despite these obstacles the City had managed to knock out most of the work in due time. Additionally, the Ski lift could not have opened up sooner anyway due to the lack of snow at that point. Council member Prax voiced his opinion that the project had been inflated and dragged out more than it needed to have been. He also reiterated the hope that the equipment would be in Valdez by the end of two weeks. Mr. Hozey assured Mr. Prax that the City was not arbitrarily holding the project up, and that it would be done as quickly as it could be. However, the City was not about to compromise safety in order to wrap this up in a timelier manner. Council member Moore stated that she would rather the ski lift take longer to reach completion and be safe than not be safe. Council member Prax clarified that he wanted the Ski Life to be safe as well; he merely did not think it should take the time it has been taking in order for the lift to become operational.

Mr. Hozey concluded his report by informing the City Council that the next Strategic Planning meeting would be held on Saturday, January 14th for the Planning Cells and on the 28th and 29th of January for the Planning Core group.

CITY ATTORNEY

Bill Walker explained that the TAPs court decision valued the pipeline at \$9.97 billion for 2006. The decision for years 2007-2009 was just released as follows: 2007: \$8.94 billion, 2008: \$9.64 billion, and 2009: \$9.25 billion. The litigation for years 2010 and 2011 were on hold at this point, while the case for 2006 was making its way through the Alaska Supreme Court. Mr. Walker also addressed the rumor that had been circulating

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that the oil companies would be announcing a gas project soon, saying that he hoped it would be a project instead of a study, as a study would begin the whole 'beauty pageant' all over again, and delay the process even further. Mr. Walker stated that if it involved granting concessions on oil, he believed there would be no project.

Mr. Hozey explained that the court's decisions were very good news and represented the culmination of many years of hard work by Mr. Walker and his staff. Mr. Hozey thanked Mr. Walker and his team doing such a great job.

VI. CONSENT AGENDA

- 1. Approval to go into Executive Session Regarding TAPS Value/Litigation
- 2. Approval of 2012 Liquor License Renewals:
 - a. Eagles #1971
 - b. Mike's Palace
 - c. Totem Inn
 - d. Acres Beverage Center

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 Sorum). Motion carried.

VII. COUNCIL BUSINESS FROM THE FLOOR

Council Member Moore

Council member Moore stated she will be attending the January meeting for RCAC just after the next city council meeting. Council member Moore said that the Fire department and EMTs have been busy. She expressed her concerns with the difficulty our fire responders have in locating the electrical shut off switches inside one of the mobile home parks. Mayor Cobb suggested that Council member Moore talk with Fire Chief George Keeney, as he would be able to provide an accurate account of what occurred. Council member Moore also advised the public to drive carefully through these conditions: go slowly, and keep your headlights on.

Council Member Ables

Council member Ables informed the Council as well as the public that the Fourth Annual Community Christmas Dinner was a success. There had been good food, tons of camaraderie, and people seemed to be having a great time. She expressed her hopes that people would come back next year for the festivities. Council member Ables also asked about one of the State signs around town which had been crooked for some time. She was informed that, as it was still legible and therefore usable, the State would not fix it until the spring.

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MAYOR COBB

Mayor Cobb stated that he had received inquiries from the public regarding an increase in electrical rates, many complaining that their rates had doubled. Sharon Crisp of Copper Valley Electric stepped forward at this time to explain the variation in electric rates from this year to the past year. Ms. Crisp stated that fuel costs have increases significantly this month along with the fact that a temporary credit which amounted to 10 cents per kilowatt last year was not available this year. Due to the elimination of this credit and the increased cost of fuel, the rates have gone up significantly. Council member Moore asked for a written comparison which illustrated the increase in electrical rates from last year. Ms. Crisp stated that she would provide this information to the council.

Mayor Cobb let it be known that the City had started to dig out the fire hydrants around town and cut back snow at the street corners in order for drivers to see around them more easily. He thanked the crew for working hard during this tremendous amount of snowfall. Also, he wished to caution the public that there are rules about pushing snow from a driveway out into the street. Snow should be placed on the side of the road, not in the middle of it. He concluded by saying that the next City Council meeting would be held on Tuesday, January 17th.

VIII. EXECUTIVE SESSION

Council member McCann was excused from participating in executive session due to a potential conflict of interest.

- IX. RETURN FROM EXECUTIVE SESSION
- X. COUNCIL TRAVEL
- XI. ADJOURNMENT

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