

VALDEZ CITY COUNCIL  
AGENDA  
February 21, 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 Dorothy Moore
Council member Mike Wells	Council member Joe Prax
Council member Sorum	Council member Steve McCann

Also Present:

John Hozey, City Manger  
Sheri Pierce, City Clerk  
Joe Levesque, City Attorney

Members of staff and approximately 25 people in the audience.

IV. APPROVAL OF MINUTES OF THE REGULAR MEETING OF February 6, 2012

The minutes of the meeting of February 6, 2012 were approved with a correction on page 8 stating that Council member Prax was absent from the vote, by correcting it to read "Council member McCann".

V. PUBLIC APPEARANCES

VI. PUBLIC BUSINESS FROM THE FLOOR

Walter Sapp, Finance Director

Mr. Sapp stated that on behalf of the City Benefits Committee, he would like to thank the City Council for authorizing an additional holiday for employees on March 12<sup>th</sup> to replace the holiday in January which many employees were not granted due to emergency snow removal operations.

Christine Kupczyk, Owner, Puffin Learning Center

Ms. Kupczyk stated her concern that the State of Alaska is dividing the Child Care Assistance program into five regions which could eliminate local administration through the City of Valdez. A report to the council this evening from the city finance director recommends that the city not submit a proposal to the State of Alaska to become a grantee for the region which includes Valdez. Ms. Kupczyk explained that the current Child Care Assistance program in Valdez provides child care assistance to eligible families who are working or participating

in an education or training program. Ms. Kupczyk stated that her licensed daycare has been involved in the child care assistance program for approximately 18 years. During this time several agencies had been involved in the administration of this program prior to the City of Valdez taking on this task. Ms. Kupczyk said that the City employees who have managed and administered the program during the past few years have done so with great success and professionalism.

Ms. Kupczyk stated that approximately thirty-five percent of her clients are enrolled in the program; most participants are single parent households and are new to the work force. Without a local administrator to monitor the program these families would have difficulty applying for and staying up to date with the paperwork which is required. When hired in Valdez, most employers require immediate start dates. If there was a delay in processing local child care applications due to the program administrator located outside of Valdez, workers could be denied a position. Ms. Kupczyk said that Michelle Tompkins, the current city employee who serves as administrator for the program has always answered her questions and concerns in a professional manner and has worked hard to complete client authorizations as quickly as possible. Ms. Kupczyk stated that she makes many calls to Ms. Tompkins for assistance which can be promptly addressed due to the fact that the program is currently administered in Valdez.

Mr. Hozey stated that the State of Alaska is attempting to consolidate administration of the program by forming five regional areas. The proposed region which Valdez would be included in would be the Central Region. This region also includes the Mat-Su Borough, Copper River Valley and Cordova areas. Mr. Hozey said that he understood the concern with this decision by the State of Alaska, as many communities would suffer with the elimination of a local provider. The State has issued a request for proposals from communities who wish to host this program in their region. Mr. Hozey said he had been in discussions with the Finance Director, Walter Sapp, regarding the submission of a proposal and that Mr. Sapp had recommended that the City not submit a proposal due to the probability that an increase in staffing would be needed to take on additional applications generated within this region. Mr. Hozey said that even if Valdez did submit a proposal, the State would award the contract where they believe it will make the most sense, such as the largest area served.

Council member Ables stated that the City should submit a request for proposals based on the reasons stated earlier by Ms. Kupczyk. She pointed out that the removal of a local administrator could affect many employees in Valdez. Council member Ables suggested the State consider reducing the footprint of this region to better serve the Valdez/Cordova area.

Council member Sorum suggested administration contact Representative Feige and Senator Coghill to express our concerns with the proposed regional plan.

Council member Wells asked what the city would receive in the form of

compensation from the State to administer a larger area. Mr. Hozey replied that the State does not fully fund the position that we currently have, their salary is currently funded by the State grant, but in order for the employee to receive a COLA or step increases funding must be taken from the Finance Directors salary, from which a portion of his salary is also paid for by this grant. Mr. Hozey said he was also concerned that State funding may be reduced at some point leaving the city with the responsibility of this program. Council member Wells stated that the current administrator would need to process more applications due to the larger demographic. Mr. Hozey said yes, the city would probably need to hire at least 1 or 2 additional people. Council member Ables said that she would assume that the grant funding would be increased in order to compensate additional positions. Mr. Hozey said initially, but there would be no guarantee for future funding. Council member Ables said there is no guarantee for the funding period. Council member Ables stated that she supported creating additional jobs in the community.

Ms. Amber Burton stated that she was a participant in the child care assistance program and wanted to agree with Council member Ables. She expressed the importance with having the program in Valdez and the ability to speak with someone locally. Ms. Burton said that Ms. Tompkins did an excellent job assisting child care clients.

Council member McCann asked how many people would be managed in the Central region. Mr. Hozey said he had no idea. The city of Valdez currently serves 27 families so the number could increase to as many as 100.

Council member Moore said that she supported the submission of a proposal by the City of Valdez; however she would like city administration to contact our State representatives regarding this issue.

Council member Prax said he did not think it was realistic for Valdez to administer a program which included the Mat-Su valley. He said the only hope was to keep the status-quo. He too suggested administration contact our representative in Juneau.

Council member Ables suggested that a satellite office be maintained in Valdez.

It was the consensus of the City Council to direct City administration to submit a proposal to the State of Alaska. Mayor Cobb stated that unless the City has an application pending they would not be afforded the opportunity to provide input or ask questions. Mayor Cobb said the City did not have to accept State proposal if it was not satisfactory but we definitely needed to apply in order to evaluate the terms of the proposal. Council member Wells agreed that the City should have the opportunity to evaluate the State proposal. Mr. Hozey stated that he would direct his administration to submit an application and proposal. Council member Moore thanked the people who appeared this evening in support of the program.

Nate Smith - Munich Germany Delegation

Mr. Smith stated that prior to leaving for Germany his group assembled materials from many local business owners and obtained copies of the Visitors Guide, taking approximately 150 pounds of material to distribute at the show. A table was set up and 7,000 Thompson Pass informational cards made available for distribution, with 6,500 cards distributed at the convention. The cards were personally handed to participants and many conversations were started on the merits of visiting Valdez. Mr. Smith said it was inspiring to learn of the worldwide recognition that Valdez has in the recreation industry. He said that nearly everyone they spoke with had heard of Valdez. Meetings were held with marketing directors and Presidents and CEO's of companies, not to sell them a product, but a geographical location. Mr. Smith said that many people were impressed that Council Member McCann had travelled to Germany to participate in the convention. Mr. Smith said the presence of five people providing information was invaluable. Mr. Smith provided the city with a flash drive containing information in an excel spreadsheet on 64 personal contacts, with another 115 contacts which still need to be merged into that spreadsheet.

Council member Ables asked how this will benefit Valdez over the next three years. Mr. Smith said that in his opinion there were lessons learned from this trip that can be applied to similar trips of this nature. Mr. Smith said he felt it was very successful but expressed concern regarding how the benefits can be measured. Council member Ables suggested there may be a way to track how people coming to Valdez for winter or summer heard about our community and why they decided to visit. Mr. Smith suggested that Heli-ski and Snow Cat operators be given a small questionnaire they distribute to their customers to obtain these answers. Council member Ables asked if there would be merit in attending this event next year. Mr. Smith said absolutely. Council member Wells asked how many people attended this venue. Mr. Smith said it is the world's largest winter action sports trade show with over 80,000 in attendance. Council member Wells asked if the outcome met Mr. Smith's expectations. Mr. Smith said yes, the contacts they made were very solid with people that are interested in Valdez. Mr. Smith said the spreadsheet detailed the type of interest and leads associated with each contact. Council member Ables suggested that of the two hundred contacts that may come to Valdez it is wise to assume that they will not come alone, but in fact bring one or more people with them on their trip. Mr. Smith said that some of the people they spoke with represent tour companies. Mayor Cobb asked if Mark Sullivan still expected 500 skiers and snowboarders to attend the upcoming Tailgate event in Valdez. Mr. Smith said yes, this number was still anticipated. Mr. Sean Wisner stated that he speaks with Mr. Sullivan on a regular basis and that Mr. Sullivan had told him that he was very close to being booked at 500 participants and is trying to find room for more people who want to attend the event. Mr. Wisner stated that the World Heli Challenge will also take place in Valdez following the Tailgate event. Mr. Wisner said that while attending the convention in Germany he spoke to many individuals about using Valdez as a testing ground for equipment due to the size of our mountains and snowfall. Mr.

Wisner said their group did not focus or promote a specific operator in Valdez, but in fact handed out information on every Heli-ski and Snow Cat operator without prejudice.

Mr. Jacob Focht thanked the City Council for sending them to Germany to represent Valdez. Mr. Focht said he spoke to over a thousand people. Mr. Focht said he is a true believer that the City of Valdez needs a ski resort. He hoped that he spoke with people who may visit and be interested in investing in Valdez. Mr. Focht sincerely thanked the City for recently opening the Salmonberry ski hill for the community.

Council member McCann stated that everyone worked very hard during the conference. It was amazing the interest people have in visiting Valdez.

Council member Prax said that in the future he hoped this type of excursion would be ran through the VCVB as he did not think it was a good idea for the City to decide what events of this nature to attend and who they will send. He said he did not want to set a precedent.

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

### CITY MANAGER REPORT

#### Salmonberry Ski Hill

Mr. Hozey said that the Salmonberry ski hill opened this weekend with 88 passes sold on Saturday and 55 passes on Sunday. Mr. Hozey thanked Marcie Robertson, Jerry O'Brien and others for their work on the project.

#### Beautification Task Force

The task force has reviewed all proposals submitted for urban planning. There were two finalists selected for an in-person interview.

#### Airport Renovations

Mr. Hozey reported that the renovations are complete except for a few follow up areas. Mr. Hozey said that if enough funding is available after expenses these funds will go toward the chair replacement.

#### Roof Replacements

Mr. Hozey said that the civic center and high school roof replacement projects are out to bid. Bids will be opened on March 7<sup>th</sup> and 8<sup>th</sup> respectively.

### Senior Center

Lease amendments have been approved by the Senior Center Board of Directors. The amendments will be brought to council at the next meeting for approval. Mr. Hozey stated that he had also re-engaged the architect for the hospital master plan on the possibility of locating the new senior center carport at its present location.

Council member Prax asked if the carport would be replaced this summer. Mr. Hozey replied that if the City did not have to acquire any additional land it could happen but it may be difficult to fit it into the upcoming building season. There is no design at this time and no funding for construction, therefore it is very unlikely. Council member Prax asked for some dollar figures to get a rough idea of what the costs will be to replace the carport. Mr. Hozey said he may be able to get a ballpark figure. Council member Prax said that the City should make a decision on if they are going to try to move forward with this project so there are no false expectations. Mr. Hozey said he would report on this at the next meeting. Council member Moore asked that at the very least the safety issues be addressed.

### Borough Formation

Lisa VonBargen met with representatives of the Local Boundary Commission last week to discuss the process of borough formation.

### Middle School Project

Mr. Hozey stated that he had scheduled a final planning lab to discuss and finalize the recommendation of the middle school planning group. A joint meeting of the school board and the city council will be scheduled for March 14<sup>th</sup>. Council member Sorum stated that he objected to meeting date due to repeated concerns from the public regarding the planning process for the Middle School. He expressed his concern that the meeting date would fall during the week of Spring Break. Council member Prax said he would be gone on this date. Mr. Hozey said this date was not ideal but he did not want to push the date into April. Council member Prax asked how the public could comment on the plan. Mr. Hozey said he could provide information on the City website and accept public input.

### Declaration of Emergency

Mr. Hozey stated that in order to receive reimbursement funds from the State of Alaska due to a Declaration of Emergency issued by the Governor for the winter storm which affected communities in Prince William Sound, the Mayor would need to sign paperwork to request reimbursement. Mr. Hozey said that the amount of emergency response funds spent by the City during the storm

response was to date \$717,471 which could be reimbursed by the State of Alaska. Mr. Hozey said the city would not need to declare a State of Emergency to be eligible for reimbursement by the State. Council member Wells asked if the figure of \$717,471 included the amount the city and school district had planned for in their budgets. If it did, he would only consider applying for what was above and beyond the budget. Mr. Hozey said the city budgets very little for snowshovelers but that he believed the State would only reimburse for expenses which could be demonstrated by the City to be above what is normally spent on snow removal.

Council member Prax said he would strongly urge the council not to accept State reimbursement. He stated that he received more feedback from the public on this issue than he had in regard to the Alpine Woods flood. The public sentiment from the people he spoke with was that the City should not declare an emergency as the City could afford to pay for snow removal. Council member Prax said he did not feel this was an emergency as it was known and the City did not respond appropriately. Council member Prax said that the last time the City accepted emergency funds residents on Porcupine Street had to be relocated. He said he did not feel the storm was extraordinary or should have been an emergency. He questioned the need.

Council member McCann asked if local business owners that were impacted by the storm who had damage or were forced to pay for expensive snow removal would be eligible for these funds. Mr. Hozey replied that business owners would not be eligible for grants but if there are enough who report damages they could be eligible for low interest loans by the Small Business Administration. Mayor Cobb said he had received calls from local residents asking if there was financial help available. Mayor Cobb said the City must reach a threshold number on damages to commercial and residential property before the SBA would be able to offer low interest loans. Council member Sorum had concerns that questions that citizens raised at prior meetings had not been answered.

A majority, but not all council members, gave direction to the city manager not to submit paperwork requesting reimbursement from State of Alaska. Council member Moore asked if the community college could still pursue reimbursement funds from the State. Mr. Hozey responded that he believed they could.

#### Juneau Legislative Trip

Mr. Hozey stated that a meeting was held with the Department of Education regarding the Middle School project. He stated that there is currently an active project on their books due to the 2003 Valdez bond authorization which does not provide enough funding for the current proposed project. Mr. Hozey suggested closing the 2003 project with the DOE to avoid confusion. A new application based on the current project would then be submitted.

Mr. Hozey said he met with the Coast Guard Admiral who agreed to send a

representative to a planning conference next week in Anchorage for the new small boat harbor. Their input will be valuable to the meeting by providing information on future Coast Guard cutters which may need to be accommodated. Mr. Hozey stated that due to the increased size, the new Coast Guard cutters will not fit into the existing boat harbor. There is currently 5 million dollars in the Governors budget for the new small boat harbor. The legislature is working on a Port bond package which could be loosely interpreted to include harbors. Representative Thomas and others suggested that Valdez attempt to be included in this funding mechanism.

Council member Prax asked for a timeline on when he would receive answers to the questions he submitted on the snow event. Mr. Hozey responded that he would attempt to submit his answers within the next few council meetings.

#### City Attorney

Mr. Levesque stated that the briefs have been filed in the Redistricting Board case and an oral argument before the Supreme Court is scheduled for March 13<sup>th</sup>. After oral argument it will be a very quick process to arrive at a decision. Mr. Levesque said he will be following this very closely due to the impact the decision may have on our current district boundaries.

#### Mayor

Mayor Cobb stated that School Superintendant Jenson and members of the school board attended and provided input during the meeting with the Department of Education in Juneau last week. Mayor Cobb said the City will work diligently to provide all the necessary information regarding the middle school project to the Department of Education in a timely manner.

### VIII. CONSENT AGENDA

1. Proclamation Recognizing US Coast Guard Forces Valdez
2. Approval of Liquor License Permit: 32 Lounge & Grill
3. Approval to go into Executive Session Regarding TAPS Value/Litigation

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

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

### IX. NEW BUSINESS

1. Approval to Purchase Records and Agenda Management Software from SIRE Technologies in the Amount of \$58,544.58

**MOTION: Council member Sorum moved, seconded by Council**

**memberAbles, to approve the purchase of records and agenda management from SIRE Technologies in the amount of \$58,544.58.**

Council member Prax asked if more staff time would be needed to implement the records and agenda management software. Ms. Pierce, City Clerk, replied that the new agenda process will reduce the number of hours in the Clerk's office to prepare and distribute the City Council agenda packet and complete the minutes. Mr. Hozey responded that it would increase the number of man hours in the IT Department. Ms. Pierce explained that the records management software will allow for the public to access city records in a much more efficient and expedient manner. Scanning of paper records into the software system will greatly reduce the very large volume of files currently taking up needed office space in the Community and Economic Development Department and other City departments as well. The need to expand the records retention center will also be eliminated. Council member Prax asked what the impact would be on the IT department. Chris Farmer, IT Director, responded that the part-time position in his department will be increased to a full time position.

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

XI. RESOLUTIONS

1. #12-08 - Amending the 2012 Budget in the Land Development Misc Account in the Amount of \$80,260.50, by Accepting Unanticipated Land Sale Revenue and Authorizing its Expenditure

**MOTION: Council member Wells moved, seconded by Council memberAbles, to approve Resolution No. 12-08.**

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

XII. REPORTS

1. Building Permit/Inspection Reports
2. Procedure for Payment of Taxes
3. Child Care Assistance Program RFP Report
4. Central Treasury Report

Council member Sorum said he was disappointed in the response to his inquiry about accepting the postmark in determining when the City receives a tax payment. He stated that it was reasonable to accept the payment with no penalty if the taxpayer mailed it prior to the due date. Mayor Cobb requested that City Administration participate in a work session with the City Council to discuss this further in depth. He requested that Mr. Hozey schedule this for a future meeting.

XIII. COUNCIL BUSINESS FROM THE FLOOR

Council member Moore

Council member Moore said she had forwarded a report regarding the accident at the marine terminal involving snow removal workers who fell from a tank. She asked that the Clerk provide this to Council members.

Council member Moore suggested that the fire department test the system at the marine terminal to make sure they are promptly allowed through the gate to attend to an emergency. She said this could be extended to other access areas around the city.

Council member Prax

Council member Prax said he like the new conference tables in the council chambers, however he would prefer that the City staff sit in the front row, not in the back row. Mr. Hozey responded that his staff wanted to use their laptops and that the needed power was located in the back of the room. Council member Prax said he did not like talking over the heads of the public when addressing City staff.

Council member Ables

Council member Ables offered her condolences to the family of Andy Day Sr. who passed away this weekend. Mr. Day was a lifelong resident of Valdez.

Council member Sorum

Council member Sorum stated that he still objected to dumping snow into the small boat harbor. Mayor Cobb asked if the City had a permit from ADEC to deposit snow into the harbor. Diane Kinney, Port Director, said she did not think we did but she would check with the Public Works Director. Council member Sorum said regardless of the permit, he did not think it was the proper thing to do. Mr. Hozey agreed but said the City would need to find an alternate place to deposit the snow. He said he has asked Ms. Kinney and Larry Weaver to start looking at alternative places to store the snow. Ms. Kinney said that all the business owners also deposit snow in the harbor because there is no snow storage area in the vicinity. Council member Wells said he had concerns with oil spill response vessels that are iced in due to the deposit of fresh water into the harbor. Council agreed that this was an issue that needs to be addressed but that finding a solution would be difficult.

Mayor Cobb

Mayor Cobb stated that Council member Moore's seat on RCAC will be coming forward for re-appointment along with a vacancy on the RCAC board due to the resignation of Stan Stephens. Ms. Pierce, City Clerk, stated that these vacancies

will be addressed at the next regular council meeting.

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

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