

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 Cobb	Council member Karen Ables
Council member Mike Wells	Council member Joe Prax
Council member Steve McCann	Council member Moore

Council member Sorum was absent and excused.

Also Present:

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

Members of staff and approximately 30 people in the audience

IV. APPROVAL OF MINUTES OF THE REGULAR MEETING OF June 18, 2012.

The minutes were approved as presented.

V. APPEAL HEARING – Request for Appeal Hearing of Ports and Harbor Commission Decision Regarding Relinquishment of Moorage Space

Mr. Stelling was not present for the hearing so the proceeding was canceled.

VI. RECESS AND RECONVENE AS THE VALDEZ MUSEUM AND HISTORICAL ARCHIVE ASSOCIATION CORPORATION

**MOTION: Council member Moore moved, seconded by Council member Wells, to recess and reconvene as the Valdez Museum and Historical Archive Association Corporation.**

**VOTE: 6 yeas, 1 absent (Sorum), motion carried.**

1. Approval of Amendments to VMHA Collections Policy

**MOTION: Council member Wells moved, seconded by Council member Ables, to approve the amendments to VMHA collections policy.**

Council member Moore expressed her disappointment to Patricia Relay, VMHA executive director, about the new wording of the mission statement. She explained that she was on the VMHA board when the original language was written that Ms. Relay is proposing to change. She explained that they had spent a great deal of time on the statement partly because it was a program outline for what the museum needed to do. She understood that what Ms. Relay wished to change does cover the subject however, it does not say it in specifics that are easily understood. She said that she would prefer that it says that they will safeguard our community's valuable heritage materials and foster broad public understanding of our unique heritage, celebrate our communities past and provide a context for its future and to be there to ensure a sense of community pride. She also felt that we should include everyone's history as everyone's story is important. She further commented that they should enhance the quality of life by fostering and supporting cultural programs for the purpose of historical preservation, education and economic development. She felt that shortening it took out the real teeth of the statement.

Ms. Relay thanked Council member Moore for her comments and explained that all of that language continues to exist in their core values and has only been removed from their mission statement. She stated that the mission statement would be used as a marketing tool to quickly explain what their mission is as they promote the museum. It is, she concluded, an effort to be more effective in conveying their message of what they do in a succinct manner.

Council member Moore asked if they increased the size of the committee by two will they have difficulty having a quorum for meetings. Ms. Relay explained that they currently have 13 members but there was a type-o in the collection policy and this change will now reflect the correct number of members.

Council member Moore stated that since the City really owns the collection, does this now mesh with the City's code policy. Ms. Relay stated that this revision lines up with current City ordinance.

**VOTE: 6 yeas, 1 absent (Sorum), motion carried**

2. Acceptance Resignation from VMHA Board of Directors

**MOTION: Council member Wells moved, seconded by Council member Ables, to accept the resignation from the VMHA Board of Directors.**

**VOTE: 6 yeas, 1 absent (Sorum), motion carried**

VII. RECONVENE CITY COUNCIL

**MOTION: Council member Moore moved seconded by Council member Prax to reconvene as City Council**

**VOTE: 6 yeas, 1 absent (Sorum), motion carried**

VIII. PUBLIC APPEARANCES

IX. PUBLIC BUSINESS FROM THE FLOOR

1. Lt. Trevino, US. Coast Guard Liaison to City Council, stated that Council member Moore and Council member Ables had asked during the previous winter what the term Coast Guard Forces Valdez means. He explained that it is comprised of 5 different Coast Guard units that have varying responsibilities and support aspects to conduct their statutory missions here. Their question, he explained, brought up an opportunity for community members to learn what the Coast Guard is about and what Coast Guard Forces Valdez means. It is important, he said, to understand the diversity of the 5 different units. Lt. Trevino and Ms. Pierce, City Clerk, have been working to organize a meet and greet City tour with the City Administration and the City Council. So, beginning on July 13<sup>th</sup> the Coast Guard Forces Valdez would like to invite City Administration and the City Council to visit the five different commands over 5 consecutive weeks. Every Friday for 5 weeks City Administration and the City Council will visit the Coast Guard and sit down for an hour to learn the various specific disciplines within each unit. Lt. Trevino stated that he would continue working with Ms. Pierce to flush out the details of these tours. Council member Ables thanked Lt. Trevino for this opportunity.
2. Harold Blehm, Local Emergency Planning Committee (LEPC) member, addressed the City Council about the need for 600 doses of flu vaccinations for this community. He asked the Council to donate \$5000 for this purpose. In past years, he explained, the City had hosted a mass inoculation exercise which had been very successful. The opportunity is now presenting itself again, he said. Mr. Blehm stated that this will provide a very important service to citizens in this community. The uninsured will still be able to receive the shot through the public health nurse but this would provide shots for everyone else, he explained.

Council member Ables asked if this is something we have done in the past and will the shot in fact be used. Mr. Blehm stated that the City has done this in the past and they would be used. If there are any leftover they will go to the Public Health Nurse who will use them for people seeing the vaccine through her office, he stated. George Keeney, Fire Chief, stated the reason this is coming

up now is because the State has not committed to purchasing the vaccines due to budget cuts. In order to receive the vaccine in October it must be purchased by the first part of July, he said. So, he concluded, we cannot wait for approval from the State. Fire Chief Keeney explained that in the past the State had provided the inoculations but last year Providence Hospital provided them and then got reimbursed by the State. This year, he felt, the City should take on the responsibility considering the budget cuts with the State. Hopefully, he stated, the City would be reimbursed.

Council member Ables felt that it was very important to make sure our community had enough vaccines and therefore she supported this request. Council member Wells agreed as well but hoped that in future years we would continue to ask the State to cover this upfront. He asked Mr. Hozey where the money would come from and Mr. Hozey replied that there are adequate funds in the Council contingency account. It was the unanimous wish of the Council to pursue this purchase using the Council Contingency account which is under the City Manager's spending authority and can be approved without being brought back to Council.

3. Alan Crum addressed the Council regarding a tax exemption on his personal property. He stated that he submitted an appeal on the tax appraisal but no one contacted him regarding that appeal. He did, however, get a tax notice. Ms. Pierce asked Mr. Crum for clarification because she did not recall receiving an appeal from him. He stated that he is referring to his property taxes not the senior citizen exemption. She explained that the process of appeals is closed and that he missed that window. He stated that he did in fact put an appeal in. Ms. Pierce asked Mr. Crum to come see her at City Hall and they would look into the matter.
4. Susan Kasper addressed the Council about her trailer that burned down last Christmas. She explained that to have the ruins removed and taken to the dump it was going to cost her quite a bit of money in dump fees. She is only working part time, she said, and does not have the money to pay those fees. Mayor Cobb asked if she is asking for a waiver of the dump fees for the disposal of her trailer. She replied in the affirmative. Mayor Cobb stated that the proper process is for her to arrange with the City Manager to bring something back to Council for action. Mr. Hozey stated that because the fees are set by resolution it would require Council action at the next meeting. She explained that she did not have that much time to wait as the trailer must be moved now.

Mayor Cobb asked that Mr. Hozey contact Alieut Corporation on her behalf and ask them to wait for two weeks. Mr. Hozey agreed to this request. Council member Prax stated that he hated to slow anyone down that is trying to do the correct thing. Ms. Pierce stated that the Council could not take action that evening because it is set by resolution and it is not on the agenda.

Council member Prax stated that maybe they could look at a bigger solution and deal with it through abatement versus the waiving of fees. Mr. Hozey asked Lisa Von Barga, Community and Economic Director, if this is possible. She replied that they just put out to bid, two abatement projects and they could add something in for this purpose but it will be at least 2 weeks before those bids are in. She stated that they could add this trailer as an addendum and take care of it through abatement but the problem still exists with the mobile home being at Aleutian Village during that time frame. Mr. Hozey stated that they would put their heads together to figure something out.

X. CITY MANAGER/CITY CLERK/CITY ATTORNEY/MAYOR REPORTS

CITY MANAGER

4<sup>th</sup> of July and Pink Salmon Festival

Mr. Hozey commented that staff has spent a lot of time getting everything ready for these events and presented the schedule to Council. He encouraged the community to come out and enjoy the celebrations.

High School Roof Replacement

Mr. Hozey explained that they had hoped to have started the project by now but there was a bit of a delay with the barge transporting materials. He hoped materials would arrive the following week and they would get started at that time.

Ski Hill Modifications

After all of the snow melted, all parties met and reviewed the area and discussed what might need to be done this year after having a season of operations complete. He stated that there are some issues with slope contours and that the main reason they were able to function the way they did this past year was due to the sheer amount of snow received. Even with the great amount of snow this year, however, there were still areas where people were scraping the ground while using the tow rope. He stated that he has HDR on board to do wetlands delineation to help with permitting so that this issue can be corrected. He informed them that they would be hearing more about that issue during the mid-year budget adjustment.

Energy Gas Line Summit

Mr. Hozey reported that the summit is coming along nicely. They are still shooting for the 13<sup>th</sup> and 14<sup>th</sup> of September. He indicated that a temporary main page for the website is up and the fully functional website will be up and running within two weeks.

He stated that the Clerk and the Mayor are heavily involved with this project and that they would keep them abreast of their progress as things develop.

City Hall Water Line Project

Mr. Hozey reported that the project has been put out to bid and the bid opening will be on July 10<sup>th</sup> for Phase I of the project. He stated that they would be starting at the main and would work their way in doing small sections each year.

STP Outfall Project

Mr. Hozey stated that the City has been pre-approved for a low interest loan for up to 20 years to help fund the project. Ms. Von Barga is working on a possible grant program to help pay for it as well. He said that the grant requires that there must be a City match and that match can be made with the pre-approved loans. He felt that using the grants and loans together might be a better use of City money and he indicated that he would be bringing that back to Council at the following meeting.

Mid-Year Budget Resolution

Mr. Hozey stated that the mid-year budget adjustment would be addressed at the next meeting. There would be a work session, he announced, to go over all of the adjustments and then a resolution would be on the agenda for the regular meeting.

CITY CLERK

The City Clerk stated that they are moving forward with the new records management and agenda management software. They are hoping, she announced, to be transitioning to an electronic packet in the very near future. She said that each Council member will receive an iPad and will be working off the electronic agenda. Ms. Pierce assured the Council that adequate training would be provided before the new system is used at an actual meeting.

CITY ATTORNEY

Mr. Walker did not have a report that evening.

MAYOR

The Mayor had no report that evening.

XI. CONSENT AGENDA

1. Approval of Appointments to the Valdez Consortium Library Board
2. Approval of Appointment to the Ports and Harbor Commission
3. Approval to go into Executive Session Regarding TAPS Value/Litigation

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

**VOTE ON THE MOTION: VOTE: 6 yeas, 1 absent (Sorum), motion carried**

## XII. NEW BUSINESS

### 1. Discussion Item: Update on City Beautification and Urban Design

Mr. Hozey stated that this is just a discussion item and that nothing is up for approval. He just wanted to update the Council on their progress. He reported that he had briefed the status of this initiative to the Planning and Zoning Commission last week and the City had contacted the businesses along the effected streets to come in that afternoon to give their comment. He said that they will use all input gathered from Council, the businesses, the public, and the Planning and Zoning Commission to continue to develop the draft plan.

John Rowe and Pat Coleman, Consultants from Design Alaska, LLC., presented the Council with the concepts the Beautification Task Force had come up with after receiving public comment. Pat Coleman stated the main objective of completing a beautification plan is to spark economic development and to make Valdez a place where people want to live and work for a very long time. The concepts centered on modifying Egan Avenue, the development of a town square gathering place, improved pedestrian options, adding color to the community, way-finding signage, a community fire pit, and using snow as an attraction for Valdez. The overall concepts were presented via conceptual diagrams to the City Council by the consultants and hard copies were also provided in the City Council Agenda Packet.

Council member Ables expressed her excitement about the draft plan. She felt that this concept is so advantageous for Valdez. She thanked the consultants for their presentation.

Council member Moore asked if the consultants if they had considered wind in designing the Gateway sign and they replied in the affirmative. Council member Moore stated that she really like their use of rocks as a feature in the design elements of the plan because they are natural to Valdez. Mr. Coleman responded that they tried to bring the mountains down into the city in their design to feature the natural beauty of Valdez and to use a natural resource.

Council member Wells stated that they had mentioned economic development and he wondered if there is any quantifiable way to measure the return on investment. Mr. Coleman stated that it is tough to measure that but research

indicates people are selecting where they want to live and place their businesses based on where they most want to be. Quality of life is what's important and the communities that offer that are the ones that are most successful today, he explained. A hard number is hard to estimate but he believed that enhancing this area will strongly improve the performance of all of the businesses in Valdez.

Council member Prax expressed his complete dissatisfaction in the proposed draft plan. He stated that the plan is not quantifiable because the return on investment does not exist. He stated that focus is not to develop a downtown business district but rather to develop a government square. He also said that there are no measureable goals. He stated his opposition to the changes proposed on Egan drive as well because they could take away parking which will make it harder to get into businesses. He also stated that adding trees and snow banks will reduce visibility which will not make the business more attractive but will make the area more dangerous. Council member Prax also stated that if Egan Drive is changed to a 2 lane street the double tanker trucks that come through hourly will cause a lot of noise and will negatively affect the environment. Council member Prax stated that the only element that he did like with was the idea of the Gateway Arch.

Council member Wells stated that there were many elements in the draft design that would make the town look better but he expressed concerns from some of the businesses that border the proposed plaza. He stated that a plan like this would hopefully be an asset to businesses that border the design but it is already a fragile business environment. There is not room for the plan to decrease business and allow those organizations to survive, he stated.

Council member Ables stated that she is currently looking into a shared bike program to encourage people to walk and ride bikes more in and around Valdez. She felt that the proposed plan would also encourage people to use cars less and get out and get exercise which would be a great thing for Valdez. She hoped the City would continue to pursue this plan.

Council member McCann was concerned about added maintenance costs for grass and trees. Mr. Coleman stated that there should not be significant increased costs because the plan does not propose that much grass that would need to be maintained. The final plan would not likely have many new trees, grasses or shrubs. They stated that they are aware of snow maintenance issues and they have run the plan by Public Works and DOT who indicated that the plan, as proposed, would not inhibit snow removal.

Council member Moore asked if the consultants were involved in the selection of the proposed color palette. Mr. Rowe replied in the affirmative and explained the idea was just to come up with some suggested colors that could work well

together for city businesses and residences. Council member Moore described her experience in color theory and she felt that the colors presented did not go into color theory at all. She felt that lighter colors were needed that would offset the white and grey. She said that there needs to be more options with warmer colors.

Mayor Cobb stated that they have been working on this process for well over a year. The group has talked to the Northern Region of the Department of Transportation in Fairbanks who is responsible for moving snow down Egan Drive and they liked the design. Mayor Cobb emphasized however that all they are presenting at the moment are concepts. There are no guarantees with any of it but they are being brought forth for discussion. Mayor Cobb concluded that though Council member Prax disagrees, there are many people in Valdez who are very interested in beautifying this community.

Pat Day, Valdez resident and business owner of an adjacent property to the proposed new town square, addressed the Council about the proposed plan. He was very dissatisfied with the entire process. He said he only heard of the plan 10 days prior to this meeting and heard it from his renter. He said that he was never contacted by the City. He stated that his friend, Mayor Cobb, did not even contact him. He stated that he was upset about who was on the committee and did not understand why it was comprised of mostly City employees. He felt a more representative group could have been selected. He stated his disapproval of the City deciding to spend \$97,000 on a design firm without even talking to those affected by the new plan. He shared that he did not at all agree with the plan of taking out the street in front of his store. He felt it would diminish the value of his property. Also, he did not at all agree with the idea of creating pedestrian access all over town because everyone in town drives. He did not see the value in that idea at all.

He concluded that he does believe in making Valdez beautiful but if they do not include business people in the process it will not work. Finally, he said that he did not fault the hard work of those involved because he believes they are sincere in their efforts.

Council member Ables stated that she was very sorry that Mr. Day felt the way he did. She indicated that he found out about the current plan about the same times she did because the concept is so new. She felt that there were ways to modify the plan to better accommodate businesses.

Mayor Cobb apologized to Mr. Day if he felt that he was not properly notified. He stated that the concepts they are looking at are only concepts. He explained that they were not ready to bring the ideas to the Council, the community or the businesses until very recently. He explained that he recalled the beautification committee that was in place 10 years ago. It was never really disbanded so he

simply re-asserted the committee. He also said that he asked others from all around the community to step forward and join the group, but those who showed up the most at the meetings were City employees. He acknowledged his friendship with Mr. Day and reiterated that the concepts are only ideas for discussion. The Mayor welcomed any and all who are interested to attend future meetings.

Kathy Nielsen, business owner and a member of the Beautification Task Force addressed Council and stated that the first time she looked at the initial concept she knew there would be some push back on it because it is such a big change. Some of the heatedness should not surprise her, she stated, but it has. The task force has existed for many years and it is very difficult to work on a committee and come to a consensus. She stated that at first she was opposed to hiring the consultants but after having worked through the process she is sold that this is exactly what they needed to do. She felt that the ideas are fantastic and though they need to be fine tuned, it is step in the right direction. She stated that there has never been proper urban design in Valdez from the beginning and it shows. This process, she said, is an effort to correct that. Ms. Nielsen stated that she owns a business that borders the proposed road closure and she did not believe it would affect her business negatively at all but felt it would in fact help her business and the business district as a whole.

Donna Lane, resident, addressed the Council and stated her surprise that the committee was comprised mostly of City employees. She felt that the committee should be expanded to incorporate other views. She also stated that she rides her bike and walks in the summer and winter. She said that she would like to see the city promoted as a healthy town with walking and exercise stations. She liked the idea of a city square but maybe not where the current design proposes it should be. She also felt that for a town of only 4000 people perhaps the design should be scaled down a bit. She did say that many of the ideas proposed by the task force and consultants were nice and had potential to work. Valdez, she said, does need beautification and she supported the need for a Beautification Task Force.

Peggy Day, business owner and resident, addressed the Council questioning Mr. Hozey's remark that businesses had been notified of the plan. Ms. Day talked to 2 business owners that day who would be directly affected by this project and they were not informed. She stated that she was contacted by Meg Weaver but since she was contacted she has seen 5 different designs of the proposed town square which implies that this has been in the works for quite some time. Ms. Day expressed her opposition to closing or changing any streets at all. She felt that the real business district was from Pioneer Dr. to the waterfront. She stated that there are very few streets that run east to west available. During the oil spill, she commented, people did anything they could to keep away from the four corners on Egan Drive. They needed the east/west

access. People in Valdez drive and they need access in all directions. She agreed that one way streets do not work but dead end streets are even worse. She concluded that if a town square is needed there is land in the park strip that is not well taken care of and could be used for this purpose.

Michelle Cullen, Valdez resident, addressed Council and stated that she applauded the efforts of the Task Force and the consultants. She felt that the town square concept was excellent. She stated that she had lived in 3-4 towns in California that had downtown areas that were dying. After they re-developed those areas those areas were re-vitalized and businesses there thrived. She supported the idea of closing down the street at times such as on holidays and for other special events. Overall, she was very supportive of the concepts presented.

Mayor Cobb stated that he appreciated the discussion and felt that they had a lot of work to do. He stated that any and all interested citizens are encouraged to attend the next Beautification Task Force meeting.

Mr. Hozey clarified that he never claimed to have contacted the entire business community. The City only delivered letters to those who were affected along Egan Drive and Chenega who were immediately adjacent to the concepts being developed. He also stated that the fact that these concepts are only now being brought forward is because they were just recently developed and are literally only a few weeks old. Mr. Hozey recognized that the City was being criticized for not asking for input, but said that this was the very reason for the meetings earlier in the day and this discussion tonight. He expressed his appreciation for the feedback received, both positive and negative. Mr. Hozey also stated that the original concept for the makeup of this Task Force was much more diverse. The Mayor tried very hard to include folks from the hospital, the college, the schools, the museum, and several businesses. However, he concluded, it takes a lot of effort to serve on committees like this and that is something many people in Valdez do not have the time to do. So the City pressed forward and worked with those who were willing to show up and participate. He encouraged anyone who would like to participate in the future to please contact the mayor about joining the group.

2. Approval of City of Valdez Property and Casualty Insurance Renewal for 2012-2013 in the Amount of \$533,720

**MOTION: Council member Wells moved, seconded by Council member Moore, to approve the City of Valdez property and casualty insurance renewal for 2012-2013 in the amount of \$533,720.**

Council member Moore asked about the budgeted amount which was \$999,912. At the bottom of the agenda statement, she explained, it states

\$955,912. She asked if that was an error. Walter Sapp, Finance Director, explained that it is in fact not an error because there is a \$40,000 contingency built into the original amount.

**VOTE ON THE MOTION: VOTE: 6 yeas, 1 absent (Sorum), motion carried**

3. Approval of Contract to Northern Geotechnical Engineering, Inc for Geotechnical analysis of New Harbor Uplands in the Amount of \$97,838

**MOTION: Council member Moore moved, seconded by Council member Wells, to approve a contract with Northern Geotechnical Engineering, Inc. for Geotechnical analysis of new harbor uplands in the amount of \$97,838.**

Council member Wells asked for clarification on what exactly they are getting with this contract. Mr. Hozey stated that this was a necessary prelude to the design of the new harbor and uplands. This work would help to determine the cost of development and whether any of the rock excavated could be usable for any constructive purpose on the project.

**VOTE ON THE MOTION: VOTE: 5 yeas, 1 nay (Prax), 1 absent (Sorum), motion carried**

### XIII. RESOLUTIONS

1. #12-38 – Providing for the Submission to the Qualified Voters of the City of Valdez, Alaska, the Question of Incurring General Obligation Bonded Indebtedness in an Amount Not to Exceed \$39,804,183 for the Planning, Design, Construction, and Configuration of a New Middle School, at the Regular Election to be Held in the City of Valdez, Alaska on October 2, 2012

**MOTION: Council member Wells moved, seconded by Council member Moore, to approve Resolution No. 12-38.**

Council member Wells stated that he would support putting this out to the voters. He explained that he had been involved in the process for quite some time and felt that proper due diligence on the school had been completed.

Council member Prax stated that the school itself will probably be a very nice facility. He worried though that they had not considered where the increased operating costs would come from. The City, he explained, is already giving up to the cap to the schools. They are working from a funding formula per capita from the State and 85% of their budget is probably payroll. His worry was the possibility that the extra cost would come out of the classroom. Mr. Hozey stated that he did not want to even begin to represent the school board but he has been involved in the process since the beginning, and he felt that the working assumption is that any

extra costs would eventually be passed on to the city. He stated that the building committee has discussed this and the new school will result in a greater operating cost to this community. This extra cost is largely the result of local decisions made by our elected officials. All knew going in that we were building a new school when we already had excess capacity in other facilities. It was also a local decision to build a middle school instead of a junior high which increased the size of the facility. All this was brought up in the March joint meetings between the School Board and the Council. It is going to cost more money operationally for education in the future.

Council member Prax asked the Council how they would come up with ways to cover increased costs in the future if the City is already funding to the cap. Mr. Hozey stated that there may be innovative ways to cover some costs outside the cap and those were issues we would have to deal with in the future.

Mayor Cobb stated that as discussed previously, if the City takes over snow removal and maintenance then that should be a reduction in the amount of money the City gives the schools which could be used to pay for the additional operational costs.

Council member Ables asked if the building is designed with green practices. It was determined that it was and the extra square footage of the building and new state requirements that will drive up utility costs.

Council member McCann asked if there was any thought given to capture the heat from the air exchanger. The lead architect from Bettisworth North reported that there is a heat recovery system already in the design.

**VOTE ON THE MOTION: VOTE: 6 yeas, 1 absent (Sorum), motion carried**

2. #12-39 – Recognizing the Need for Outdoor Safety Education for the General Public of Alaska and Supporting the North America Outdoor Institute (NAOI) and the Alaska Avalanche Information Center (AAIC) Vision of Conducting Winter Outdoor Safety and Avalanche Awareness Safety Training

**MOTION: Council member McCann moved, seconded by Council member Moore, to approve Resolution No. 12-39.**

Council member Moore asked if this resolution passes could a copy be sent to the college so they are aware of it. Mr. Hozey replied in the affirmative.

Sean Wisner, Executive Director for the Alaska Avalanche Information Center, thanked the Council for their support stating that a resolution such as this is really helpful for them in securing funding through grants. Primarily, he explained, they

are a volunteer organization and they are trying to make a difference in avalanche safety for Alaska and for Valdez.

**VOTE ON THE MOTION: VOTE: 6 yeas, 1 absent (Sorum), motion carried**

3. #12-40 – Supporting the Alaska Gasline Port Authority Proposed Gasline Project and Export License Application Filed with the U.S. Department of Energy

**MOTION: Council member Moore moved, seconded by Council member Ables, to approve Resolution No. 12-40.**

Mr. Walker stated that is time an export license is filed for the state of Alaska. It is done, he said, all around the lower 48 and in British Columbia. He explained that the only reason for doing it is if there is a market which there is in Alaska. Mr. Walker concluded that this is the next logical step in the process and a resolution of support will help in this effort.

Mayor Cobb asked Mr. Walker to explain the different types of licenses. Mr. Walker stated that there are three license types. One type is used for owners of gas that own at the well head and throughout the system. The 2<sup>nd</sup> type, he said, is for owners of gas who bring it to liquefaction and sell it there. The third type is a tolling agreement where gas is processed under a free trade agreement and this is the type of license they would be seeking.

**VOTE ON THE MOTION: 6 yeas, 1 absent (Sorum), motion carried**

4. #12-41 – Supporting a Large Volume Gasline from Prudhoe Bay to Fairbanks and Continuing South to Glennallen, Connecting to a Spur Line from Glennallen to the Existing South Central Gas Grid and Continuing to Valdez

**MOTION: Council member Wells moved, seconded by Council member Moore, to approve Resolution No. 12-41.**

Council member Wells asked if Mr. Walker this had been brought to the attention of Alan La Master. Mr. Walker replied that he meets with Mr. La Master about every two weeks. He said that there is quite a large group of supporters in Glenallen and they are kept in the loop. What is interesting about this is that this is not just something driven by Valdez. It is, he said, very nice to have another group fight for this cause as well. What they are trying to do is to get the City of Delta Junction, City of Fairbanks, City of North Pole, City of Valdez, Fairbanks Northstar Borough, and the Glenallen Chamber of Commerce to support this idea. .

Council member Moore stated that the underlying idea is that if the gas line is there the people along the corridor would be able to tap into the less expensive energy source but she did not see that language in the current resolution. Mr. Walker stated that they are trying to push a broader base pitch that will benefit the entire state not just Fairbanks, Delta, Glenallen, and Valdez. The theory, he stated, was to make it attractive to the entire state rather than a specific region.

**VOTE ON THE MOTION: 6 yeas, 1 absent (Sorum), motion carried**

5. #12-42 – Amending the 2012 City Budget by Accepting Grant Funds in the Amount of \$1,000 to the Valdez Consortium Library and Authorizing its Expenditure

**MOTION: Council member Moore moved, seconded by Council member Wells, to approve Resolution No. 12-42.**

**VOTE ON THE MOTION: 6 yeas, 1 absent (Sorum), motion carried**

6. #12-43 – Amending the 2012 City Budget by Accepting Grant Funds from the State of Alaska, Department of Commerce, Community and Economic Development Totaling \$200,000 and Authorizing It's Expenditure for Senior Center Carport Replacement

**MOTION: Council member Moore moved, seconded by Council member McCann, to approve Resolution No. 12-43.**

Council member Prax asked if this is for design only and Mr. Hozey replied that it would be \$200,000 towards the entire project. Council member Prax asked what the total cost would be and Mr. Hozey replied that it would be close to 1 million dollars for the entire project.

**VOTE ON THE MOTION: 6 yeas, 1 absent (Sorum), motion carried.**

7. #12-44 – Amending the 2012 City Budget by Accepting Grant Funds from the State of Alaska, Department of Commerce, Community and Economic Development Totaling \$150,000 and Authorizing It's Expenditure for Senior Center Atrium Upgrade

**MOTION: Council member Wells moved, seconded by Council member Moore, to approve Resolution No. 12-44.**

Council member Prax asked if this would completely fund this project and Mr. Hozey replied in the affirmative.

**VOTE ON THE MOTION: 6 yeas, 1 absent (Sorum), motion carried.**

8. #12-45 – Amending the 2012 City Budget by Accepting Grant Funds from the State of Alaska, Department of Commerce, Community and Economic Development Totaling \$5,000,000 and Authorizing It's Expenditure for New Harbor Expansion Project

**MOTION: Council member Wells moved, seconded by Council member Moore, to approve Resolution No. 12-45.**

Council member Wells asked for a total amount contributed by the state and Mr. Hozey stated that including this grant, they have put in 7.5 million dollars. Council member Ables asked for the amount City has put in and Mr. Hozey responded that we have put in fifteen million dollars. He stated that they have also received funding on the federal side indirectly through the Army Corp of Engineers for a feasibility study and design for approximately \$700,000.

Council member Prax stated that he understood trying to jump in and do something but he is still afraid that the harbor is not going to happen. He felt that committing to this and not having enough money is not the way to go. He felt we are not currently using the present harbor in the best way possible and therefore he could not support this.

**VOTE ON THE MOTION: 5 yeas, 1 nay (Prax), 1 absent (Sorum), motion carried**

#### XIV. REPORTS

1. Change Order Report
2. Alpine Woods Investigation Report

Council member Moore thanked Council member Wells and Council member Prax for the report indicating that it was very well put together. Council member Wells apologized for the delay in completing it but that he did feel that they covered the concerns brought up by Mrs. Wade. Council member Prax stated that Council member Wells deserves the credit for the report as he did most of the work. Council member Wells stated that in the conclusion of the report there are items that should be addressed in the future.

Council member Moore stated that she had been trying to attend the LEPC meetings but they do not work out with her schedule. She encouraged anyone on Council who could attend those meetings to please do so.

Mayor Cobb thanked Council member Prax and Council member Wells for their effort on the report.

XV. COUNCIL BUSINESS FROM THE FLOOR

COUNCIL MEMBER MOORE

Council member Moore commented on the investigation in Anchorage about issues with the last election in running out of ballots. She asked if the City could look at their investigation and make sure we have all needed policies in place. Ms. Pierce assured Council member Moore that the City does have a policy regarding running out of ballots. She assured her that this would not happen in Valdez.

COUNCIL MEMBER PRAX

Council member Prax stated that he really appreciated the minutes provided in their packets from other boards and commissions.

Council member Prax asked if it is true that we are looking for a Harbor Master and if so why. Mr. Hozey stated that he and the Port Director decided to look at a way to reorganize the harbor to bring in better expertise to the department with big projects coming on such as the new small boat harbor. Council member Prax asked if this is a new position increasing the total number of full time employees. Mr. Hozey replied in the negative. He stated that they are reorganizing the department and in fact not adding a new FTE.

Council member Prax asked how we advertise for open positions on our boards and commissions. Ms. Pierce stated that they advertise on the City website and in the newspaper. They will also include that information in the monthly radio ad the City puts out if there are open appointments at the time it is aired.

Finally, Council member Prax recognized David Jonas at Parks and Recreation for the fashion show he put on. He felt that the interaction with the kids was great, the decorations were superb, and overall effort was very commendable.

COUNCIL MEMBER ABLES

Council member Ables acknowledged the passing of Ben Olds and gave her condolences to the family. She announced plans for the funeral and the pot luck dinner following the service at the Eagles.

MAYOR COBB

Mayor Cobb asked for volunteers on Council for the 4<sup>th</sup> of July parade that week. Council member Ables and Prax agreed to assist. He then announced

VALDEZ CITY COUNCIL  
AGENDA  
July 2, 2012  
PAGE 18

that the pink salmon cook off would take place on Saturday July 7<sup>th</sup> and encouraged everyone to attend.

- XVI. EXECUTIVE SESSION
- XVII. RETURN FROM EXECUTIVE SESSION
- XVIII. COUNCIL TRAVEL
- XIX. ADJOURNMENT

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