

XII. CITY MANAGER REPORTS:

LEG REPS: A. City Manager requested permission to enter into a contract with Kent Dawson of Dawson and Associates, lobbyists. He stated the firm had done an excellent job for the City during the 1980 legislative session and he wished to engage Dawson for the 1981 session, as well as pre-session work, at a total contract price of \$52,000. Gillespie questioned why the firm would have to be hired prior to the convening of the Legislature in January of 1981. In answer, City Manager stated that all the State departments were currently preparing their budgets for presentation to the Legislature and the Governor, and now was the time lobbyists made sure funds were allocated for their clients. City Manager confirmed that City funds were available in the Mayor and Council contingency fund for the lobbyist contract. Following discussion, it was moved by Soriano, seconded by Swartz and unanimously carried by all those present to authorize the City Manager to enter into a contract with Dawson and Associates for lobbying on behalf of the City of Seward, in an amount not to exceed \$52,000.

JESSE LEE HOME: B. City Manager distributed letter dated September 19, 1980, from Seward Elks Lodge No. 1773, proposing to acquire Jesse Lee Home from the City, at a nominal price, for the location of its fraternal lodge. In answer to a question from Cripps, City Manager confirmed the administration had not received any additional information from the Seward Council on Alcoholism and Community Services regarding its earlier proposal to locate a summer college at the site. He stated the City Council had appointed a committee to review the matter and present a recommendation on whether the site should be sold or if the buildings should be razed and the land sold for residential use; however, the committee had never held a meeting in order to carry out its task. City Engineer Tom Small appeared from the audience and stated the City might wish to hire an architect to assess the structure regarding its ability to be remodelled to meet existing building and fire codes. Following discussion, Hugli, with Council consent, stated the matter should be a priority item for the new Council and directed the City Clerk to place the item on a Council agenda once the new members had been seated.

4TH OF JULY CREEK AREA/
A R R: C. City Manager distributed and read in full letter dated September 16, 1980, from F. H. Jones, General Manager of the Alaska Railroad, regarding plans for the exportation of coal through the Port of Seward. Letter dated September 16, 1980, as received from Lewis Novasio, President of the Montana Resource Development Corporation, relative to the Corporation's negotiations with The Alaska Railroad for a coal export operation based in Seward, was also noted. City Manager reported that a temporary export facility would be constructed at this time but plans were being formulated for the location of a permanent facility at the 4th of July Creek industrial park. He remarked that Mr. Novasio had requested 150 acres of land be made available for the export operation, which would include a dock, fuel loading facility, tank farm and railroad spur, for the anticipated exportation of four to six million tons of coal per year.

City Manager directed the Council's attention to a map of the 4th of July Creek area and referred to the map in locating the City land which would be available for industrial development. He stated that the creek would have to be moved slightly to the south and kept confined by means of a dike system. He suggested that the City's southern parcel would be where VECO would choose to locate and the northerly parcel, containing approximately 80 acres, be made available to The Alaska Railroad and the Montana Resource Development Corporation. He reported that Mr. Novasio had requested Council make a commitment to make the land available for the export facility and further suggested that Council consider granting the parcel with a lease which contained an incentive rate such as that considered with VECO.

COUNCILMEMBER SORIANO DEPARTED THE MEETING AT 9:15 P.M.