

**MINUTES
NOME CITY COUNCIL
REGULAR MEETING
March 26, 2007**

The Regular Meeting of the Nome City Council was called to order at 7:30 P.M. by Mayor Denise Michels in the City Council Chambers of Nome City Hall located at 102 Division St.

ROLL CALL

Members Present: Stan Andersen, Jerald Brown, Mary Bourdon, Mary Knodel, Jon Larson, Randy Pomeranz

Members Absent:

Also Present: City Manager Randy Romenesko, City Clerk Leslee Wessel, Chief of Police Craig Moates, Utility Manager John Handeland

In the audience: Paul Korchin, KNOM; Donald Handeland, GCI; Jim Adams, Jana Varrati, Phil Schobert, Lisa Schobert, Mitch Erickson, Gary Hart

INVOCATION

Paul Korchin gave the invocation.

APPROVAL OF MINUTES

A. February 26, 2007 Regular Meeting

A motion was made by C. Knodel and seconded by C. Pomeranz to approve the minutes as presented.

At the roll call:

Ayes: Andersen, Brown, Bourdon, Knodel, Larson, Pomeranz

Nays:

The motion CARRIED.

COMMUNICATIONS

Mayor Michels mentioned the various communications and asked if there were any questions.

C. Knodel mentioned the letter from NSHC regarding the Summercise Program and asked if they need a motion for Staff to work with them and perhaps help them with brochure advertising. She stated she feels it is a great program. City Manager Romenesko stated the City does host the Summercise Program and provides staffing assistance. The CAMP Department pays the City \$2,000 to help offset the entry fees. They also provide a discount rate for all the participants. If the Council would like to direct them to help with brochures, they will do so. C. Knodel stated as long as they are working with them that is enough.

C. Anderson mentioned the Nome Bypass Road.

City Manager Romenesko stated the Ad Hoc Committee met to discuss the Bypass Road and the Nome City streets project federal earmarks. AkDOT consultants provided the handouts they see on pages 25 through 31. They identified four components of the Nome Bypass Road project. City Manager Romenesko reviewed the four components and the schedule with the Council. The issue the Ad Hoc Committee had to resolve was, given the limited amount of money they have for the project, what can they accomplish and by when. They have \$5.9 million worth of funding. \$3.5 million are allocated for the

Bypass Road. To complete the first component they would have to reprogram some of the Nome City streets money to that project. The Ad Hoc Committee recommended they do that and take the balance of the money which is about \$2.0 million and use it for paving 5th Avenue from Bering to Steadman and make repairs on K Street for drainage and paving. To accomplish the other part of the Bypass Road project it will require the State to get it ranked on the STIP Program or possibly the State is working on a debt reimbursable bond program which may provide funding.

C. Anderson clarified they will spend the \$4.0 million on that portion - they don't need STIP money for that. City Manager Romenesko stated no and explained further.

C. Knodel mentioned the other big concern they had was the hill by Dry Creek.

City Manager Romenesko stated from a planning perspective the Ad Hoc Committee thinks the bike trail should be on the north side of the Bypass Road because there are only four property owners to deal with.

C. Andersen asked where they stand on the Port Project. City Manager Romenesko explained they will replace the Utility line under the Snake River Channel. They have to re-establish Gold Avenue which includes a survey to determine what property belongs to whom. There are two outstanding claims as explained in the letter from Julie Anderson. He believes in the next six to twelve months conservatively they should be able to close this project out.

CITIZENS REQUESTS AND GRIEVANCES

Jana Varrati provided a handout of her comments to the Council and apologized for not making the request for a waiver from the City use fee before the Miners and Musers Ball. She stated the Council has a fabulous staff. The City Manager is amazing and without the City Clerk, the ball would not have happened. That is why they were able to make it work with only ten days notice. It was an amazing success and they entertained early Iditarod visitors from Australia, Germany, Great Britain, Oklahoma, Tennessee, New York City and several Alaska cities. Without the help of just about every single department in City government they could not have made this happen. They have always requested a waiver because they are the area scholarship organization. All of their profits from hat making and sales go to the scholarships they offer. They try to provide the scholarships that make it possible to live and go to school. Their scholarships are directed at trying to provide for childcare, food, modems or computers. She stated she is requesting a two-day waiver because it takes two days to make this ball happen. In addition she pointed out they are the only organization that comes in and uses the Mini and leaves it in better shape than it was when they found it. She stated she would not be able to stay until the end of the meeting because she has houseguests and dinner guests. She asked if there were any questions.

PLANNING AND ZONING

Mayor Michels mentioned the Planning Commission Minutes for February 13, 2007.

SPECIAL ORDERS

UNFINISHED BUSINESS

- A. O-07-02-01 An Ordinance amending Ordinance O-01-05-4 Authorizing the Acquisition of National Park Service Property Located on Block 63, Lot 1A Through Exchange for City of Nome Property Located on Block 63, Lot 2.

~Second reading, public hearing and final passage.

Hearing no objection Mayor Michels asked the Clerk for the second reading of O-07-02-01.

For the purpose of holding a public hearing the Council recessed at 7:49 p.m. The Council reconvened at 7:49 p.m.

A motion was made by C. Knodel and seconded by C. Pomeranz to approve O-07-02-01.

Discussion.

City Manager Romenesko explained this is the completion of a land exchange that was started several years ago with the National Park Service.

At the roll call:

Ayes: Brown, Bourdon, Knodel, Larson, Pomeranz, Andersen
Nays:

The motion CARRIED.

- B. O-07-02-02 An Ordinance Approving the Revised Nome Coastal District Coastal Management Plan, Replacing the Nome Coastal Management Plan as Approved February 15, 1984 and Setting an Effective Date.

~Second reading, public hearing and final passage.

Hearing no objection Mayor Michels asked the City Clerk for the second reading of O-07-02-02.

For the purpose of holding a public hearing the Council recessed at 7:51 p.m. The Council reconvened at 7:51 p.m.

A motion was made by C. Brown and seconded by C. Bourdon to approve O-07-02-02.

At the roll call:

Ayes: Bourdon, Knodel, Larson, Pomeranz, Andersen, Brown
Nays:

The motion CARRIED.

NEW BUSINESS

- A. O-07-03-01 An Ordinance Amending Sections 3.10.080, 3.10.105, 3.10.107(a), 3.10.108, 3.10.109 and 3.10.100 of the Nome Code of Ordinances to Increase the Insurance Requirements for the Operation of A Motor Bus, Amend the Definition of Motor Bus to Require a Motor Bus to operate on a Fixed Route and to make Certain Provisions of Chapter 3.10 Currently Applicable to Taxicabs Applicable to Motor Buses.

~First Reading

Hearing no objection Mayor Michels asked the Clerk for the first reading of O-07-03-01.

A motion was made by C. Knodel and seconded by C. Pomeranz to place this Ordinance into second reading, public hearing and final passage.

At the roll call:

Ayes: Knodel, Larson, Pomeranz, Andersen, Brown, Bourdon
Nays:

The motion CARRIED

B. R-07-03-01 A Resolution Authorizing Application for Funding Assistance for an Outdoor Recreation Project to the State Liaison Officer as Provided by the Land and Water Conservation Fund.

Hearing no objection Mayor Michels asked the Clerk to read R-07-03-01.

A motion was made by C. Knodel and seconded by C. Pomeranz to approve R-07-03-01.

Discussion.

City Manager Romenesko explained the City is applying for land and water conservation funds to purchase Block 121 and portions of Mineral Surveys #496 and #1103 which are located between the Bypass Road and Sixth Avenue. He stated the property is currently being leased by the City of Nome. He stated the grant requires a 50% match from the City.

At the roll call:

Ayes: Larson, Pomeranz, Andersen, Brown, Bourdon, Knodel
Nays:

The motion CARRIED

C. R-07-03-02 A Resolution Approving the Employment Agreement Between the City of Nome and Edna R. "Becka" Baker for the Provision of City Clerk/Treasurer Services.

Hearing no objection Mayor Michels asked the Clerk to read R-07-03-02.

A motion was made by C. Knodel and seconded by C. Larson to approve R-07-03-02.

At the roll call:

Ayes: Pomeranz, Andersen, Brown, Bourdon, Knodel, Larson
Nays:

The motion CARRIED

D. Facility Reservation Fee/Waiver

~Arctic Business and Professional Women – Miners and Musers Ball

A motion was made by C. Andersen and seconded by C. Pomeranz to approve the Facility Reservation Fee Waiver request.

At the roll call:

Ayes: Andersen, Brown, Bourdon, Knodel, Larson, Pomeranz
Nays:

The motion CARRIED.

E. Late filed 2007 Application for Municipal Tax Exemption

~VFW

~American Legion Post 19

~NACTEC

~Norton Sound Health Corporation
~Seventh Day Adventist Church and School

A motion was made by C. Knodel and seconded by C. Larson to accept the late filed 2007 Municipal Tax Exemption applications for VFW, American Legion Post 19, NACTEC, Norton Sound Health Corporation and the Seventh Day Adventist Church and School.

At the roll call:

Ayes: Brown, Bourdon, Knodel, Larson, Pomeranz, Andersen
Nays:

The motion CARRIED.

F. Late filed Senior Citizen/Disabled Veteran Property Tax Exemption Application
~Daisy Angusuc

A motion was made by C. Larson and seconded by C. Knodel to accept the late filed Senior Citizen/Disabled Veteran Property Tax Exemption application for Daisy Angusuc.

At the roll call:

Ayes: Bourdon, Knodel, Larson, Pomeranz, Andersen, Brown
Nays:

The motion CARRIED.

CITY ATTORNEY REPORT

UTILITY MANAGER REPORT

Utility Manager John Handeland mentioned the following:

- The Utility Board met and elected their officers, Jim West, Jr., Chairman, Berda Willson, Vice Chairman and David Barron, Secretary.
- Friday they will issue their final bill from the existing billing system. At the start of April they will use a new billing system. They will be culling out a lot of old accounts. The new system will be more efficient and they are looking forward to getting it in place.
- During the middle of Iditarod he met with DEC and the Rural Utility Service to discuss issues. As they may have seen in the Anchorage newspaper RUS and DEC have been in battle over funding issues. They have come to an agreement where Nome's funding can be released.
- The Department of Energy Study Committee met and made adjustments to some underlying assumptions that had been made. They are continuing to look at various alternatives.
- They have selected Delta Western as their fuel provider for this year, but they have not signed contracts yet.
- He is working with the City Attorney to finalize the Utility Agreement with Nova Gold.
- In the next couple of weeks the Utility Board will have another work session to talk about the 2007 water and sewer plans. At the prior work session they looked at projects as well as tariffs.

- He will be meeting with the City Attorney later this week to go over some delinquent accounts and consider some legal filings on those.
- They are moving forward with their final stage of the power plant construction. They hope to have the first kilowatt of electricity the first of May.
- The 9th of April is the next meeting of Denali Commission and the Utility will be presenting to them to get them to shake loose another \$2.0 million which was requested a few years ago but was not successful.
- He asked if there were any questions.

Mayor Michels asked him to please thank Berda Willson for all her hard work as the Chairman. They traveled a lot together this last year and she was very effective. She also asked him to wish Jim West good luck.

CITY MANAGER REPORT

City Manager Romenesko provided the Council with a written report. He mentioned the following:

- The Planning Commission has adopted recommendations regarding trapping regulations and they will get those maps and recommendations to the Council as early as they can. He might be able to have them ready by April 9.
- He finally made progress with FEMA on tentative repairs to the Cape Nome Jetty. They were able to tentatively accept a Public Works Project for the repairs in the amount of \$4.4 million. They are negotiating with FEMA on a final scope, schedule and construction program.
- He has spent quite a bit of time on legislative activity both State and Federal. Congress is working on the appropriation bills and they are trying to keep their projects up on the priority list.
- Iditarod went very well from his perspective. He will provide them a summary of expense both in-kind and cash and also the sales tax revenue for March. Also they are spending a lot of effort on the Gold Rush Gala for Saturday evening.
- They got a new solid waste permit for the inert solid waste landfill. Permitting went very well and he appreciates the effort Bristol Engineering puts in.
- The Council may remember in 2002 Alaska Gold had submitted a placer mine application for Dry Creek. They went through several public hearings and it was accepted by the state but lay dormant by the permit holder. That has come back on the table again. They are looking at doing exploration and pilot work this summer and potential mining from 2008 through 2011. The application is available in the engineering office for those who want to look at it. They have been talking to DNR to try to get comments from public.

C. Andersen stated they have had problems before in not telling people about mining plans. Has this been put out there. City Manager Romenesko stated he just got it. It is a 21-day comment period as it was found consistent in 2001. Public comments are due April 9.

- The Mayor and he will be in Juneau on April 9 to attend the Denali Commission meeting. He would like to see if the Council is interested in rescheduling that meeting to a different date.

The Council looked at their calendar and decided to postpone the meeting until April 23.

C. Andersen asked about the information from the Chief on parking. He asked if this means they have to develop their own traffic laws for parking on corners and taxicab parking. City Manager Romenesko stated the Chief pulled together ordinances from Kenai and Kodiak. They could establish no parking on

this side of the road during Iditarod or from this point to this point and they could also establish taxicab stands.

C. Andersen stated it mentioned in his report someone conducted radio tests. He asked if there is a report available. City Manager Romenesko stated SPARC did the tests for them. He will provide that information.

C. Andersen asked if they have purchased the land for the new public safety building. City Manager Romenesko stated they have. C. Andersen asked how much money is left. City Manager Romenesko stated he will pull the financials. C. Andersen stated he thinks they may not get more money to construct the building. They might have done this too fast.

C. Andersen asked if he wants to purchase the loader this year. City Manager Romenesko stated he wanted them to be aware they may need to get a new one. They have quotes but he doesn't have an answer on the lead time needed. It might go into 2008. If the lead time is sooner he would like to be able to come back to talk to them. C. Andersen clarified they have \$106,000 available. City Manager Romenesko stated that is correct. Two years ago they had appropriated \$200,000 and they bought the snow blower with it.

COUNCILMEN COMMENTS

C. Knodel had no comments.

C. Larson stated regarding the City property it was his understands they owned a piece of property behind the old King Island store where a building was removed. City Manager Romenesko stated they will check to see if they missed any City property. C. Larson asked about foreclosed property. City Manager Romenesko stated there is a piece on Steadman they will abate then sell the property.

C. Pomeranz had no comments.

C. Andersen had no comments.

C. Brown had no comments.

C. Bourdon had no comments.

MAYOR'S COMMENTS AND REPORT

Mayor Michels stated she is continuing work on the Gala. She participated on the start and finish of Iditarod. They were involved in reviewing the STIP amendment and the bridge was moved. Last year the Council had approved advertising in the Alaska book that the Senators and Governor hand out to people who visit them. The City got an article in there for free. She thanked Kim Halverson—the City was going to do a banner for them, but he decided to do it for free.

She stated she needs to make appointments to the Planning Commission and Port Commission. Tom Sparks reapplied and Jimmy Adams applied for the Planning Commission. Jim West, Howard Farley and Scott Henderson applied for the Port Commission.

She would like to appoint Tom Sparks and Jim Adams for the Planning Commission and Jim West and Howard Farley for the Port Commission.

She thanked Scott Henderson for applying and continuing to show interest.

She stated she would also like to appoint an Ad Hoc Committee to look at annexation.

C. Andersen stated he didn't realize the Council gave permission to continue studying the annexation issue.

City Manager Romenesko explained the City Attorney has provided some information. C. Andersen asked if anything has changed. City Manager Romenesko stated there were several changes. He asked the attorney to look at the annexation component. C. Andersen stated in looking at it he didn't see the five different things they need to do. He asked if that has changed. Are they planning on annexing Dexter and would that take a vote. City Manager Romenesko stated they were going to try to go the legislative route. C. Andersen asked if they are going to do just the mine.

Mayor Michels explained that is what the committee would try to figure out.

C. Larson asked them to look at page 75 of the packet. He was perplexed by paragraph H. He thinks they should postpone this until they get clarification of that one section.

C. Andersen stated he has no problem making committees and doing this unless they are just going to rehash what has already been hashed. He stated he went through this some time ago. There are three or four real simple clear cut answers they need to annex areas. Should they annex Dexter or not. Why are they doing this. Do they need more money--obviously they don't. Those questions don't need a committee to decide.

Mayor Michels stated she was trying to bring people to the table who are stakeholders in the areas they are talking about.

C. Andersen stated he would like to postpone the appointment of the Ad Hoc Committee until they find out more from the attorney.

A motion was made by C. Andersen and seconded by C. Larson to appoint Tom Sparks and Jim Adams to the Planning Commission.

At the roll call:

Ayes: Larson, Pomeranz, Andersen, Brown, Bourdon, Knodel
Nays:

The motion CARRIED.

A motion was made by C. Knodel and seconded by C. Pomeranz to appoint Jim West, Jr., and Howard Farley to the Port Commission.

At the roll call:

Ayes: Pomeranz, Andersen, Brown, Bourdon, Knodel, Larson
Nays:

The motion CARRIED.

EXECUTIVE SESSION

~Discussion re: Labor Negotiations of Chief of Police Contract.

A motion was made by C. Knodel and seconded by C. Pomeranz to enter into executive session. The Council recessed from regular meeting at 8:26 p.m.

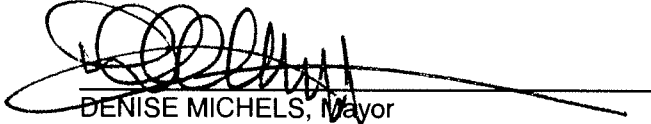
The Council reconvened the regular meeting at 9: 24 p.m.

ADJOURNMENT

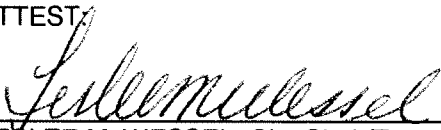
A motion was made by C. Andersen and seconded by C. Knodel that the meeting be adjourned.

Hearing no objections the Nome City Council adjourned at 9:24 p.m.

SIGNED AND DATED the 23rd day of April, 2007.


DENISE MICHELS, Mayor

ATTEST


LESLEE M. WESSEL, City Clerk/Treasurer