

**MINUTES
NOME CITY COUNCIL
REGULAR MEETING
April 23, 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 (Telephonically), 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

In the audience: Paul Korchin, KNOM; Donald Handeland, GCI; Gary Hart, Becka Baker, Matthew Cully, Louie Green, Jr., Mike Quinn, Banner Romenesko, Jim Rowe, Laurie McNicholas, Steve Longley, Ken Waltz, Jeannie Waltz, Kacie Fullwood, Josh Head, Susan Rand

INVOCATION

Paul Korchin gave the invocation.

APPROVAL OF MINUTES

A. March 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 are available in their Council packets and also on the web. She asked if there were any questions.

C. Larson wondered regarding Senator Murkowski's letter if they should ask the City Attorney if he would like to request that she send a letter to the Admiral saying she is in support of their position. If they think that is worthwhile, they may be able to solicit her support.

C. Larson stated regarding the Nome Eskimo Community letter he thinks they should refer that to the Museum Commission for their advice on what they should do with the artifacts.

A motion was made by C. Larson and seconded by C. Andersen to send the letter from Nome Eskimo Community to the Museum Commission for their advice.

At the roll call:

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

The motion CARRIED

CITIZENS REQUESTS AND GRIEVANCES

Matt Cully stated there was a red fox shot and killed in the Snake River Drainage and the tests came back positive for rabies. He stated now something that in the opinion of a few was not likely to ever occur has in fact been confirmed. Where there is one rabid fox there are likely with their population to be many more. Last week a loose dog attacked and killed a puppy and then proceeded to attack a child that was playing with the puppy. That dog has been quarantined to find out if it was rabid and the child has received medical treatment. He brings this to their attention so they can think about this as they will be asked to vote to create a sanctuary for these potentially rabid fox in very close proximity to legally at large domesticated pets and residences. Trappers have never stated they are here to protect the citizens of Nome. People have criticized trappers and stated they don't need their help or the benefits trapping brings. Well, now in light of the recent rabies confirmation, the risk it brings to the children of Nome that may not be the case much longer. They all have the power to do something to prevent this potentially disastrous situation.

Josh Head, Junior Class President at Nome-Beltz High School stated on May 18 they would like to hold their annual prom at Mini-Convention. In years past the usual rental fees have been waived, however, the Junior Class had to pay to use the facility. He is asking that the MCC rental fees be waived for this year. There are many reasons why it is inconvenient to have the prom in one of their new facilities at the high school. The only two areas at the school that are large enough for the prom are the gym and the resource center. If they hold it at either of those places they would have to close it off starting the Monday before prom to begin setting up for it. This provides a great inconvenience for students getting to class as the center is used as a hallway between classes and it also has doors to classes bordering the center. This area is also the only way to get to and from the Library which contains not only books but also computers that students use daily. There are daily classes in the gym and they would have to relocate them to somewhere else, most likely the resource center. If they had students in the center having classes that would cause a major distraction to the other students since they would be having class while others were on their passing period time. The MCC is the perfect place for them to hold prom. It is located in Town which makes it more easily accessible for use. It also has the right floor design for prom use with places for a picture room, entry way, dance floor, prom king and queen stage and adequate room for tables. The Junior Class would greatly appreciate it if the rental fees were waived especially since they have very little money after buying the necessary items for the prom.

Peggy Darling, President of VFW Ladies Auxiliary, stated she is here on behalf of that auxiliary as well as the American Legion Ladies Auxiliary. The American Legion and the VFW Auxiliary spearheaded the acquisition of the box which is a depository for retired flags. They are looking for a place in the community to put the box. They would like it to have public access and be viewed by all to show their patriotism and respect for the flag. She asked them to leave their suggestions with the VFW at 443.9569 or e-mail at peggy.darling@hotmail.com. She also wanted to let everyone know there is an opportunity to purchase a commemorative plaque which would be displayed on the front panel of the flag depository box.

Jim Rowe stated he has concerns regarding the Bypass Road. He stated he understands they are considering moving funding from the City road maintenance projects to a three part renovation of the Bypass Road between the coast road and Nome-Teller Hwy. He asked if the City owns that road. City Manager Romenesko stated the State still owns it - a transfer agreement to provide to the City from Front Street to the Teller Highway via the Bypass Road is part of the work. Mr. Rowe stated the main concern for him is they will be transferring money from the roads in town to the upgrade of the Bypass Road. He thinks the people in town have waited long enough to have the local roads improved. He hates to think of the people continuing to walk through the mud and dust while they enhance the Bypass Road for commercial traffic. The road is obviously more than adequate right now for someone to drive their pickup or car up and down. Before they move money away from City road projects to enhance the Bypass Road, if they are ultimately going to end up with that road, as a City project done under Alaska Statute

they can impose their own weight restrictions, speed limits, etc., and organizations or companies using that road to haul product from somewhere else should pay for that upgrade. The \$1.9 million for the first phase is relatively insignificant in the scope of some of these bigger projects that Bering Straits has had with the sale of rock from Cape Nome. It is small potatoes for NovaGold in the overall development of Rock Creek and other things they have planned, but it is a significant amount of money when it is relevant to maintaining their roads in town. He encouraged the Council to look at having the heavy users of the Bypass Road pay for those upgrades before they start borrowing money from local road maintenance to upgrade a commercial usage road.

C. Andersen stated his understanding is they are not taking money from local roads. City Manager Romenesko explained right now it is a \$4.0 million project to do from N street to Bering. There is \$3.5 million in earmark and STIP money that was allocated for that road. The City has approximately another \$2.0 million that they had obtained for earmarks for local roads. The discussion they have had in the past is to take \$500,000 from local roads earmark and move it to the Bypass Road to do that project.

C. Knodel asked if part of that earmark money was drainage money and that is why they are going to use it to improve the drainage up on N as it comes down. City Manager Romenesko stated it can be used for drainage for local roads—where it is allocated is not an issue from the funding source.

Mr. Rowe stated ultimately they are going to delay in town projects to upgrade the Bypass Road. City Manager Romenesko stated he doesn't know if they will delay them. DOT is responsible for managing this money and they haven't even selected the designer for the next portion of the work, so the balance of the money and the project is already lagging behind the Bypass road project. So what it means is instead of having to pull \$2.0 million available for local streets, it will be \$1.5 million.

PLANNING AND ZONING

Mayor Michels mentioned the Planning Commission Minutes for March 6, 2007.

SPECIAL ORDERS

UNFINISHED 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.

~Second reading, public hearing and final passage.

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

For the purpose of holding a public hearing the Council recessed at 7:45 p.m.

Discussion.

Steve Longley stated he is running a motor bus in Nome. This ordinance is basically aimed at him and the only problem he has is it requires a fixed route. When he started his business he checked with the City Clerk and everything he was planning on doing was legal. It started cutting into Checker Cab and Louie's Cab business and they sent in letters of protest and that is when this ordinance to change it came about. He stated he is here doing a business and providing a service. He is paying sales taxes and he has met the insurance requirements. He is fine with the insurance requirements and the fee. He stated they could change the fee to \$1,000 and he would be fine. They have Checker Cab with 9 permits and half of the cabs are sitting all the time. He is just sitting on those permits. They need to make him get those vehicles out there and provide the service. For the month of March he probably grossed close to \$15,000 and has paid sales tax on that. He tried to check on what Louie's and Checker cab were

declaring but that is privileged information. The council could check that and compare what he is doing versus what they are doing. Louie should be three times that amount and Checker should have about six or eight times that amount. Other than that he just has concerns with doing a fixed route.

Gary Hart, owner of Checker Cab, stated it is not that they are against Mr. Longley having a business, but a common definition of a motor bus is a fixture that hauls people on a fixed route. This gentleman doesn't want to be on a fixed route. To him the definition of motor bus not on a fixed route changes to the definition of a taxi. There are certain guidelines that the Council went through years ago and one of the reasons his vehicles are sitting is because the business isn't there. Look out the window at 5:00 p.m. at the mad rush of privately owned vehicles. It is a declining industry. He has offered to sell Mr. Longley a permit and has received no answer, but it is a simple solution to the problem. He understands he has purchased another vehicle and was running it this last weekend with no permit—making statements to the effect, "I'll do anything I want- to heck with the City." Mr. Hart stated if the City votes this in what will happen. He is grandfathered in so he has been told. So he will be running as a gypsy cab until the end of the year which makes it tougher on the industry as it is. He stated there is no problem having a motorbus system in town if it is operating on a fixed route, but when a call is made to the vehicle and it goes to the patron's home to pick them up that negates the whole definition of motorbus and puts him in the same category as a cab company.

C. Larson asked what a permit sells for. Mr. Hart stated he doesn't really wish to discuss that. It is whatever the market will bear.

Louie Green, Jr., Louie's Cab owner, stated they are talking about vehicles sitting on the side of the road and permits not being utilized. They are still obligated to pay for those vehicles and show the capability of owning them. The resources for drivers are pretty slim. They have seen his business down to one car per shift. He has seen Checker Cab after the city started doing the good moral character clause in the code for chauffeur's license requirements down on the number of cars out there. It is a tough time of the year right now. He is sure if he dropped his rates down to \$2.00 or \$3.00 a fare he would be rolling in the money for taxes.

C. Larson stated he thinks the problem is with the taxi ordinance and the way they authorize permits. He said before when this came up that he thought the market place should determine how many permits there would be and that they shouldn't be issued in such a restrictive manner. He still feels that way.

Ken Waltz stated he has one permit for a taxi. He agrees with what Louie and Gary said. He would hesitate to invest further if he thought this was going to be open to anyone who said they had a motorbus but really had a cab. If they don't make the change they open up a can of worms that has been seen in Bethel, Barrow and Kotzebue recently.

The Council reconvened at 7:55 p.m.

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

At the roll call:

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

Nays:

The motion CARRIED.

NEW BUSINESS

A. O-07-04-01 An Ordinance Amending Section 17.10.020(c) of the Nome Code of Ordinances to Exempt Services Incorporated into a Construction Project for Which a Building Permit has been issued from Sales Tax.

~First Reading

B. O-07-04-02 An Ordinance Approving an Amendment to Nome Joint Utility System Water & Sewer Tariff (Tariff W&S – 3), Amending Schedule A, Trucked Water Rates.
~First Reading

Hearing no objection Mayor Michels asked the Clerk to read O-07-04-01 and O-07-04-02.

A motion was made by C. Knodel and seconded by C. Andersen to put O-07-04-01 and O-07-04-02 into second reading, public hearing and final passage.

At the roll call:

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

Nays:

The motion CARRIED

C. R-07-04-01 A Resolution Approving a Memorandum of Agreement Between the City of Nome and the University of Alaska for the use of Grant Funds from Housing and Rural Development for Student Housing at NACTEC.

Hearing no objection Mayor Michels asked the Clerk to read R-07-04-01.

A motion was made by C. Larson and seconded by C. Bourdon to approve R-07-04-01.

At the roll call:

Ayes: Larson, Andersen, Brown, Bourdon, Knodel

Nays:

Abstain: Pomeranz (conflict of interest on file)

The motion CARRIED

D. R-07-04-02 A Resolution Authorizing the City Manager to enter into an Agreement with Northwind Architects, LLC for the Consultant Scope of Work: Task 2 – Design Services for the NACTEC House Project.

Hearing no objection Mayor Michels asked the Clerk to read R-07-04-02.

A motion was made by C. Knodel and seconded by C. Larson to approve R-07-04-02.

Discussion.

C. Knodel asked if the City is going to deal with the construction part and Bering Straits School District will deal with the finances. City Manager Romenesko stated it is the other way around. Bering Straits School District is going to do the construction. They will hire the workers, purchase the materials, etc. The City will handle the finances.

C. Knodel stated that is why they are hiring the architect. City Manager Romenesko stated if they will remember the architect was hired earlier this winter and then the Council approved a memorandum of agreement between Bering Straits School District, Nome Public Schools, NACTEC and the City in which they delineated the responsibilities for the work. Bering Straits School District is responsible for hiring the workers, purchasing the materials, getting the job built. As part of the MOA the City continues to retain the contractual relationship with the architect because that was already in place and established. The bills for this work will actually flow through Bering Straits and then back to the City for payment.

At the roll call:
Ayes: Andersen, Brown, Bourdon, Knodel, Larson
Nays:
Abstain: Pomeranz

The motion CARRIED

E. R-07-04-03 A Resolution Approving the Employment of Banner Romenesko, Taylor Romenesko and Annie-Kate Olson as Temporary Part-Time Swim Instructors at the Nome Pool in Accordance with Nome Code of Ordinances Chapter 2.45.010 (F).

Hearing no objection Mayor Michels asked the Clerk to read R-07-04-03.

A motion was made by C. Pomeranz and seconded by C. Knodel to approve R-07-04-03

Discussion.

C. Larson stated it appears this is a very short term employment. City Manager Romenesko stated it could be, but once they are on payroll, they could be there for a little longer. C. Larson clarified the memorandum which states they will be doing swimming instruction for May. City Manager Romenesko stated that is correct.

At the roll call:
Ayes: Andersen, Brown, Bourdon, Knodel, Larson, Pomeranz
Nays:

The motion CARRIED

F. Request for Approval of the City of Nome "Rental, Use, Permit & Licensing Fee" schedule for 2007.

A motion was made by C. Knodel and seconded by C. Bourdon to approve the Rental, Use, Permit & License Fees for 2007.

At the roll call:
Ayes: Brown, Bourdon, Knodel, Larson, Pomeranz, Andersen
Nays:

The motion CARRIED

G. Facility Reservation Fee/Waiver
~Nome-Beltz High School Junior Class – Prom

A motion was made by C. Knodel and seconded by C. Andersen to approve the Facility Reservation Fee Waiver for the Junior Prom.

Discussion.

C. Larson asked if there was anything else scheduled during this time period? Was the facility vacant for the four days they wanted? City Clerk Wessel stated she is not aware of any scheduling conflicts.

At the roll call:
Ayes: Bourdon, Knodel, Larson, Pomeranz, Andersen, Brown
Nays:

The motion CARRIED

H. Facility Reservation Fee/Waiver
~Nome Nanook Booster Club – Athletic Award Banquet

A motion was made by C. Andersen and seconded by C. Knodel to approve the Facility Reservation Fee Waiver for the Nome Nanook Booster Club.

At the roll call:

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

Nays:

The motion CARRIED

I. Late filed Senior Citizen/Disabled Veteran Property Tax Exemption Application
~Ngoc Lan Baker

A motion was made by C. Larson and seconded by C. Andersen to accept the late filing for Ngoc Lan Baker.

Discussion.

C. Andersen stated on the application form she put not sure at the place where it asked if any portion is used for commercial purposes. She can still get an exemption can't she? City Clerk Wessel stated if she is eligible she can get a partial exemption. She stated she had not done a review of this form until she knew if the Council would accept the late filing. If they do accept it, she will do the review and determine eligibility.

At the roll call:

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

Nays:

The motion CARRIED

CITY ATTORNEY REPORT

UTILITY MANAGER REPORT

Mayor Michels explained the Utility Manager is in Juneau at this time.

C. Knodel requested a written financial statement on the new construction—what they have spent, what they expect to spend and where they are getting their money. Mayor Michels added also what the delays are and the cause of the cost overrun.

City Manager Romenesko stated he would request that.

CITY MANAGER REPORT

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

- On Page 11 of the packet he provided the FY 2008 Budget calendar. They can see they are diligently moving internally to develop numbers for various projects, wages, etc. The Board of Equalization is scheduled to meet May 2 through 4. The School Board is also working on their budget and they have until May 1 to make their request for appropriation from the Council. They tentatively have a work session with the School Board for May 9. They have Council work sessions on the City budget on May 16 and June 6. They have to make a school appropriation by May 31. If anyone has any concerns or problems with the days they need to know so they can give proper public notice and schedule accordingly.

C. Knodel stated she will be out of town May 19 through June 1.

C. Pomeranz stated he will be out of town May 9 through May 14.

City Manager Romenesko stated as always they can make things available electronically and telephonically to keep them involved. C. Pomeranz stated he would be traveling on May 9.

C. Larson asked if any of the school budget items they were looking at the last work session are bondable in terms of reimbursement by the State—the gym floor or the radon, etc. He asked the City Manager to look at that before they get too far into the school budget. City Manager Romenesko stated his guess is if they were eligible projects by the Department of Education and if there was a reimbursable program in place at the time they would be, but right now he doesn't know if there is a program in place and he will get hold of Eddie Jeans with the Department of Education and get a handle on that.

City Manager Romenesko stated he is assuming at least for general purposes right now the budget calendar can more or less work and they will continue to move forward. He stated if anyone has any specific requests please let him know.

- He thanked all the folks who helped with the Gold Rush Gala welcoming Governor Palin and Lt. Governor Parnell to Nome. It was a successful event which took a lot of effort from the community and the staff to make it happen. He recognized Mayor Michels, Cussy Kauer, Patty Andersen, Colby Carter, John Handeland and Richard Beneville. He expressed his appreciate for an event that made Nome look good.
- The Attorney and he have been working on several ordinances the Council had identified earlier this winter. They had first reading tonight on the exemption from sales tax for labor involved in projects that have building permits. There will be an ordinance regarding package store extended hours during certain events at the next meeting. He provided the Council with a draft ordinance on the exemption for casual and isolated sales. Rather than force that one for first reading he thought if the Council could review it based upon their work session in February to see if they have met the intent of the instructions they received from them.
- He has not gotten information back regarding annexation yet. Although he has been taking some preliminary looks at economic issues that may or may not help with the determination of moving forward.
- On May 14 he will be bringing a resolution for the settlement agreement on payment in lieu of taxes with Nome Eskimo Community.
- The NACTEC House is progressing. The MOA has been signed by all parties so now NACTEC and Jeff Selvey, the Director of NACTEC, is moving forward with the day to day activities of that project.
- The Mayor and he have been working with their lobbyist and Rep Foster and Senator Olson's office on various bills in front of the legislature. He has had some discussion with Devin Mitchell at the bond bank on school indebtedness and debt reimbursement. He will pursue that in light of the question C. Larson just brought up.
- The Planning Commission will bring the draft Zoning Code to the public the week of June 12 through 14 and it is their intent to meet with various organizations in the community, Rotary, Chamber, the media and will hold an open house at Old St. Joes and a work session with the Council with the idea of moving forward the zoning code.

C. Knodel asked if they could get a copy of that. City Manager Romenesko stated he would provide them a copy. It is on the website and they will get it to the Library and there will be some available at the Clerk's Office.

- Sgt. Noet is retiring on May 30 and there will be a retirement celebration for him on the 25th at the Bering Sea Saloon.
- Ms. Amy Smithhisler, Animal Control Officer, has tendered her notice of non extension of her contract so they are out recruiting for a new animal control officer.
- Congratulations go to Charlie Lean for receiving the State of Alaska Stars of Gold award for his extensive volunteer service and his strong advocacy for the community. He will receive that award on Wednesday from Lt. Governor Parnell. He thanked Charlie publicly for all his volunteer efforts to the community of Nome.

COUNCILMEN COMMENTS

C. Pomeranz had no comments.

C. Andersen stated he would like to know the feelings of the Council about having the council meetings up at Old St. Joes and using the current space for the City Clerk. C. Knodel stated it would be fine with her if the City needs the space. C. Andersen stated he definitely doesn't want to hire an architect to plan the space. He thinks they might be able to figure it out themselves. City Manager Romenesko stated they could do that. C. Andersen stated he would like Council support to have the City Manager start looking into it. C. Pomeranz stated he has no objection.

C. Brown stated he is in Fairbanks attending a conference on alternative energy. He encouraged the City to look at ways to make the new NACTEC facility and the new Library more energy efficient than the standard buildings and look at incorporating solar gain type windows and use the heat from sun to heat the place, solar hot water panels on the roof, etc. If they could spend an extra \$50,000 to make them a little more energy efficient and save \$200,000 to \$300,000 on energy over the life of the building he thinks that it would be a worthwhile investment.

C. Bourdon had no comments.

C. Knodel had no comments.

C. Larson stated he would like to join with the City Manager in congratulating Charlie Lean. The amount of time and effort that he spends on the ambulance alone has been a tremendous service to this community

MAYOR'S COMMENTS AND REPORT


Mayor Michels stated her report is included in the packet. She thanked everyone who helped with the Gala event. She echoed the City Manager that they had really good meetings with their State legislators. They will continue that discussion on the priorities they have established.

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 8:18 p.m.

SIGNED AND DATED the 14th day of May, 2007.



 STAN ANDERSEN, Presiding Councilman

ATTEST:


 SANDY BABCOCK, City Clerk/Treasurer