

**MINUTES  
NOME CITY COUNCIL  
REGULAR MEETING  
June 11, 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: Jerald Brown, Mary Bourdon, Mary Knodel, Jon Larson (telephonically), Randy Pomeranz, Stan Andersen (arrived after roll call & approval of minutes)

Members Absent:

Also Present: City Manager Randy Romenesko, City Clerk Sandy Babcock

In the audience: Amy Flaherty, KNOM; Louise Kuntz-Tadda, Mitch Erickson, Sandra Medearis, Berda Willson, Betsy Brennan, Loretta Bullard

**INVOCATION**

**APPROVAL OF MINUTES**

A. May 14, 2007 Board of Equalization Meeting

A motion was made by C. Knodel and seconded by C. Brown to approve the May 14, 2007 BOE minutes as presented.

At the roll call:

Ayes: Brown, Bourdon, Knodel, Larson,

Nays:

Abstain: Pomeranz

The motion CARRIED.

B. May 14, 2007 Regular Meeting  
May 21, 2007 Special Meeting  
May 30, 2007 Special Meeting

A motion was made by C. Brown and seconded by C. Knodel to approve the May 14, 21 & 30 minutes as presented.

At the roll call:

Ayes: Pomeranz, Brown, Bourdon, Knodel (5/14), Larson,

Nays:

Abstain: Knodel (5/21 & 5/30)

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. Brown asked what the City's comments were concerning the Proposed Changes to Port of Nome Petroleum Transfer/Sales Permit.

City Manager Romenesko stated that the City Attorney states that what they propose is legal and the Insurance Agent does not see any additional risks proposed by the change. He continued that the model they propose is an industry standard and rates have not changed since 1988. The Port Commission unanimously approves the proposal and feels the fuel supplier/owner is responsible for the product and should be responsible for the complete operations involved in the transfer. He stated they are not out of line in cost and services when compared to other communities.

C. Andersen asked if the proposal would be phased in throughout the summer. City Manager Romenesko responded yes it is what they hope to do along with some training. C. Andersen asked if checking the fuel lines for leaks would now be up to the supplier and if there was a spill would the City of Nome be sued to recover part of the costs. City Manager Romenesko explained that the City is still involved anyway. There was continued discussion about costs, procedures and delivery of fuel.

C. Larson asked if the arguments raised in Scot Henderson's memorandum were also presented at the Port Commission before they made their recommendation. City Manager Romenesko stated that Scot Henderson was at the meeting and he thinks the points in his memo were brought forth at the meeting.

Marguerite La Riviere presented her report regarding the City of Nome sponsored 2007 Spring Clean-Up week and raffle weekend. She stated it was a big success. She explained that the Public Works crew picked up 10 refrigerators/freezers and 24 vehicles and took 95 dump truck loads to the Monofill. She thanked the many sponsors that provided donations and support. She also showed a video that was made by Diana Haecker showing pictures of the Volunteers that helped out for this event. Marguerite stated that Nome Youth Hockey has a grant and would be cleaning up the City dump areas throughout the summer. City Manager Romenesko thanked Marguerite for putting the program together and for continuing to make it happen each year.

## **CITIZENS REQUESTS AND GRIEVANCES**

### **PLANNING AND ZONING**

### **SPECIAL ORDERS**

### **UNFINISHED BUSINESS**

- A. O-07-05-01 An Ordinance Amending Section 3.05.040(c) of the Nome Code of Ordinances to Allow Extended Hours for Package Stores During Certain Events.  
~Second Reading, Public Hearing and Final Passage

Hearing no objection Mayor Michels asked the Clerk for the second reading of O-07-05-01.

For the purpose of holding a public hearing the Council recessed at 7:48 P.M.

Discussion.

Berda Willson, chairman for the region Wellness program, asked for support by voting no on Ordinance 07-05-01 that would allow extended hours for packaged stores during certain events. The Wellness program organizes an all Volunteer safety patrol to make Nome a safer place to live and visit. Berda thanked the Mayor, Council, City Manager and the Police Department for their past and continued support and encouragement. Berda stated that by permanently allowing extended hours for the package stores it does not support the efforts of the safety patrol. She stated that more alcohol on

the streets at a later hour is not conducive to a safe community. People can get even more intoxicated and there is no place for them to go. She asked that on behalf of all the hard work of the safety patrol Volunteers (heroes) she respectfully requests the Councilman vote no on this Ordinance.

Loretta Bullard stated she was here to encourage the Council to not adopt the Ordinance 07-05-01 that would allow extended hours for package stores. She stated that for the past several years approximately 140 individuals have volunteered during late evening and early morning to provide safety patrol services in Nome during special events. She stated that extending the liquor store hours at the same time Volunteers are patrolling the streets to help keep people safe sends the wrong message to the public and region. She stated that we may all know individuals that come to Nome to drink and sometimes I think that the only way the party stops is when the liquor stores close and they can't buy anymore liquor. She encouraged the Council to review the police statistics during Iditarod because they show that incidents increase dramatically during this month and alcohol is a contributing factor.

The Council reconvened at 7:57 P.M.

A motion was made by C.Andersen and seconded by C. Knodel to approve the Amendment to O-07-05-01.

At the roll call:

Ayes:

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

The motion FAILED.

### **NEW BUSINESS**

A. R-07-06-01 5-01 A Resolution Setting the City of Nome Mill Rate for 2007

Hearing no objection Mayor Michels asked the Clerk to read R-07-06-01.

A motion was made by C. Knodel and seconded by C. Pomeranz to approve R- 07-06-01.

At the roll call:

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

Nays:

The motion CARRIED.

B. O-07-06-01 An Ordinance Approving and Adopting the FY 2008 General Fund Municipal Budget for the City of Nome Exercising the Power to Assess, and Authorizing the Levy of a General Property Tax.

~First Reading

C. O-07-06-02 An Ordinance to Establish, Approve and Adopt the FY 2008 City of Nome Capital Projects Fund Budget

~First Reading

D. O-07-06-03 An Ordinance to Establish, Approve and Adopt the FY 2008 City of Nome Special Revenue Fund Budget

~First Reading

E. O-07-06-04 An Ordinance to Establish, Approve and Adopt the FY 2008 City of Nome Port of Nome Fund Budget  
~First Reading

F. O-07-06-05 An Ordinance to Establish, Approve and Adopt the FY 2008 City of Nome Construction Capital Projects Fund Budget  
~First Reading

Hearing no objection Mayor Michels asked the Clerk to read O-07-06-01, O-07-06-02, O-07-06-03, O-07-06-04, and O-07-06-05.

A motion was made by C. Bourdon and seconded by C. Pomeranz to approve O-07-06-01, O-07-06-02, O-07-06-03, O-07-06-04, and O-07-06-05.

At the roll call:

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

The motion CARRIED.

G. O-07-06-06 An Ordinance Authorizing the Sale of Surplus Real Property of the City of Nome  
~First Reading

Hearing no objection Mayor Michels asked the Clerk to read O-07-06-06.

A motion was made by C. Knodel and seconded by C. Pomeranz to approve O- 07-06-06.

At the roll call:

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

The motion CARRIED.

### **CITY ATTORNEY REPORT**

### **UTILITY MANAGER REPORT**

Utility Manager John Handeland handed out a written report. He mentioned the following:

- May 2<sup>nd</sup> was the startup of the new power plant for testing. July 2<sup>nd</sup> we start on-site operations training and will begin routine operations from the new plant.
- Representative Foster's report stated \$1.5 million was included in the state capital budget for the power plant. A meeting with Denali Commission personnel will be held this Friday, June 15<sup>th</sup> seeking additional funding for project completion. Another alternate funding source is another round of USDA high-cost energy funding expected shortly.
- The state's capital budget also contained slightly more than \$1 million in water-sewer funding directed to East 5<sup>th</sup> Ave. NJUS requested \$2.7M but DEC split the application and advanced funding for a single component.

- Due to various components NJUS is suspending water-sewer construction activities for the present time.
- An agreement was reached with Rock Creek mine for the mining company to cover 100% of the construction cost for the Rock Creek line. We are still waiting for a draft proposal.
- Field work was done with the annual financial audit as of April 20th and we expect the final report by the end of June.
- The billing system changed and is going well. The bills look different and the late notices are bright red to get notice. They recently hung about 100 late notices on doors and will be doing disconnects in the morning. The late notices go out automatically now with the new system so they will be stepping up the collection efforts.
- The Utility board will be meeting June 12<sup>th</sup> in a work session to review construction projects status, funding and scheduling and they will submit a report to the Council for their next meeting packet June 25<sup>th</sup>.

C. Brown asked about the windmill studies. Utility Manager Handeland responded that the studies are ongoing and they have submitted data to Alaska Energy Authority and have not received a report back. Based on the preliminary findings it makes a lot of sense but the capital costs are a burden and maintenance is an issue. Alternative energy funding is being pushed by federal authorities.

C. Andersen asked if the study will show the best areas and size needed. Utility Manager Handeland responded that two different sites were selected for review. The Anvil site has good wind but there is more icing issues. The Snake River site looks promising.

### **CITY MANAGER REPORT**

- City Manager Romenesko provided the Council with a written report. He mentioned the following:
- The Planning Commission with Ms. Eileen Bechtol will be conducting a series of meetings this week. The draft Zoning code is on the website and available at the Clerks office.
- The City was able to realize a savings of \$10,752 on its 2008 insurance policy with AML/JIA by our participation in the Safety Incentive Program. The program is a voluntary program that provides training to staff and aims to reduce claims and prevent worker injuries.
- Projects have started up again. Q-trucking has resumed work on the snow storage site and should be done by July. SKW/Eskimos is just getting started at the high school.
- The Harbor Improvements project will be going to bid soon where they utilize the remainder of our EDA money and Denali Commission grant money. He hopes to have it to the Council for acceptance at the June 25<sup>th</sup> meeting.
- The Corps has awarded the East Sheet Pile Wall (aka Crowley Dock) project to MKB Contractors for \$4.7M.
- The Landfill Cell 2 project will be coming out for bid soon.
- Arrangements have been made to purchase excavated materials from the Front Street project to the Public Safety Building site. The AkDOT contractor will haul the material to the site for disposal. It is a cost effective way to get fill on the property.
- City Manager Romenesko pointed out the attached pages to his report which were the Senate version of the 2007 WRDA bill. He pointed out the small study on page 62 which deals with future extension of the causeway to deeper water. This will be a Corps study. He also pointed out page 308, Nome Harbor Improvement project where they were working for technical correction for protection from claims and he stated they were not effective with

getting that protection due to the language they had but it is a start to build on at the next legislative session.

C. Andersen reminded City Manager Romenesko that 4-wheelers and small motorcycles were driving too fast around town still and they had talked before about something being done. He also asked if a map was available showing where the City surplus property is located. City Manager Romenesko stated maps would be in the next packet or available at City Hall. C. Andersen asked where the City was with the small boat harbor ramp. City Manager Romenesko stated they are going out to bid for work in the small boat harbor and an additional low level dock and float.

C. Brown asked if he was reading the Taxi Ordinance correctly which shows no penalty if a Taxi was operating without a license. City Manager Romenesko stated that he thinks that is correct. He stated that when the code was amended for motor buses and taxi the violation section was not fully developed.

C. Pomeranz stated that no one has applied for the animal control officer position and he asked if the current officer, Amy Smithhisler would consider staying if we added some benefits to the job or maybe someone else would be interested. City Manager Romenesko responded that Ms. Smithhisler has offered to help out with the pound and the lot but it is the enforcement part that is difficult. Historically it was under the police department where they have experience with enforcement. The violation section needs to be strengthened.

C. Knodel asked how much the dollar amount is on the potential claims with WRDA at the port. City Manager Romenesko responded that one suit is about \$5.3M and the dredging claim is \$2.2M. C. Knodel asked if the City's portion was 14%. City Manager Romenesko responded yes.

#### **COUNCILMEN COMMENTS**

**C. Pomeranz** stated that the gardeners have been hard at work at Old St. Joe's and it looks good. He appreciated all the volunteers that picked up garbage and Marguerite's efforts and hard work. It was a good effort and good job with the clean up.

**C. Andersen** had no comments.

**C. Brown** had no comments.

**C. Bourdon** had no comments

**C. Knodel** thanked Marguerite with all her efforts with the clean up. She stated she took advantage of the "You call, We haul" program and they did a great job.

**C. Larson** requested we add a restrictive covenant to the sale of the City's surplus property that would require the payment of taxes or a like sum in the event any of the property ends up in the hands of a non-taxable owner.

#### **MAYOR'S COMMENTS AND REPORT**

Mayor Michels provided a written report and mentioned the following:

She met with Patty Miller with DOTPF and Katie Lang, the Director of FAA from DC and provided information to them on our request to continue with the Nome Airport's Master plan. She participated in the community clean up with her nephew. The Mayor was able to hear a presentation on board the USGC Healy and was presented with a plaque for the City of Nome's outstanding support and hospitality. She met with the Denali Transportation Advisory Committee and the next day with Commissioner von Scheben along with the City Utility Manager and Deputy Commissioner MacKinnon presenting transportation issues.

**EXECUTIVE SESSION**

~Negotiation of Contract Settlement with Hankal Construction, Inc., for the Gym/Cafeteria Project at Nome High School.

~Discussion of CEIP Loan Negotiations

A motion was made by C. Andersen and seconded by C. Knodel to enter into executive session. The Council recessed from regular meeting at 8:27 P.M.

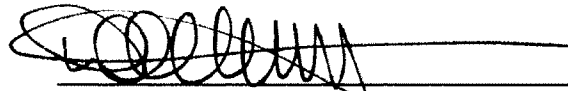
The Council reconvened the regular meeting at 9:05 P.M.

**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 9:05 P.M.

**SIGNED AND DATED** the 25th day of June, 2007.

  
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**DENISE MICHELS, Mayor**

ATTEST:

  
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**SANDY STURGIS-BABCOCK, City Clerk/Treasurer**