

**MINUTES  
NOME CITY COUNCIL  
REGULAR MEETING  
September, 22, 2008**

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 Knodel, Jon Larson, Randy Pomeranz  
Members Absent: Mary David  
Also Present: City Manager, Pete Hallgren; City Clerk, Sandy Babcock; Chief of Police, Paul Burke;  
In the audience: Rick Luthi, Diana Handeland, GCI; Paul Korchin, KNOM; John Handeland, Utility Manager; Pat Hahn, Building Inspector;

**INVOCATION**

The invocation was given by Paul Korchin.

**APPROVAL OF MINUTES**

- A. September 8, 2008 Regular Meeting Minutes
- B. September 12, 2008 Special Meeting Minutes

A motion was made by C. Knodel and seconded by C. Brown to approve the minutes.

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

The motion CARRIED.

**COMMUNICATIONS**

Mayor Michels reported that the various communications were available in their packets, online and at the Clerks office and asked if there were any questions.

C. Knodel requested that a copy of the school board agenda's are included in their packets.

**CITIZENS REQUESTS AND GRIEVANCES**

**Rick Luthi**, Superintendent of Nome Public Schools reported that an architect and structural engineer came out and looked at Building D (old NACTEC dormitory and Office building) and Building E (physical plant building) and he stated he is providing their report to the Council tonight. (handout) He pointed out that there are two conclusions; one on page 7 provided by the North Wind Architect, Sean Boily and another two pages provided by Michael Fierro, PE Senior Structural Engineer.

Mr. Luthi stated he had another handout for the Council to review for accuracy or clarification. The handout is going out to the public and it answers questions about Proposition 2, the school bond question before the voters on October 7<sup>th</sup>, regarding roof replacement on Building D & E.

Mayor Michels asked if this dollar amount will be enough when considering the rising costs of materials. Mr. Luthi stated he did not know but from conversations with the architect, Mr. Boily, he was told it would be. He stated that Mr. Boily stated that the structure is old but it was made with quality materials and they were surprised at the lack of deterioration or damage. Mayor Michels asked if they would be doing a town meeting to get the word out. Mr. Luthi stated that this was new to him but he would do the best he could to get the information out accurately. C. Knodel suggested he contact KNOM and do an interview or call in show.

C. Andersen stated he talked with Cussy about previous bonds and he reported that every project they have done at the school has cost overruns of \$100,000 to \$900,000 and there are still bills pending on every job. He stated that by next week Cussy is going to find out if there is money left over from the other bonds that the people voted on but there's probably not. He stated that Cussy expressed that eventually the general fund will have to pick it up but it is not on paper yet. C. Andersen stated he just wanted to point out to Mr., Luthi that the history shows cost overruns on previous projects.

C. Larson stated that the conclusion stated that there was serviceable life remaining but it doesn't say for how long. He asked Mr. Luthi what he understood from the architect and engineer. Mr. Luthi stated he also talked with Mr. Boily on the phone and this is all they shared in writing. Mr. Pomeranz stated that he would guess that the structure would last indefinitely and that the timbers and main structural members are fine.

Mr. Luthi stated he had two other items to discuss and he handed out to the Council copies of the districts report card dated 08/08/2008 and the FY09 Projection vs. FY09 Actual (Sept. 22) class size report. He reported that they have begun to have some pretty earnest conversations about school improvement and student achievement and he feels it is important to keep the Council in the loop. He stated that the school district is at Adequate Yearly Progress (AYP) Level 4 and at two of the schools they are at Level 5 and Level 5 is as bad as it gets. He stated he left a meeting they were in tonight to come to the Council meeting. He reported that they have had some conversations this week to really try and look at the honest and ugly side of what is going on so they can figure out how to do things better.

C. Andersen stated that they hear this pitch every year about what's going to be done and every year nothing works and the kids are not any smarter but they keep throwing money at it. He stated that Mr. Luthi is a new guy maybe with a new pitch but it is the same people that are still working at the school underneath the administration part. Mr. Luthi stated he was not there to give them a pitch but was there to give them information and he didn't know what they were going to do and wished he had that part figured out. He stated that he knows that we as a community have to start talking about this because it can't just be the school solving this problem. He pointed out to the Council the report on the student numbers and how much it has dropped from the FY09 projections. He stated that they have begun to look at the budget and they are looking where they can make some cuts and where they can capture some money to deal with this situation themselves. He praised business manager Jenny Martins and the hours she has spent looking through the budget. He stated that if the numbers stay about where they are then the district may qualify for State support given out when student numbers drop such a drastic amount in a year. He stated that the State doesn't come in and solve your problems but it can help out financially. He feels it probably won't be enough and the school board has begun to look at staff also. He reported that on the bright side the swimming pool should be ready soon. He concluded that there still are a lot of good things going on and folks are still trying to do good things for kids.

## **PLANNING AND ZONING**

### **SPECIAL ORDERS**

### **UNFINISHED BUSINESS**

- A. Abatement of Nuisances: RE: Davis residence at 210 W. 5<sup>th</sup> Ave. & Kakik residence at 610 W. 4<sup>th</sup> Ave.

~Public Hearing

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

#### Discussion

**Kakik House** - Pat Hahn, City Building Inspector, reported on the condition of the building and passed around color pictures. He stated that a lot of the trash has been picked up by Louis Green Sr. and Terry Day, is interested in buying the building.

C. Knodel asked about the killing of germs inside the building. She reported that there are 20 active cases of TB in town and she asked how this going to be taken care of to get rid of all of this. Mr. Hahn replied that he is not a medical expert and doesn't know the answer to this but he knows that the TB person was in the shed next to the house.

C. Larson stated that they should go ahead and abate it at this time because they don't know that it is going to be sold.

C. Brown asked if there was a way to do some environmental testing.

C. Andersen stated they should find out first if it is going to be that bad because it could be that the only guy that can do it is down in California or something. Obviously, he continued, you guys never worked on a honey bucket truck before.

Mr. Hahn stated that they have done clean ups like this many times but now there is more awareness of the health hazards.

C. Brown stated that there was a comment in Terry Day's letter about turning the house into a rental and he is concerned that a future renter maybe should be protected more than an owner occupied.

Mr. Hahn stated that he liked C. Larson's idea about abating it now. It would give the owners 14 days to do something and maybe insure that something happens.

City Manger Hallgren suggested that they give 14 days to get rid of all the junk that has been taken out and to secure the property and give whatever time is necessary to sample the inside and give some assurances that it is going to be safe. Mr. Hahn stated he didn't know at this time how the inside is tested or how they would do it.

**Davis House** - Mr. Hahn continued with the report on the Davis house and stated there were honey buckets tipped over and spillage into the streets. He stated he is having trouble finding anyone that is stepping up and is responsible for the place. He talks with a different person every time and there has been some cleaning up but the problem is not solved. He stated that the police have been doing regular checks and they have not been met with resistance. C. Andersen asked if people were living in it now. Mr. Hahn stated that yes, within the last month people have been living in it. C. Larson asked if the honey buckets have been piling up after his letter of May 27<sup>th</sup> which was hand delivered to the address. Mr. Hahn stated yes they have but the outdoor honey buckets ceased. He said they stated it was difficult to do anything with them and they were having trouble finding someone with a pickup to haul them to the sewage treatment plan. He stated that this house sits next to three hospital complexes and they have complained and are concerned.

C. Pomeranz stated they should abate this one too. He asked if it is just the house or the facility behind the house also. Mr. Hahn stated that there's a number of dogs kept behind the house and a shed and the dog waste is everywhere back there including in bags sitting there not thrown out.

City Manager Hallgren stated he is told the building seems to be structurally sound. Mr. Hahn stated it is not that old of a building but the maintenance has not been done.

The Council reconvened at 7:59 P.M.

A motion was made by C. Larson and seconded by C. Pomeranz to abate both residences which allows 14 days to get them cleaned up and secured or the City will abate the buildings.

At the roll call:

Ayes: Pomeranz, Andersen, Brown, Knodel, Larson

Nays:

The motion CARRIED.

C. Knodel referred to an Ad in the Nome Nugget newspaper about a grant for homeless housing and requested that the City Manager look into it.

C. Larson asked Mr. Hahn about the structure that had the fire. Mr. Hahn stated that they applied for a demo permit and are using their pickup truck and taking a couple of loads out every night. He stated that equipment is not available for getting an excavator right now. He reported that the horrid smell that was coming from the building turned out to be some rotting meat in an unplugged freezer and they got rid of this.

### **NEW BUSINESS**

- A. Support of the selection of the auditing firm of Altman, Rogers & Co. of Anchorage to conduct the FY08 City of Nome audit.

A motion was made by C. Andersen and seconded by C. Knodel to support the selection of the auditing firm of Altman, Rogers & Co to conduct the FY08 City of Nome audit.

Discussion

C. Larson asked if they knew what this was going to cost. City Manager Hallgren responded that on page 33 of the packet at the bottom of their letter it states that they will provide audit services for the basic fees that have been paid in the past.

At the roll call:

Ayes: Knodel, Larson, Pomeranz, Andersen, Brown

Nays:

The motion CARRIED.

- B. O-08-09-01 An Ordinance Establishing a Zoning Code for the City of Nome  
~First Reading

Hearing no objection Mayor Michels asked the Clerk to read O-08-09-01.

A motion was made by C. Knodel and seconded by C. Pomeranz to pass O-08-09-01 on to second reading, public hearing and final passage.

At the roll call:

Ayes: Larson, Pomeranz, Andersen, Brown, Knodel

Nays:

The motion CARRIED

C. Larson asked if they were going to ask City Attorney Brooks to draft an ordinance to make some of the changes that he recommended under his e-mail. City Manager Hallgren responded that City Attorney Brooks' preference is to do the new ordinance after and if Title 18 passes. C. Larson stated that Brooks asked them to let him know if they would like him to prepare this ordinance.

### **CITY ATTORNEY REPORT**

### **UTILITY MANAGER REPORT**

Utility Manager John Handeland stated that he attended an energy conference in Gridwood last week. He stated that there was a lot of interest this year due to the \$100 million the State has to spend in the next sixty days on alternative energy projects. Utility Manager Handeland handed out a map that was prepared by Alaska Energy Authority which shows what the wind sources are in the Nome area. He stated that NJUS is interested in pursuing the development of wind generation and a couple of promising sites include Anvil Mountain and Newton Peak. The City owns property in the Newton peak area which was received from Sitnasuak through the 14(c)3 process several years ago. He reported that they intend to pursue putting in approximately three megawatts of electricity and this is included in the State and Federal capital priorities packets. He stated that they are working the STG Aurora Consulting and several other engineering and environment firms to put together a package that will be ready to meet the deadline of October 7<sup>th</sup>.

Utility Manager Handeland stated that on September 30<sup>th</sup>, Marvin Yoder will be putting on a nuclear power presentation in Nome at 7:00pm. He stated the Utility Board will be meeting at 6:00pm and will prepare a resolution and recommendation for a concurring resolution from the City Council. He asked if there would be a quorum of Councilman in attendance that evening or if maybe later in the week they could meet and hold a special meeting for this resolution.

C. Andersen asked if NJUS would be putting up their own test site. Utility Manager Handeland stated that based on this modeling they believe this information does support it but that they would actually have a test site as well before they drill any piling. He stated that if there is not any objection to using this piece of City property they will begin the development and finalization.

C. Larson asked if results came back from the mining road. Utility Manager Handeland stated that this area and the Anvil Mountain both showed activity. C. Larson asked about the Dexter site and Utility Manager Handeland responded that the test sites were all on Native Corporation properties and it may be possible to get an agreement to use those but it is not something that will happen in the next ten days.

C. Andersen asked about restrictions for recreation on 14(c)3. Utility Manager Handeland responded that each site and each deed has a descriptor with what was envisioned however the deeds were reviewed and there are no restrictions.

### **CITY MANAGER REPORT**

City Manager Hallgren reported that projects are progressing and he reported on the following:

- o City Landfill Cell II is 90% complete and not hold ups at this point.
- o Small Harbor low dock is near completion. The small boat harbor high dock is in final backfill stage.
- o The Public Safety Building fill pad is nearly complete. We are going to do a little more work on it next spring to make it so they can get around behind it easier. They have ordered the foundation piling and it should be on the final barge and hopefully get them driven this fall.
- o Today I got notice that FEMA has approved extending the Nome Jetty completion date to 9/15/2009. They approved the no competitive bid several weeks ago and back dated it to

early August. The City has a signed contract to do that work and now that they have the extension they can get the contractor to work but they won't be able to do anything this season but should be able to finish it by September 15, 2009.

- Visitors Center is still in negotiations and there is an executive session this evening to discuss the finances. The Chamber has come back with a counter proposal.
- Public Works/Port Director Position- Currently they have a building maintenance supervisor and a building inspector all in one person. Those two functions won't necessarily fit together Public Works. He will sit down with Randy and work this out.
- Harbormaster Assistant – This is a new position this season and after watching the work this summer, Randy suggested the position go from a 5 month to a 6 month position. He has signed the paperwork to do this. He had a meeting with Cussy to discuss the billing at the port. There are some problems with the shipping manifest they need to get straight.
- Library Director – He is ready to advertise this position. The last time the position was upgraded was 1997 so he is adding some wording requiring computer and internet skills to the job description.
- Staff Changes – They are still three positions short in the Police Department. He sees a lot of overtime on the paychecks but on the other hand we are not paying three salaries. The Police Chief states that the overtime will go down once hunting season is over. Chief Burke told him that in order to hire an officer there need to be certain psychological testing and lie detector testing and the Troopers do it for them and they are behind. They have one person that they are trying to schedule to get the testing done.
- There is a special meeting on Wednesday to interview a City Manager candidate, Josie Bahnke.
- The Tripartite Agreement Second Amendment appears to have actually reaching the final spot. If all goes as is expected they should be able to introduce the ordinance at the next regular meeting and have it passed before the end of October and then the first payment would be due December 1<sup>st</sup>.

C. Andersen stated that at one time they thought about having the building inspector position contracted out. City Manager Hallgren stated that this could be done. One of the things he would like to talk about to Randy is that the City does not have a planning department and when they pass the zoning code they will be adding more enforcement so those functions could be contracted out. He talked to Pat Hahn and he would prefer to keep the building inspector work.

C. Andersen asked if the library director position could include having knowledge about grants.

C. Andersen asked if the City could put a couple of dump trucks out again this year for one more week and make sure it is publicized. C. Larson suggested adding vehicles also.

### **COUNCILMEN COMMENTS**

**Councilman Andersen** reported that the in the Denali Commission Transportation report the City of Cordova received \$311,000 for asphalt road sealing. He stated that the trick is to hire someone that knows what they are doing and it looks like Cordova has done this. If you hire a professional you can do a lot of roads and it is something to think about this winter.

**Councilman Brown** reported that in about a week the skyline should look a little different looking out towards Banner Peak. Windmills should be popping up.

**Councilman Knodel** had no comments.

**Councilman Larson** reported that the Director at Northwest Community College requested a letter of support for the Consortium Library for the Board of Regents and if they will permit he will draft one and give it to the Mayor before the end of the week. The Council voiced their agreement.

**Councilman Pomeranz** had no comments.

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

Mayor Michels gave the following report:

- o She and the Utility Manager met with the Air Force folks to discuss the tank farm and the mountain towers. They have a contractor on site doing tests and once they analysis it they will give them a report, probably the beginning of 2009.
- o Met with Col Wilson and Col Yenter, Commander of the Pacific Ocean division, with the purpose to give Col Yenter a hands on approach of what is going on at our Port and Harbor and to give him or priorities so they can move those projects forward.
- o She and John Handeland have been very busy working with congressional staff regarding WRDA. They provided them language regarding the port and harbor hoping something will happen.
- o The Transportation committee is having a meeting in October to update their priorities and to meet with Nome Eskimo Community. NEC is at a point where they are ready to put our priorities projects on to their TIP so we can move our projects together with funding and coordination.

C. Andersen asked about the revenue sharing cuts. Mayor Michels responded that the Governor initially put in \$75 million and the State Legislature cut it down to \$60 million which is what we got funded. They are asking the Governor to put the \$15 million back in.

C. Andersen stated that in her last report she mentioned the IRS section 511 and he hasn't heard about this other than reading it here. Mayor Michels responded that it is on the AML website and Pete should be getting a power point presentation from Michael Lamb to give to the Council.

### **EXECUTIVE SESSION**

~ Discussion on Financial Implications of Nome Chamber of Commerce Visitor Center Proposal

A motion was made by C. Knodel and seconded by C. Andersen to enter into executive session. The Council recessed from regular meeting at 8:31 P.M.

The Council reconvened the regular meeting at 9:03 P.M.


The Council authorized the City Manager to accept the Chamber of Commerce's counter proposal for Visitor Center Services.

**ADJOURNMENT**

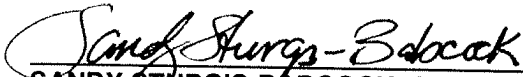
A motion was made by C. Andersen and seconded by C. Knodel that the meeting be adjourned.

Hearing no objections the Nome City Council adjourned at 9:04 PM.

**SIGNED AND DATED** the 13th day of October, 2008.

  
DENISE MICHELS, Mayor

**ATTEST:**

  
SANDY STURGIS-BABCOCK, City Clerk/Treasurer