

Mayor
Richard Beneville
Manager
Tom Moran
Clerk
Bryant Hammond



Nome City Council
Stan Andersen
Jerald Brown
Doug Johnson
Mark Johnson
Adam Martinson
Lew Tobin

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**NOME COMMON COUNCIL
REGULAR MEETING AGENDA
MONDAY, JUNE 25, 2018 @ 6:00/7:00 PM
COUNCIL CHAMBERS IN CITY HALL**

Work Session, 6:00:

Continuing Discussion on Ways to Combat Regional Domestic Violence and Sexual Assault

Regular Meeting, 7:00:

- I. ROLL CALL
- II. APPROVAL OF AGENDA
- III. ADMINISTRATION OF OATHS OF OFFICE
 - A. Police Officer Alex Le,
PAGE 1
 - B. Police Officer Justin Stein,
PAGE 3
- IV. APPROVAL OF MINUTES
 - A. June 11, 2018 City Council Regular Meeting Minutes,
PAGE 5
- V. COMMUNICATIONS
 - A. Informational Brochure from the Alaska Miners Association: March of 2018,
PAGE 15
 - B. Letter of June 14, 2018 from Alaska Association for Historic Preservation to City of Nome re: Leonhard Seppala House,
PAGE 19
 - C. Letter of June 15, 2018 from City Manager to National Park Service re: RTCA Program Application,
PAGE 21
 - D. Letter of June 19, 2018 from NSEDC to Mayor Beneville re: Garmin InReach Explorer Plus Grant,
PAGE 23
- VI. CITIZENS' COMMENTS
- VII. UNFINISHED BUSINESS

- A. R-18-05-01 A Resolution Supporting Alaska Native Victims of Sexual Assault and Other Violent Crimes,
PAGE 25

VIII. NEW BUSINESS

- A. R-18-06-01 A Resolution Approving a Contract Between the Nome Chamber of Commerce and the City of Nome for Operation of the Nome Convention and Visitors Bureau,
PAGE 27
- B. R-18-06-02 A Resolution Approving a Contract with Legislative Consultants in Alaska for State Lobbying Services for the Fiscal Year 2019,
PAGE 39
- C. R-18-06-03 A Resolution Approving a Contract with Windward Strategies for Federal Lobbying Services for the Fiscal Year 2019,
PAGE 41
- D. R-18-06-04 A Resolution Dedicating the City of Nome's Funds from the State of Alaska Political Subdivision Health Insurance Premium Holiday to the City's Equipment Replacement Fund,
PAGE 43
- E. R-18-06-05 A Resolution of the City of Nome, Alaska Providing for the Issuance of a Utility Revenue Anticipation Note of the City in the Aggregate Principal Amount of Not to Exceed \$6,600,000 to Finance the Purchase of Diesel Fuel for the Nome Joint Utility System, Authorizing the Sale of the Note by Negotiation, and Authorizing the Execution and Delivery of an Escrow Agreement for the Disbursement of Note Proceeds,
PAGE 45
- F. R-18-06-06 A Resolution Approving the City of Nome's FY 2019 Schedule of Rental and Use Fees and Fines,
PAGE 59

IX. UTILITY MANAGER'S REPORT

- A. Activity Report: June 12 – 22,
VERBAL

X. CITY MANAGER'S REPORT

- A. Activity Report: June 12 – 22,
PAGE 91

XI. CITIZENS' COMMENTS

XII. COUNCILMEN'S COMMENTS

XIII. MAYOR'S COMMENTS AND REPORT

- A. Activity Report: June 12 – 22,
VERBAL
- B. Appointment of Expiring Port Commission Seat G,
PAGE 123

XIV. ADJOURNMENT

**MINUTES
NOME CITY COUNCIL
REGULAR MEETING
June 25, 2018**

The regular meeting of the Nome City Council was called to order at 7:03 PM by Mayor Richard Beneville in Council Chambers of City Hall, located at 102 Division Street.

ROLL CALL

Members Present: Stan Andersen; Jerald Brown; Doug Johnson; Mark Johnson; Adam Martinson; Lew Tobin

Members Absent:

Also Present: Richard Beneville, Mayor; Tom Moran, City Manager; Bryant Hammond, City Clerk; John Handeland, Utility Manager; Ken Morton, Assistant Utility Manager; Joy Baker, Port Director (telephonically); Julie Liew, Finance Director

In the audience: Sandra Medearis, *Arctic News*; Davis Hovey, Emily Hofstaedter, KNOM; Paul Kosto; Trinh Johnson; Derek McLarty

APPROVAL OF AGENDA

Mayor Beneville asked if there were any changes to the agenda.

A motion was made by C. Tobin and seconded by C. D. Johnson to approve the agenda as presented.

At the roll call:

Aye: Brown; D. Johnson; M. Johnson; Martinson; Tobin;
Andersen

Nay:

Abstain:

The motion **CARRIED**.

ADMINISTRATION OF OATHS OF OFFICE

City Clerk Hammond administered the Oath of Office for Police Officers Alex Le and Justin Stein.

APPROVAL OF MINUTES

A. June 11, 2018 City Council Regular Meeting Minutes.

A motion was made by C. Tobin and seconded by C. Martinson to approve the minutes.

Discussion:

- Councilman Andersen noted the roll call from the NSEDC motion on page 9 was missing. He requested the Clerk administratively add it.

At the roll call:

Aye: D. Johnson; M. Johnson; Martinson; Tobin; Andersen;
Brown

Nay:

Abstain:

The motion **CARRIED**.

COMMUNICATIONS

- A. Informational Brochure from the Alaska Miners Association: March of 2018.
- B. Letter of June 14, 2018 from Alaska Association for Historic Preservation to City of Nome re: Leonhard Seppala House.
 - Councilman Tobin noted the house was up on stilts and asked where it was being moved to.
 - Mayor Beneville explained the structure was to be placed next to the dollhouse at the monofill to await restoration funds.
- C. Letter of June 15, 2018 from City Manager to National Park Service re: RTCA Program Application.
 - Manager Moran explained recent Planning Commission discussions and the technical assistance program.
 - Councilman Tobin asked where the greenbelt would be placed.
 - Manager Moran explained the topic was still under discussion, but that there was broad agreement on a walking path along Greg Kruschek Ave.
- D. Letter of June 19, 2018 from NSEDC to Mayor Beneville re: Garmin InReach Explorer Plus Grant.
 - Councilman Tobin suggested the fire department be designated as the recipient.
 - Councilman Doug Johnson noted there were some old first generation models at NVFD, but these would be easier to use.
 - Mayor Beneville expressed his appreciation to NSEDC for the grant.

CITIZENS' COMMENTS

- 1) Derek McLarty requested he be reappointed to the Port Commission, explaining his understanding of the Port through working on its construction to being a Port user to serving on the Planning and Port Commissions. He stated he felt appropriately situated to serve the community.
 - Councilman Tobin asked Mr. McLarty if he was in charge of his own salary.
 - Mr. McLarty explained that he works for NSEDC and not the Port of Nome.

UNFINISHED BUSINESS

- A. R-18-05-01 A Resolution Supporting Alaska Native Victims of Sexual Assault and Other Violent Crimes.

A motion was made by C. Tobin and seconded by C. Brown to adopt R-18-05-01.

A motion to amend was made by C. Brown and seconded by C. Andersen to delete the 5th and 6th recitals entirely, to delete "just like with all other Alaskan Municipalities," from the 7th recital, to change the 11th recital to read "the City of Nome recognizes that an investigator would be fundamental in the closure of unsettled sexual assault complaints" and to delete "due to short-staffing and patrol vacancies" from the 12th recital.

At the roll call:

Aye: Martinson; Tobin; Andersen; Brown; D. Johnson; M. Johnson

Nay:

Abstain:

The motion to amend **CARRIED**.

Returning to the main motion:

At the roll call:

Aye: M. Johnson; Martinson; Tobin; Andersen; Brown; D. Johnson

Nay:

Abstain:

The motion, as amended, **CARRIED**.

NEW BUSINESS

- A. R-18-06-01 A Resolution Approving a Contract Between the Nome Chamber of Commerce and the City of Nome for Operation of the Nome Convention and Visitors Bureau.

A motion was made by C. Brown and seconded by C. Tobin to adopt R-18-06-01.

Discussion:

- Councilman Mark Johnson declared a conflict of interest as he is a director on the Chamber board.
- Councilman Tobin explained the Chamber had turned their operations around and suggested adding \$20,000 to their contract to keep ahead of the upward trend of cruise ship and tourist traffic.
- Councilman Andersen explained the City had already increased the amount of the contract. He commented on the looming shortfall in next year's budget and opined that the Council shouldn't increase the contract amount again prior to the start of the contract.
- Manager Moran explained the FY19 contract reflected a \$30,000 increase over FY18 and that the City was cost sharing some expenses to reduce the administrative burden of the Visitors Center on the Chamber of Commerce.
- Councilman Tobin noted a coffee klatch that meets in the Visitors Center, sits at the round table and screams at each other as an ongoing issue. He explained that Leon goes out of his way to meet people at the door so as to avoid this group.
- Councilman Andersen asked if Councilman Tobin was talking about the Polar Cafe.

- Councilman Tobin explained the Polar charges for their coffee, so the group meets at the Visitors Center where coffee is free.
- Mayor Beneville affirmed that such had been an issue in the past, though there have been improvements.
- Councilman Mark Johnson noted the issue has come up at the Chamber Board level and the shift in management is addressing the issue.
- Chamber Director Kosto noted that he intended to keep the Visitors Center open seven days a week, even if doing so caused a financial burden.
- Manager Moran commended the enthusiasm and noted the contract gives the Chamber leeway to adjust their hours if needed.
- Councilman Tobin asked that the walking tour be updated.

At the roll call:

Aye: Tobin; Andersen; Brown; D. Johnson; Martinson

Nay:

Abstain: M. Johnson

The motion **CARRIED**.

- B. R-18-06-02 A Resolution Approving a Contract with Legislative Consultants in Alaska for State Lobbying Services for the Fiscal Year 2019.

A motion was made by C. Tobin and seconded by C. M. Johnson to adopt R-18-06-02.

Discussion:

- Manager Moran commended Ms. Chamberlain's talents, calling her the best in the business and noted her efforts had raised \$3.2 million in the past two years.
- Councilman Tobin asked what additional projects the City was looking to fund.
- Manager Moran noted the Garco Building rehab, Code Blue ambulance project, and the multi-response facility at the port. He noted the school roof project almost made the capital budget this year and expected it to next year.

At the roll call:

Aye: Andersen; Brown; D. Johnson; M. Johnson;
Martinson; Tobin

Nay:

Abstain:

The motion **CARRIED**.

- C. R-18-06-03 A Resolution Approving a Contract with Windward Strategies for Federal Lobbying Services for the Fiscal Year 2019.

A motion was made by C. Tobin and seconded by C. Andersen to adopt R-18-06-03.

Discussion:

- Manager Moran explained that Port Director Baker works closely with Mr. Sterne and could speak effectively to his talents. He opined that given the Alaska fiscal situation, State support for the development of a deep draft port in Nome was likely over and that the feds would be the likely partner moving forward.

- Director Baker stated that Mr. Sterne has proven effective with both staff and the legislators themselves. He was essential in the restart of the Arctic Deep Draft Port study.
- Mayor Beneville noted he was impressed with the way Mr. Sterne worked in D.C., calling him erudite, knowledgeable, and passionate.
- Councilman Mark Johnson asked if the contract was budgeted.
- Manager Moran explained that it was, with a weighted split between the general fund and the port fund.

At the roll call:

Aye: Brown; D. Johnson; M. Johnson; Martinson; Tobin;
Andersen

Nay:

Abstain:

The motion **CARRIED**.

- D. R-18-06-04 A Resolution Dedicating the City of Nome's Funds from the State of Alaska Political Subdivision Health Insurance Premium Holiday to the City's Equipment Replacement Fund.

A motion was made by C. Andersen and seconded by C. Martinson to adopt R-18-06-04.

Discussion:

- Manager Moran explained the equipment replacement fund needed to maintain a minimum balance and this was a convenient way to backfill it.
- Councilman Andersen asked how much the City had benefitted from three years of health insurance premium holidays and asked which fiscal year this was for.
- Director Liew noted the sum at \$540,000 and that this was for FY18.

At the roll call:

Aye: D. Johnson; M. Johnson; Martinson; Tobin;
Andersen

Nay: Brown

Abstain:

The motion **CARRIED**.

- E. R-18-06-05 A Resolution of the City of Nome, Alaska Providing for the Issuance of a Utility Revenue Anticipation Note of the City in the Aggregate Principal Amount of Not to Exceed \$6,600,000 to Finance the Purchase of Diesel Fuel for the Nome Joint Utility System, Authorizing the Sale of the Note by Negotiation, and Authorizing the Execution and Delivery of an Escrow Agreement for the Disbursement of Note Proceeds.

A motion was made by C. Andersen and seconded by C. D. Johnson to adopt R-18-06-05.

Discussion:

- Councilman Andersen asked what the figure was in 2017.
- Utility Manager Handeland explained the note from 2017 was for \$4.6 million as fuel prices were less than \$2 a gallon. This year prices were around \$2.80. He explained that the note was to be sold on July 13 and the funds would go into escrow if the fuel had not yet been

delivered. Manager Handeland explained that Wells Fargo didn't require a guarantee this year and that the Utility was able to lock the interest rate, saving about \$45,000. He noted the total volume was the same at 2.2 million gallons, of which the school district would be taking a couple hundred thousand. He explained that NSEDC was generously assisting the Utility with interest payments again.

- Councilman Tobin asked when the previous note would be paid off and whether or not the note under discussion allowed prepayment.
- Manager Handeland explained that the previous note would be paid off on the same day the new note was sold. He noted that the new note would not allow for prepayment, explaining that Wells Fargo wanted a guarantee on the amount of interest promised.

At the roll call:

Aye: M. Johnson; Martinson; Tobin; Andersen; Brown; D. Johnson

Nay:

Abstain:

The motion **CARRIED**.

- F. R-18-06-06 A Resolution Approving the City of Nome's FY 2019 Schedule of Rental and Use Fees and Fines.

A motion was made by C. Andersen and seconded by C. Brown to adopt R-18-06-06.

Discussion:

- Manager Moran explained the fee schedule was usually not adopted by resolution, rather adopted through a motion in Councilmen's Comments. He noted doing so by resolution was a cleaner way of getting the Council's blessing. He explained almost all fees were the same as FY18.

A motion to amend was made by C. Andersen and seconded by C. Tobin to lower the museum admission fees for non-residents to \$4 for adults, \$3 for seniors, and \$3 for youth and for all residents to \$0.

Discussion:

- Councilman Brown asked why the museum had memberships if admission was free.
- Councilman Tobin and Manager Moran explained memberships were used by some as a vehicle to donate to the museum.
- Councilman Andersen contended the entry fees were serving to dissuade people from visiting the museum while at the same time not providing a significant revenue stream.
- Councilman Tobin lamented the lack of outreach and advertising for the museum.

At the roll call:

Aye: Tobin; Andersen; M. Johnson; Martinson

Nay: Brown; D. Johnson

Abstain:

The motion to amend **CARRIED**.

Returning the main motion:

- Councilman Andersen opined on the affordability of the plot prices at the Nome Cemetery and suggested that the public memorialize any preconceived "reservations" with City staff. He requested staff advertise the possibility of reserving cemetery plots.
- Councilman Brown expressed surprise at the price for cremains burial.
- Manager Moran explained the price was relative to the footprint of the burial.
- Councilman Tobin expressed appreciation for the bronze plaques provided by the Pioneers and the work of Santa Paul in the cemetery.

At the roll call:

Aye: Martinson; Tobin; Andersen; Brown; D. Johnson; M. Johnson

Nay:

Abstain:

The motion, as amended, **CARRIED.**

UTILITY MANAGER'S REPORT

- Assistant Utility Manager Morton explained that NJUS recently completed their annual spill drill in coordination with Bonanza Fuel; the annual water quality test has been completed; and, the Utility is getting closer to providing fluoridation to the water supply again. He explained that USAF representatives would soon be in town for a site visit at the old tank farm, which has been the subject of discussions between the Utility, City, and the Air Force for years. Assistant Manager Morton noted the annual hydrant flushing exercises were underway and that Programmable Logic Controller upgrade project was completed ahead of schedule.
 - Councilman Tobin explained that he remembered filling the riveted tanks before they were decommissioned.
 - Utility Manager Handeland noted that NJUS is working on migrating to another Internet provider. He expected to be on the AT&T Quintillion network by the end of the month.
 - Councilman Mark Johnson asked Manager Handeland to encourage AT&T to provide Internet service to residential non-commercial customers when he spoke with them next.

CITY MANAGER'S REPORT

- Manager Moran thanked those involved in coordinating the Midnight Sun Festival. He presented his written report highlighting the substantial completion of the Public Works garage floor and Mini Convention Center roof projects. He noted that Polyseal Insulation did such a good job on the garage floor that the hospital hired them for work at their facility. Manager Moran explained people wanting a cemetery plot would have to come to City Hall to pre-purchase them. He alerted the Council to two upcoming ordinances on the July meetings' agendas concerning the bed and vehicle rental taxes, as well as Logic Geophysics traveling to Nome to perform the ground penetrating radar project.
 - Councilman Tobin applauded the efforts of Anahma Shannon and Charlene Saclamana in coordinating the Resiliency Conference at the Mini Convention Center earlier in the month. He asked for an update on the solid waste incinerator and dispersant regulations in Arctic waters.
 - Port Director Baker explained staff was looking for funding for the incinerator and that the Coast Guard was accepting comments and planning on making a presentation to the Port Commission in August.
 - Councilman Andersen asked what the Council could expect in terms of tax increases.

- Manager Moran explained staff had planned on writing the ordinances at ten percent for the Council to adopt or amend as they see fit.
- Councilman Andersen requested staff notify property owners abutting Tobuk Alley between Spokane and Steadman Street of the City's intent to reclaim the right-of-way. He asked for details about the new city planner.
- Manager Moran explained Ms. Faix's background and credentials.
- Councilman Andersen requested staff look into reducing fill permit fees for those looking to put one or two loads of fill on their lots. He also requested that staff put a dump truck by 407/411 Lomen Avenue to assist with the demolition of the abatable property.
- Councilman Mark Johnson asked why the City was spending money opening up alleyways and roads when to do so will just increase the maintenance burden.
- Councilman Andersen argued a fire lane was needed through the block and that the Council needed to be consistent with respect to its ROWs. He reminded the Council of their decision to maintain Tobuk as an alley on the other end of town and this case is no different.
- Councilman Mark Johnson requested comparable tax rates for bed and vehicle taxes around Alaska when the proposed ordinances come up for reading. He thanked Manager Moran for issuing his recent dust control policy.

CITIZENS' COMMENTS

- 1) John Handeland thanked all those involved in coordinating the Midnight Sun Festival. He recognized Briday Green for her efforts, stating she does an admirable job in putting her part of the festival together.
- 2) Paul Kosto of the Chamber of Commerce thanked the Council for approving the contract resolution. He explained that his board is unanimously behind the Chamber continuing to run the Visitors Center, even if it has to do so at a loss. Mr. Kosto stated the Chamber would run it well enough to demonstrate what an asset to the community of Nome it is.

COUNCILMEN'S COMMENTS

- 1) Councilman Andersen asked if anyone had any questions regarding the change in procedure for selecting Norton Sound Health Corporation board members. He summarized the contents of a letter outlining the changes in NSHC bylaws.
 - Manager Moran stated the letter would be run in the July 9 packet.
 - Mayor Beneville asked if Councilman Andersen was stepping down.
 - Councilman Andersen explained he would be applying through the same process everyone else now had to follow.
- 2) Councilman Brown noted the sales tax revenue for rental vehicles outlined in Finance Director Liew's memo and opined there must have been a mistake in the collections or the reporting. He noted a dramatic decrease in taxable sales between FY17 and FY18 and requested staff look over the numbers again.
 - Director Liew explained the figures were manually compiled due the limitations the software has in pulling reports. She noted she would look over the data again.
- 3) Councilman Doug Johnson – no comments.
- 4) Councilman Mark Johnson – no comments.
- 5) Councilman Martinson – no comments.

- 6) Councilman Tobin asked for an update on the four abatement properties. He also noted that the Bering Sea Lions' Club did a great job with respect to their Midnight Sun Festival activities.
- Manager Moran explained that 207 Bering property would be on its way to the monofill to await restoration funding, 407/411 Lomen was in the demolition process currently, 604 East Front had limited repairs being done without a permit, and that 511 West 1st had been boarded up.

MAYOR'S COMMENTS AND REPORT

- Mayor Beneville reiterated Ms. Briday Green's praise in putting on a great festival. He alerted the Council to a visit by Voice of America on July 4th, stating Nome had a very Norman Rockwell feel to it on the holiday. He briefed the Council on his attendance at the Iditarod luncheon as well as the upward trend in cruise ship traffic on the horizon. He finished by commending the City on the difficult but productive work session.
- Mayor Beneville reappointed Derek McLarty to Port Commission Seat G.

A motion was made by C. Andersen and seconded by C. D. Johnson to confirm Mr. McLarty's appointment.

At the roll call:

Aye: Andersen; Brown; D. Johnson; M. Johnson;
Martinson; Tobin;

Nay:

Abstain:

The motion **CARRIED**.

ADJOURNMENT

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

Hearing no objections, the Nome Common Council adjourned at 8:49PM.

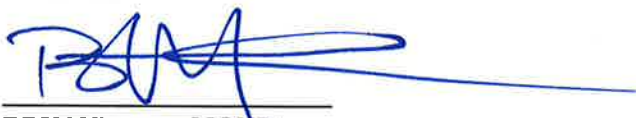
APPROVED and **SIGNED** this 9th day of July 2018.



RICHARD BENEVILLE

Mayor

ATTEST:



BRYANT HAMMOND
City Clerk