

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
WORK SESSION & REGULAR MEETING AGENDA
MONDAY, JANUARY 22, 2018 @ 5:30/7:00 PM
COUNCIL CHAMBERS IN CITY HALL**

WORK SESSION, 5:30 PM:

5:30 – Discussion of the City's FY19 Budget Priority Areas

6:00 – Abatement Hearings for 207 Bering Street, 407/411 Lomen Avenue, 604 East Front Street, and 511/512 West 2nd & West 1st Avenues

REGULAR MEETING, 7:00 PM:

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- A. Activity Report: January 9 – 19,
VERBAL

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**MINUTES
NOME CITY COUNCIL
REGULAR MEETING
January 22, 2018**

The regular meeting of the Nome City Council was called to order at 7:01 PM by Councilman Andersen 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: Mayor Beneville (excused)

Also Present: Tom Moran, City Manager; Bryant Hammond, City Clerk; John Handeland, Utility Manager; Ken Morton, Assistant Utility Manager; Julie Liew, Finance Director; Marguerite LaRiviere, Library Director

In the audience: Sandra Medearis; Ken Hughes; Charlie Lean; Donald Johnson; Jim West, Jr.; Calvin Schaeffer; Rhonda Schneider; Paul Kosto; Don Hanni (telephonically)

APPROVAL OF AGENDA

Councilman Andersen 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**.

APPROVAL OF MINUTES

A. January 8, 2018 City Council Regular Meeting Minutes.

A motion was made by C. Tobin and seconded by C. M. Johnson to approve the January 8, 2018 minutes.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

COMMUNICATIONS

A. Letter of January 7, 2018 from Jana Varati to Nome City Council re: Return of Property Tax.

A motion was made by C. Brown and seconded by C. D. Johnson to issue a refund to Ms. Varati in the amount to which she would be entitled, had she completed the paperwork in a timely manner, as well as associated penalty and interest.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

B. Letter of January 8, 2018 from AMLJIA to Manager Moran re: Outstanding Loss Control Efforts.

- Councilman Tobin asked if the City got a plaque.
- Manager Moran explained the City submitted claims amounting to less than 25 percent of the premiums paid and received a certificate.

C. Letters of January 12, 2018 from Clerk Hammond to Property Owners re: Abatement List Notification.

D. Memo of January 19, 2018 from Clerk Hammond to City Council re: Late Filer for Sales Tax Exemption.

A motion was made by C. Tobin and seconded by C. Brown to authorize the Clerk to accept the application as if timely filed.

Discussion:

- Councilman Tobin asked if the Chamber of Commerce would qualify for the exemption.
- Manager Moran noted the City Attorney's opinion was that a 501(c)6 would not qualify for the exemption per Nome Code of Ordinances; however Council could override the administrative decision. He reiterated Councilman Tobin's motion only pertained to timeliness.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

E. Public Notice of January 18, 2018 re: Surplus Municipal Property Auction (Various Lots).

CITIZENS' COMMENTS

- 1) Charlie Lean commented on the City's abatement process, stating the City should continue to abate hazardous structures. He gave examples of hazards he encountered while on the ambulance department, citing examples of raw sewage and black mold. Mr. Lean stated that owners were not being blindsided and emphasized the abatement ordinance should be firmly enforced.
- 2) Ken Hughes spoke on the current management of Norton Sound Hospital, calling it a crisis. He described it as a cycle of incompetence and cronyism and likened it events that occurred in the City of Teller and the City of Shaktoolik over the previous two decades. Mr. Hughes highlighted his wife Emily Hughes' service on the NSHC Board of Directors until her departure in 2015, upon which began, in his words, a reign of terror. He noted the current leadership training of the executive board scheduled in Maui and contended it was irrelevant to administrative needs and a waste of money. He stated that Councilman Andersen was not advocating for Nome residents and requested his replacement as board representative for the City of Nome.
- 3) Angie Gorn, CEO of NSHC, recognized Emily Hughes' long service to the region and gave an update on current activities and programming at the hospital, including regional employment, regional board representation, recent hirings, audit results, a reduction in opioid prescribing and an increase in scholarships. She noted goals of establishing an in-home care department, medication delivery and focused attention on addressing bed bugs in the region. She noted that Mark Alfred was now working as a travel liaison to assist patients in Anchorage and could be reached at 434-1323.
 - Councilman Tobin asked for clarification on the rumors of longstanding doctors being dismissed and qualified doctors with ties to the region not being hired.
 - Ms. Gorn stated that the NSHC didn't consider social media a legitimate public forum and asked Councilman Tobin to be more specific.
 - Councilman Tobin asked why Ben Head was not hired as a physician.
 - Ms. Gorn stated she'd prefer not to discuss personnel matters in public.
 - Councilman Tobin asked what happened to Karen O'Neil.
 - Ms. Gorn stated she'd prefer not to discuss personnel matters in public.
 - Councilman Tobin asked about the leadership training in Hawai'i.
 - Ms. Gorn explained that not the entire board and administration would in attendance and that she herself would not be going.
 - Councilman Tobin asked if board members and patients received the same per diem.
 - Ms. Gorn explained that patients and escorts receive vouchers. She noted that board members get honorariums for meetings, which is standard for health organizations, though she couldn't say how NSHC compared in terms of amount to other organizations.
 - Councilman Tobin asked about remote workers employed at NSHC, stating he understood the COO lived in Hawai'i.
 - Ms. Gorn explained that NSHC can accommodate remote work, depending on position and circumstances. She noted Mr. Bolton spends a lot of time in Nome and would bring him to a future meeting to introduce him.
- 4) Calvin Schaeffer introduced himself as the new superintendent of AK DOT&PF in Nome, having been hired in the fall. He complimented staff, explaining he had a great working relationship with the Manager and the Clerk. He noted that he was interested in the East End lots the City had put up for bid.
 - Councilman Tobin asked for a timeline on the paving Bering St project.

- Mr. Schaeffer explained the project was still a couple of years out.
- 5) Paul Kosto introduced himself as the new Executive Director for the Nome Chamber of Commerce.
- Councilman Andersen requested the Chamber of Commerce generate ideas on how to revitalize Front St, as well as more frequent updates on Chamber activities to the Council.
 - Director Kosto noted the strong directives he was receiving from his board and stated he would like to collaborate more with the City of Nome.

PLANNING AND ZONING

UNFINISHED BUSINESS

- A. O-18-01-01 An Ordinance Amending Section 17.20.080 (Payment Dates, Penalties and Interest) of the Nome Code of Ordinances, **SECOND READING/PUBLIC HEARING/FINAL PASSAGE.**

For the purpose of holding a public hearing, the Council recessed at 7:48 PM.

The Council reconvened at 7:49 PM.

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

Discussion:

- Councilman Tobin stated that he understood the reasoning, but that it seemed unfair to penalize the taxpayer for a mistake at the post office. He stated that he could support the measure.
- Manager Moran summarized the issues that brought the ordinance before the Council.
- Councilman M. Johnson stated that most governmental agencies base their deadlines around a governmental postmark. He asked if this was no longer the norm.
- Clerk Hammond explained that many Alaskan cities/boroughs still base the payment date on postmark, though several do not.
- Councilman M. Johnson asked how many people the ordinance would affect.
- Manager Moran noted that the Clerk's Office has dealt with hundreds of payments postmarked by the due date but received weeks afterwards.
- Clerk Hammond noted that the mortgage companies were the majority of the payments received after the due date and that he was working on transitioning them to electronic payments. He also noted that the City of Nome accepts credit card and electronic check for payment.
- Councilman Tobin stated he felt easier about the ordinance if the majority of payments were coming through the banks, as they have paid staff to keep on top of it.
- Councilman M. Johnson contended this could create more headaches for homeowners in Nome as banks would pass on any penalty and interest to their customers.
- Councilman Andersen asked if penalty and interest were levied on the full amount of the tax bill if the July payment were missed.
- Clerk Hammond explained how penalty and interest were calculated and when the charges hit the account.
- Councilman D. Johnson asked for clarification on the process.

- Manager Moran explained how the penalty and interest routine was either delayed and calculated manually on each account or was run and adjusted individually on payments as they arrived postmarked on or before the due date.

At the roll call:

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

Nay: M. Johnson

Abstain:

The motion **CARRIED**.

NEW BUSINESS

- A. O-18-02-01 An Ordinance Authorizing the Sale of Surplus Property Owned by the City of Nome by Public Sealed Bid, **FIRST READING/DISCUSSION**.

A motion was made by C. Tobin and seconded by C. Brown to advance O-18-02-01.

Discussion:

- Manager Moran explained the properties have all been put up for bid in the past, though have received little to no interest. He explained that City staff has received several inquiries over recent months for information on lots for sale around town and that the interest prompted the current bid.
- Councilman Andersen asked if any of the recent foreclosures were included.
- Manager Moran explained they were not. He noted the recent payment of delinquent taxes, penalties and fees associated with 100 E King and the resulting conveyance to the former record owner who sold it. The property now has a remodel permit in review and is expected to be refurbished over the summer.
- Councilman D. Johnson asked about water and sewer access.
- Manager Moran explained there was none and the value of the lots reflected the fact.
- Councilman Tobin asked about the possibility of septic tanks.
- Councilman M. Johnson stated the lots were not big enough for septic tanks.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

- B. R-18-01-04 A Resolution Adopting the Results of the Fiscal Year 2017 Audit Performed by Altman, Rogers & Co.

A motion was made by C. M. Johnson and seconded by C. D. Johnson to adopt R-18-01-04.

Discussion:

- Finance Director Liew introduced Don Hanni from Altman, Rogers & Co., who was present telephonically.

- Councilman Johnson asked if the matter would be better addressed at the next meeting as he just received the audit that day.
- Director Liew explained the auditor was present and that she was required to file the audit with the SEC by the end of the month.
- Councilman Andersen clarified that new filing deadline prompted the rush.
- Director Liew confirmed the new requirements, which were triggered when the City sold bonds to the Alaska Municipal Bond Bank.
- Councilman Tobin asked for the cliff notes version.
- Mr. Hanni presented the report in brief.
- Councilman M. Johnson asked if the City was in good shape with 74 percent of its annual operating budget in unassigned fund balance.
- Mr. Hanni stated that, in his opinion, the City of Nome was in good shape due to the strict budget being followed very closely by staff.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

- C. R-18-01-05 A Resolution Declaring Certain Properties in the City of Nome to be Fire Hazards, Health Hazards, or Public Nuisances, and Authorizing their Remediation, Removal, or Demolition, **PUBLIC HEARING**.

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

For the purpose of holding a public hearing, the City recessed at 8:24 PM.

The City reconvened at 8:25PM.

A motion was made by C. Brown and seconded by C. M. Johnson to amend R-18-01-05 by changing the deadline for remedy, removal, or demolition from March 1, 2018 to July 1, 2018.

At the roll call:

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

Nay:

Abstain:

The motion to amend **CARRIED**.

Returning to the main motion:

At the roll call:

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

Nay:

Abstain:

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

UTILITY MANAGER'S REPORT

- Utility Manager Handeland presented his verbal report, highlighting the recent board meeting and yearend financial activities. He presented an update on addressing water leaks around town and minor power outages that the line crew was able to address quickly. He noted Calvin Bell was back at NJUS as a lineman apprentice after two months of school in Fairbanks and Clint Murdock had been hired as an electrician at the power plant. Referencing the AMLJIA certificate, Manager Handeland noted the Utility received a check of \$18,000 for its loss control efforts. He gave an update on DEC meetings and funding for the King Pl and Bering St projects as well as potentially refinancing some of the Utility's debt through USDA for an estimated saving of \$500,000 in interest. Manager Handeland explained the Utility was continuing to work on the Airport Block 20 project with Senator Sullivan's office, as well as scoping for the waste receiving facility with the Port Commission and Port Staff.

CITY MANAGER'S REPORT

- City Manager Moran presented his written report, introducing the departmental quarterly reports. He noted there would be an NVAD appreciation dinner on February 23rd, the same day as bids were due for the City surplus properties. Responding to Manager Handeland's mention of a check for loss control efforts, Manager Moran noted the City receives rate reduction checks from AMLJIA. He introduced Allen Wright as a new Emergency Services Tech and expressed his appreciation to the volunteers of NVFD/NVAD/SAR for their service. Manager Moran noted that the Port Commission would be discussing revisions to the tariff over the next month.
 - Councilman Tobin asked about the date of the next Cemetery Committee meeting as well as if Iditarod would put the Visitors Center Iditarod Calendar up on its website.
 - Manager Moran explained the City was waiting on progress from the software contractor for the next Cemetery Committee meeting and that the issue with Iditarod had been resolved.
 - Councilman M. Johnson asked how City representation at the NSHC board was decided upon and how reports from the representative have been handled in the past.
 - Manager Moran explained the City receives a letter asking for the nomination of a representative to the NSHC board. The letter is put into communications and the nomination is done by Council motion.
 - Councilman Andersen explained verbal reports were given upon request, which occurred infrequently.
 - Councilman M. Johnson requested more frequent reports, given the current climate.
 - Councilman Andersen explained that before the end of the year, answers would become public.
 - Councilman Brown thanked Director Liew for her summary of NSEDC disbursements as well as the sales tax revenue table. He explained that he was still confused on the year-to-date budget to actual figures presented. He explained he would like to see a prediction on the percentage of the budget to carry forward and didn't like having to look two years back to compare.

- Director Liew explained that May was a better month for predictions and that it's difficult to fulfill Councilman Browns request because of the way the City budget works. She's been trying.
- Manager Moran stated he was also trying to figure out a better method of predicting carry over.
- Councilman M. Johnson asked, given the homeless / inebriate issue, could more Community Service Officers be hired?
- Chief Papasodora explained that the balance between Police Officers and CSOs was delicate as decreasing the ratio of Officers to CSOs would increase risk, especially during events that might require use of force.
- Councilman Andersen requested the City gather the relevant stakeholders to address house numbering issues. He asked where the Recorder's Books were. He asked if the City of Nome had ever considered vote by mail.
- Manager Moran explained the books were at the Museum and that vote by mail had been considered and presently it appeared the cons outweigh the pros.

CITIZENS' COMMENTS

- 1) Ken Hughes, speaking as Chair of the Planning Commission, thanked the Council for adopting R-18-01-05 and stated his concern that Jim West, Jr. denied the process by which property owners were notified occurred. Mr. Hughes was happy to see that everyone came forward with ways to remediate the properties on their own. He stated the Planning Commission would be a better venue than the Chamber of Commerce in which to take up Front St revitalization efforts. As President of the Nome Chamber of Commerce, he stated he was surprised Councilman Andersen had requested for comments on the budget, as there were four members of the Council on the Chamber board. He claimed the extra 2 percent sales tax in the summer made residents look to Amazon for their purchases and because of which he would be pursuing a referendum at the upcoming election. As a citizen, Mr. Hughes accused Councilman Andersen of being duplicitous and not fulfilling his role as a board representative. He suggested placing a sign-up sheet for volunteers as some villages do to attract interested candidates.
- 2) Charlie Lean expressed his appreciation for Angie Gorn's report. He explained that he served as a volunteer EMT for 31 years in Nome. Karen O'Neil was the sponsoring physician for much of that time. He noted that both had served on the State EMS board together and cited her long service to the region. He likewise spoke well of David Head, who assisted him in managing the plane crash incident in Unalakleet. Dr. Head has treated everyone he knows. Mr. Lean would still like to know why both long serving individuals have been discredited, seeing as by the information available, they've done nothing wrong. He felt they've been treated unfairly.
- 3) John Handeland requested the Museum Director investigate if 207 Bering was Leonard Seppala's house. He noted that Kim Hunter did some research in the past that might be of use. Perhaps the house is not worth saving, but Mr. Handeland felt he had to put the matter on record.

COUNCILMEN'S COMMENTS

- 1) Councilman Martinson – no comments.
- 2) Councilman Tobin requested an agenda from Councilman Andersen for the next NSHC board meeting and asked if the Café in the hospital collected and remitted sales tax. He expressed

appreciation for Angie Gorn's report, as well as Ken Hughes' comments. Councilman Tobin expressed his appreciation that Nome was mentioned in the Governor's State of the State speech. He requested the City change out the U.S. flag at City Hall and complimented Councilman Andersen on his work in sprucing up Council Chambers.

- Clerk Hammond explained that NSHC collects and remits sales tax under three separate licenses and that to his knowledge, the Fireweed Café has never missed a timely payment.

- 3) Councilman Andersen surmised that Superintendent Arnold was the cause behind Nome's mention in the State of the State speech, explaining the superintendent had been committing face-time to Juneau lately.
- 4) Councilman Brown - no comments.
- 5) Councilman D. Johnson thanked Director Liew for the budget information.
- 6) Councilman M. Johnson remarked on the communication that occurred over the course of the meeting and surmised that, while difficult, it was ultimately a good thing and resulted in getting more done. He thanked those that shared their thoughts at meetings and hoped to see more open communication in the future.

MAYOR'S COMMENTS AND REPORT

ADJOURNMENT

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

Hearing no objections, the Nome Common Council adjourned at 9:30 PM.

APPROVED and **SIGNED** this 12th day of February 2018.



RICHARD BENEVILLE
Mayor

ATTEST:



BRYANT HAMMOND
City Clerk