

**Mayor**  
Richard Beneville  
**Manager**  
Tom Moran  
**Clerk**  
Bryant Hammond



**Nome City Council**  
Stan Andersen  
Jerald Brown  
Louie Green, Sr.  
Mark Johnson  
Tom Sparks  
Lew Tobin

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**NOME CITY COUNCIL  
SPECIAL MEETING AGENDA  
THURSDAY, JULY 6, 2017 @ NOON  
CITY HALL CHAMBERS**

- I. ROLL CALL
- II. APPROVAL OF AGENDA
- III. CITIZENS' COMMENTS
- IV. NEW BUSINESS
  - A. R-17-07-01 A Resolution of the City of Nome, Alaska Providing for the Issuance of a 2017 Revenue Anticipation Note in the Aggregate Principal Amount of Not to Exceed \$5,500,000 to Finance the Purchase of Diesel Fuel for the Nome Joint Utility System and Prepay the 2016 Revenue Anticipation Note, Authorizing the Sale of the 2017 Note by Negotiation, and Authorizing the Execution and Delivery of an Escrow Agreement for the Disbursement of Note Proceeds and a Security Agreement Providing a Security Interest for the Purchaser of the Note
  - B. R-17-07-02 A Resolution Designating Water & Sewer Infrastructure Improvements to the Sclaircore System and River Street Wastewater Pump Station as the Community's #1 Local State Funding Priority
- V. ADJOURNMENT

**MINUTES  
NOME CITY COUNCIL  
SPECIAL MEETING  
July 6, 2017**

The special meeting of the Nome City Council was called to order at 12:01 PM by Mayor Beneville in Council Chambers of City Hall, located at 102 Division Street.

**ROLL CALL**

Members Present: Stan Andersen; Jerald Brown; Louie Green, Sr.; Tom Sparks; Lew Tobin

Members Absent: Mark Johnson (excused)

Also Present: Richard Beneville, Mayor; Bryant Hammond, City Clerk; John Handeland, NJUS Manager; Julie Liew, Finance Director

In the audience: Davis Hovey, KNOM; Sandra Medearis, Arctic News

**APPROVAL OF AGENDA**

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

A motion was made by C. Sparks and seconded by C. Green to approve the agenda as presented.

At the roll call:

Aye: Brown; Green; Sparks; Tobin; Andersen

Nay:

Abstain:

The motion **CARRIED**.

**CITIZENS' COMMENTS**

N/A

**NEW BUSINESS**

- A. R-17-07-01 A Resolution of the City of Nome, Alaska Providing for the Issuance of a 2017 Utility Revenue Anticipation Note of the City in the Aggregate Principal Amount of Not to Exceed \$5,500,000 to Finance the Purchase of Diesel Fuel for the Nome Joint Utility System and Prepay the 2016 Revenue Anticipation Note, Authorizing the Sale of the Note by Negotiation, and Authorizing the Execution and Delivery of an Escrow Agreement for the Disbursement of Note Proceeds and a Security Agreement Providing a Security Interest for the Purchaser of the Note.

A motion was made by C. Green and seconded by C. Sparks to adopt R-17-07-01.

Discussion:

- Councilman Andersen inquired into the status of the 2016 fuel note.
- Utility Manager Handeland explained the final payment of the 2016 note would be rolled into the 2017 note, as would the wharfage, legal, and other additional costs for the 2017 fuel purchase.
- Councilman Andersen asked how many gallons the purchase would entail and for an estimate on the NJUS' annual fuel use.
- Manager Handeland noted the purchase would be a minimum of 2.2 million gallons and that the Utility, assuming no fuel displacement from wind generation, uses about 2 million gallons per year. He explained the Utility is also purchasing 140,000 gallons for the school.
- Councilman Andersen asked about the tank farm's capacity and the possibility of purchasing more when fuel costs are low.
- Manager Handeland explained the total capacity of the tank farm was 3.2 million gallons and after purchase, the tank farm would be nearly full. He noted they might be able to get more fuel in if they were able to time an autumn purchase.
- Councilman Andersen asked about the total cost of the loan.
- Manager Handeland noted the total interest would be \$68,467.84 and that there was no origination fee and a \$4,000 escrow charge.
- Councilman Sparks clarified that NSEDC was covering the interest payment.
- Mayor Beneville asked of the decision to go with Northrim had anything to do with Wells Fargo pulling its Iditarod Sponsorship.
- Manager Handeland explained the decision was based on the rate and terms and had nothing to do with Iditarod.

At the roll call:

Aye: Green; Sparks; Tobin; Andersen; Brown;

Nay:

Abstain:

The motion **CARRIED**.

- B. R-17-07-02 A Resolution Designating Water & Sewer Infrastructure Improvements to the Sclaircore System and River Street Wastewater Pump Station as the Community's #1 Local State Funding Priority

A motion was made by C. Andersen and C. Green to adopt R-17-07-02.

Discussion:

- Manager Handeland explained the designation would garner 50 points in grant scoring and would be rolled into the annual priorities packet that gets presented to the Council in December, prior to the January State Legislative session.
- Councilman Andersen asked for cost estimates on the priorities.
- Manager Handeland explained an engineer would be in town over the coming week and the water / sewer master plan should be about complete. He noted the projects would probably cost between \$5.5 and \$6 million and that the Utility was seeking additional sources of revenue to fund them.
- Councilman Andersen requested a map of the remaining Sclaircore mains.

- Manager Handeland noted issues with the Sclaircore came up during the Quintillion project permitting and that there are some inconsistencies between platted and travelled streets.

At the roll call:

Aye: Sparks; Tobin; Andersen; Brown; Green

Nay:

Abstain:

The motion **CARRIED**.

**ADJOURNMENT**

A motion was made by C. Sparks and seconded by C. Green that the meeting be adjourned.

Hearing no objections, the Nome Common Council adjourned at 12:25 PM.

**APPROVED** and **SIGNED** this 24<sup>th</sup> day of July, 2017.



**RICHARD BENEVILLE**

**Mayor**

**ATTEST:**



**BRYANT HAMMOND**

**City Clerk**