

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 COMMON COUNCIL
REGULAR MEETING AGENDA
MONDAY, JUNE 12, 2017 @ 7:00 PM
COUNCIL CHAMBERS IN CITY HALL**

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- A. Discussion of Remote Employees in Union Positions,
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**MINUTES
NOME CITY COUNCIL
REGULAR MEETING
June 12, 2017**

The regular meeting of the Nome City Council was called to order at 7:01 PM by Mayor Beneville in Council Chambers of City Hall, located at 102 Division Street.

ROLL CALL

Members Present: Louie Green; Mark Johnson; Tom Sparks; Lew Tobin; Stan Andersen; Jerald Brown

Members Absent:

Also Present: Richard Beneville, Mayor; Tom Moran, City Manager; John Handeland, Utility Manager; Julie Liew, Finance Director; Joy Baker, Port Director; John Papasodora, Nome Police Chief

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

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. Tobin to approve the agenda as presented.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

APPROVAL OF MINUTES

A. May 22, 2017 City Council Regular Meeting Minutes.

A motion was made by C. Sparks and seconded by C. Tobin to approve the May 22, 2017 minutes.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

COMMUNICATIONS

- A. Letter of May 15, 2017 from Munaqsri Apartments to City of Nome re: Low Income Housing.
 - Councilman Tobin asked if Munaqsri was worried about vacancies.
 - Councilman Andersen suggested the letter was sent in compliance with USDA regulations.
- B. Letter of May 19, 2017 from Governor Walker to Mayor Beneville re: Priority Infrastructure Proposals.
 - Manager Moran explained that Governor Walker left Nome off the preliminary list and the City was working hard to get a port project on the list.
- C. Letter of May 25, 2017 from USDA to City of Nome re: Munaqsri Apartments.
 - Councilman Tobin asked if actions were required of the City of Nome.
 - Manager Moran noted the agency would make a decision with or without input from the City of Nome.
 - Councilman Brown asked if supporting Munaqsri would disadvantage new housing projects in Nome.
 - Councilman Andersen requested the City solicit information from Nome Community Center.
- D. Article from June Edition of *Alaska Business Monthly* Entitled "The Port of Nome: Rescoping and Moving Forward."
 - Port Director Baker explained the current article corrected mistakes published previously by Alaska Business Monthly.
- E. Memorandum of June 8, 2017 from Finance Director to City Council re: FY18 Budget Amendments.
 - Councilman Sparks clarified these were the amendments for the second reading ordinances later in the agenda.
 - Manager Moran explained the memorandum was placed in communications for emphasis, as similar memorandums have been missed before when buried in the packet.

CITIZENS' COMMENTS

- 1) Wes Perkins questioned a major investment in expanding the Port of Nome. He asked who would pay for the investment and whether that investment would decrease the cost of living in Nome. He noted that shipping freight out of Nome was cheaper and faster by air than it was by barge, as well as that groceries coming into Nome were primarily by air freight. Mr. Perkins noted that he recently retired from the Nome Volunteer Fire Department after 39 years and from the Nome Volunteer Ambulance Department after 15 years.
 - Mayor Beneville thanked Mr. Perkins for his dedicated service.

PLANNING AND ZONING

- A. May 2, 2017 Planning Commission Regular Meeting Minutes.
 - Councilman Andersen asked when the zoning maps and ordinance would come forward.

- Manager Moran expected they would come forward at the end of July or beginning of August.

UNFINISHED BUSINESS

- A. O-17-05-01 An Ordinance Authorizing the Purchase of Real Property by the City of Nome from Arctic Gold Mining, LLC, **Second Reading/Public Hearing/Final Passage.**

For the purpose of holding a public hearing, the Council recessed at 7:23 PM.

The Council reconvened at 7:24 PM.

A motion was made by C. Brown and seconded by C. Sparks to adopt O-17-05-01.

Discussion:

- Councilman Johnson declared a conflict of interest as Arctic Gold Mining was a client.
- Councilman Andersen asked if the City needed 5 acres.
- Manager Moran explained how the layout fit the Fire Department's needs.
- Councilman Green asked how often the lot was used.
- Councilman Tobin explained how often the site was used through his experience on the Department.
- Councilman Andersen took umbrage at AGM trying to make money off volunteer emergency services.
- Councilman Sparks asked if the lease would not be renewed were the Council to vote the ordinance down.
- Manager Moran explained he'd heard different answers at different times, though he asked the Council to approve it with an amended price rather than defeating the ordinance and hoping the lease would be renewed.
- Councilman Brown stated that the price was fair, there was road access and a water source; he thought it excessive for the City to expect it as a donation. Councilman Brown worried failing the ordinance would jeopardize the Fire Department.
- Councilman Tobin stated that the City shouldn't lose the site.
- Councilman Green suggested the City continue leasing the property, explaining there were too many unknowns.
- Councilman Brown explained that the City knew the price, the needs and intent of the Fire Department, and that the property fit those needs. What was unknown was whether AGM was willing to continue leasing the property to the City at a heavily discounted rate.

At the roll call:

Aye: Sparks; Tobin; Brown

Nay: Andersen; Green

Abstain: Johnson

The motion **FAILED.**

- B. O-17-05-03 An Ordinance Authorizing the Disposal of Municipal Property by Lease to Alaska Marine Lines, **Second Reading/Public Hearing/Final Passage.**

For the purpose of holding a public hearing, the Council recessed at 7:41 PM.

The Council reconvened at 7:41 PM.

A motion was made by C. Tobin and seconded by C. Sparks to adopt O-17-05-03.

Discussion:

- Councilman Green asked where the property was.
- Port Director Baker explained the location on the port pad, as well as the terms and history of the lease.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

- C. O-17-06-01 An Ordinance to Establish, Approve and Adopt the FY 2018 City of Nome General Fund Municipal Budget and Exercising the Power to Assess and Authorizing the Levy of a General Property Tax, **Second Reading/Public Hearing/Final Passage**.

For the purpose of holding a public hearing, the Council recessed at 7:43 PM.

The Council reconvened at 7:43 PM.

A motion was made by C. Tobin and seconded by C. Sparks to adopt O-17-06-01.

Discussion:

- Manager Moran noted the budget was unchanged since first reading, though the consensus amendments suggested by the Council at the previous meeting were on page 19 of the packet. He noted the Council could make more if desired.
- Councilman Johnson asked what the purpose of the equipment purchase fund.
- Finance Director Liew explained that equipment purchases that were not covered by revenue would come out of the self-insurance/equipment replacement fund and that it was all part of the general fund.
- Councilman Andersen noted that the City normally contributed to the fund balance in this category rather than taking funds out of it.
- Councilman Johnson suggested future work sessions focused only on equipment purchases and the equipment purchase fund.

A motion was made by C. Andersen and seconded by C. Tobin to amend: 1) total revenue from \$11,275,341 to \$11,100,210; 2) total expenditure from \$12,267,282 to \$12,090,782; and 3) initial projected deficit from \$991,941

to \$990,572, which will be taken from savings or the fund balance to balance the budget at \$12,090,782.

Discussion on the amendment:

- Councilman Brown clarified the reduction in preschool funding from FY17.
- Councilman Andersen explained the contribution was a base amount and that he expected the preschool to ask for more. He suggested using NSEDC funds to supplement the base amount if needed. Councilman Andersen reminded the Council that preschool funding will become a significant issue over the coming years.
- Councilman Tobin asked if the Public Works Garage floor was removed.
- Councilman Andersen explained Public Works was going to evaluate the best way to address the issue.
- Director Liew referred the Council to her memo on page 20 which detailed which pieces of equipment were cut from the budget.
- Councilman Johnson asked how the figure of \$95,000 was arrived at for floor repair.
- Director Liew explained it was an estimate produced by the City Engineer.

At the roll call:

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

Nay:

Abstain:

The motion to amend **CARRIED**.

Returning to the main motion:

- Councilman Andersen requested the departmental goals and accomplishments.
- Manager Moran explained the goals and accomplishments were included in the final approved budget packet, which would be forthcoming.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

- D. O-17-06-02 An Ordinance to Establish, Approve and Adopt the FY 2018 City of Nome School Debt Service Fund Budget, **Second Reading/Public Hearing/Final Passage**.

For the purpose of holding a public hearing, the Council recessed at 7:57 PM.

The Council reconvened at 7:57 PM.

A motion was made by C. Sparks and seconded by C. Tobin to adopt O-17-06-02.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

- E. O-17-06-03 An Ordinance to Establish, Approve and Adopt the FY 2018 City of Nome Special Revenue Fund Budget, **Second Reading/Public Hearing/Final Passage**.

For the purpose of holding a public hearing, the Council recessed at 7:58 PM.

The Council reconvened at 7:58 PM.

A motion was made by C. Sparks and seconded by C. Tobin to adopt O-17-06-03.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

- F. O-17-06-04 An Ordinance to Establish, Approve and Adopt the FY 2018 City of Nome Capital Projects Fund Budget, **Second Reading/Public Hearing/Final Passage**.

For the purpose of holding a public hearing, the Council recessed at 7:58 PM.

The Council reconvened at 7:58 PM.

A motion was made by C. Sparks and seconded by C. Tobin to adopt O-17-06-04.

Discussion:

- Councilman Johnson asked staff continue the efforts to solicit grant funds.
- Councilman Andersen noted that, over the past ten years, the City had done well in soliciting grant funding.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

- G. O-17-06-05 An Ordinance to Establish, Approve and Adopt the FY 2018 City of Nome Construction Capital Projects Fund Budget, **Second Reading/Public Hearing/Final Passage**.

For the purpose of holding a public hearing, the Council recessed at 8:00 PM.

The Council reconvened at 8:00 PM.

A motion was made by C. Brown and seconded by C. Johnson to adopt O-17-06-05.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

- H. O-17-06-06 An Ordinance to Establish, Approve and Adopt the FY 2018 City of Nome Port of Nome Fund Budget, **Second Reading/Public Hearing/Final Passage**.

For the purpose of holding a public hearing, the Council recessed at 8:01 PM.

The Council reconvened at 8:01 PM.

A motion was made by C. Sparks and seconded by C. Tobin to adopt O-17-06-06.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

- I. O-17-06-07 An Ordinance to Establish, Approve and Adopt the FY 2018 City of Nome Port of Nome Capital Projects Fund Budget, **Second Reading/Public Hearing/Final Passage**.

For the purpose of holding a public hearing, the Council recessed at 8:02 PM.

The Council reconvened at 8:02 PM.

A motion was made by C. Sparks and seconded by C. Tobin to adopt O-17-06-07.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

NEW BUSINESS

A. R-17-06-01 A Resolution Adopting a Risk Management Plan for the City of Nome.

A motion was made by C. Brown and seconded by C. Tobin to adopt R-17-06-01.

Discussion:

- Councilman Sparks asked for a brief explanation.
- Manager Moran explained the plan, highlighting monthly safety briefings and the savings garnered by the City of Nome.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

UTILITY MANAGER'S REPORT

- Utility Manager Handeland presented his verbal report highlighting the extension of the Moonlight Springs project grant through the summer, which will include a water line to Beltz High School; the preliminary draft of NJUS' audit with no findings; Manager Handeland is soliciting banks for fuel loan financing; engine overhaul proceeding nicely; Manager Handeland announced Nate Perkins', Doug Johnson's and Jay Wieler's upcoming retirement party. Manager Handeland announced the visit of Alaska Center for Energy and Power, as well as an upcoming meeting with the Air Force and the Corps of Engineers in July concerning the Port Road Lot 7 property. Manager Handeland noted he had been approached over a potential laundromat business in Nome. He announced the master plan was nearing completion and the hiring of Ken Morton as the Assistant Manager and CFO for NJUS.
 - Councilman Tobin asked if there were any water breaks.
 - Manager Handeland noted minor leaks on 3rd Avenue and Front Street.
 - Councilman Tobin asked if the Utility would lower their rates to make the laundromat feasible.
 - Manager Handeland noted the issue would be addressed once Mr. Morton was on board. He explained the demand charge was the primary issue, rather than cost per gallon.

CITY MANAGER'S REPORT

- Manager Moran presented his written report, thanking Chip Leeper for acting as City Manager in his absence and congratulating Dave Barron on winning employee of the month. He noted the Sitnasuak/City of Nome picnic on Friday, June 23rd.
 - Councilman Andersen requested an inquiry into wages for the Secretary position in the Clerk's Office.
 - Councilman Johnson requested a progress report on addressing the issue of Front Street inebriation, noting he saw someone making obscene gestures to tourists.

- Manager Moran noted that he had identified funds and was working with NEST to return several individuals to their homes in other Bering Strait communities.
- Chief Papasodora explained how NPD was addressing the issue.
- Manager Moran noted a potential “no-buy list” that the City was working with the package stores on, as well as a potential ordinance prohibiting being drunk in the right-of-way.
- Councilman Andersen mentioned the DA’s office distributing a no-buy list in the past and suggested the City try several means of addressing the problem.
- Councilman Johnson repeated compliments for the CSOs and suggested NPD hire more instead of uniformed officers.
- Chief Papasodora noted more of both CSOs and uniformed officers would need to be hired. He explained possible tools as well as issues associated with the tools.

CITIZENS’ COMMENTS

N/A

COUNCILMEN’S COMMENTS

- 1) Councilman Green explained how a sober person would purchase a bottle for the group and suggested providing something for the group to do away from Front Street.
- 2) Councilman Johnson described the issue as multifaceted. He noted the concern for the individuals who were consistently inebriated, but also the need to promote tourism and try to clean up Front Street. He suggested the issue be kept alive through continual discussion.
- 3) Councilman Sparks agreed that stakeholders should keep hammering at the issue. He noted he was happy the budget process was over.
- 4) Councilman Tobin noted a great retirement party for Vickie Erickson. He noted activity at the old hospital, stating it looked like it was finally being used. He reminded the public to buy their Midnight Sun buttons and thanked Bridie Green for her work in organizing the event.
- 5) Councilman Andersen asked for more information on Raven Recycling. He requested an update on people camping on the beach.
 - Manager Moran noted that the Chief of Police had spoken to the individuals and believed they came to an understanding.
 - Councilman Sparks asked if the City was still allowing free camping at the Snow Dump.
 - Manager Moran replied that while not free, the fee was nominal.
- 6) Councilman Brown requested a work session on an alcohol excise tax, possibly in conjunction with further discussion on the inebriation issue.

MAYOR’S COMMENTS AND REPORT

- Mayor Beneville congratulated everyone who participated in Lemonade Day, saying it was a successful day. He noted a Chinese delegation was expected on June 20th looking at the possibility of a research station in Nome in conjunction with UAF. Mayor Beneville noted a

successful recent visit from the Rasmuson Foundation. He updated the Council on recent discussions with NACTEC as well as Graphite One.

- Mayor Beneville appointed Denise Michels to the Port Commission.

A motion was made by C. Andersen and seconded by C. Brown to confirm Ms. Michels' appointment.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

EXECUTIVE SESSION

A motion was made by C. Sparks and seconded by C. Tobin to enter into executive session.

The Council recessed at 8:53 PM.

The Council reconvened at 9:17 PM.

ADJOURNMENT

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

Hearing no objections, the Nome Common Council adjourned at 9:29 PM.

APPROVED and SIGNED this 26th day of June, 2017.



RICHARD BENEVILLE
Mayor

ATTEST:



BRYANT HAMMOND
Clerk