

**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  
WORK SESSION & REGULAR MEETING AGENDA  
MONDAY, JANUARY 23, 2017 @ 5:30/7:00 PM  
COUNCIL CHAMBERS IN CITY HALL**

**WORK SESSION, 5:30 PM:**

- Discussion of Possible Exemptions to Nome's Seasonal Sales Tax,  
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- Discussion of Assessing the Market Need for Taxicab Licenses,  
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**REGULAR MEETING, 7:00 PM:**

I. ROLL CALL

II. APPROVAL OF AGENDA

III. APPROVAL OF MINUTES

- A. January 9, 2017 City Council Regular Meeting Minutes,  
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IV. COMMUNICATIONS

- A. Letter of January 9, 2017 from AK Department of Environmental Conservation to City of Nome re: Notification of Wastewater Discharge for Offshore Seafood Processors,  
**PAGE 41**
- B. Letter of January 18, 2017 from Alaska Alcohol & Marijuana Control Office to City of Nome re: Limited Marijuana Cultivation Facility License Application,  
**PAGE 43**
- C. Email of January 19, 2017 from Extra Mile America to Stan Andersen re: Extra Mile Day,  
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V. CITIZENS' COMMENTS

VI. UNFINISHED BUSINESS

- A. O-17-01-01 An Ordinance Approving the 2017 Operations and Maintenance Budget for Nome Joint Utility System,  
**Second Reading/Public Hearing/Final Passage,**  
**PAGE 47**

- B. R-17-01-04 A Resolution Approving the Transfer of Two (2) Taxi Licenses from EZ Enterprises LLC to Peters LLC, Rescinding the Remaining One (1) License from EZ Enterprises LLC, and Rescinding One (1) License from Nome Checker Cab LLC,  
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VII. NEW BUSINESS

- A. Memorandum of January 19<sup>th</sup> 2017 from Finance Director Liew to Nome City Council re: FY2017 Budget Amendments,  
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- B. O-17-02-01 An Ordinance to Amend the FY 2017 City of Nome General Fund Municipal Budget,  
**First Reading/Discussion,**  
**PAGE 77**
- C. O-17-02-02 An Ordinance to Amend the FY 2017 City of Nome School Debt Service Fund Budget,  
**First Reading/Discussion,**  
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- D. O-17-02-03 An Ordinance to Amend the FY 2017 City of Nome Special Revenue Fund Budget,  
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**PAGE 111**
- E. O-17-02-04 An Ordinance to Amend the FY 2017 City of Nome Capital Projects Fund Budget,  
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- F. O-17-02-05 An Ordinance to Amend the FY 2017 City of Nome Construction Capital Projects Fund Budget,  
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- G. O-17-02-06 An Ordinance to Amend the FY 2017 City of Nome Port of Nome Fund Budget,  
**First Reading/Discussion,**  
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- H. O-17-02-07 An Ordinance to Amend the FY 2017 City of Nome Port of Nome Capital Projects Fund Budget,  
**First Reading/Discussion,**  
**PAGE 129**
- I. R-17-01-05 A Resolution Awarding the 2016 NSEDC Community Benefit Share Funds,  
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VIII. UTILITY MANAGER'S REPORT

- A. Activity Report: January 10 – 20,  
**VERBAL**

IX. CITY MANAGER'S REPORT

- A. Activity Report: January 10 – 20,  
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- B. 16-11-17 Port Commission Regular Meeting Minutes.  
**PAGE 201**
- C. 16-12-15 Port Commission Regular Meeting Minutes,  
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X. CITIZENS' COMMENTS

XI. COUNCILMEN'S COMMENTS

XII. MAYOR'S COMMENTS AND REPORT

- A. Activity Report: January 10 – 20,  
**VERBAL**

XIII. ADJOURNMENT

**MINUTES  
NOME CITY COUNCIL  
REGULAR MEETING  
January 23, 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: Stan Andersen; Louie Green; Jerald Brown; Mark Johnson; Tom Sparks (telephonically); Lew Tobin

Members Absent:

Also Present: Richard Beneville, Mayor; Tom Moran, City Manager; Bryant Hammond, City Clerk; Julie Liew, Finance Director; John Papasodora, Police Chief; John Handeland, Utility Manager

In the audience: Davis Hovey, KNOM; Sandra Medearis, *Arctic News*; Sue Steinacher; Steve Longley; Rodney Jones; Bob Hafner; Emory Wheeler; Greg Bishop; Asaaluk Irelan; Mackenzie Hall; Seijiro Heck

**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. Brown to approve the agenda as presented.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

**APPROVAL OF MINUTES**

A. January 9, 2017 City Council Regular Meeting Minutes.

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

At the roll call:

Aye: Green; Johnson; Andersen; Brown; Tobin

Nay: Sparks

Abstain:

The motion **CARRIED**.

## COMMUNICATIONS

- A. Letter of January 9, 2017 from AK Department of Environmental Conservation to City of Nome re: Notification of Wastewater Discharge for Offshore Seafood Processors.
- B. Letter of January 18, 2017 from Alaska Alcohol & Marijuana Control Office to City of Nome re: Limited Marijuana Cultivation Facility License Application.
  - Councilman Andersen requested the City delay any response pending potential protests from the public.
- C. Email of January 19, 2017 from Extra Mile America to Stan Andersen re: Extra Mile Day.
  - Mayor Beneville commended him on the recognition.

## CITIZENS' COMMENTS

- 1) Steve Longley of EZ Enterprises LLC spoke in opposition of rescinding one of his taxi licenses as R-17-01-04 was currently worded, arguing it was 30 percent of his business. He requested the Council focus solely on the transfer. Mr. Longley also stated the taxicab ordinances need some attention regarding vehicle inspections and drug testing.
- 2) Sue Steinacher noted a commitment from a veterinarian to work the Nome-Council 200 Sled Dog Race and added the vet would be available for services to community afterwards. Ms. Steinacher said the vet was open to coming to Nome intermittently to serve the community's pet needs.

## UNFINISHED BUSINESS

- A. O-17-01-01 An Ordinance Approving the 2017 Operations and Maintenance Budget for Nome Joint Utility System, **Second Reading/Public Hearing/Final Passage.**

For the purpose of holding a public hearing, the Council recessed at 7:12 PM.

### Discussion

- Chuck Wheeler stated that the water/sewer system would never be self-sustaining because of the complexity of maintaining an underground system. He argued that power generation, which was above ground, would always have to subsidize water/sewer. He requested "fair and just" utility rates, which he defined as breaking even rather than "fair and reasonable," which he defined as making a profit.
- Councilman Johnson asked if the Utility operated in the black, aside from depreciation expenses.
- Utility Manager Handeland noted there was a cash surplus, which was noted on page 54 of their meeting packets.
- Councilman Tobin asked if the landfill would be expanded.
- Manager Handeland noted the landfill was in the City's budget and that the NJUS budget merely showed customer payments passing through the Utility to the City.

The Council reconvened at 7:22 PM.

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

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

- B. R-17-01-04 A Resolution Approving the Transfer of Two (2) Taxi Licenses from EZ Enterprises LLC to Peters LLC, Rescinding the Remaining One (1) License from EZ Enterprises LLC, and Rescinding One (1) License from Nome Checker Cab LLC.

A motion was made by C. Tobin and seconded by C. Brown to adopt R-17-01-04.

A motion to amend was made by C. Green and seconded by C. Brown to change “two” to “three” in the title, to strike the two clauses rescinding licenses from the title, to change “two” to “three” in the first operative clause, and to strike the second operative clause in its entirety.

Discussion:

- Councilman Johnson declared a conflict of interest.
- Mayor Beneville accepted his declaration and instructed him to abstain from the vote.
- Councilman Brown reiterated his comment from the January 9<sup>th</sup> meeting, stating that the number of taxi licenses and the transfer were two separate issues. He asked that the Council discuss the number of taxi licenses separately at the February 27<sup>th</sup> meeting.
- Councilman Andersen asked how licenses have value when the ordinance states that they don't.
- Councilman Johnson noted the licenses have business value, but not property value.
- Councilman Tobin clarified that the Council meant to approve the transfer but come back and potentially rescind licenses later.

At the roll call:

Aye: Tobin; Brown; Green; Sparks

Nay: Andersen

Abstain: Johnson

The motion to amend **CARRIED**.

Returning to the main motion:

At the roll call:

Aye: Tobin; Brown; Green; Sparks

Nay: Andersen

Abstain: Johnson

The main motion **CARRIED**.

## **NEW BUSINESS**

- A. Memorandum of January 19<sup>th</sup> 2017 from Finance Director Liew to Nome City Council re: FY2017 Budget Amendments.
- B. O-17-02-01 An Ordinance to Amend the FY 2017 City of Nome General Fund Municipal Budget, **First Reading/Discussion.**
- C. O-17-02-02 An Ordinance to Amend the FY 2017 City of Nome School Debt Service Fund Budget, **First Reading/Discussion.**
- D. O-17-02-03 An Ordinance to Amend the FY 2017 City of Nome Special Revenue Fund Budget, **First Reading/Discussion.**
- E. O-17-02-04 An Ordinance to Amend the FY 2017 City of Nome Capital Projects Fund Budget, **First Reading/Discussion.**
- F. O-17-02-05 An Ordinance to Amend the FY 2017 City of Nome Construction Capital Projects Fund Budget, **First Reading/Discussion.**
- G. O-17-02-06 An Ordinance to Amend the FY 2017 City of Nome Port of Nome Fund Budget, **First Reading/Discussion.**
- H. O-17-02-07 An Ordinance to Amend the FY 2017 City of Nome Port of Nome Capital Projects Fund Budget, **First Reading/Discussion.**

A motion was made by C. Andersen and seconded by C. Tobin to advance O-17-02-01, O-17-02-02, O-17-02-03, O-17-02-04, O-17-02-05, O-17-02-06, and O-17-02-07 to second reading/public hearing/final passage.

### Discussion:

- Councilman Sparks asked when the Council was to address the memo.
- Manager Moran noted the yet unscheduled work session(s).
- Councilman Tobin asked how the Building Maintenance wages went from \$164,000 to \$563,000.
- Finance Director Liew explained that those wages were no longer allocated across other City Departments, following a recommendation from the auditors.
- Councilman Johnson clarified Director Liew was still able to provide expense details by building.
- Director Liew responded affirmatively, but clarified that Public Works expenses would still be allocated to the Port, as it was an enterprise account and not under the general fund.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED.**

I. R-17-01-05 A Resolution Awarding the 2016 NSEDC Community Benefit Share Funds.

A motion was made by C. Andersen and seconded by C. Tobin to adopt R-17-01-05.

Discussion:

- Councilman Johnson declared a conflict of interest.
- Mayor Beneville accepted his declaration and instructed him to abstain from the vote.
- Councilman Sparks stated that he agreed with the numbers and applauded the Council's work on the topic.
- Councilman Andersen noted for the record that some organizations provided project budgets and thanked them. He asked others to do the same in the future.
- Councilman Brown stated that he sat on the board of the Bering Sea Women's Group; but since he received no compensation, there wasn't a conflict of interest.
- Mayor Beneville agreed and instructed him to participate in the vote.

At the roll call:

Aye: Tobin; Andersen; Brown; Green; Sparks

Nay:

Abstain: Johnson

The motion **CARRIED**.

**UTILITY MANAGER'S REPORT**

- Utility Manager Handeland presented his verbal report, thanking the Public Works Roads crew for helping with the recent water main break, and also noting that the Utility Board would meet on January 24<sup>th</sup> and discuss the union labor agreement. He also noted a few key points:
  - The Utility still had not yet heard back on its fuel tax appeal to the State Department of Revenue.
  - The Utility was still working with the City Attorney and the Air Force on issues surrounding petroleum contamination of Lot 7 on Port Road.
  - The Utility would be assisting NSEDC in administering a \$575 per household subsidy in mid-February.
  - Councilman Andersen requested that information concerning bonding for water/sewer expansion and replacement be solidified by summer. He also wanted to know if the City would use force account for the project. Councilman Andersen also requested a list of Utility employees with their wages and benefits when the labor contract came to the Council. He also requested a unified plan from NJUS and the Port of Nome regarding development of Lot 7 on Port Road and the West Nome Tank Farm.
  - Manager Handeland stated that force account would be up for discussion.
  - Councilman Sparks asked if the Utility could look into USDA loans for potentially better rates.
  - Manager Handeland said that they could discuss the idea, though the Utility's present financing had rates as low as 1.5 percent.
  - Councilman Tobin asked about the timetable for the Quintillion project.
  - Manager Handeland noted that he had not been officially notified, though he had heard anecdotally that September 2017 was the current target.
  - Councilman Johnson asked if excess wind energy was being dumped into the pool.

- Manager Handeland explained that it was a concept design that was not actually implemented. He further explained the waste heat system at the power plant.

### **CITY MANAGER'S REPORT**

- Manager Moran presented his written report and highlighted the upcoming final warranty inspection for the Richard Foster Building and the need for an upcoming budget amendment work session.
  - Councilman Andersen requested a meeting with Tigress Productions in February.
  - Councilman Sparks requested a policy be for dealing with film production companies.
  - Councilman Andersen requested a future conversation of SB91's effects on the City of Nome. He also asked Chief Papasodora to explain the NPD vehicle policy for the public.
  - Chief Papasodora obliged, saying that officers who were subject to recall were allowed to take their vehicles home with them.
  - Councilman Johnson requested Manager Handeland explain the NJUS vehicle policy.
  - Manager Handeland obliged, saying that five vehicles were currently authorized for storage at private residences. He added that his own vehicle was authorized for personal use by way of his employment contract.
  - Councilman Tobin commended Chief Papasodora for being President of the Alaska Police Chiefs Association and Sergeant Timm for his work at K9 training.
  - Councilman Johnson asked if patrolmen still patrolled as frequently as needed.
  - Chief Papasodora explained that they did, even if there was a false perception that they didn't.
  - Councilman Tobin asked if the drunken person calls had really risen so sharply in the last year.
  - Chief Papasodora attributed the rise in numbers to better data collection.
  - Councilmen Tobin and Andersen took issue with the admission fees for the Museum. Councilman Andersen noted that the Rec Center lost \$400,000 a year. He claimed that both the Rec Center and the Museum were quality of life facilities.
  - Manager Moran concurred, but pointed out that the Rec Center charged admission.

### **CITIZENS' COMMENTS**

- 1) John Handeland related a personal anecdote of assisting a disabled veteran in Anchorage the previous week. He highlighted his appreciation and love for the community of Nome, and added that he was disheartened by the long response time and the lack of care for the veteran. Mr. Handeland told the story in contrast to Nome's service-oriented community and voiced his appreciation to those who serve the greater good.

### **COUNCILMEN'S COMMENTS**

- 1) Councilman Green made no comment other than that it had been a long meeting.
- 2) Councilman Johnson reiterated his position that it was difficult for small businesses to operate when their customers have to deal with higher sales taxes.
- 3) Councilman Sparks apologized for missing the previous meeting and requested an update on the vacant property and abatement processes.

- 4) Councilman Tobin stated that his heart went out to Martina Painter's family.
- 5) Councilman Andersen also requested an update on the abatement progress. Regarding small businesses, he noted that if people were concerned, they would show up and protest.
- 6) Councilman Brown said that he would be out of town from February 13<sup>th</sup> until the 26<sup>th</sup>. He requested a resolution be put on the February 27<sup>th</sup> agenda to reduce the number of taxi licenses from 13 to 11. He requested that staff provide backup materials in the form of: sales tax information for the taxi sector; investigation results for allegations regarding vehicles and drivers; input from Checker Cab and Mr. Kab on the number of licenses the market could bear and on what a living wage for cab drivers should be.

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

- Mayor Beneville noted that the same cab ran the stop sign in front of City Hall three times that day. He recognized that NPD could not be everywhere at once, though he also recognized that such reckless behavior needed to stop.
- Mayor Beneville noted that he would be out of town for the rest of the week at a State Chamber of Commerce meeting and emphasized that he would like to see the City of Nome become more pro-business because big things were just around the corner.
  - Councilman Andersen suggested that the second reading of the budget ordinances be pushed back to February 27<sup>th</sup>.
  - Manager Moran said that he would investigate the possibility, though it would be a difficult proposition. He suggested a number of work sessions to maintain the current plan for second reading on February 13<sup>th</sup>.

#### **ADJOURNMENT**

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

Hearing no objections, the Nome Common Council adjourned at 8:52 PM.

**APPROVED and SIGNED** this 27<sup>th</sup> day of February, 2017.

  
**RICHARD BENEVILLE**  
Mayor

**ATTEST:**

  
**BRYANT HAMMOND**  
City Clerk