

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



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

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**NOME COMMON COUNCIL  
REGULAR MEETING AGENDA  
MONDAY, SEPTEMBER 26, 2016 @ 7:00 PM  
COUNCIL CHAMBERS IN CITY HALL**

I. ROLL CALL

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XII. MAYOR'S COMMENTS AND REPORT

XIII. EXECUTIVE SESSION

- A. Rescheduled Annual Review of City Manager,  
**VERBAL**

XIV. ADJOURNMENT

**MINUTES  
NOME CITY COUNCIL  
REGULAR MEETING  
September 26, 2016**

The regular meeting of the Nome City Council was called to order at 7:00 PM by Mayor Beneville in Council Chambers of City Hall, located at 102 Division Street.

**ROLL CALL**

Members Present: Stan Andersen; Louie Green; Tom Sparks; Lew Tobin; Matt Culley; Jerald Brown

Members Absent:

Also Present: Chip Leeper, Acting City Manager; Bryant Hammond City Clerk; Julie Liew, Finance Director; John Handeland, NJUS Manager; Joy Baker, Port Director

In the audience: Davis Hovey, KNOM; Sandra Medearis, Arctic News; Emory C. Wheeler; David Csiki

**APPROVAL OF AGENDA**

Councilman Andersen asked if there were any changes to the agenda.

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

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

**APPROVAL OF MINUTES**

A. September 12, 2016 City Council Regular Meeting Minutes.

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

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

## **COMMUNICATIONS**

- A. Letter of September 12, 2016 from Myrna Outwater to City Council re: Lighting on East Tobuk Alley.
  - Councilman Andersen requested a copy of the response.
- B. Letter of September 13, 2016 from Northstar Swim Team to City Council re: Season Recap.
- C. Letter of September 16, 2016 from Mayor Beneville to USACE re: Alaska Deep Draft Port System.
  - Councilman Culley took issue with the letter, explaining it committed the City of Nome for the non-federal cost share portion of study costs. He also took issue with language stating the City of Nome would move forward as the non-federal partner if the State backed out.
  - Port Director Baker explained the submittal was routine and did not commit the City of Nome to any costs that were not yet budgeted for and that the City received a legislative grant from the State of Alaska for \$1.6 million to serve as the non-federal portion to complete the feasibility study.
  - Councilman Brown asked what the estimated construction costs would be.
  - Port Director Baker estimated \$250 to \$300 million and that discussions with potential funding partners had already begun.
  - Councilman Sparks clarified that any cost share proposal would come before the Council.
  - Director Baker confirmed this.
- D. Letter of September 20, 2016 from Port Director to Phoenix Marine re: Approval of Icebound Storage.
- E. Flyer re: Fall Clean-Up Week (October 10 – 15, 2016).
- F. Notice from AML to City of Nome re: Newly Elected Officials Training and Annual Conference (November 14 – 18, 2016 in Anchorage).

## **CITIZENS' COMMENTS**

- 1) Chuck Wheeler referred to the Open Meetings Act, stating that it was a topic at the Newly Elected Officials training at the AML Conference. He requested the City discontinue dispatch services for the troopers and place them old Library/Museum. He noted laughter during a conversation in which an “appearance of impropriety” was discussed, stating he takes these things very seriously. Mr. Wheeler expressed concern the City of Nome might consider disposing of the Cape Nome Jetty. He explained the deep water was too important and that it would be both the terminus of a railroad and the connection point of a tunnel with the Soviets. Mr. Wheeler asked if the State of Alaska would honor their F17 commitments, and if not, would the City of Nome raise taxes. Mr. Wheeler again stated that the City of Nome always finds a way to spend money at the end of the fiscal year. He complained that the Comprehensive Plan seemed to be another document on the shelf and asked if the Chamber might be an appropriate subagency to implement some of the tasks. Lastly, Mr. Wheeler asked the City to look at “the enabling facility” that allowed inebriates to wash their clothes at XYZ, stating this bothered him because elders at XYZ go there to escape those people.

**PLANNING AND ZONING**

N/A

**UNFINISHED BUSINESS**

N/A

**NEW BUSINESS**

- A. O-16-10-01 An Ordinance Amending the FY16 General Fund Municipal Budget, **First Reading/Discussion.**
- B. O-16-10-02 An Ordinance Amending the FY16 School Debt Service Fund Budget, **First Reading/Discussion.**
- C. O-16-10-03 An Ordinance Amending the FY16 Special Revenue Fund Budget, **First Reading/Discussion.**
- D. O-16-10-04 An Ordinance Amending the FY16 Capital Projects Fund Budget, **First Reading/Discussion.**
- E. O-16-10-05 An Ordinance Amending the FY16 Construction Capital Projects Fund Budget, **First Reading/Discussion.**
- F. O-16-10-06 An Ordinance Amending the FY16 Port of Nome Fund Budget, **First Reading/Discussion.**
- G. O-16-10-07 An Ordinance Amending the FY16 Port of Nome Capital Projects Fund Budget, **First Reading/Discussion.**

A motion was made by C. Sparks and seconded by C. Tobin to advance O-16-10-01, O-16-10-02, O-16-10-03, O-16-10-04, O-16-10-05, O-16-10-06, and O-16-10-07 to Second Reading/Public Hearing/Final Passage.

**Discussion:**

- Finance Director Liew noted FY16 actual revenue of \$11,758,108 compared to a budgeted \$11,334,249 and actual expenses of \$10,291,266 compared to a budgeted \$11,347,392. She highlighted notable contributions to the increased revenue from landfill fees, extended insurance premium holiday, investment returns and state community assistance. Director Liew also noted savings in departmental budgets.
- Councilman Andersen stated the budget was not balanced to begin with, noting the utilities are underspent.
- Councilman Culley noted the insurance premium holiday was significant and closing the year under budget should not be treated negatively. He recalled the mild winter as an explanation for underspending the utilities line.

- Director Liew explained that the variable costs in the budget were not always 100 percent accurate and were forecasted as best they could be given past expenditure. She agreed with Councilman Culley that underspending was better than overspending.
- Councilman Tobin noted the decrease in building permits and asked of the City of Nome was driving people out of town. He also asked if the premium holiday could negatively impact the City in the future.
- Director Liew explained how the state sets premium rates.
- Councilman Brown asked how much of the savings were attributable to costs deferred to the next fiscal year and how much did the City spend on special projects due to the surplus.
- Director Liew explained the City did not commence any special projects due to the savings.
- Councilman Sparks asked when the revenue for the Childcare building would be booked.
- Director explained it depended when the building sold.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

H. R-16-09-04 A Resolution Proclaiming October 23 – 29, 2016 as Childhood Cancer Awareness Week.

A motion was made by C. Sparks and seconded by C. Brown to adopt R-16-09-04.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

I. R-16-09-05 A Resolution Proclaiming November 1, 2016 as Extra Mile Day.

A motion was made by C. Sparks and seconded by C. Culley to adopt R-16-09-05.

Discussion:

- Councilman Culley requested a list or calendar of all the special dates the City of Nome recognizes by resolution.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

### **CITY ATTORNEY'S REPORT**

N/A

### **UTILITY MANAGER'S REPORT**

- Utility Manager Handeland presented his verbal report:
- Regarding the Ms. Outwater's letter, NJU would investigate and install a light if warranted and would forward the bill to the City.
- He noted a planned power outage on the coming Saturday at 6am for a pre-winter switch test.
- Manager Handeland suggested an executive session at the next regular meeting of the City Council to discuss the labor contracts that were expiring in 2016.
  - Councilman Andersen clarified the wind turbine was from ice and asked how the Utility might avoid future damages.
  - Manager Handeland stated it wasn't the first time ice had damaged turbine blades, but he didn't expect insurance rates to go up. He estimated the total claim would be around \$300,000 with a deductible of \$25,000.

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

- There were no questions for the Acting City Manager Leeper.

### **CITIZENS' COMMENTS**

- 1) Chuck Wheeler noted changes in City budgets between 2013 and 2015 regarding taxes, permits, sales tax penalties, and public safety fees. He claimed the City hadn't been paid yet for lots sold in the most recent surplus land disposal.

### **COUNCILMEN'S COMMENTS**

- 1) Councilman Andersen – no comments.
- 2) Councilman Brown – no comments.
- 3) Councilman Culley – no comments.
- 4) Councilman Green asked why the City still employs an individual living outside of Nome and if the employee received the same benefits as other Nome-based employees. He stated that living out of state, the individual garners greater benefits than those living in Nome.
- 5) Councilman Sparks asked the public to get out and vote. He recalled the tough vote on whether or not to raise property taxes in the spring and stated the choice appeared to have been a good one.
- 6) Councilman Tobin asked the public to get out and vote as well. He noted that Proposition A on whether or not to raise the sales tax seasonally was on the ballot this year. Councilman Tobin asked for statistics concerning the tourist season in Nome.

- Councilman Andersen noted that quarterly reports were available from the Nome Visitors' Center.

### **MAYOR'S REPORT**

N/A

### **EXECUTIVE SESSION**

A motion was made by C. Culley and seconded by C. Tobin to recess into executive session to discuss Manager Moran's Annual Performance Review.

The Council recessed at 7:55 PM.

The Council reconvened at 8:12 PM.

A motion was made by C. Culley and seconded by C. Sparks to raise Manager Moran's salary by 2.5 percent.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

### **ADJOURNMENT**

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

Hearing no objections, the Nome Common Council adjourned at 8:13 PM.

**APPROVED and SIGNED** this 10<sup>th</sup> day of October, 2016.



**RICHARD BENEVILLE**

**Mayor**

**ATTEST:**



**BRYANT HAMMOND**  
**City Clerk**