

Mayor
Richard Beneville
Manager
Thomas 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 CITY COUNCIL
WORK SESSION & REGULAR MEETING
MONDAY, MAY 23, 2016 @ 5:30/7:00 PM
COUNCIL CHAMBERS**

WORK SESSION, 5:30 PM:

- Discussion of FY 2017 City of Nome Budgets

REGULAR MEETING, 7:00 PM:

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**MINUTES
NOME CITY COUNCIL
REGULAR MEETING
May 23, 2016**

The regular meeting of the Nome City Council was called to order at 7:02 PM by Mayor Beneville in Council Chambers of City Hall, located at 102 Division Street.

ROLL CALL

Members Present: Stan Andersen; Jerald Brown; Matt Culley; Louie Green

Members Absent: Tom Sparks (excused); Lew Tobin (excused)

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

In the audience: Margaret DeMaioribus, KNOM; Sandra Medearis, Arctic News; Jennifer Reader, NPS; Kent Runion; Shawn Arnold, NPS; Betty Brennan; Julia Farris, NCC; Tayler Bernard; Jodi Arnold, NPS; Deb Trowbridge, Kawerak

APPROVAL OF AGENDA

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

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

At the roll call:

Aye: Brown; Culley; Green; Andersen

Nay:

Abstain:

The motion **CARRIED**.

APPROVAL OF MINUTES

A. May 9, 2016 City Council Regular Meeting Minutes.

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

At the roll call:

Aye: Green; Culley; Brown; Andersen

Nay:

Abstain:

The motion **CARRIED**.

COMMUNICATIONS

- A. Letter of April 1, 2016 from Sarah Huntsinger to Nome City Council re: Thank You for Donation of Tables and Chairs.
- B. Letter of May 11, 2016 from Norton Sound Health Corporation to Nome City Council re: Request to Waive NSHC's Failure to Meet Application Deadline for Sales Tax Exemption.
 - Councilman Andersen asked when the Council would be taking up this matter.
 - Manager Moran stated the application was denied, though the Council could waive the failure to submit a timely application if they so desired.

A motion was made by C. Brown and seconded by C. Culley to approve the waiver request beginning on July 1, 2016.

Discussion:

- Finance Director Liew clarified that sales tax has not been collected by vendors since January.
- Councilman Andersen noted the letter requested the refund of all previously paid sales tax.
- Manager Moran clarified NSHC might have meant that they don't want to be invoiced for unpaid sales tax.
- Councilman Culley stated it might be easiest to handle if NSHC were to pay sales tax for six months going forward.
- Councilman Andersen asked how much sales tax was owed.
- Director Liew stated they were still gathering data and couldn't provide a specific figure.
- Manager Moran reiterated that they hadn't paid sales tax at all.
- Councilman Culley reiterated that the sales tax exemption was free money and it was the applicant's responsibility to ensure paperwork was submitted on time.
- Utility Manager Handeland stated the billing would be easier if the exemption were granted for January to June, rather than July to December.

The motion was withdrawn by C. Brown.

A motion was made by C. Brown and seconded by C. Culley to approve the sales tax waiver request for a total of six (6) months, effective January 1 through June 30 of 2016.

Discussion:

- Councilman Andersen stated the question was not whether they qualify, but whether a penalty should be assessed.
- Councilman Culley noted the Lutheran Church example, where the deadline was missed and a six month penalty period was assessed.
- Mayor Beneville asked for an estimate on the utility sales tax.
- Manager Handeland stated he gave Director Liew an estimate of \$7,500.
- Councilman Andersen asked if the City was missing the boat on other accounts as well.
- Councilman Brown noted the original exemption list that went out, as well as a reminder a month ago.
- Clerk Hammond said that the original list went out in February.

At the roll call:
Aye: Brown; Culley; Green
Nay: Andersen
Abstain:

The motion **FAILED**.

- C. Letter of May 19, 2016 From Mary David to Mayor Beneville and City of Nome Council Members re: Head Start.
- D. Update of Spring 2016 from National Flood Insurance Program re: Community Rating System.
 - Manager Moran noted the work of Candace Weidler and Greg Smith in attaining the status for the benefit of Nome residents living in the floodplain.
- E. Article of Summer 2016 in *Sitnasuak Venture* Entitled "Nome Townsite and White Alice Land Swap."
- F. Flyer re: Nome Oil Spill Preparedness Seminar on June 14 – 15, 2016.
- C. Flyer re: Spring Clean-Up in Nome from May 28 – June 5, 2016.

CITIZENS' COMMENTS

- 1) Deb Trowbridge thanked the Council for considering the funding request from Kawerak Head Start.
 - Councilman Culley noted that the numbers were different on each letter submitted, which decreased the credibility of each letter.
 - Ms. Trowbridge stated the letter was prepared in her absence.
 - Councilman Brown asked if every dollar was leveraged into five dollars through Head Start funding.
 - Ms. Trowbridge explained that for every four dollars in federal funds, Kawerak had to match one dollar to demonstrate community support.
 - Councilman Brown asked for a justification on the discrepancy between per pupil costs at Nome Preschool Association and Head Start.
 - Councilman Andersen asked why the indirect costs were listed in the letter.
 - Councilman Culley stated that early childhood education funding wasn't mandatory, then reiterated the differences in costs between Nome Preschool and Head Start.
- 2) Shawn Arnold noted it was the last week of the school year and outlined the graduation schedule. He noted there were 34 graduating seniors and that Nome Public Schools had a 90 percent graduation rate.
- 3) Jennifer Reader stated the Memorial Day Parade would be starting at 10:00 AM on Monday and would go from the Polar Café to the Cemetery and then end at the Snake River for the laying of the wreath.

PLANNING AND ZONING

- A. April 5, 2016 Planning Commission Regular Meeting Minutes.

UNFINISHED BUSINESS

N/A

NEW BUSINESS

A point of order was called by C. Brown to read O-16-06-01 apart from O-16-06-02 to O-16-06-07.

- A. O-16-06-01 An Ordinance to Establish, Approve and Adopt the FY 2017 City of Nome General Fund Municipal Budget and Exercising the Power to Assess and Authorizing the Levy of a General Property Tax, **First Reading.**

A motion was made by C. Andersen and seconded by C. Brown to advance O-16-06-01.

At the roll call:

Aye: Brown; Culley; Green; Andersen

Nay:

Abstain:

The motion **CARRIED.**

- B. O-16-06-02 An Ordinance to Establish, Approve and Adopt the FY 2017 City of Nome School Debt Service Fund Budget, **First Reading.**
- C. O-16-06-03 An Ordinance to Establish, Approve and Adopt the FY 2017 City of Nome Special Revenue Fund Budget, **First Reading.**
- D. O-16-06-04 An Ordinance to Establish, Approve and Adopt the FY 2017 City of Nome Capital Projects Fund Budget, **First Reading.**
- E. O-16-06-05 An Ordinance to Establish, Approve and Adopt the FY 2017 City of Nome Construction Capital Projects Fund Budget, **First Reading.**
- F. O-16-06-06 An Ordinance to Establish, Approve and Adopt the FY 2017 City of Nome Port of Nome Fund Budget, **First Reading.**
- G. O-16-06-07 An Ordinance to Establish, Approve and Adopt the FY 2017 City of Nome Port of Nome Capital Projects Fund Budget, **First Reading.**

A motion was made by C. Brown and seconded by C. Culley to advance O-16-06-02, O-16-06-03, O-16-06-04, O-16-06-05, O-16-06-06, and O-16-06-07.

At the roll call:

Aye: Brown; Culley; Green; Andersen
Nay:
Abstain:

The motion **CARRIED**.

H. R-16-05-03 A Resolution Setting the City of Nome Mill Rate for 2016.

A motion was made by C. Brown and seconded C. Culley to adopt R-16-05-03.

Discussion:

- Councilman Andersen stated he would vote no.
- Councilman Culley stated he would vote yes.

A motion was made by C. Brown and seconded by C. Andersen to table R-16-05-03 to a meeting within the next 10 days.

Discussion:

- Manager Moran stated that per AS 29.45, the resolution could wait until the next regularly scheduled meeting.
- Councilman Andersen asked how that would impact the tax bill mailing.
- Clerk Hammond stated the timing would be tight.

The motion to table was withdrawn by C. Brown.

A motion was made by C. Brown and seconded by C. Culley to table R-16-05-03 until the June 13, 2016 regularly scheduled Council meeting.

Discussion:

- Councilman Andersen asked about the expected attendance at the next meeting.
- Clerk Hammond stated he expected the entire Council to be in attendance.

At the roll call:
Aye: Brown; Culley; Green; Andersen
Nay:
Abstain:

The motion **CARRIED**.

I. R-16-05-04 A Resolution Setting the City of Nome Contribution for the FY 2017 Nome School District Budget.

A motion was made by C. Andersen and seconded by C. Brown to adopt R-16-05-04.

A motion to amend was made by C. Culley and seconded by C. Andersen to correct the state mandated

contribution figure from \$976,121 to \$970,438 and the additional City of Nome contribution from \$1,038,831 to \$1,044,514 making a total contribution of \$2,014,952.

At the roll call:

Aye: Andersen; Brown; Culley; Green

Nay:

Abstain:

The motion to amend **CARRIED**.

On the main motion:

At the roll call:

Aye: Andersen; Brown; Culley; Green

Nay:

Abstain:

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

CITY ATTORNEY'S REPORT

N/A

UTILITY MANAGER'S REPORT

- Utility Manager Handeland distributed a letter from NJUS to AKDOT&PF requesting coordination on the Bering Street Rehabilitation Project, reasoning he wouldn't want to pave it, only to tear it up shortly thereafter for a local repair project.
- Manager Handeland briefed the Council on the turbine blade repair project.
- Manager Handeland briefed the Council on this year's fuel purchase bond, explaining a revenue bond would have to be issued after July 1 to meet repayment schedule per Alaska Statute. He anticipated a \$4.5m to \$4.7M figure.
- Eureka would be sending loss control personnel for their annual briefing on loss control and safety.
- The utility would be conducting a spill drill per DEC requirements on Thursday.
- The utility was working on running water to the Cemetery building.
 - Mayor Beneville thanked Manager Handeland for the "Story 49" concerning the White Alice Towers.

CITY MANAGER'S REPORT

- Manager Moran informed the Council that seasonal Port vacancies had been filled.
- Manager Moran updated the Council on three changes made by the Museum and Library Commission: 1) a Fordson Tractor was accepted into landscaping from donor Fred Moody; 2) Residents without leases or utility bills will be allowed a library card with a social service agency sponsoring them; and 3) The RAP material will not be applied to the portion of the lot that may be seeded in the future.
- Manager Moran briefed the Council on three projects: Arsenic Park fencing, a dog park, and a City campground.

- Manager Moran invited the Council and the Public to the White Alice Picnic on May 27th and the Memorial Day parade on May 30th.
 - Mayor Beneville asked if parks in town were locked at night.
 - Manager Moran replied in the negative, but then stated the subject was currently under discussion, given an uptick in vandalism and bullying at the new playground.
 - Councilman Culley asked if the bushes at Arsenic Park could be clear cut, giving better visibility and trapping less trash.
 - Mayor Beneville suggested a resolution against bullying.
 - Councilman Culley agreed; though he felt it wouldn't be effective without significant attention.
 - Councilman Andersen requested Lot 5A of Block 50 be placed on the abatement list, stating it was already on the foreclosure list. He suggested it may have been assessed too highly.
 - Councilman Andersen asked about cleaning up junk vehicles.
 - Manager Moran explained the process, noting the form was available at City Hall. He stated the only time the City hauled was during U Call, We Haul.
 - Councilman Culley asked if the City Road Crew could lift the vehicles to help drain the fluids.
 - Councilman Andersen suggested the water truck water the roads daily, perhaps even twice a day during the dry spells.
 - Mayor Beneville asked about the \$1.6 million appropriation in the State capital budget.
 - Port Director Baker stated it was tenuous, but still there.
 - Per Councilman Brown's request, Director Baker outlined the next years' projects at the Port.

CITIZENS' COMMENTS

N/A

COUNCILMEN'S COMMENTS

- 1) Councilman Culley requested the Citizenry of Nome give input on the Bering Street Rehabilitation project, stating it was important to get it right the first time, given the State's fiscal situation. He also stated that the Editor of *The Nome Nugget* went too far in her latest editorial, describing it as disappointing.
- 2) Councilman Green asked why the crew was steaming on 4th Ave.
 - Utility Manager Handeland explained it was to determine where the laterals were.
- 3) Councilman Brown requested a cost/benefit analysis of the lighting efficiency project the City Manager cut from the budget, as well as the discussion on excise taxes brought back to the table.
- 4) Councilman Andersen agreed with Councilman Culley and asked the Editor of *The Nome Nugget* to write a letter to the Council to address any concerns she might have.

MAYOR'S REPORT

- Mayor Beneville agreed that a letter would be a better way to address concerns from *The Nome Nugget*.

- Mayor Beneville briefed the Council on his participation in an Institute of the North forum, as well as a tourism training happening at the Mini Convention Center.
- Mayor Beneville reappointed Robert Cahoon to the Planning Commission.

A motion was made by C. Culley and seconded by C. Brown to confirm the Mayor's appointment.

At the roll call:
 Aye: Brown; Culley; Andersen
 Nay: Green
 Abstain:

The motion **FAILED**.

The Council asked that the agenda item be revisited at the Council meeting of June 13, 2016.

EXECUTIVE SESSION

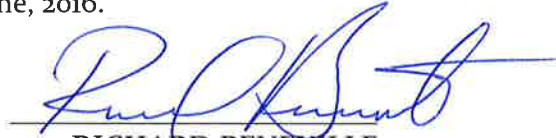
N/A

ADJOURNMENT

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

Hearing no objections, the Nome Common Council adjourned at 8:42 PM.

APPROVED and **SIGNED** this 13th day of June, 2016.


 RICHARD BENEVILLE
 Mayor

ATTEST:


 BRYANT HAMMOND
 City Clerk