

Mayor
John K. Handeland
Manager
Glenn Steckman
Clerk
Bryant Hammond



Nome City Council
Jerald Brown
Doug Johnson
Mark Johnson
Adam Martinson
Scot Henderson
Meghan Sigvanna Topkok

**NOME COMMON COUNCIL
WORK SESSION & SPECIAL MEETING MINUTES
MONDAY, JANUARY 17, 2022 at 7:12 PM
COUNCIL CHAMBERS IN CITY HALL**

102 Division St. • P.O. Box 281 • Nome, Alaska 99762 • Phone (907) 443-6663 • Fax (907) 443-5345

ROLL CALL

Members Present: Jerald Brown; Scot Henderson; Doug Johnson (Teams); Mark Johnson; Adam Martinson (Teams); Sigvanna Topkok

Members Absent:

Also Present: John K. Handeland, Mayor; Paris Hebel, Youth Representative; Glenn Steckman, City Manager; Bryant Hammond, Clerk; Bob Pruckner, NPD Deputy Chief; Nickie Crowe, Finance Director (Teams)

In the audience: Diana Haecker, Nome Nugget; Rhonda Schneider; Scott Crowe; Julius Rankin; Ken Morton; Paul G. Kosto; Shoni Evans; Thmoas Vaden; Drew McCann; David Jones; Chuck Fagerstrom; James Ventress; Walter Picket; Mike McNally

APPROVAL OF AGENDA

A motion was made by C. Henderson and seconded by C.M. Johnson to approve the agenda.

At the roll call:

Aye: Henderson; D. Johnson; M. Johnson; Martinson;
Topkok; Brown

Nay:

Abstain:

The motion **CARRIED**.

CITIZENS' COMMENTS

Mayor Handeland acknowledged the five written comments that were included in the meeting packet, as well as three late communications.

1. Drew McCann, Director of the Visitor Center, read his letter opining it would be better for Nome if the Council were to reduce opportunities to purchase alcohol. He noted a majority of calls for police and EMS involved alcohol. He discussed trash problems and the tendency for parents to keep their kids away from Front St. He described the difference in atmosphere between working at Wells Fargo on one end of Front St and the Visitor Center on the other end. He asked the Council to protest the renewal of the Quickstop license asking what the benefit was of the current state of Front St to the community of Nome.
2. Paul Kosto, associated with the Chamber of Commerce, NPD, NVFD, and the Local Emergency Planning Board, discussed the years of discussions surrounding the topic of public inebriation, describing the issue as an elephant to be eaten one bite at a time and that the solution starts with individual accountability. He suggested more organizations spending time on Front St, gradually taking bites out of the elephant. He noted his past opposition to Council action singling out any one business. He gave an example detailing the amount of sales of red cap vodka, noting that it was the store's job to sell and maximize profits. He discussed the location of the red cap vodka in the Quickstop and suggested the need for change for the community.
3. James Ventress, associate pastor at the Covenant Church, gave an impact statement regarding public inebriation's effect on the community's youth. He discussed the arrests, public drunkenness, fights and other displays of debauchery that the youth of the community witness on Front St. on a regular basis. He called it significant because some have seen similar behavior at home. He noted a negative change over the past several months, citing breaking up sexual activity or people defecating on Church property. He discussed people passing out on the back deck of the church or beneath the church. He attributed the debauchery to the ready availability of red cap vodka across the street at the Quickstop and asked that the Council take steps to limit the availability of liquor on Front Street.
4. Walter Pickett, general manager of AC in Alaska, thanked the citizens for voicing their concern and the Council for listening. He noted the issue wasn't exclusive to Nome. He introduced his two local store managers, who discussed their efforts to address the problem.
5. Julius Rankin, the manager of Front St Quickstop, discussed his law enforcement background and work at the Bethel sobering center. He discussed his cooperation with the NPD on not selling to people with conditions. He discussed pandemic related restrictions and AC's cooperation with the City of Nome and efforts to reduce the amount of liquor being sold to individuals at one time. He highlighted his regard for the law and rules surrounding the purchase of alcohol, discussing throwing out inebriated individuals. He refuted the criticism that there was little observation of customers in Quickstop,

describing his directives to employees on when to refuse sales. He noted runners, or people who purchase for others, as a major issue in Nome and discussed refusing sales to runners. He noted help from Elders in getting inebriated individuals to leave and discussed denied-purchasers going to Hanson's and getting served there.

6. Mike McNally, AC Manager, discussed enforcement of rules, corroborating Julius' statements, noting now is the strictest. He called the last month the month he saw the most disturbing behavior. He noted the 2017 burning of Polaris and the impacts of COVID on inebriation in Nome. He discussed the availability of COVID relief funds and the housing of people who may have addiction issues near the Quickstop. He noted that most of the liquor that is being purchased by people with issues is bottom shelf liquor. He noted their competitor opened with bottom shelf liquor at a significant discount to AC. He opined that community has stepped back from personal responsibility.
7. Walter Pickett summarized the two local managers' statements noting that the AC Corporation's invested hundred of thousands of dollars in that facility and that AC wouldn't get the return they expected. He noted AC would likely close the facility without the liquor sales, displacing jobs and leaving another vacant storefront on Front St. He suggested the problem would move up to Hanson's instead. He explained that half of AC's alcohol sales evaporated since November, noting that Hanson's presents another option and a cheaper one at that. He pointed out that convenience customers would go to Bonanza and Hanson's would see an increase in alcohol sales as potential positives. He discussed options he saw, as an outsider. He saw limiting hours and quantity as options. He suggested possibly limiting percentage of alcohol by package or putting local option to a vote. He suggested the City consider purchasing the license and operating the package store themselves.
8. David Jones, née Csiki, discussed the degrading of Front St. into a 24 carat skid row. He called the City of Nome the worst neighbor he's ever had. He opined that Quickstop was trying, but they couldn't control the alcohol once it left the door. He asked how the City was going to develop a international port when they can't control Front St. He noted a letter from his attorney was forthcoming and that something needs to change.
9. Chuck Fagerstrom hoped the Council would consider allowing community members to submit a letter prior to Friday. He opined today's action would affect the City's future and we need to be strong. He called the effort a many step operation, noting the well being of Nome was at stake. He opined the City has lost control of Front St. and asked how many deaths occurred on the golden beaches due to alcohol. He noted the second step was to protest the second licensee of a package store. He asked the Council to think of the impact of alcohol and drugs on our youth. He opined a City-operated package store would produce tremendous benefits, using the profits for student activities or other constructive purposes.

Mayor Handeland noted the following communications, for the record:

- Wade Harrison suggested suspending the license for 6 months to see what happens.

- Lagneux commented on the process.
- Mary Jo Schaaf suggested granting the license as protesting won't make the problem disappear.
- Daniel Hobbes asked for an increase in challenges to get alcohol, noting there will never be enough.
- Pastor Zidell noted trash and debauchery but opined closing quickstop wouldn't stop the issue.
- Kristine McRae expressed concern about relocating the issue to OSJ park.
- Linda Steiger noted the area underneath Mayor Handeland's house has become a gathering place with trash and feces, saying he doesn't spend enough time at home.

NEW BUSINESS

A. Discussion and Recommendations on Quick Stop's Package Goods License Renewal Application.

PAGE 2 Nome Liquor #775 Package Store Renewal Notice

PAGE 3 Nome Liquor #775 Complete Renewal Packet

PAGE 13 2019 EMS Calls to Front St.

PAGE 24 2020 EMS Calls to Front St.

PAGE 31 2021 EMS Calls to Front St.

PAGE 39 2017 - 2021 NPD Statistics Quick Stop

PAGE 41 Submitted Public Comment on Quick Stop License Renewal

- Mayor Handeland summarized the packet and said that citizens can contact the ABC Board directly, should they so choose.
- Council Member Henderson noted Mr. Pickett's comments, insinuating that Bonanza would benefit. He noted that Bonanza doesn't have any liquor licenses and couldn't understand how the two were connected. He asked Mayor Handeland if he noted any conflict and if he should be allowed to participate.
- Mayor Handeland allowed his participation, saying that he saw no connection.
- Council Member Henderson expressed appreciation for all the comments, but also expressed concern over the amount of blame that was leveled and felt that the City of Nome was being threatened. He was hoping for more than just blame, more suggestions as to how to address the problem. He reiterated the process' purpose was to give the community the opportunity to provide input on how a liquor license impacted a community. He noted the numbers were staggering. He noted Bethel protested a second package store license on the basis of 100 calls, 1/10 of what Nome is experiencing. He refuted the arguments that the problem will move and agreed with Ken Morton's statements that it was a supply and demand problem. He discussed the corporatization of Nome's liquor stores noting the availability of liquor has increased. He argued that the liquor stores and NPD would be better able to manage the problem if there were only two stores. He stated his opposition to government imposing on private business, but when the issues of trash and feces and debauchery are as rife as they are, then it's time for the local government to step

in and address it. He suggested the Council protest the license, saying its the obligation of the Council to address the issue.

- Council Member Topkok opined that alcohol / drug abuse are symptoms of larger problems and that the root causes were not being addressed in the conversation. She wasn't sure protesting the license would address the issue and noted the problem would just move. She urged the Council to look to address the deeper causes. She noted the need for a treatment center that was culturally sensitive. She noted she was leaning toward protesting, based on the community input.
- Council Member Brown noted he was brought up understanding that alcohol was evil but noted past heavy drinking, but never to the point of alcoholism. He agreed that historical trauma played a big role in alcoholism, comparing the situation in Alaska to Australia. He noted his general opposition to alcohol and stated he was in favor of protesting the license. He cited the police calls, among other things, as reasonable justification and suggesting the action would have an impact on Front St. He stated he was in favor of protesting the other licenses when they come up for renewal.
- Council Member Doug Johnson opined such action was kneejerk stating that moving it would only move the problem somewhere else. He suggested this was not the correct avenue at the moment. He noted the Council's predilection for tangents and not ever getting to a reasonable solution. He felt the topic needed more concerted and educated discussion, saying he was not likely to vote Yes to a protest.
- Council Member Martinson opined protesting was not a solution in and of itself. He suggested having another solution ready if the City were to protest.
- Council Member Mark Johnson discussed his research into similar problems in other communities. He noted limiting the availability is one such way of addressing the problem. He expressed appreciation for AC's investment on Front St, noting there wasn't much other investment. He thanked Walter for coming in person and the efforts from Mike and Julius. He discussed the past vibrancy of Front St and noted businesses helping "police" the traffic on Front St. He lamented the decrease of community service officers and knowing police officers by name due to frequent patrols. He expressed concern of moving the problem, but agreed with Scot in that the problem was partially due to the number of places to hide and drink. He expressed concern over the expansion of cheap rot gut liquor in place of the smaller cheap bottles. He suggested the City consider some of Walter's suggestion of limiting hours, alcohol percentage, and quantities and agreed Nome would likely not vote to go damp. He called the situating the Public Safety Building and the Museum away from downtown as a mistake and suggesting increasing patrols of CSOs lending a hand rather than issuing a fine.
- Mayor Handeland discussed the reasons for the delay of the meeting. He expressed concern over the process to insure the process is proper. He expressed concern over protesting in an uneducated, knee jerk manner. He suggested putting a blanket ordinance on hours as a reasonable preliminary step. He noted the ongoing nature of the discussion of alcohol abuse with other partners in the community and the baby step manner in addressing the issue; he expressed interest in seeing something happen now, though said he was uncomfortable with fixing blame solely on AC. He

described actions taken by AC, but still seeing people start get to the Visitor Center and begin the party. He noted the ongoing discussion blaming clerks at Quickstop on Facebook. I asked for the opportunity to work with businesses before going down a road that would likely end in court.

- Manager Steckman suggested AC put additional security at the store and take responsibility for cleaning up the its environs. He noted NPD was looking at bringing back an additional CSO and possibly even 3. He suggested AC volunteer such action at the meeting tonight.
- Council Member Brown expressed doubt at how long such good faith efforts might last. He suggested the conversation tonight was indicative of why nothing has got done over the past 20 years. He opined a motion wouldn't likely pass tonight but suggested the City Manager incorporate his suggestions in a letter to AMCO while the Council works towards ordinance-based solutions. He noted four areas of improvement to keep them honest: one bottle per day, no service to intoxicated isseus, dealing with runners, and maintaining a no-sale list.
- Council Member Mark Johnson agreed with Manager Steckman that a security guard at AC might help. He asked if the City could request a limitation on a certain alcohol percentage.
- Council Member Brown suggested the letter suggest a limit on percentage of alcohol for all package stores in town as part of the protest.
- Council Member Henderson recalled previous failed attempts to rein in the liquor industry and noted that, while people discussed process, he asked for the work session in December and it didn't happen until the last minute. He expressed frustration at the process, saying that given enough time this council could talk itself out of anything. He lamented the desire for a silver bullet solution, while talking and doing nothing because the suggestions weren't enough. He asked if the AC business model, which might look good to executives in Canada, was good for Nome, for which the Council was directly responsible. He argued the protest was not a knee jerk reaction, but a well thought out position. He suggested a protest would have a significant impact, sending a message of what the community will accept. He suggested a concrete action this time.
- Council Member Mark Johnson reiterated the suggestion of limiting the percentage of alcohol. He reiterated his concern of moving the problem from one place to another.
- Council Member Henderson characterized moving liquor sales to the grocery stores as increasing the difficulty of purchasing alcohol and forcing competition in dealing with the issue better.
- Mayor Handeland didn't agree with the argument that people are scared to vote against the liquor industry, as it's not what it used to be. He noted the fiscal notes that accompany state bills in the legislature and suggested something similar for this issue.
- Council Member Brown disagreed, noting that the Council makes fiscal decisions without such information regularly. He argued the issue was more of a social one, one with negative impacts to other business aside from the Quickstop.

- Youth Representative Hebel noted the sheer numbers of calls—25% of the calls to four buildings—one of which is a liquor store, while the City is already over the limit of liquor stores imposed by the board, that it doesn't make any sense to him why the Council wouldn't vote.

A motion was made by C. Henderson and seconded by C. Topkok to protest the renewal of the AC package store license on Front St. for the reason of the extraordinary number of police and EMS calls to that location.

Discussion:

- Council Member Topkok added stifling other economic activity on Front St. as reason to protest the renewal of the license.

A motion was made by C. M. Johnson to amend the main motion was adding stipulations applying limitations on the quantity of liquor sold.

The motion was withdrawn by C. M. Johnson.

Returning to the main motion

At the roll call:

Aye: Topkok; Brown; Henderson

Nay: D. Johnson; M. Johnson; Martinson; Handeland

Abstain:

The motion **FAILED**.

A motion was made by C. M. Johnson and seconded by C. Brown to recommend approval of the renewal application with the following conditions: sales limited to one bottle per customer, bottles of hard liquor can be no larger than 750ml, and AC must provide additional security at its Front St. location.

At the roll call:

Aye: Martinson; Topkok; Brown; D. Johnson; M. Johnson

Nay: Henderson

Abstain:

The motion **CARRIED**.

- Council Member Brown opined the Council shouldn't let the issue die now and needs to begin working on the series of ordinances .
- The Council decided to meet on February 2, 2022 with the attorney to discuss next steps.

ADJOURNMENT

Hearing no objections, the Council adjourned at 10:22 PM.

APPROVED and **SIGNED** this 24th day of January, 2022


JERALD BROWN
Presiding Council Member

ATTEST:


BRYANT HAMMOND
Clerk