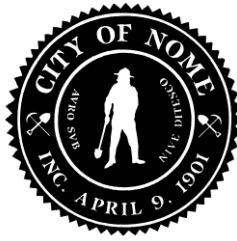


**Mayor**  
John K. Handeland  
**Manager**  
Glenn Steckman  
**Clerk**  
Bryant Hammond



**Nome Common Council**  
Jerald Brown  
Scot Henderson  
Doug Johnson  
Mark Johnson  
Adam Martinson  
M. Sigvanna Tapqaq

**NOME COMMON COUNCIL**  
**WORK SESSION & REGULAR MEETING MINUTES**  
MONDAY, MAY 23, 2022 at 6:00 / 7:00 PM  
COUNCIL CHAMBERS IN CITY HALL

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

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**WORK SESSION 6:00**

A. Discussion on Developing New Revenue Streams.

**ROLL CALL**

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

Members Absent: Paris Hebel (excused)

Also Present: John K. Handeland, Mayor; Glenn Steckman, City Manager; Bryant Hammond, Clerk; Mike Heintzelman, NPD Chief; Bob Pruckner, NPD Deputy Chief; Nickie Crowe, Finance Director (Teams); Joy Baker, Port Director (Teams);

In the audience: Peter Loewi, Nome Nugget; Sean Milligan, KNOM; Ken Hughes

**APPROVAL OF AGENDA**

A motion was made by C. Henderson and seconded by C. Martinson to approve the agenda as presented.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

**APPROVAL OF MINUTES**

A. April 25, 2022 Nome Common Council Regular Meeting Minutes.

A motion was made by C. Henderson and seconded by C. Martinson to approve the April 25, 2022 minutes.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

B. May 9, 2022 Nome Common Council Regular Meeting Minutes.

A motion was made by C. Henderson and seconded by C. Martinson to adopt the May 9, 2022 minutes.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

**COMMUNICATIONS**

- A. Letter of May 6, 2022 from John Bockman to Nome Common Council re: Frustration with Property Tax Assessment and Exemption Process.
- Council Member Mark Johnson asked if their appeal was resolved.
  - Clerk Hammond explained the appeals were resolved, though after Board of Equalization had adjourned, new issues arose.
- B. Letter of May 16, 2022 from Governor Dunleavy re: Sharp & Tragic Surge in Drug Overdose Deaths.
- C. FY 2023 City of Nome Budget Calendar.
- D. 2022 City of Nome Spring Clean Up Flyer.
- E. Flyer for Electronic Waste Event June 3 & 4, 2022.

**CITIZEN'S COMMENTS**

*None given*

**UNFINISHED BUSINESS**

- A. O-22-05-01 An Ordinance of the Nome City Council, Nome, Alaska, Amending the Nome Code of Ordinances, Section 17.20.020 to Provide for a Temporary Exemption from Property Tax for Deteriorated Structures Located in a Designated Area of Nome That Are Being Substantially

Rehabilitated, Renovated, and Replaced, **SECOND READING/PUBLIC HEARING/FINAL PASSAGE.**

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

The Council reconvened at 7:13 PM.

A motion was made by C. Henderson and seconded by C. Martinson to adopt O-22-05-01.

Discussion

- Mayor Handeland, Attorney Chandler, and Manager Steckman summarized the process by which the substitute came to developed.

A motion was made by C. Henderson and seconded by C. M. Johnson to amend O-22-05-01 by substituting O-22-05-01 (s) in its entirety.

- Council Member Henderson thanked Brooks for his work, and asked about the owner occupied exclusion in the case of the owner renting one part of a duplex or triplex out or a mother in law.
- Mr. Chandler noted the scope of the exemption wasn't limited to a portion of a property that is being rehabilitated, it applies to the entire property. He suggested amendments if the intent was to limit the exemption to the increase in assessed value following the renovation.
- Council Member Henderson explained the Mother-in-Law example, with the additional value being exempted, but not the original structures.
- Mr. Chandler noted that adding an apartment to a dilapidated structure doesn't do anything about the dilapidated structure.
- Council Member Doug Johnson opined the whole structure should go under the reduced tax to incentivize addressing the entire property.

At the roll call:

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

Nay:

Abstain:

The motion to amend **CARRIED.**

Returning to the main motion:

At the roll call:

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

Nay:

Abstain:

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

- B. O-22-05-02 An Ordinance Amending Chapter 5.10 of the Nome Code of Ordinances to Exempt Projects Which Qualify for an Economic Development Property Tax Exemption or a Dilapidated Property Tax Exemption from Permit Fees, **SECOND READING/PUBLIC HEARING/FINAL PASSAGE.**

For the purpose of holding a public hearing, the Council recessed at 7:29 PM.

The Council reconvened at 7:29 PM.

A motion was made by C. Henderson and seconded by C. M. Johnson to adopt O-22-05-02.

Discussion:

- Council Member Henderson brought up his idea about subsidizing utility fees and his reasoning behind it. He noted his intent to apply credits for the first 5 years of a project.
- Mayor Handeland suggested that item be included in the City's budget and handled administratively.
- Manager Steckman requested documented guidance for both staff and auditors. He requested working on it at a later date and amending the budget mid-year to account for the costs.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED.**

- C. O-22-05-03 An Ordinance of the Nome City Council, Nome, Alaska, Amending the Nome Code of Ordinances, Section 17.20.020 to Provide for a Partial Temporary Exemption from Property Tax for Economic Development Property Developed for Multi-Unit Residential Housing, **SECOND READING/PUBLIC HEARING/FINAL PASSAGE.**

For the purpose of holding a public hearing, the Council recessed at 7:34 PM.

The Council reconvened at 7:35 PM.

A motion was made by C. Henderson and seconded by C. M. Johnson to adopt O-22-05-03.

A motion was made by C. Henderson and seconded by C. M. Johnson to amend O-22-05-03 by substituting O-22-05-03 (s) in its entirety.

Discussion:

- Council Member Brown asked Council Member Henderson to address the owner occupied language, noting that someone who built an 8-plex but lived in one unit wouldn't get the exemption; or, that someone who built an addition for rental, incidental to one's residence, would only get the new portion used for rental exempted.
- MR. Chandler noted different ways the Council could make amendments, depending on their intent.

A motion was made by C. Brown and seconded by C. M. Johnson to amend O-22-05-03 (s) by adding subsection d iii under Section 2 on page 2 to read "for a mixed use building, only that portion of the incremental increase in assessed value that is attributed to the additional residential rental portion of the structure."

Discussion:

- Mayor Handeland asked if subsection bii was in conflict with the proposed amendment.
- Mr. Chandler contended that no. It was not in conflict - it only applies to the case where someone would build onto their own house.
- Council Member Mark Johnson asked about the scenario where someone builds a triplex and lives in one unit.
- Mr. Chandler noted that would qualify for the entire structure.
- Council Member Doug Johnson contended that if the intent is to encourage building space, building a space for oneself shouldn't negate the exemption.
- Mr. Chandler suggested revisions based on his understanding of the intent of the ordinance.
- Council Member Brown opined the portion of the property not increasing the rental supply shouldn't be eligible, noting the intent of the ordinance was to increase the rental supply. He explained using the construction of a mother-in-law as an example.
- Council Member Henderson noted that Council Member Brown's point was valid and gave a different example. He explained Council Member Doug Johnson's perspective via a four plex, all the same size, where the owner/builder was not gaming the system.

At the roll call:

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

Nay:

Abstain:

The motion to amend **CARRIED**.

Returning to the main motion:

A motion was made by C. D. Johnson and seconded by C. Brown to amend O-22-05-03-S by striking section b ii "restoration or construction of owner-occupied structures does not create eligibility for this tax exemption."

At the roll call:

Aye: Tapqaq; Brown; D. Johnson; M. Johnson

Nay: Martinson; Henderson

Abstain:

The motion to amend **CARRIED**.

Returning to the main motion:

- Manager Steckman clarified the intent of the council and discussion at the work session, asking them to stick to the intent rather than broadening the ordinance.
- Council Member Henderson opined the Council could always go back and amend the ordinance and suggested passing it with no further changes.
- Mayor Handeland agreed suggesting passing it and allowing people suggest changes as the City works through the process of implementation.

At the roll call:

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

Nay:

Abstain:

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

### **NEW BUSINESS**

- A. O-22-06-01 An Ordinance to Establish, Approve, and Adopt the FY 2023 City of Nome General Fund Municipal Budget and Exercising the Power to Assess and Authorize the Levy of a General Property Tax, **FIRST READING/DISCUSSION**.
- B. O-22-06-02 An Ordinance to Establish, Approve, and Adopt the FY 2023 City of Nome School Debt Service Fund Budget, **FIRST READING/DISCUSSION**.
- C. O-22-06-03 An Ordinance to Establish, Approve, and Adopt the FY 2023 City of Nome Special Revenue Fund Budget, **FIRST READING/DISCUSSION**.
- D. O-22-06-04 An Ordinance to Establish, Approve, and Adopt the FY 2023 City of Nome Capital Projects Fund Budget, **FIRST READING/DISCUSSION**.
- E. O-22-06-05 An Ordinance to Establish, Approve, and Adopt the FY 2023 City of Nome Construction Capital Projects Fund Budget, **FIRST READING/DISCUSSION**.
- F. O-22-06-06 An Ordinance to Establish, Approve, and Adopt the FY 2023 City of Nome Port of Nome Fund Budget, **FIRST READING/DISCUSSION**.
- G. O-22-06-07 An Ordinance to Establish, Approve and Adopt the FY 2023 City of Nome Port of Nome Capital Projects Fund Budget, **FIRST READING/DISCUSSION**.
- H. O-22-06-08 An Ordinance Approving the 2022 Operations and Maintenance Budget for Nome Joint Utilities System, **FIRST READING/DISCUSSION**.
- I. O-22-06-09 An Ordinance Approving the 2022 Capital Investments Budget for Nome Joint Utility System, **FIRST READING/DISCUSSION**.

A motion was made by C. Martinson and seconded by C. Henderson to advance O-22-06-01, O-22-06-02, O-22-06-03, O-22-06-04, O-22-06-05, O-22-06-06, O-22-06-07, O-22-06-08, & O-22-06-09.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

- J. R-22-05-03 A Resolution Setting the City of Nome Mill Rate for Calendar Year 2022.

A motion was made by C. Martinson and seconded by C. Henderson to adopt R-22-05-03.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

- K. R-22-05-04 A Resolution Approving the Employment of Joe Barone as Summer Laborer.

A motion was made by C. Martinson and seconded by C. Henderson to adopt R-22-05-04.

Discussion:

- Mayor Handeland corrected the clerk on Mr. Barone's name pronunciation.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

- L. R-22-05-05 A Resolution Assigning Thirty Percent of the General Fund Ambulance Net Revenue to the Capital Projects Fund for the Future Purchase of a New Ambulance.

A motion was made by C. Martinson and seconded by C. Henderson to adopt R-22-05-05.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

- M. R-22-05-06 A Resolution Awarding the Contract for Port of Nome - Thornbush Pad Drainage Improvements.

A motion was made by C. Martinson and seconded by C. Henderson to adopt R-22-05-06.

Discussion:

- Clerk Hammond noted a minor issue with the issuance of the Notice of Intent to Award.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

- N. R-22-05-07 A Resolution Setting the City of Nome Contribution for the FY 2023 Nome School District Budget.

A motion was made by C. Martinson and seconded by C. Henderson to adopt R-22-05-07.

Discussion:

- Mayor Handeland summarized the resolution.
- Council Member Henderson noted the increase was a 5% increase over last year's contribution.

**UTILITY MANAGER'S REPORT**

- A. Activity Report: May 10 - 20, 2022.

- Assistant Manager Morton noted that NJUS crews were into full time summer mode. He noted two matters of interest coming out of the legislative session: the PCE change from 500 kWh being eligible to 750 kWh and an upcoming renewable energy fund grant opportunity for the Utility's battery energy storage project.
- Council Member Henderson asked NJUS would need to replace controllers to utilize battery storage, similar to a project he read an article about in Shungnak.
- Assistant Manager Morton noted the power plant was on the new side. He compared the battery system to a gas tank saying the NJUS had the required technology. He noted staff going to Kotzebue soon to see their system.



**CITY MANAGER'S REPORT****A. Activity Report: May 10 - 20, 2022.**

- Manager Steckman noted that City Hall would be closed on Monday for Memorial day. He thanked Eva Dickson and the 4th grade for picking up garbage around the landfill and explained that the bag vacuum was having starter problems. He requested a work session to discuss 3D house printing and explained developing partnerships and increasing funding opportunities for the project.
- Mayor Handeland noted the intent of using less stable ground to test opening housing on the outskirts in town. He noted that City administration had been clear on putting it in a problematic spot, to research foundation design.

**B. May 2022 Port Director Report & Capital Projects Update,.**

- Port Director Baker gave a brief update.

**CITIZEN'S COMMENTS**

*None given*

**COUNCIL MEMBER'S COMMENTS**

1. Council Member Topkok stated she was excited for graduation on Wednesday, saying she hoped folks can make it.
2. Council Member Brown – no comments.
3. Council Member Henderson thanked the rest of the Council for supporting the housing incentive ordinances, explaining one of the reasons he joined the Council was to try to solve some of the housing issues.
4. Council Member Doug Johnson – no comments.
5. Council Member Mark Johnson noted he was encouraged by the incentives the City would be giving out and hoped to see more economic development incentives in the future. He requested that the School spend the increased amount of local contribution on teacher and support staff salaries.
6. Council Member Martinson noted it was good to see the Public Works guys working on the softball fields.

**MAYOR'S COMMENTS AND REPORT****A. Activity Report: May 10 - 20, 2022.**

- Mayor Handeland discussed the High School graduation, noting the parade that KNOM would be streaming live.
- He discussed the annual Memorial Day ceremony, noting the VFW / Ladies Auxiliary were working on Monday's program that would begin around 11 AM. He hoped for people to

come out and show patriotism by walking up to the cemetery and the down to the snake river for the wreath dropping ceremony to honor those that died at sea.

- He thanked Eva Dickson for all the work she put into cleaning up the landfill area, especially the 4th graders that took the initiative to address a community need. He noted the City would be sending them ice cream as thanks.

**EXECUTIVE SESSION**

**ADJOURNMENT**

Hearing no objections the Council adjourned at 8:35 PM.

**APPROVED** and **SIGNED** this 13<sup>th</sup> day of June, 2022

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**JOHN K. HANDELAND**  
**Mayor**

**ATTEST:**

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**BRYANT HAMMOND**  
**Clerk**