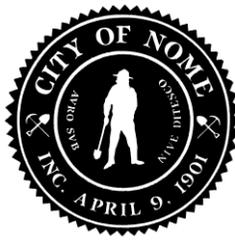


Mayor
John K. Handeland

Manager
Glenn Steckman

Clerk
Bryant Hammond



Nome City Council
Jerald Brown
Doug Johnson
Mark Johnson
Adam Martinson
Jennifer Reader
Meghan Sigvanna Topkok

**NOME COMMON COUNCIL
REGULAR MEETING MINUTES
TUESDAY, MAY 25, 2021 at 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

ROLL CALL

Members Present: Jerald Brown; Doug Johnson (telephonic); Mark Johnson; Adam Martinson; Jennifer Reader; Sigvanna Topkok (telephonic)

Members Absent:

Also Present: John K. Handeland, Mayor; Glenn Steckman, City Manager; Bryant Hammond, Clerk; Nickie Crowe, Finance Director (telephonic); Bob Pruckner, NPD Deputy Chief; Ken Morton, Assistant Utility Manager; Joy Baker, Port Director, John Bles, City Engineer; Dr. Don Stevens

In the audience: Diana Haecker, Nome Nugget; Lester Brown, KNOM; Richard Hawkins; Julius Rankin; Derek McLarty; Chuck Fagerstrom; Shawn Pomrenke; Chris Pomrenke; Steve Pomrenke; Ken Hughes; Jeff Darling; Judy Martinson; Drew McCann; Carlee Hobbs

APPROVAL OF AGENDA

A motion was made by C. Reader and seconded by C. Martinson to approve the agenda.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

APPROVAL OF MINUTES

A. April 26, 2021 Nome Common Council Regular Meeting Minutes.

B. May 10, 2021 Nome Common Council Regular Meeting Minutes.

A motion was made by C. Reader and seconded by C. Martinson to adopt the April 26, 2021 and May 10, 2021 minutes.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

COMMUNICATIONS

- A. Letter of May 13, 2021 from NSHC Medical Director Peterson to Nome Common Council re: Short Extension Request on Mandatory Testing for Unvaccinated Individuals.
- Dr. Peterson addressed the Council regarding milestones NSHC would like to achieve prior to ceasing testing at the airport. He noted a 70 percent vaccination rate was the goal and that it would likely be achieved following FDA approval for children aged 2 - 11, expected in October. He and Manager Steckman fielded questions from Council Members.
- B. Public Notice of May 14, 2021 from Knik Construction to Community of Nome re: Bering Street Closures for Summer 2021.
- C. Letter of May 2021 from Representative Foster and Senator Olson re: Legislative Citation Honoring the City of Nome's Efforts During the Pandemic.
- Mayor Handeland displayed the legislative citation and discussed several communications that did not make it into the packet.
- D. City of Nome FY22 Budget Calendar.

CITIZEN'S COMMENTS

1. Kenny Hughes thanked the City for the technology upgrade and for relaxing the COVID restrictions as much as they have been and asked for the remaining restrictions to be relaxed as quickly as possible. He noted jump starting the economy was the next step and discussed Planning Commission activities, including the continued development of Front St. He spoke in support of the Pomrenke's plan to mine in the Moonlight Spring Protection Area, the permit for which was on later on the agenda for consideration.

2. Judy Martinson spoke to the letter from Norton Sound Health Corporation, citing statistics from different communities around the state and country, saying the current measures in place are doing more harm than good.
3. Jeff Darling spoke in support of R-21-05-01, saying people have been mining in the recharge area for a while and encountering few problems. He explained he would be more concerned if the operation was blasting or fracturing bedrock. He noted similar benefits as Mr. Hughes did—jobs and money coming into the community.
4. Derek McLarty spoke in support of R-21-05-01, saying it's more of the same that's occurred in the past, and that in fact, denying the permit would set a precedent.
5. Janet Balice opined she wasn't willing to take the risk to mine in the Moonlight Springs area.
6. Christine Pomrenke noted that Northwest Goldiggers knew where they were proposing to mine, explaining they don't take the action lightly, as they are part of the community with kids, grandkids etc in the community.
7. Drew McCann spoke about public inebriation, noting a candid discussion with a Front Street liquor store about the effects alcohol abuse has on the community. He encouraged the Council to get creative with ordinances to address the issues, saying it's a worldwide problem.
8. Chuck Fagerstrom also spoke about public inebriation, saying our citizens are losing control of Front St. He contended the town has lost its dignity and displayed an empty 1.75 L bottle of vodka that he took off someone who was too drunk to stand a few days prior. He asked the Council to prohibit the sale of 1.75L containers. He asked the street people add something to the community.

UNFINISHED BUSINESS

- A. O-21-05-01 An Ordinance Authorizing the Sale of Surplus Real Property Owned by the City of Nome by Public Sealed Bid, **SECOND READING/PUBLIC HEARING/FINAL PASSAGE.**

For the purpose of holding a public hearing, the Council recessed at 7:36 PM.

The Council reconvened at 7:37 PM.

A motion was made by C. Reader and seconded by C. Martinson to adopt O-21-05-01.

Discussion:

- Council Member Brown clarified the ordinance recently passed that allowed for over-the-counter sales for properties that are not sold by sealed bid for 180 days following the bid opening.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

- B. O-21-05-02 An Ordinance of the Nome Common Council, Nome, Alaska, Providing for a Temporary Reduction of Sales Tax for the Months of July and August 2021, **SECOND READING/PUBLIC HEARING/FINAL PASSAGE**.

For the purpose of holding a public hearing, the Council recessed at 7:39 PM.

Public Hearing:

- Ken Hughes opined it was a good idea and "let's do it."
- Jeff Darling agreed.
- Judy Martinson spoke in favor of the reduction.

The Council reconvened at 7:41 PM.

Discussion:

- Council Member Brown announced he would be voting against the ordinance, noting the City had limited sources of revenue. He opined it was more appropriate to dip into the fund balance or reduce the mill rate. He noted that reducing the mill rate would be preferable as sales tax drew from more than just the Nome population. He suggested proposing a reduction in the mill rate if the ordinance fails.
- Council Member Mark Johnson noted that he agreed on a lot of Council Member Brown's points, though opined the sales tax negatively affected those that couldn't get out of town to shop. He noted the reduction of the seasonal sales tax rate in 2020 didn't produce any drastic effects.
- Council Member Martinson spoke in favor in adopting the ordinance.
- Council Member Doug Johnson remembered potential consequences of passing the ordinance and asked Manager Steckman to clarify.
- Manager Steckman explained lost revenue could not be offset with the ARPA funds, though they're not in jeopardy. He noted the funds would be put to other parts of the budget.

- C. O-21-05-03 An Ordinance Authorizing the Disposal of Municipal Property by Lease to GCI Communication Corporation, **SECOND READING/PUBLIC HEARING/FINAL PASSAGE.**

A motion was made by C. M. Johnson and seconded by C. Martinson to postpone O-21-05-03 to the June 14, 2021 regular meeting.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED.**

- D. R-21-05-01 A Resolution Issuing a Moonlight Wells Permit to Northwest Gold Diggers, LLC for the 2021 Mining Season.
- Mayor Handeland asked to hear from staff and the applicant prior to holding the public hearing.
 - John Blee, City Engineer, explained the risk analysis and the higher risk activities identified. He introduced Dr. Don Stevens, who helped identify the Moonlight Springs Protection Area.
 - Dr. Stevens discussed the geology of the limestone marble formation and that water flows through the cracks in the marble to get to the wells. He noted that arsenic was not a concern in the past.
 - Mr. Blee discussed naturally occurring arsenic in soils in and around Nome. He recommended surveying the boundary of the protection area, the area around the proposed mining, the boundary of the claim, and the proposed excavation area. He recommended that if bedrock is encountered, mining should cease. He noted the recommendation of the wash plant moving outside the area by NSHC. He also recommended if water was encountered that a plug of bentonite be used to keep ground water from filtering into the aquifer.
 - Mayor Handeland asked where the the 2021 operations plan was and asked Shawn Pomrenke if there would be a pit about the road.
 - Shawn Pomrenke confirmed there would be a pit above the road.
 - Manager Steckman noted that there was a violation in 2020, though when approached by City Staff, the Pomrenke's were polite and addressed the issue. He opined they will need to work closely with Mr. Blee and that the permit should include the additional stipulations recommended by Mr. Blee and NSHC.
 - Shawn Pomrenke discussed his 2021 plan, noting they will go with Mr. Blee's recommendations, including keeping the washplant outside of the protection area. He noted the operations is transparent and that water in the area drains away from the wells towards the softball fields. He explained he few up in the community,

loved it, and wouldn't do anything to jeopardize the community's water source.

- Mayor Handeland asked him to address the reclamation plan.
- Mr. Pomrenke explained it was difficult to say at the moment, but that the area would be reclaimed to his father's standards, contouring it, mulching it, and hydroseeding it.
- Council Member Reader asked a clarifying question on location.
- Council Member Mark Johnson asked where the water at Moonlight Springs came from. He relayed a story from his dad concerning the source of the water as coming from Mt. Bendeleben.
- Assistant Utility Manager Morton explained the source today is not the source of yesteryear, that the previous source was influence too highly by surface water. He noted the current source is deep, quality and treated minimally. He concurred on the bentonite plan if ground water was encountered. He suggested marking the boundary with brightly colored drums so that people could see what was going on and that the project will need to be visited.
- Mayor Handeland suggested Mr. Blees visit the project site monthly to note progress and potential issues.
- Utility Manager Morton noted that in 2019 there was an incursion into the protection area and that in October of 2020 mining occurred, knowingly, without a permit.

For the purpose of holding a public hearing, the Council recessed at 8:21 PM.

Public Hearing:

- Derek McLarty noted that it appeared to have been a significant amount of mining inside the boundary already. He asked if
- Mr. Blees explained that he only encountered one other mining operation in the area as City Engineer. He noted that some of the areas were already mined, and that Pom were remaining areas.
- Mayor Handeland explained the history of mining in the area, noting Dredge 3 in the 40s and 50s and Anvil Mining closer to the wells themselves. He discussed the previous mining at Cooper Gulch.
- Jeff Darling noted that drainage goes south and east, away from the wells, and that the operation wasn't adding water inside the protection area. Any discharge would head south and east.

The Council reconvened at 8:32 PM.

A motion was made by C. Reader and seconded by C. Martinson to adopt R-21-05-01.

Discussion:

- Council Member Brown discussed the formation of the protection area and requested confirmation on the thesis that there was no way to 100 percent accurately identify the boundary. He recalled the protection area was not intended to outright prohibit mining in the area, rather ensure the City had a say in how the mining occurred.
- Dr. Stevens noted that the proposed mining was at a distance that would not disturb the well water.
- Council Member Mark Johnson expressed a potential conflict, as he could be doing accounting work for the Pomrenke's.
- Mayor Handeland agreed with Council Member Mark Johnson's reasoning.
- Council Member Martinson asked if the conditions needed to be attached.

A motion was made by C. Reader and seconded by C. Martinson to amend R-21-05-01 by striking “as attached.”

At the roll call:

Aye: D. Johnson; Martinson; Reader; Brown

Nay: Topkok

Abstain: M. Johnson

The motion to amend **CARRIED**.

Returning to the main motion

At the roll call:

Aye: Brown; D. Johnson; Martinson; Reader

Nay: Topkok

Abstain: M. Johnson

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

NEW BUSINESS

- A. O-21-06-01 An Ordinance to Establish, Approve, and Adopt the FY 2022 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-21-06-02 An Ordinance to Establish, Approve, and Adopt the FY 2022 City of Nome School Debt Service Fund Budget, **FIRST READING/DISCUSSION**.
- C. O-21-06-03 An Ordinance to Establish, Approve, and Adopt the FY 2022 City of Nome Special Revenue Fund Budget, **FIRST READING/DISCUSSION**.
- D. O-21-06-04 An Ordinance to Establish, Approve, and Adopt the FY 2022 City of Nome Capital Projects Fund Budget, **FIRST READING/DISCUSSION**.

- E. O-21-06-05 An Ordinance to Establish, Approve, and Adopt the FY 2022 City of Nome Construction Capital Projects Fund Budget, **FIRST READING/DISCUSSION**.
- F. O-21-06-06 An Ordinance to Establish, Approve, and Adopt the FY 2022 City of Nome Port of Nome Fund Budget, **FIRST READING/DISCUSSION**.
- G. O-21-06-07 An Ordinance to Establish, Approve, and Adopt the FY 2022 City of Nome Port of Nome Capital Projects Fund Budget, **FIRST READING/DISCUSSION**.

A motion was made by C. Reader and seconded by C. Martinson to advance O-21-06-01 through O-21-06-07.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

- H. R-21-05-04 A Resolution Setting the City of Nome Mill Rate for Calendar Year 2021.

A motion was made by C. Reader and seconded by C. Martinson to adopt R-21-05-04.

Discussion:

- Council Member Brown asked if the current fund balance appropriation took the sale tax reduction into account.
- Manager Steckman explained that he and Finance Director Crowe suspected the ordinance would pass and accounted for such in the budget. He also noted a potential surplus after FY 2021.
- Finance Director Crowe explained the fund balance appropriation.
- Council Member Brown opined he felt comfortable with a \$1,000,000 draw from the fund balance.

A motion was made by C. Brown and seconded by C. M. Johnson to amend R-21-05-04 by lowering the mill rate to 12.

- Council Member Mark Johnson explained his reasoning as to why he was comfortable in lowering the mill rate by one mill.
- Council Member Brown asked how secure staff felt in the fund balance appropriation figure of \$637,000.

- Manager Steckman opined that a City could never have too much money, especially in a rough climate such as this one; he noted the reduction wouldn't break the City's back.
- Council Member Brown expressed appreciation for not budgeting every position filled for the entire, saying vacancy allowances should be factored in. He noted it was a rough year and a reduction in property tax would directly benefit businesses.

At the roll call:

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

Nay:

Abstain:

The motion to amend **CARRIED**.

Returning to the main motion:

At the roll call:

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

Nay:

Abstain:

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

UTILITY MANAGER'S REPORT

A. Activity Report: May 11 - 21, 2021.

- Assistant Utility Manager Morton discussed the transition of Utility crews into projects as the warm season begins. He discussed the start of several projects including the Bering Street project and the Utility tank farm.

CITY MANAGER'S REPORT

A. Activity Report: May 11 - 21, 2021.

- Manager Steckman noted 22 total sexual abuse cases for the year, stating while sad, it was much better than higher case counts in previous years. He noted the outside noise from earlier in the meeting came from a bunch of 12 - 15 year olds cursing out an inebriated homeless person on the ground. He noted ongoing efforts to address the issue. Manager Steckman explained he was astounded at the number of homeless in Anchorage. He noted the need for another work session and turned the floor over to Port Director Baker.
- Port Director Baker discussed the design services RFP out on the street, with proposals due on Friday the 28th. She explained the anode project contractor was expected in town in late July and that STG, the contractor working on the Port

Launch Ramp was expecting in late June. Port Road project was moving along, out for comments until June 15.

- Mayor Handeland asked Director Baker to discuss the INFRA Grant.
- Director Baker noted several questions from the granting agency, discussing a discrepancy in matching funds. She noted the total grant amount the City is pursuing was \$8.5 million.

B. May 2021 Port Report and Capital Projects Update.

CITIZEN'S COMMENTS

1. Carlee Hobbs thanked the Council for the time they put it for the City. She expressed concern over the recent ultimatum of vaccinate or lose your job at the hospital. She expressed further concern over children being pushed into vaccination with a vaccine approved under emergency rules. She noted being appalled at the propeganda in the post office concerning reasons to get vaccinated against COVID-19.
2. Julius Rankin, manager of AC across the street, spoke about inebriation in Nome. He explained that he was new to Nome, lives downtown and also finds it hard to sleep at night due to the commotion outside. He noted several upcoming limitations to be imposed by AC, including and allowance of 2 times per day into the store per customer and a limit to the amount of bottles of hard liquor a customer was allowed to purchase. He explained he and his wife, who was currently running the store, were looking into ways to identify runners to cut down the amount of alcohol being purchased by inebriated individuals. He stated he was open to suggestions and would work hard to address the issues.
3. Chuck Fagerstrom called Mr. Renkin's statements the most welcoming from an AC manager in a long time. He sought help to ban 1.75L bottles, seeing three options 1. AC can do it 2. the Council could do so or 3. He and Mr. McCann can get a petition going.

COUNCIL MEMBER'S COMMENTS

1. Council Member Topkok – (lost telephone connectivity).
2. Council Member Brown – no comments.
3. Council Member Doug Johnson – no comments.
4. Council Member Mark Johnson welcomed the new AC manager, appreciating his willingness to work with the community. He appreciated Chuck's perspective on the inebriation issue. He noted that the Council has talked a lot over the years with different agencies; he stated he would support a work session over the summer to discuss the issue further but suggested maybe Chuck and AC get moving on it as well. He reiterated his dollar for dollar tax break idea for beautifying Nome through paint and siding incentives.

5. Council Member Martinson – no comments.
6. Council Member Reader noted U Call, We Haul coming up and congratulated all the high school graduates. She encouraged them to get involved in the community and make it the place we all want to live in.

MAYOR'S COMMENTS AND REPORT

- A. Activity Report: May 11 - 21, 2021.
 - Mayor Handeland touched on the issues of inebriation and homelessness on Front St; he noted that at least two cell providers would be doing work in town to towers; he discussed his previous day touring Nome with Rebecca Palsha, a reporter with KTUU documenting COVID pandemic stories. He clarified an issue with travel restrictions and graduation was resolved and solicited participation of Council members in meetings addressing alcohol issues in Nome.
- B. Appointment of Briday Green to Seat "A" of the Nome Public Safety Advisory Commission.

A motion was made by C. Reader and seconded by C. Martinson to confirm the appointment .

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

EXECUTIVE SESSION

n/a

ADJOURNMENT

Hearing no objections, the Nome Common Council adjourned at 9:36 PM.

APPROVED and **SIGNED** this 14th day of June, 2021

JOHN K. HANDELAND
Mayor

ATTEST:

BRYANT HAMMOND
Clerk