

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
REGULAR MEETING MINUTES
MONDAY, JULY 25, 2022 at 5:30 / 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

WORK SESSION - 5:30

- A. Discussion of O-22-07-01 An Ordinance of the Nome Common Council, Nome, Alaska, Temporarily Suspending Certain Fees for Building, Remodel, Mechanical, and Electrical Permits for Projects with Values Under \$500,000.
- B. Discussion of O-22-07-02 An Ordinance of the Nome Common Council, Nome, AK, Adding Chapter 15.100 Abuse of 911 System to the Nome Code of Ordinances.
- C. Discussion on Soliciting Greater Participation in Elections through Ordinance Reform.

ROLL CALL

Members Present: Jerald Brown; Scot Henderson; Doug Johnson; Mark Johnson (telephonic); Sigvanna Tapqaq

Members Absent: Adam Martinson (excused); Paris Hebel (excused)

Also Present: John Handeland, Mayor; Glenn Steckman, City Manager; Bryant Hammond, City Clerk; Nickie Crowe, Finance Director (telephonic)

In the audience: Diana Haecker (Nome Nugget) (Teams); Paul G. Kosto; Melissa Ford, Nome Sweet Homes; Ristine Casagrande, Coastal Heritage Properties

APPROVAL OF AGENDA

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

At the roll call:
Aye: Henderson; D. Johnson; M. Johnson; Tapqaq; Brown
Nay:
Abstain:

The motion **CARRIED**.

APPROVAL OF MINUTES

- A. May 4th, 6th, 10th & 23rd, 2022 Nome Board of Equalization Meeting Minutes.

A motion was made by C. Henderson and seconded by C. Brown to approve the 2022 Nome Board of Equalization Meeting Minutes.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

B. July 11, 2022 Nome Common Council Regular Meeting Minutes.

A motion was made by C. Henderson and seconded by C. D. Johnson to approve the July 11, 2022 minutes.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

COMMUNICATIONS

A. Memo of July 21, 2022 from Clerk Hammond to Nome Common Council re: Certification of Referendum on O-16-10-09.

- The Council discussed the merits and legalities of passing an ordinance adopting the referendum thereby obviating the need for a ballot measure.
- Council Member Brown objected to the council taking a position on the referendum, pro or con and advocated leaving the matter to the voters.
- Mayor Handeland requested more statistical information, saying the City had an obligation to advise the voters as to the potential impact.

B. Article of July 6, 2022 Entitled *Small Sight --Big Might: Economic Impact of Bird Tourism Shows Opportunities for Rural Communities and Biodiversity Conservation*.

CITIZEN'S COMMENTS

none given

UNFINISHED BUSINESS

A. O-22-07-01 An Ordinance of the Nome Common Council, Nome, Alaska, Temporarily Suspending Certain Fees for Building, Remodel, Mechanical, and Electrical Permits for Projects with Values Under \$500,000, **SECOND READING/PUBLIC HEARING/FINAL PASSAGE**.

For the purpose of holding a public hearing, the Council recessed at 7:09 PM.

The Council reconvened at 7:10 PM.

A motion was made by C. Brown and seconded by C. Henderson to adopt O-22-07-01.

A motion was made by C. Henderson and seconded by C. D. Johnson to amend O-22-07-01 by modifying the expiration date from 12/31/25 to 12/31/27.

At the roll call:

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

Nay:

Abstain:

The motion to amend **CARRIED**.

Returning to the main motion

At the roll call:

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

Nay:

Abstain:

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

- B. R-22-06-05 A Resolution Approving a Contract Between the Nome Chamber of Commerce and the City of Nome for Operation of the Nome Convention and Visitors' Bureau.

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

Discussion:

- Mayor Handeland summarized the status of the resolution and the contract. He asked if there were any members that thought they had a conflict of interest.
- Council Member Henderson declared he had a conflict as the Chamber president.
- Mayor Handeland reasoned that since his was not a paid position he had no conflict and directed Council Member Henderson to vote.
- Council Member Mark Johnson declared that he had a conflict.
- Council Member Tapqaq asked that in future the Visitor Center contract have a provision to work with local tribes.

At the roll call:

Aye: Brown; Henderson; D. Johnson; Tapqaq

Nay:

Abstain: M. Johnson

The motion **CARRIED**.

NEW BUSINESS

- A. O-22-07-02 An Ordinance of the Nome Common Council, Nome, Alaska, Adding Chapter 15.100 Abuse of 911 System to the Nome Code of Ordinances.

A motion was made by C. Henderson and seconded by C. Brown to advance O-22-07-02.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

- B. R-22-07-03 A Resolution Authorizing the City Manager to Enter into an Agreement with Azavar Government Solutions for the Provision of Online Sales and Bed Tax Collection.

A motion was made by C. Henderson and seconded by C. Tapqaq to adopt R-22-07-03.

Discussion:

- Manager Steckman noted that the contract amount was under his authority, but wanted the Council to be aware. He noted that the company has the ability to conduct audits.
- Finance Director Crowe described the terms of the contract pricing.
- Mayor Handeland asked if audits would be initiated at the request of the City and not by the firm.
- Council Member Henderson clarified the purpose was to make processes more efficient.
- Manager Steckman opined the intent was to make it easier for customers and staff alike.
- Clerk Hammond discussed some of the details.
- Council Member Henderson remembered a past sales tax audit contractors' contract that had similar language concerning a percentage of new revenues.
- Manager Steckman discussed the delay of the potential audit until 2023 per the contract.
- Council Member Doug Johnson expressed concern over the audit potential.
- Council Member Henderson asked if there was a reason to tie the audits to the collection of sales tax. He opined he'd rather see a larger annual fee than potential revenue through audits.
- Council Member Brown agreed in theory, though pointed to ordinances concerning who gets paid in the result of an audit as a potential safeguard. He liked the financial incentive through "proper use" of the audits. He noted an example of such an incentive structure with property tax assessments, noting a 50% cut of any savings from the property tax challenge to the contractor. He noted the City hasn't been doing audits and there were certain people and industries that were blatant abusers of the system.
- Manager Steckman clarified the terms of the contract, noting the 30 day term.
- Council Member Mark Johnson stated he was against the part of the contract that gave an incentive to audit local businesses.
- Manager Steckman discussed the discrepancies found during the payout of the CARES Act.
- Council Member Henderson expressed his opposition again for Statement of Work 1.

Council Member Brown made a motion to postpone R-22-07-03 until the August 8, 2022 Regular Meeting of the Common Council.

Council Member Brown withdrew the motion.

- Staff suggested the Council pass the resolution and staff would only pursue the sales and bed tax administration agreement.
- Manager Steckman reassured him that staff wouldn't sign something against the Council's wishes.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

- C. R-22-07-04 A Resolution Awarding the Contract for the XYZ Alarm System Upgrade Project to North Star Fire Protection LLC.

A motion was made by C. D. Johnson and seconded by Council Member Tapqaq to adopt R-22-07-04.

Discussion:

- Manager Steckman discussed the budgeted amounts for the project and the bids that came in. He discussed some of the challenges in developing and putting out the bid package.

At the roll call:

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

Nay:

Abstain:

The motion **CARRIED**.

UTILITY MANAGER'S REPORT

- A. Activity Report: July 12 - July 22, 2022.

- Mayor Handeland noted that Mr. Morton was in Cordova for a conference. Mayor Handeland discussed the next day's coast guard inspection for spill drills.
- He discussed the process for expressing concerns with respect to issues with AK Waste.

CITY MANAGER'S REPORT

- A. Activity Report: July 12 - July 22, 2022.

- Manager Steckman presented his written report, highlighting an upcoming work session on site closure for property where the Richard Foster Building is now situated, at-one-time owned by NovaGold, AK Gold and the City of Nome. He noted the DEC was looking to bring the matter to a close and he has been working closely with the parties.
- The first cruise ship came in since September of 2019. He discussed 350 passengers getting off and 350 passengers getting on. He noted 162 visitors came through the museum that day.
- He discussed the status of COVID and reiterated the City has COVID test kits and masks for free.
- Manager Steckman discussed cigarette buttes and trash.

- He discussed the status of pool repairs and the costs of the project. He noted he's been assured the project will give the City another 10-15 years of upgrades. He discussed the pool would be getting a SCADA system for remote control and monitoring.
 - He discussed the 2022 abatement process and noted that abatement reports were forthcoming.
 - He discussed the possibility of needing a new heating oil tank at the Mini Convention Center, as it is a single wall. He discussed the replacement of the tank at the Visitor Center and the precarious status of the piping.
 - Manager Steckman noted the bank was seeking to add some interest to the City accounts.
 - Council Member Brown asked about school bond reimbursement money, assuming it was not contingent on repairing the pool.
 - Council Member Henderson brought up the 2019 letter from NSHC regarding the ambulance department.
 - Manager Steckman discussed his discussions with CEO Gorn and the Fire Chief and suggested that it was informational and would have a report at the next meeting.
 - Port Director Baker stated she was there for questions if there were any.
 - Manager Steckman summarized a recent coast guard visit from staff that have never been here before.
- B. Letter of October 7, 2019 from Angie Gorn to Nome Common Council re: Ambulance Proposal.
- C. Department Quarterly Reports.
- Rec Center
 - Road Crew
 - Museum
 - Library
 - NPD
 - Finance
 - IT
 - Building Inspection

CITIZEN'S COMMENTS

None given

COUNCIL MEMBER'S COMMENTS

1. Council Member Tapqaq opined that it was nice to be back.
2. Council Member Brown – no comments.
3. Council Member Doug Johnson – no comments.
4. Council Member Mark Johnson – no comments.
5. Council Member Henderson discussed the new software platform for online sales tax collection, saying he supported it, but clarified that he didn't support the incentivization of audits, noting we need to be very careful of it.

MAYOR'S COMMENTS AND REPORT

A. Activity Report: July 12 - July 22, 2022.

- Mayor Handeland discussed a recent meeting with the brass of US Army Corps of Engineers, saying no promises were made, but "if you build it, they will come" was implied. He noted it was a fruitful meeting.
- He thanked the Clerk's Office for their efforts in organizing the Fourth of July events.
- Mayor Handeland opined was great to see the cruise ship dock and noted it was good to get back to normalcy with cruise landings. He noted he was able speak to a few of the tourists and that they were enjoying their time in Nome.
- He discussed the school construction fund vis-à-vis construction projects, that these funds were previously expended and asked Manager Steckman to work with Superintendent Burgess to see if they can be used for pool repairs.
- Manager Steckman noted the City has discussed with the school the conditons of the pool before, but never got down to brass tacks. He opined that a piecemeal approach would cost more in the longrun. He opined the project would likley impact the swim team's schedule.
- Finance Director Crowe discussed the bond reimbursement and gave details.
- Council Member Doug Johnson thanked Cole and his staff for doing a great job with the ship turnover.

EXECUTIVE SESSION**ADJOURNMENT**

Hearing no objections, the Council adjourned at 8:12 PM.

APPROVED and SIGNED this 8th day of August 2022

JOHN K. HANDELAND
Mayor

ATTEST:

BRYANT HAMMOND
Clerk