

**I. CALL TO ORDER**

The Regular Meeting of the Dillingham City Council was held on Thursday, April 25, 2013, at the Dillingham City Council Chambers, Dillingham, Alaska. Mayor Ruby called the meeting to order at 7:01 p.m.

**II. ROLL CALL**

Mayor Alice Ruby was present.

Council Members present and establishing a quorum (a quorum being four):

- Brenda Akelkok, Seat A
- Chris Maines, Seat B
- Bob Himschoot, Seat C
- Keggie Tubbs, Seat D
- Tracy Hightower, Seat E
- Paul Liedberg, Seat F

Staff in attendance:

- Rose Loera, City Manager
- Dan Pasquariello, Chief of Police/Sergeant-at-Arms
- Carol Shade, Finance Director
- Jody Seitz, Planning Director
- Lilly Capell, Recorder
- Dan Boyd, Animal Control Officer

**III. APPROVAL OF MINUTES**

- A. Regular Council Meeting, April 11, 2013

**MOTION:** Paul Liedberg moved and Chris Maines seconded the motion to approve the minutes of April 11, 2013.

Corrections to be made to page 3:

- require mitigation measures like planning planting willows and such
- ask to refer the issue to the Planning Commission

**VOTE:** The motion to approve the minutes of April 11, 2013 as amended passed unanimously.

**IV. APPROVAL OF CONSENT AGENDA**

- A. Resolution No. 2013-18, A Resolution of the Dillingham City Council to Commend Jim Woolington

**MOTION:** Keggie Tubbs and Bob Himschoot seconded the motion to approve the consent agenda.

VOTE: The motion passed unanimously.

**APPROVAL OF AGENDA**

Mayor Ruby asked to amend the agenda: 1. under Citizen's Discussion delete Bristol Alliance Fuel and add Ken Reiswig; 2. under Ordinances and Resolutions add Resolution 2013-21, under New Business; and 3. under New Business item C. add 5. Review Application of Bed Tax, and item 6. Business License Transient Vendors.

MOTION: Keggie Tubbs and Tracy Hightower seconded the motion to approve the agenda as amended.

VOTE: The motion passed unanimously.

**V. STAFF REPORTS**

**A. City Manager Report**

City Manager Loera reported on the following:

- Resolution to purchase ambulance – reason for the lay down was to get the resolution approved in order to start the bid process to get ambulance on the fall barge;
- National Guard and State in town – will be sending cost to renovate; would send out workers to do the remodel; City to pay their salary and materials; interested in working on planning process for new public safety building, and if they are a partner, could pay for the site costs;
- FEMA grant received for new Fire Truck – fire dept. received a grant for \$384K, of which \$320K is for acquisition of the fire truck and \$64K for equipment;
- CIP Projects – Hockey Association approached City during public process, wish to give City \$20K to put in a special fund for the roof, and \$8K to Parks and Recreation for maintenance of the rink; to be vetted through the Finance Committee; and
- 10 Ton Gasification System – working out the details, firm can get it on the last barge by September 9, but need a decision by May 14; a resolution will be on the May 9 agenda. City will have to go through air quality permitting, which she is currently working with ADEC.

**B. Standing Committee Reports**

Bob Himschoot, Chair of Finance and Budget Committee, reported the two main issues worked on were discussions on the gasifier and review of the proposed FY 2014 budget.

Paul Liedberg, Chair of Code Review Committee, reported the members had met earlier, and one of the discussion items point of sale was being recommended for a one-hour workshop June 20 with the Council. The sales tax code was amended in 2000, but it had not been implemented.

**VI. PUBLIC HEARINGS**

Mayor Ruby opened the public hearing on the ordinances 2013-02, 2013-04, and 2013-05, noting 2013-02 and 2013-05 were a substitute version.

- A. Adopt Ordinance no. 2013-02 (SUB-1), An Ordinance of the Dillingham City Council Amending Sections 4.15.110 Through 4.15.170 of the Dillingham Municipal Code to Amend the Procedures for Appeal Hearings Before the Board of Equalization and to Delete Repetitive Language in these Sections
- B. Adopt Ordinance No. 2013-04, An Ordinance of the Dillingham City Council Amending Section 17.15.030 of the Dillingham Municipal Code to Change the Language Requesting Council Take Action on Planning Commission Resolution to Recommend Vacation of an Alley from "30 Days to Veto" to "45 days to Approve" a Recommended Vacation of an Alleyway
- C. Adopt Ordinance No. 2013-05 (SUB-1), An Ordinance of the Dillingham City Council Amending Section 4.16.060 of the Dillingham Municipal Code to Revise the Penalties Assessed for Failing to Apply for A City Business License

There being no comments the public hearing closed.

#### VII. CITIZEN'S DISCUSSION (Prior Notice or Agenda Items)

- A. Ken Reiswig

Ken Reiswig, Delta Western, reported he was working with the City Planner to get a plat in place to expand their tank farm. Last fall a survey done of their tank farm found they did not have enough secondary containment volume to meet the regulations. He noted a preliminary plat had been done, and would like to purchase a small piece of property by the tank farm to gain the needed volume. DEC was pushing them to get it done this year.

#### VIII. ORDINANCES AND RESOLUTIONS

- A. Adopt Ordinance no. 2013-02 (SUB-1), An Ordinance of the Dillingham City Council Amending Sections 4.15.110 Through 4.15.170 of the Dillingham Municipal Code to Amend the Procedures for Appeal Hearings Before the Board of Equalization and to Delete Repetitive Language in these Sections

MOTION: Paul Liedberg moved and Chris Maines seconded the motion to adopt Ordinance 2013-02 (SUB-1).

VOTE: The motion to adopt Ordinance No. 2013-02 (SUB-1) passed unanimously.

- B. Adopt Ordinance No. 2013-04, An Ordinance of the Dillingham City Council Amending Section 17.15.030 of the Dillingham Municipal Code to Change the Language Requesting Council Take Action on Planning Commission Resolution to Recommend Vacation of an Alley from "30 Days to Veto" to "45 days to Approve" a Recommended Vacation

MOTION: Bob Himschoot moved and Chris Maines seconded the motion to adopt Ordinance 2013-04.

Paul Liedberg reported the Code Review Committee had discussed the ordinance further and he was fine with it. His interest was making everyone aware of the change in language. He felt those decisions and responsibilities that can be farmed out to the commission made it more attractive to be on the commission.

VOTE: The motion to adopt Ordinance No. 2013-04 passed unanimously.

- C. Adopt Ordinance No. 2013-05 (SUB-1), An Ordinance of the Dillingham City Council Amending Section 4.16.060 of the Dillingham Municipal Code to Revise the Penalties Assessed for Failing to Apply for A City Business License

MOTION: Keggie Tubbs moved and Bob Himschoot seconded the motion to amend Ordinance 2013-05 (SUB-1) by substituting Ordinance No. 2013-05 (SUB-2).

VOTE: The motion to amend Ordinance No. 2013-05 (SUB-1) by substituting Ordinance No. 2013-05 (SUB-02) passed unanimously.

Manager Loera commented the amended ordinance would bring back the wording previously deleted to allow that a business license would be subject to a civil penalty of one hundred dollars after the forty-fifth day of unlicensed operation, to recognize new businesses might not be aware they were required to have a license. The change was not considered substantive.

VOTE: The motion to adopt Ordinance No. 2013-05 (SUB-2) passed unanimously.

- D. Introduce Ordinance No. 2013-07, An Ordinance of the Dillingham City Council Amending Section 4.20.050 of the Dillingham Municipal Code, Sales Tax Exemption

MOTION: Tracy Hightower moved and Bob Himschoot seconded the motion to introduce Ordinance 2013-07.

Mayor Ruby explained the city had received a petition that if it had moved forward would have resulted in a ballot measure in October. The Council decided to send it to the Code Review Committee to see if it would be interested in making those changes. Code created a Sub-Committee that met over three meetings. The Sub-Committee recommended the Council adopt the Ordinance, which would expand the exemption for collecting sales tax to all arts and crafts, not just Native arts and crafts, as the code currently existed, and to add an exemption for homegrown fruits and vegetables and products from livestock. Committee discussed for the City to try to enforce the code with as many small businesses as there were was unmanageable. The committee had to research the \$20K cap that was recommended, the committee considered \$10K. Changing it to \$10,000 would have been considered substantive, and the petition would have had to go to the voters.

Mayor Ruby commented Adam Kane had presented his 20-page report, his peers were involved in arts and crafts sales and felt the burden of collecting sales tax was a disincentive for being a

small business. She noted an exemption already existed for Native arts and crafts, it was hard to define native arts and crafts, and his petition broadened it to all arts and crafts.

Discussion:

- concerned with an exemption on arts and crafts when other types of businesses were not exempted.

VOTE: The motion to introduce Ordinance No. 2013-07 passed with Tracy Hightower, Bob Himschoot, Keggie Tubbs, Paul Liedberg, and Chris Maines in favor, and Brenda Akelkok opposed.

- E. Introduce Ordinance No. 2013-08, An Ordinance of the Dillingham City Council Amending Chapter 4.16 and 4.20 of the Dillingham Municipal Code to Require a City Business License Only if Sales of Certain Businesses Exceed Ten Thousand Dollars in a Calendar Year and to Exempt Sales of Goods and Services Made by Persons Not Required to Obtain a Business License

MOTION: Paul Liedberg moved and Tracy Hightower seconded the motion to introduce Ordinance 2013-08.

Mayor Ruby reported that the code required all businesses to get a business license. The committee felt there were many people doing business in the community on a small scale, or were prevented from doing business because of the requirement for a business license. The committee recommended an ordinance that would require getting a business license and collecting sales tax if gross sales exceeded \$10K, providing examples of those selling wood, fixing furnaces, etc. that were not obtaining business licenses.

Discussion:

- asked how someone would know if they would exceed \$10K, answered without a business plan it would be hard to anticipate but most probably try it out ahead of time to see if they can make any money at it;
- spoke against voting for an exemption when the City had to vote to foreclose on people's homes, answered it would probably cost more to enforce the code than what the City could obtain in sales tax; and
- spoke against segregating the small business owners from the large business owners, need to better educate the public, and enforce the code.

VOTE: The motion to introduce Ordinance No. 2013-08 passed with Tracy Hightower, Bob Himschoot, Paul Liedberg, and Chris Maines in favor of the motion, and Brenda Akelkok and Keggie Tubbs opposed.

- F. Resolution No. 2013-17, A Resolution of the Dillingham City Council Authorizing Foreclosure Proceedings on Delinquent Property Taxes for the Years 2007-2012

MOTION: Keggie Tubbs moved and Bob Himschoot seconded the motion to adopt Resolution No. 2013-17.

Discussion:

- appreciated the explanation of the foreclosure process in the packet.

- G. Resolution No. 2013-19, A Resolution of the Dillingham City Council Establishing the Level of Funding for the Dillingham City School District for the Fiscal Year Ending June 30, 2014

MOTION: Keggie Tubbs moved and Paul Liedberg seconded the motion to adopt Resolution No. 2013-19.

Mayor Ruby reported the resolution was usually adopted as a placeholder, because the school's budget had to be adopted by May 1, and revised it, if necessary, after the City's budget was concluded.

MOTION: Keggie Tubbs moved and Bob Himschoot seconded the motion to amend the resolution to have the appropriation set as \$1.3M with \$1.2M for operating costs and \$100,000 for major maintenance for FY 2014 and strike ~~which will cover the school bond payment.~~

Discussion:

- commented last year came back and amended the appropriation to \$50,000 for a reading specialist position and \$50,000 for major maintenance.

VOTE: The motion to adopt the amended Resolution No. 2013-19 passed unanimously.

- H. Resolution No. 2013-20, A Resolution of the Dillingham City Council Approving to Support the Citizen's Alternative Bristol Bay Area Plan

MOTION: Keggie Tubbs moved and Bob Himschoot seconded the motion to adopt Resolution No. 2013-20.

VOTE: The motion to adopt Resolution No. 2013-20 passed unanimously.

- I. Resolution No. 2013-21, A Resolution of the Dillingham City Council Authorizing the Purchase of an Ambulance in the Amount of the Base Price Plus the Necessary Equipment to Fully Fit the Ambulance for Service and Freight

MOTION: Keggie Tubbs moved and Paul Liedberg seconded the motion to adopt Resolution No. 2013-21.

Manager Loera confirmed this resolution would authorize the City to go out for a bid (not purchase at this time) to get it on the barge, there were funds available in the ambulance fund, the executive committee was recommending the purchase in 2014, and would come back with a resolution to award a contract.

The resolution was amended to remove item 3. Purchase a new ambulance using the Special Ambulance Fund, in the Now, Therefore, Be it Resolved, and correct the header to read Authorizing the Bid for an Ambulance.

VOTE: The motion to adopt Resolution No. 2013-21 passed unanimously.

**IX. UNFINISHED BUSINESS**

- A. Citizen Committee Appointments
  - 1. Cemetery Committee – 4 Seats
  - 2. Senior Advisory Commission – 1 Seat

Mayor Ruby reported there was one letter of interest in the packet, but she had yet to discuss a recommendation with staff.

**X. NEW BUSINESS**

- A. Action Memorandum No. 2013-08, Authorize the City Manager to Extend the Lease Agreement with the Construction & Facilities Management Office, Alaska Army National Guard for the property at the Boat Harbor for One Year and Include Two (2) Additional One Year Clauses

**MOTION:** Keggie Tubbs moved and Bob Himschoot seconded the motion to approve Action Memorandum No. 2013-08.

**VOTE:** The motion to approve Action Memorandum No. 2013-08 passed unanimously.

- B. Action Memorandum No. 2013-09, Award a Contract with a Licensed Professional Land Surveyor for the Purpose of Completing a Land Exchange at the Dillingham Port

**MOTION:** Keggie Tubbs moved and Bob Himschoot seconded the motion to approve Action Memorandum No. 2013-09.

Manager Loera clarified this request was to complete the Port land swap, between the City, N&N, and the Sea Inn, a process that started in years past. The contract was being awarded to Southwest Alaska Surveying.

**VOTE:** The motion to approve Action Memorandum No. 2013-09 passed unanimously.

- C. Assign Items to the Code Committee's To Do List
  - 1. Review Inconsistencies Between Dillingham Municipal Code and the Port of Dillingham Terminal Tariff No. 400
  - 2. Review Threshold for Filing Monthly Sales Tax Reports Monthly or Quarterly
  - 3. Review Public Safety Fines
  - 4. Review Placing a Cap of \$300K on Personal Property Tax for Commercial Watercraft

- 5. Review Application of the Bed Tax
- 6. Business License Transient Vendors.

Mayor Ruby reported the reason for adding items 5 and 6 was because transient vendors was located in a different section of code than business licenses, and was recommending move it to the same section, and Susan Isaacs had attended a Sub-Committee meeting, participated in discussion, and recommended reviewing how the tax was applied, and also looking at increasing the tax. These items would be addressed in the fall.

MOTION: Keggie Tubbs moved and Chris Maines seconded the motion to assign items 1-6 to the Code Committee's To Do List.

VOTE: The motion to assign the items passed unanimously.

**XI. CITIZEN'S DISCUSSION (Open to the Public)**

There was no citizen's discussion.

**XII. COUNCIL COMMENTS**

Bob Himschoot: no comment

Chris Maines: thank everyone for approving Resolution No. 2013-20.

Keggie Tubbs: no comment

Tracy Hightower: no comment

Paul Liedberg:

- commented "hats off" to the fire department for getting a fire truck grant.

Brenda Akelkok:

- noted she would be out of town, and had emailed the dates earlier.

**XIII. MAYOR'S COMMENTS**

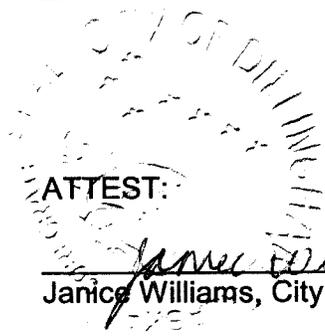
Mayor Alice Ruby: no comment

**XIV. EXECUTIVE SESSION**

There was no executive session.

**XV. ADJOURNMENT**

Mayor Ruby adjourned the meeting at 8:30 p.m.



ATTEST:

Janice Williams  
Janice Williams, City Clerk

Approval Date: 6/6/2013

Alice Ruby  
Mayor Alice Ruby