
I. CALL TO ORDER

The Regular Meeting of the Dillingham City Council was held on Thursday, May 19, 2011, at the Dillingham City Council Chambers, Dillingham, Alaska. Mayor Alice Ruby called the meeting to order at 7:00 p.m.

II. ROLL CALL

Mayor and Council Members present and establishing a quorum were:

Mayor Alice Ruby
Elizabeth Pearch, Seat A
Scott King, Seat B
Bob Himschoot, Seat C (*via teleconference*)
Keggie Tubbs, Seat D
Tim Sands, Seat F

Staff / Attorney in attendance:

Donald Moore, Interim City Manager
Attorney Brooks Chandler (*via teleconference*)
Jody Seitz, Planning Director
Carol Shade, Finance Director
Janice Williams, City Clerk

III. APPROVAL OF MINUTES

A. Regular Meeting, May 5, 2011

MOTION: Tim Sands moved and Scott King seconded the motion to approve the minutes of May 5, 2011.

VOTE: The motion passed unanimously.

B. Board of Equalization, May 12, 2011

MOTION: Tim Sands moved and Elizabeth Pearch seconded the motion to approve the minutes of May 12, 2011.

Mayor Ruby stated the City Clerk had asked to postpone approval of the minutes to the June 2, 2011 meeting.

MOTION TO AMEND: Tim Sands moved and Elizabeth Pearch seconded the motion to postpone approval of the May 12, 2011 minutes to June 2, 2011.

IV. APPROVAL OF CONSENT AGENDA

There was nothing on the consent agenda.

APPROVAL OF AGENDA

Mayor Ruby asked to amend the agenda, under Committee Appointments add Seat E, and under Executive Session add item A. Legal Matter.

MOTION: Tim Sands moved and Elizabeth Pearch seconded the motion to approve the agenda as amended.

VOTE: The motion passed unanimously.

V. STAFF REPORTS

A. City Manager Report

Manager Donald Moore reported on the following:

- Snag Point Sewer Relocation Project – testified at a hearing of the House Committee to request an additional \$800,000 legislative appropriation; Rep. Edgmon carried the conversation and the House voted to approve it; now it's in the bill and will have to be protected from the Governor's veto;
- Status of the Loan – still negotiating with DEC; referred to the proforma that showed the effect of the additional \$800,000 on the projected rates from \$87/month to \$68/month; also made application for an USDA grant.
- School Bond Funds – referred to the most current report with figures as of June 30, 2010;
- Senior Center Repair/Renovation Project – bid documents were made available May 18;
- Tower Road Paving Project – bid opening is June 6;
- Low Speed Vehicle Ordinance – will bring forward a recommendation;
- Parks and Recreation Commission – contacted AMLJIA regarding insurance liability, noted the cost would be minimal if the program was administered by volunteers and used existing facilities; didn't expect much cost for appointing a commission, and asked if Council wanted to proceed with advertising for interested commission members;
- Clean-Up Weekend – 1,024 free bags were accepted, and total expense was about \$1,700 to \$2,000 which included staff time picking up bags alongside the road;
- Insurance Benefit Management Contract – purchasing ordinance required Manager to report the contract to the Council; included copy of the contract;
- Personnel Regulations – distributed a draft of revised regulations; no action required at this time;
- Nerka Road – maintenance was an annual problem for the 25-year old road that lost its surface material a long time ago; reconstruction is pending next year; and
- Road by Thai Inn – City had working on it as time allowed, and had received a thank you in the Bay Times from the Richard Clark Family on the improvements made.

Mayor Ruby recommended assigning the low speed vehicle statute to the Public Outreach Committee and the personnel regulations to the Code Review Committee. There was no objection.

Discussion:

- asked if the City was legally obligated to maintain the road by the Thai Inn, Mgr. Moore answered it was his understanding it was never built as a road after the airport was already there, but it became a road by common use;
- noted the property owners weren't going to have access to their properties if it wasn't maintained, that it was City property, just not labeled road.

Jody Seitz, Planning Director commented that the City's plat of the area, the old airport strip, didn't show a platted road on that side of the road, and other drawings after that initial plat showed a shaded area representing an area that was used as a road.

Manager Moore commented the City could vacate the property to the adjacent property owners. Jody Seitz noted the park strip had a conservation easement on it, so the City couldn't vacate the whole easement.

Mayor Ruby asked if staff would send the email addresses for Rep. Edgmon and Senator Hoffman to the Council so they could thank them for the appropriation.

B. Standing Committee Reports

Tim Sands, Finance and Budget Committee:

- reported the committee was continuing on with a review of the FY 2012 budget; and
- noted the committee recommended presenting the mill rate after the budget was finished, and aimed to have the budget for the June 2 meeting.

Discussion:

- asked if the committee had come up with a plan to pay for the projected increase in health benefits, answered the committee was still researching options, and the AK USA Brokers was contracted to help find the best plan;
- commented it would be difficult to support any health plan that did not include a co-pay; and
- confirmed there was a co-pay for actual services received, but not on the premiums.

Keggie Tubbs made reference to page 4 of 4 of the May 2 minutes, and asked to have a comment that he felt did not accurately reflect what he had said changed to an accurate description of what he said or have his comment stricken from the record. Tim Sands noted the committee could bring the minutes back up at the next meeting for reconsideration.

VI. PUBLIC HEARINGS

There were no public hearings.

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

Dave McClure, Executive Director for Bristol Bay Housing Authority, reported he had reviewed the revised cooperation agreement and had recommended striking paragraph 7, but was otherwise supportive of the rest of the agreement.

Chris Napoli reported he had filed a letter of interest for the Council seat vacancy, and with his past experience would be able to fill that seat.

There was no other citizen's discussion.

VIII. ORDINANCES AND RESOLUTIONS

- A. Resolution No. 2011-34, A Resolution of the Dillingham City Council Authorizing the City Manager to Enter into a Cooperation Agreement with the Bristol Bay Housing Authority

MOTION: Tim Sands moved and Keggie Tubbs seconded the motion to adopt Resolution No. 2011-34.

Manager Moore reported that he had worked with the City's Attorney to revise the agreement using the September 2007 agreement as the model, and had passed it by Dave McClure for his review and comments.

Mayor Ruby noted by removing paragraph 7, Dave McClure's letter of May 19, 2011 (Council was given a copy) served to show BBHA's commitment to a regular schedule of planning meetings with the Tribe and the City on future projects.

Discussion:

- agreed with the letter, but wanted the record to show the City was being cooperative because it had offered in the agreement to meet semi-annually, but the BBHA had asked to have this paragraph removed;
- appreciated BBHA's need to maximize benefits, but the City was required by state law to give 4 mills of property tax to the school district, about 31% of 13 mills, City should at least get 31% from PILT, otherwise, it was giving away money that was not the City's to give away; noted at a recent meeting didn't see the argument that the additional \$30 a month would make or break a deal for their clients; if new homes were built, the client would be better served with a new energy-efficient house, and the new properties would come on the tax rolls in ten years, but by buying existing houses it would take them off the tax rolls, and also would hurt new residents looking for a home to buy;
- asked if it was necessary to include the word substantially in item 3 of the resolution, "shall be in substantially the form" since the actual Exhibit A was going to be approved, Manager Moore answered the Council could make amendments, the draft agreement includes paragraph 7, but if it was removed, the revised agreement won't be the exact language as attached, plus the final copy the underlining and such will be removed; noted in the cooperation agreement NAAHASDA has one A [NAHASDA]; asked for clarification on item 3 if the purchase should be 4 or 2 lots and construction of 4 or 2 houses, staff clarified it should be corrected to be 2 in both cases;
- spoke in support of the program, noted the intent of the program implemented in other communities as well was intended to put low income people into homes that were livable and help the disadvantaged.

Keggie Tubbs disclosed in his job as financial manager for the Tribal Council he dealt directly with Dave McClure through the NAHASDA program, and also has a direct relative working for BBHA.

MOTION TO AMEND: Keggie Tubbs moved and Scott King seconded the motion to amend the cooperation agreement to exclude the A in NAAHASDA in the first paragraph, to change paragraph 3 to purchase of 2 lots and construction of 2 houses, and strike paragraph 7.

No changes were made to the resolution.

VOTE: The motion to amend the cooperation agreement passed with Keggie Tubbs, Bob Himschoot, Elizabeth Pearch, and Scott King voting in favor, and Tim Sands in opposition.

Discussion:

- commented that in the 2007 agreement BBHA agreed after some negotiation to only buy three (3) houses and build the other seven (7), and viewed this agreement as a step backwards;
- commented as a builder, with peers and friends in the same industry, there hadn't been much pressure to provide new housing units for multiple reasons, and supported the resolution;
- acknowledged Tim's efforts to keep the Council focused on education funding, and appreciated that the Council was moving forward in small steps to better serve the community and better cooperation in the future; and
- asked for clarification on the eligible date;
- commented these types of issues would hopefully be addressed in meetings held in the future; and
- supported housing, but the open communication and meetings were really important.

Dave McClure discussed the 15% contribution that historically was calculated based on an archaic formula that averaged out to 15%. Three or four years ago the contribution was simplified to a flat 15%. The federal government statute actually says \$150 a house which is about 7%, the minimum amount.

Dave McClure discussed with the ten year agreements the homes are conveyed exactly at ten years. On the old MOHA homes that carry 15 year terms the previous agreement read "or until conveyed", because the BBHA has a number of things that might push that demand to the future, renegotiated some of the agreements; can't process them all at once, don't have the staff, it takes time; HUD actually allows two years to convey them, but they try to do it as efficiently as they can, don't want to convey the homes until necessary repairs are done.

MOTION: Keggie Tubbs moved the previous question. *(Clerk Note: The effect of this motion is to immediately stop debate.)*

There was no objection.

VOTE: The motion to approve the amended resolution No. 2011-34 passed with Keggie Tubbs, Elizabeth Pearch, Bob Himschoot, and Scott King in favor and Tim Sands in opposition.

- B. Resolution No. 2011-37, A Resolution of the Dillingham City Council Authorizing the City Manager to Sign ACWF Loan #283051 for the Repair of the Sewer Main

MOTION: Tim Sands moved and Elizabeth Pearch seconded the motion to adopt Resolution No. 2011-37

Manager Moore requested postponement until the June 16 meeting because he was still negotiating with the State.

MOTION: Tim Sands moved and Elizabeth Pearch seconded the motion to postpone the resolution until June 16.

Manager Moore after further consideration asked to postpone to June 2 just in case the City did reach an agreement.

MOTION TO WITHDRAW: Tim Sands withdrew his motion and Elizabeth Pearch concurred.

Discussion:

- voiced concern with AkDEC putting provisions in the loan such as lifeline service, asked if those who didn't qualify for lifeline service would have to absorb the rate difference.

Manager Moore commented the provisions in section 7 weren't mandatory, but could be analyzed and the resolution offered would be amended to the terms in the loan document.

MOTION: Tim Sands moved and Keggie Tubbs seconded the motion to postpone the resolution to the June 2 Council meeting.

VOTE: The motion passed unanimously.

- C. Resolution No. 2011-46, A Resolution of the Dillingham City Council Adopting Participation in the AMLJIA Loss Control Incentive Program for the City of Dillingham

MOTION: Tim Sands moved and Elizabeth Pearch seconded the motion to adopt Resolution No. 2011-46.

Manager Moore reported involvement in the loss control program would realize a savings of 5% on insurance costs by having monthly safety meetings, internal building inspections, ergonomic training, and every 3 years a building inspection by AMLJIA.

VOTE: The motion passed unanimously.

IX. UNFINISHED BUSINESS

- A. Annexation

There was no report.

- B. City Manager Hire

Mayor Ruby reported Tim Pearson had been screening applicants and was looking to bring recommendations to the June 2 Council meeting and then proceed with setting up interviews.

X. NEW BUSINESS

- A. Committee Appointments

- 1. Library Board (Seats A, C and E)

Mayor Ruby recommended appointing Loveatta Bamberg, Dianna Swaim and Erica Tweet to the three vacant seats.

MOTION: Tim Sands moved and Elizabeth Pearch seconded the motion to concur with the Mayor's recommendation.

VOTE: The motion passed unanimously.

- B. Council Seat Vacancy, Seat E

Mayor Ruby recommended, with budgeting and management selection, appointing Chris Napoli with his past experience and history with the Council there wouldn't be much of a learning curve.

MOTION: Tim Sands moved and Keggie Tubbs seconded the motion to concur with the Mayor's recommendation.

Discussion:

- voiced displeasure with his [Mr. Napoli] exit from the Council previously;
- commented to leave the past behind and recognize the valuable experience that would be brought to the Council.

VOTE: The motion to concur with the Mayor's recommendation failed with Bob Himschoot, Keggie Tubbs, and Tim Sands in favor and Elizabeth Pearch and Scott King in opposition.

MOTION: Scott King moved and Tim Sands seconded the motion to appoint Todd Radenbaugh to the vacant council seat.

Discussion:

- spoke in favor of the motion, with board experience and a demonstrated commitment to the betterment of the community, would be a fine new voice;
- stated with the budget issues, manager recruitment, capital projects, a more experienced person already familiar with the issues would be able to participate more fully;
- noted the awkwardness of the situation highlighted the need to do this process in executive session; and
- expressed as a council member who hadn't participated in the budget process or been asked to be on the finance committee, if a volunteer wanted to step up for a couple of months, to offer them the opportunity to get the experience.

VOTE: The motion to appoint Todd Radenbaugh to the vacant council seat failed with Tim Sands, Elizabeth Pearch, and Scott King in favor and Keggie Tubbs and Bob Himschoot in opposition.

City Clerk Williams advised the Council that per the Code Council must appoint someone to the vacant seat within 45 days which would be May 22nd.

MOTION: Keggie Tubbs moved and Tim Sands seconded the motion to reconsider the motion to appoint Chris Napoli to Council Seat E.

VOTE: The motion to reconsider the motion to appoint Chris Napoli passed unanimously.

Discussion:

- spoke against the motion, because there were good alternatives;
- expressed the importance of considering the experience.

MOTION: Tim Sands moved the previous question. *(Clerk Note: The effect of this motion is to immediately stop debate.)*

There was objection to the motion.

Discussion:

- agreed with the experience factor, what the individual would bring to the table and what was best for the City, and emphasized the need to change the appointment process.

VOTE: The motion to appoint Chris Napoli passed with Tim Sands, Elizabeth Pearch, Bob Himschoot, and Keggie Tubbs in favor and Scott King in opposition.

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

There was no citizen's discussion.

XII. COUNCIL COMMENTS

Tim Sands:

MOTION: Tim Sands moved and Elizabeth Pearch seconded the motion to direct the Manager to start advertising for the Parks and Recreation Commission.

Discussion:

- spoke in favor, because it didn't appear that forming the commission would cost any money, and by advertising could see how much interest there was;
- spoke against, stated the City couldn't afford the parks and recreation department before and could see this going down the same road; the City was talking about a huge budget deficit; the argument would be made it was not going to cost the City anything since it was all going to be with volunteers; and
- stated the City had assumed too many programs over time, continued to take on additional services, and there was a list of problems that needed full-time attention now, and couldn't afford new ones.

MOTION: Tim Sands moved the previous question. *(Clerk Note: The effect of this motion is to immediately stop debate.)*

VOTE: The motion to direct the Manager to start advertising for the Parks and Recreation Commission failed with Tim Sands voting in favor, and Scott King, Keggie Tubbs, Elizabeth Pearch and Bob Himschoot in opposition.

Tim Sands (continued):

- congratulated the graduates and wished them all a good, safe summer;
- proposed a budget workshop prior to the June 2 Council meeting; and
- welcomed Council Member Chris Napoli.

MOTION: Tim Sands moved and Keggie Tubbs seconded the motion to set a workshop at 6:00 p.m. on June 2 for a budget presentation.

VOTE: The motion to set a budget workshop passed unanimously.

Keggie Tubbs:

- welcomed Chris Napoli;
- noted his position on Parks and Recreation was strictly a financial decision not to support pursuing it, and felt if it was put in place it would grow into something that would be uncontrollable, didn't oppose the effort, appreciated the enthusiasm, but the City couldn't afford it as this time; and

- wished congratulations to the graduates.

Elizabeth Pearch:

- welcomed Chris Napoli to the Council;
- echoed Keggie's comments regarding Parks and Recreation; and
- congratulated Jody Seitz for being appointed to the Wood-Tikchik State Park Advisory Committee.

Scott King: no comment

Bob Himschoot:

- congratulated Jody Seitz and Chris Napoli.

XIII. MAYOR'S COMMENTS

Mayor Ruby:

- thanked everyone who participated in Clean-Up Day, noting the City had received compliments from visitors from the AK Assoc. of Housing Authorities;
- reminded Council that May 30 would begin the Rural Provider's Conference in Dillingham;
- encouraged Council to send thank you notes to the legislators;
- reported she was involved in an effort to address coastal zone management issues;
- thanked Council for their commitment to filling the vacant Council seat; and
- asked for a moment of silence to recognize those people lost since the last meeting.

XIV. EXECUTIVE SESSION

A. Legal Matter

Chris Napoli was invited into Executive Session.

MOTION: Tim Sands moved and Elizabeth Pearch seconded the motion to go into executive session under DMC, 2.09.050, regarding legal matters [8:52 p.m.].

GENERAL CONSENT: The motion passed unanimously.

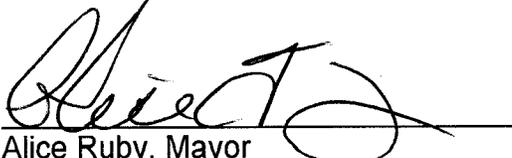
(The meeting recessed at 8:52 p.m. and reconvened at 8:57 p.m.)

MOTION: Keggie Tubbs moved and Tim Sands seconded the motion to come out of executive session [9:45 p.m.].

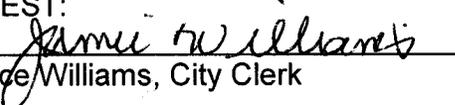
GENERAL CONSENT: The motion passed unanimously.

XV. ADJOURNMENT

Mayor Alice Ruby adjourned the meeting at 9:46 p.m.


Alice Ruby, Mayor

ATTEST:


Janice Williams, City Clerk