

**I. CALL TO ORDER**

The Regular Meeting of the Dillingham City Council was held on Thursday, May 9, 2013, at the Dillingham City Council Chambers, Dillingham, Alaska. Mayor Alice Ruby called the meeting to order at 7:04 p.m.

**II. ROLL CALL**

Mayor Alice Ruby was present.

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

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

Brenda Akelkok, Seat A – absent and excused

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

**III. APPROVAL OF MINUTES**

There were no minutes to approve.

**IV. APPROVAL OF CONSENT AGENDA**

There was no consent agenda.

**APPROVAL OF AGENDA**

Mayor Ruby asked the Council to remove items A and B under VIII. Ordinances and Resolutions and item 10 B and to delay these items to the next meeting.

**MOTION:** Keggie Tubbs moved and Paul Liedberg seconded the motion to approve the agenda as amended.

**VOTE:** The motion to approve the agenda as amended passed unanimously.

**V. STAFF REPORTS**

A. City Manager Report

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City Manager Rose Loera reported on the following:

- Animal Shelter – had received a bid from the National Guard to renovate the armory, and the State would remodel the building to install a wall, water, and heating, of which the cost of \$20K would cover salaries, material, and per diem. City would pay for a fence to separate the animals from the rest of the fence. She was anticipating the remodel would be done by the end of June when lease expired, and the owner had been notified;
- Pumps Installed at Dock Lift Station – new 25 hp pumps were operating to replace two 15 hp that had been running continuously;
- Public Safety – hired an experienced officer with K-9 training and would be sent to get his State certification, had developed the K-9 program in Sand Point, had moved out of state for a while and had returned.

**B. Standing Committee Reports**

Bob Himschoot, Chair of Finance and Budget Committee reported the committee had been working entirely on the budget which would be presented June 6. Several other meetings were being scheduled and invited the other Council members to attend.

Paul Liedberg, Chair of Code Review Committee reported the members had met prior to the Council meeting to review library code, denied services list would be forwarded to the Council with a recommendation to introduce, point of sale was being recommended for a workshop June 6, and has worked on ATV and snowmobile ordinance which had been postponed for a redraft.

Mayor Ruby reported the MOU Committee was scheduled to meet May 23.

**VI. PUBLIC HEARINGS**

Mayor Ruby opened the public hearing on the two ordinances, Ordinance 2013-07 and 2013-08 that had been removed from the agenda from taking action .

- A. Adopt Ordinance No. 2013-07, An Ordinance of the Dillingham City Council Amending Section 4.20.050 of the Dillingham Municipal Code, Sales Tax Exemption
- B. Adopt Ordinance No. 2013-08, An Ordinance of the Dillingham City Council Amending Chapter 4.16 of the Dillingham Municipal Code to Require a City Business License Only if Sales Exceed Ten Thousand Dollars in a Calendar Year and Exempt Sales of Goods and Services Made by Persons Not Required to Obtain a Business License

There being no public comments, the public hearing closed.

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

Patricia Carscallen (Treydyte) spoke on the Ordinance exempting sales tax on goods harvested in the Bristol Bay area. After the first year of experience with the Farmer's Market, she found it was less chaotic and easier to round up everything to a dollar and then back out sales tax. She and found this method to be the most functional, but felt silly at times because being a seasonal

business some tax quarters she filed amounts as small as \$.75. It would make life easier, and felt it would less the administrative burden for the City by passing this ordinance.

A. Yeganeh Ataian from Bristol Alliance Fuels

Yeganeh spoke on behalf of Bristol Alliance Fuels, which she identified as a long standing commercial operator in Dillingham. Her proposal involved establishing and developing a marine industrial center, where they would provide services hauling barges and vessels, and storing them on their property. Dillingham is the gate to the western Alaska marine industry with large predictable tides and the first location that is ice free, and in the fall last area to be covered by ice, making it very attractive to those involved in vessel storage. Most large vessels are stored in water, but storing them on dry land would keep them from having to go back and forth to other ports, providing opportunities for repair work and upgrades. They would be using the local people to help with the work, recognizing specialists that would have to be flown in could be housed in Dillingham.

She was asking for a consideration to cap the personal property tax for the large vessels, similar to other ports, and align with BB Borough, to entice the vessels to dock in Dillingham. It would be a good opportunity for the community to develop itself, and place Dillingham on the map when it came to storage of large vessels. With each vessel, this would gain \$4,000 for each vessel stored, where currently there is no storage.

Yeganeh asked to include Jim Baumgartner, local plant manager, and Philip Baumgartner, product manager for a Q and A session. Mayor Ruby noted it was unusual to ask questions, but since the speakers did not live in Dillingham, would open it to questions from the Council.

Q and A:

Q. How quickly could they be ready to store the vessels?

A. They want to move as quickly as possible to store the boats starting this fall, the haul out equipment is stage ready to be ordered if their request for a cap on tax is resolved. Noted there are some large vessels in Naknek that need to move due to lack of storage area, and were planning to move to Homer, where the tax cap was \$1,200, even though the travel time to Homer would be lengthy. Concerned the vessel owners will enter into a term contract, five years, and wants to move quickly.

Q. Are they looking at a similar arrangement like Leader Creek in Naknek?

A. Not the launch ramp with the dolly system and concrete ramps, but a smaller environmental footprint, which would use inflatable logs.

Q. Would the vessels be stored sitting on land?

A. On the uplands 3-4 feet off the ground.

Q. Concerned would like to see business stimulation in Dillingham, but the use of the beach would impact subsistence users?

A. Only time it would affect that beach would be when the vessels were coming and going, maybe would take 45 minutes to a couple of hours to pull out. The footprint wouldn't change where they now take barges in and out.

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Discussion:

- commented their request could be taken up at the June 13 Code Review Committee Meeting, with a minimum of two meetings to adopt and change the code. At the most it would be late June, early July, when the Council could bring it up for adoption.

**VIII. ORDINANCES AND RESOLUTIONS**

- A. Adopt Ordinance No. 2013-07, An Ordinance of the Dillingham City Council Amending Section 4.20.050 of the Dillingham Municipal Code, Sales Tax Exemption
- B. Adopt Ordinance No. 2013-08, An Ordinance of the Dillingham City Council Amending Chapter 4.16 of the Dillingham Municipal Code to Require a City Business License Only if Sales 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

**IX. UNFINISHED BUSINESS**

- A. Citizen Committee Appointments
  - 1. Cemetery Committee – 4 Seats Open

Mayor Ruby reported she did not have any recommendations at this time.

**X. NEW BUSINESS**

- A. Action Memorandum No. 2012-08, Authorizing the City Manager to Award a Contract to \_\_\_\_\_ for Sludge Removal

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

City Manager Loera reported on the bid process, noting there were four bidders of which five evaluators for the City chose Merrell Brothers for the contract. She was recommending approving Merrell Brothers.

## Discussion:

- asked why it was being presented as an action memorandum in lieu of a resolution basically because of the large amount of \$1.3M, answered felt they both served the same purpose, but would clarify for the next meeting.

**VOTE:** The motion to approve Action Memorandum 2013-08 passed unanimously.

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

There was no citizen's discussion.

**XII. COUNCIL COMMENTS**

Chris Maines: no comment

Tracy Hightower: no comment

Paul Liedberg: no comment

Bob Himschoot: no comment

Keggie Tubbs: no comment

**XIII. MAYOR'S COMMENTS**

Mayor Alice Ruby: no comment

**XIV. EXECUTIVE SESSION**

A. Legal Matter

1. Annexation

MOTION: Bob Himschoot moved and Keggie Tubbs seconded the motion to move into executive session for the purpose of discussing Legal Matter, Annexation [7:42 p.m.].

VOTE: The motion to enter into executive session passed unanimously.

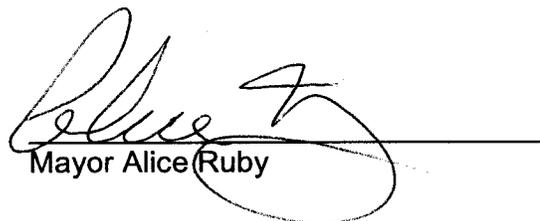
Manager Loera was invited into the executive session.

MOTION: Keggie Tubbs moved and Paul Liedberg seconded the motion to come out of executive session [7:55 p.m.].

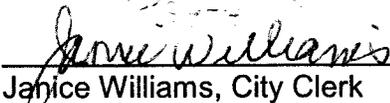
GENERAL CONSENT: The motion passed with no objection.

**XV. ADJOURNMENT**

Mayor Ruby adjourned the meeting at 7:55 p.m.

  
\_\_\_\_\_  
Mayor Alice Ruby

ATTEST:

  
\_\_\_\_\_  
Janice Williams, City Clerk

Approval Date: 6/6/2013