

I. CALL TO ORDER

The Regular Meeting of the Dillingham City Council was held on Thursday, June 13, 2013, at the Dillingham City Council Chambers, Dillingham, Alaska. Mayor Alice 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
Janice Williams, City Clerk

III. APPROVAL OF MINUTES

A. Meeting of June 6, 2013

MOTION: Paul Liedberg moved and Christopher Maines seconded the motion to approve the minutes of the June 6 meeting.

VOTE: The motion to approve the minutes passed unanimously.

IV. APPROVAL OF CONSENT AGENDA

There was no consent agenda.

APPROVAL OF AGENDA

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

VOTE: The motion to approve the agenda passed unanimously.

V. STAFF REPORTS

A. City Manager Report

Manager Loera reported on the following:

- Four BBEDC Seasonal Workers Employed – 2 at the landfill, 2 at boat harbor;
- Jail Contract -State provided \$641K;
- Chief Pasquariello had met with Curyung Tribal Council;
- City and Curyung signed Memorandum of Agreement to receive 50% of BBEDC Community Block Grant Funds, can use it as a match on projects;
- BBNA Elderly Services looking to house several employees to the Senior Center;
- RFPs to go out – IT services, looking to lump into one contract, Batch Oxidation System, engineer to do a review on oxidation system to determine the regulatory requirements for AkDEC and start air quality permitting process;
- Project Manager Cropsey will be staying on for the next several months; and
- Lease will expire June 30 at Potato House – will be advertising to lease.

Discussion:

- asked to clarify City Planner's report on Subdivision Access Committee regarding concerns about inheriting small roads, thought it was clear this was just private access, and if a subdivider wanted to move on to city maintenance and make this a city street would have to be dealt with in the City's code for handling street standards; and
- thanked the City Manager for the MOU between Curyung and City to share the BBEDC block grant for the next five years.

B. Standing Committee Reports

Paul Liedberg, Chair of the Code Review Committee, reported items taken up in Code were in the packet or would be coming to the Council soon with a recommendation.

VI. PUBLIC HEARINGS

Mayor Ruby opened the public hearing on Ordinance No. 2013-07 (SUB-1), 2013-08, and 2013-11.

- A. Adopt Ordinance No. 2013-07 (SUB-1), 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
- C. Adopt Ordinance No. 2013-11, An Ordinance of the Dillingham City Council Amending Chapter 4.15, Real and Personal Property, Section 4.15.185 to Amend the Interest Rate Applicable to Delinquent Property Taxpayers in an Economic Disaster Year, Adding Section 4.15.365 Repayment Plan, and Amending Chapter 4.20, Sales Tax, Section 4.20.0265 Permitting the City to Enter Into Repayment Plans With Delinquent Taxpayers

Adam Kane addressed Ordinance No. 2013-07 and 2013-08.

Adam reported he had served on the Code Committee during their review of proposed Ord. 2013-07 that would amend the current code to change the exemption of sales tax on native arts and crafts to "all" arts and crafts designed or produced in Bristol Bay area and amend it to include those in a fixed location. He noted the artists and the community would benefit from this change and contribute to the cultural assets of the community, noting arts were beneficial to a community. The limit for exempting the assessment of sales tax would be set at \$20K in gross sales. The ordinance would also help gardeners, locally grown and harvested fruits and vegetables, and livestock and products from livestock. There would be no limit on the exemption for gardeners. He noted the term Bristol Bay area was already included in the tax code.

He commented on Ordinance No. 2013-08, if a small business owner made less than \$10K a year, they would be exempt from getting a license and assessing sales tax if the ordinance passed. He commented the present practice caused an administrative and costly burden for small business owners, it also required a state license of \$100. The estimated loss was analyzed to be around \$14K a year to the City.

There being no other discussion the public hearing closed.

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

Apayo Moore addressed DMC Section 8.10.060 asking to remove bars from places where smoking was not regulated. She urged the Council to take swift action to stop bar owners from allowing smoking in their establishment, stressing that second hand smoke was a very serious health issue, and the statistics were out there, noting the research had been done. She commented from a social standpoint need to show our kids that second hand smoking was wrong.

Bill Rodawalt, community member and also a teacher at the Alternative School, spoke in support of banning smoking in bars, noting the community was sending mixed messages to its kids. He cited some research in Europe where after a smoking ban was imposed in public places, people voluntarily banned smoking in their homes by 25%. He cited other research linking smoking to other health concerns. He encouraged the Council not only to support the ban on smoking in bars, and felt the community wasn't doing enough to address underage kids that were smoking.

Susan Jenkins-Brito commented the bar was a place to meet and visit with friends, but hesitated to go out very often because of the unhealthy stench it left on her person and clothes. She noted Anchorage had gone smoke-free, and provide to be good for business. She appreciated the events the Willow Tree was sponsoring that were smoke free.

Alex Hahn noted she was attending on behalf of BBAHC where she was the health educator. She welcomed the Council to visit the State of Alaska's Tobacco Control and Prevention website. She noted there were lots of supporters for the ban, the bar owners wanted it, but didn't want to be seen as the bad guy, and overall it would be better for the health of the community.

Carrie Pleier spoke in support of a ban on smoking in the bars. She noted it was not very often an individual had the potential to save a life, and the Council had the power to do that, and encouraged them to support the ban and stand behind the youth and better the community.

Marilyn Rosene admired that the mostly under 50 audience was taking this on as a community issue, and enthralled to see citizens coming together to work on the issue, and supported it.

Megan McCambly spoke in favor of the ban, noting she had made a decision to quit smoking six years ago, and didn't feel like smoking other people's decision to keep smoking when she had quit.

Wanda Wilson, newcomer to Dillingham, commented the bars seemed to be the place to go for dancing, but the smell of smoke in the bars was outrageously intensified as the night went on, and the experience had left her violently ill. She supported the ban on smoking in bars, noting she was used to going places where smoking was not allowed.

Mari Carpeneti thanked the Council for being so receptive to everyone that got up and spoke at the meeting, noting she favored the ban on smoking in bars.

VIII. ORDINANCES AND RESOLUTIONS

- A. Adopt Ordinance No. 2013-07 (SUB-1), An Ordinance of the Dillingham City Council Amending section 4.20.050 of the Dillingham Municipal Code, Sales Tax Exemption

MOTION: Brenda Akelkok moved and Tracy Hightower seconded the motion to adopt Ordinance No. 2013-07 (SUB-1).

Paul Liedberg explained this ordinance had been taken up in a recent meeting and a substitute ordinance was being brought back to clarify that the \$20K applied to everything a business sold in their establishment not just arts and crafts. The Code Committee was recommending the ordinance be adopted.

VOTE: The motion to adopt Ordinance No. 2013-07 (SUB-1) passed unanimously.

- 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

MOTION: Brenda Akelkok moved and Tracy Hightower seconded the motion to adopt Ordinance No. 2013-08.

Mayor Ruby noted this ordinance had been postponed since it was related to Ordinance 2013-07, felt they should be taken up at the same time.

Discussion:

- voiced concern about how the city would regulate a business under \$10,000, how would it be monitored other than good faith of the owner;
- shared the same concern, wished the City had the staff and manpower to track every business in town, but didn't feel there was much added benefit to monitor or track businesses on such a small scale, and this was a reasonable place to draw a line; and

- felt the city had a due diligence system in place, including random audits, and suggested city still require a business license for all businesses and waive the licensing fee.

Mayor Ruby reported she had contacted a tax consultant, and found any time someone earned income outside of a wage stock income, rental income, it was a business, so this would include raking leaves, babysitting, selling wood, which was interpreted by the IRS as a business. She felt getting a business license based on the IRS interpretation was unreasonable for the City to enforce and felt by setting a limit to \$10K made it more reasonable for the city to track or monitor businesses.

VOTE: The motion to adopt Ordinance No. 2013-08 passed unanimously.

- C. Adopt Ordinance No. 2013-11, An Ordinance of the Dillingham City Council Amending Chapter 4.15, Real and Personal Property, Section 4.15.185 to Amend the Interest Rate Applicable to Delinquent Property Taxpayers in an Economic Disaster Year, Adding Section 4.15.365 Repayment Plan, and Amending Chapter 4.20, Sales Tax, Section 4.20.0265 Permitting the City to Enter Into Repayment Plans With Delinquent Taxpayers

MOTION: Keggie Tubbs moved and Paul Liedberg seconded the motion to adopt Ordinance No. 2013-11.

Manager Loera commented this change would bring in line the interest rate on delinquent taxpayers due to an economic disaster and also brought repayment plans in line with other sections of code.

VOTE: The motion to adopt Ordinance No. 2013-11 passed unanimously.

- D. Introduce Ordinance No. 2013-12, An Ordinance of the Dillingham City Council Adopting the Budget and Appropriating Funds for the FY 2014 City of Dillingham Budget

MOTION: Keggie Tubbs moved and Bob Himschoot seconded the motion to introduce Ordinance No. 2013-12.

Manager Loera explained the budget process that had been reviewed with staff and Finance Committee, and reported the FY 2014 Budget was a balanced budget with an overall gain of \$94,000.

Discussion:

- thanked staff and Mgr. Loera for tightening their belts, scrutinizing the budget, and going into FY 2014 with a balanced budget, and thanked Bob for chairing the committee; and
- thanked Mgr. Loera, staff, and Bob for their work on the budget, noting there was some good discussion during the process and it was a good process.

VOTE: The motion to introduce Ordinance No. 2013-12 passed unanimously.

- E. Introduce Ordinance No. 2013-13, An Ordinance of the Dillingham City Council Amending Section DMC 4.15.030, Exemptions, to Provide a Cap on Personal Property Tax for Boats and Vessels if the Assessed Valuation is More Than \$300,000

MOTION: Chris Maines moved and Keggie Tubbs seconded the motion to introduce Ordinance No. 2013-13.

Manager Loera reported this ordinance had been brought before the Council by Bristol Alliance wanting to cap property tax on the amount of the vessel valuation over \$300,000, hoping to encourage hauling larger vessels out of the water and staging them in Dillingham. Finance Director Shade had analyzed property tax on commercial vessels for the past five years and the highest value was \$268K. There would be no net loss to the City. The ordinance recommended a sunset to review in five years.

Discussion:

- asked if this proposed change would set a precedent for putting a cap on other personal property items, answered the Council could set a cap on other properties as well.

VOTE: The motion to adopt Ordinance No. 2013-13 passed unanimously.

- F. Introduce Ordinance No. 2013-14, An Ordinance of the Dillingham City Council Repealing Chapter 11.20 of the Dillingham Municipal Code and Reenacting Chapter 11.20 Pertaining to the Use of Off-Road Vehicles Within the Boundaries of the City of Dillingham

MOTION: Paul Liedberg moved and Chris Maines seconded the motion to introduce Ordinance No. 2013-14 (SUB-1).

Paul Liedberg reported the City's ATV ordinance was inadequate and didn't address the needs in the community, there was no authority at this time in the city code to allow driving on city roads. The existing code was very minimal, covering operating off-road vehicles in the business district being prohibited, hours of operation, mufflers and public nuisance, and impoundment, so the whole section was repealed and reworked.

Staff would provide a copy of the original code and the chronology of events leading up to this recommended ordinance when it was brought back for a public hearing at the next meeting. There were major revisions that were prepared over five years ago, that were not incorporated in the code. Chief Pasquariello would be asked to be available to address any questions.

VOTE: The motion to adopt Ordinance No. 2013-14 (SUB-1) passed unanimously.

- G. Adopt Resolution No. 2013-23, A Resolution of the Dillingham City Council Approving the Collective Bargaining Agreement Between the City of Dillingham and the Public Safety Employee Association

Mayor Ruby reported the Council could enter into executive session if they felt it was necessary to discuss the resolution.

(The meeting recessed at 8:06 p.m. for a short break and was called back to order at 8:11 p.m.)

MOTION: Keggie Tubbs moved and Tracy Hightower seconded the motion to adopt Resolution No. 2013-23 and Resolution No. 2013-32.

Manager Loera reported the City had started negotiations with PSEA several years ago and the last year was all about wages. The union voted to ratify the City's offer of a 2% increase effective July 1, 2013, and a 1% increase July 1, 2014, and had added a letter of agreement for a 1% increase for July 1, 2015, a three year contract. Local 71 had voted for the same proposal on wages.

Discussion:

- asked if the city would apply the same standard to its non union workers, answered yes.

VOTE: The motion to adopt Resolutions No. 2013-23 and 2013-32 passed unanimously.

H. Adopt Resolution No. 2013-32, A Resolution of the Dillingham City Council Approving the Collective Bargaining Agreement Between the City of Dillingham and Local 71

I. Adopt Resolution No. 2013-33, A Resolution of the Dillingham City Council Establishing the Rate of Levy of Tax, the Date Taxes are Due, and the Delinquent Date for 2013, and Accepting the Certification of the Tax Roll

MOTION: Keggie Tubbs moved and Chris Maines seconded the motion to adopt Resolution No. 2013-33 filling in the blank with \$154,725,911.

Mayor Ruby noted this resolution was a routine action to certify the tax roll and approve the levy of tax for FY 2014.

VOTE: The motion to adopt Resolution No. 2013-33 passed unanimously.

IX. UNFINISHED BUSINESS

A. Citizen Committee Appointments

1. Cemetery Committee, 4 Seats

Mayor Ruby reported she had no additional names.

B. Petition to Remove Bars from Section of Code Where Businesses Are Not Regulated

MOTION: Brenda Akelkok moved and Chris Maines seconded the motion to have staff provide an edited copy of the ordinance so that bars are removed from Section 8.10.060 where businesses are not regulated and introduce at the next meeting.

Discussion:

- supported vetting the proposed ordinance through the committee process, that it should be reviewed beforehand, but not rush through an ordinance change, especially one that affects the businesses, allow them to have a voice in the process;
- asked if it could be introduced without an ordinance, answered it would require an introduction and a public hearing;
- felt it was important to preserve the public's ability to participate and not rush the process;
- noted based on the schedule the public hearing date would be set for August 1;
- noted had yet to hear from the businesses that would be affected, and the code was currently written to allow the bars to be smoke free if they wanted to be, supported the process taking it through introduction and a public hearing; and
- thanked the citizens for coming to the Council and working with them and staying involved.

MOTION: Bob Himschoot moved and Paul Liedberg seconded the motion to amend the motion to send the proposed ordinance through the Code Committee for review.

Discussion:

- noted the Code Committee would not meet again until August 8, but did agree with the committee process.

MOTION TO WITHDRAWN: Bob Himschoot moved and Paul Liedberg seconded the motion to withdraw the motion to amend.

VOTE: The motion to send the proposed ordinance to staff to provide an edited copy at the next Council meeting passed unanimously.

X. NEW BUSINESS

There was no new business.

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

Alex Hahn asked for a clarification on the bar owners not coming forward that the Council would like to hear from them, Mayor Ruby noted she wanted to hear from the businesses. Alex noted the State had some language to offer if the Council needed some sample language. Mayor Ruby noted the direction from the council was to draft an ordinance to exempt that section from code, and the State might not be aware the City already had a smoking ordinance.

Apayo Moore reported she was pretty sure a majority of the bar goers knew it already, but the Willow Tree was planning to go smoke free. She saw this as a competitive advantage and would make for an unlevel playing field for the other bar.

Adam Kane thanked the Council for the discussion, and noted he had sent an email with a draft ordinance included, and was asking if someone would make a motion to have it introduced at the meeting and it could be brought up for a vote at the next council meeting. He commented leaving it up to the businesses left it where they could change their mind anytime.

XII. COUNCIL COMMENTS

Chris Maines: no comment

Bob Himschoot:

- noted his appreciation for the participation, jokingly stated had always been a lifetime goal to be picketed;
- noted his appreciation for the news on the community block grant;
- thanked the staff for all their time and effort on the budget; and
- welcomed back Steve Cropsey.

Tracy Hightower: no comment

Keggie Tubbs:

- congratulated Chris Maines on his new life venture;
- commented that the public comment on banning smoking in bars and the message it was sending, he wished the same message would sink in about alcohol abuse in the town; and
- wished everyone a prosperous summer.

Brenda Akelkok:

- commented she would need to resign from the Code Committee because she couldn't make the time commitment.

Mayor Ruby commented she would visit an appointment in August when the Council resumed its meetings.

Paul Liedberg:

- noted his appreciation for the participation and commitment from the public.

XIII. MAYOR'S COMMENTS

Mayor Ruby:

- noted her appreciation for public's participation, that the citizens and Council were courteous and respectful making for a quality meeting;
- thanked Adam for his participation on the Code Committee, appreciated the issue was off of their task list; and
- asked the Council if there was some interest in holding a workshop to review business licenses and give staff notice to figure out a forum.

Discussion:

- commented would be interested in how other communities deal with it; and
- noted it would be helpful to identify some of the issues beforehand.

Mayor Ruby:

- congratulated Chris on his upcoming marriage; and

- asked the Council for a moment of silence to recognize all those residents lost since the last meeting.

XIV. EXECUTIVE SESSION

- A. Legal Matter
 - 1. Union Discussions
- B. Personnel Matter
 - 1. City Manager's Contract

MOTION: Keggie Tubbs moved and Chris Maines seconded the motion to go into executive session to discuss Personnel Matter, City Manager's Contract [8:47 p.m.].

GENERAL CONSENT: The motion passed without objection.

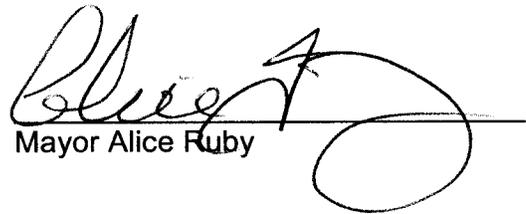
MOTION: Paul Liedberg moved and Chris Maines seconded the motion to come out of executive session [9:00 p.m.].

GENERAL CONSENT: The motion passed with no objection.

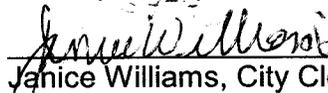
XV. ADJOURNMENT

Mayor Ruby adjourned the meeting at 9:00 p.m.




Mayor Alice Ruby

ATTEST:


Janice Williams, City Clerk

Approval Date: June 27, 2013