



Alice Ruby, **Mayor**

Council Members

- Tracy Hightower (Seat A) • Chris Maines (Seat B) • Misty Savo (Seat C)
- Curt Armstrong (Seat D) • Andy Anderson (Seat E) • Paul Liedberg (Seat F)

**DILLINGHAM CITY COUNCIL
MEETING AGENDA**

David B. Carlson Council Chambers

Dillingham City Hall, 141 Main Street, Dillingham, AK 99576 (907) 842-5212

WORKSHOP – REVIEW FY18 PROPOSED BUDGET	6:00 P.M	JUNE 1, 2017
REGULAR MEETING	7:00 P.M.	JUNE 1, 2017

1. CALL TO ORDER

2. ROLL CALL

3. APPROVAL OF MINUTES

- a. Regular Council Meeting, May 4, 2017 page 5
- b. Board of Equalization Organizational Meeting and Hearing, May 17, 2017 ..page 13

4. APPROVAL OF CONSENT AGENDA

- a. Adopt Resolution No. 2017-26, A Resolution of the Dillingham City Council to Offer Thanks and Commendation to Dr. Deborah McLean-Nelsonpage 23

APPROVAL OF AGENDA

5. STAFF REPORTS

- a. City Manager and Staff Reports.....page 25
- b. Standing Committee Reportspage 55

6. PUBLIC HEARINGS

- a. Adopt Ordinance No. 2017-03, An Ordinance of the Dillingham City Council Amending Dillingham Municipal Code to Add Two New Offenses, To Add a Fine for Two Existing Offenses, and to Replace the Language for an Existing Offensepage 63
- b. Adopt Ordinance No. 2017-04, An Ordinance of the Dillingham City Council Amending the Budget by Adopting Budget Amendment No. 1 and Appropriating Funds for the FY2017 City of Dillingham Budgetpage 69

7. CITIZEN’S DISCUSSION (Prior Notice or Agenda Items)

8. ORDINANCES AND RESOLUTIONS

- a. Adopt Ordinance No. 2017-03, An Ordinance of the Dillingham City Council Amending Dillingham Municipal Code to Add Two New Offenses, To Add a Fine for Two Existing Offenses, and to Replace the Language for an Existing Offense page 63
- b. Adopt Ordinance No. 2017-04, An Ordinance of the Dillingham City Council Amending the Budget by Adopting Budget Amendment No. 1 and Appropriating Funds for the FY2017 City of Dillingham Budget page 69
- c. Introduce Ordinance No. 2017-05, An Ordinance of the Dillingham City Council Adopting the Budget and Appropriating Funds for the FY2018 City of Dillingham Budgetpage 85
- d. Introduce Ordinance No. 2017-06, An Ordinance of the Dillingham City Council Authorizing the Disposal of Municipal Property to the State of Alaska for the Dillingham Downtown Streets Rehabilitation Projectpage 103
- e. Adopt Resolution No. 2017-27, A Resolution of the Dillingham City Council Requesting FY17 Payment in Lieu of Taxes Funding from the Department of Commerce, Community, and Economic Developmentpage 125
- f. Adopt Resolution No. 2017-28, A Resolution of the Dillingham City Council Establishing the Rate of Levy of Tax, the Date Taxes are Due, and the Delinquent Date for Calendar Year 2017, and Accepting the Certification of the Tax RollPage 129
- g. Adopt Resolution No. 2017-29, A Resolution of the Dillingham City Council Authorizing Advertising a RFP to Construct Cell #3, Phase #1 at the Dillingham Landfillpage 135
- h. Adopt Resolution No. 2017-30, A Resolution of the Dillingham City Council Authorizing the City Manager to Waive the Purchasing Requirements to Award the Purchase of a F350 Chassis to Replace the Mechanic’s Vehicle a 1990 F350 Flatbed page 141

9. UNFINISHED BUSINESS

- a. Citizen Committee Appointments
 - 1) Senior Advisory Commission, 1 Seat Open
 - 2) Planning Commission, 1 Seat Open

10. NEW BUSINESS

- a. Schedule a Special Meeting for July 13, 2017 at 12:15 PM
 - 1) Public Hearing on Ordinance No. 2017-06, Authorizing the Disposal of Municipal Property for the Downtown Streets Rehabilitation Project
 - 2) Action Memorandum to Award a Contract for Harbor Float Design

- 3) Action Memorandum to Award a Contract for the Senior Center Repairs and Upgrades
- 4) Action Memorandum to Award a Contract for Construction of Landfill Cell#3, Phase #1
- 5) Action Memorandum to Award a Contract for Sewer Lagoon and Dock Lift Station Improvements

b. Action Memorandum No. 2017-08, Authorize City Manager to Execute a Contract with Altman Rogers to Perform the Annual Auditpage147

c. Action Memorandum No. 2017-09, Authorize City Manager to Execute a Contract to AMCON General Contractors for the Installation of the Downtown Fire Hall Coiling Doorpage 163

11. CITIZEN’S DISCUSSION (Open to the Public)

12. COUNCIL COMMENTS

13. MAYOR’S COMMENTS

14. EXECUTIVE SESSION

- a. Personnel Matter – City Manager Recruitment

15. ADJOURNMENT

1. CALL TO ORDER

A regular meeting of the Dillingham City Council was held on Thursday, May 4, 2017, at the Dillingham City Council Chambers, Dillingham, Alaska. Mayor Ruby called the meeting to order at 7:02 p.m. This was preceded by a Workshop to present on the FY18 School Budget.

2. ROLL CALL

Mayor Alice Ruby was present.

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

Curt Armstrong	Misty Savo	Chris Maines
Paul Liedberg	Tracy Hightower	

Council members absent and excused: Andy Anderson

Guests: Danny Frazier Chris Napoli

Staff in attendance:

Janice Williams	Ken Morton	Dan Pasquariello	Navin Bissram
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3. APPROVAL OF MINUTES

- a. Regular Council Meeting, April 13, 2017

MOTION: Chris Maines moved and Tracy Hightower seconded the motion to approve the minutes of April 13, 2017.

VOTE: The motion to approve the agenda passed unanimously by voice vote.

4. APPROVAL OF CONSENT AGENDA

- a. Proclamation – Alaska Legal Services Corporation Day
- b. Adopt Resolution No. 2017-18, A Resolution of the Dillingham City Council to Offer Thanks and Commendation to Rose Loera for Her Service in Her Role as the Dillingham City Manager from July 2012 to April 2017
- c. Adopt Resolution No. 2017-19, A Resolution of the Dillingham City Council Amending the Bank Signature Card for Wells Fargo Checking Account Due to a Change in Personnel
- d. Adopt Resolution No. 2017-20, A Resolution of the Dillingham City Council Amending the Investment Account Signature Authority Forms for City Investment Accounts Due to a Change in Personnel

MOTION: Chris Maines moved and Tracy Hightower seconded the motion to approve the consent agenda.

VOTE: The motion to approve the consent agenda passed unanimously by voice vote.

APPROVAL OF AGENDA

MOTION: Chris Maines moved and Paul Liedberg seconded the motion to approve the agenda.

VOTE: The motion to approve the agenda passed unanimously by voice vote.

5. STAFF REPORTS

a. City Manager and Staff Reports

City Manager reported on the following items in addition to his report (laydown):

- City appears to be in really good shape;
- Has been in contact with the City's lobbyist Cliff Stone, feeling is the legislature will be session for at least 120 days;
- Reminded all of Community Clean-Up; Chief commented if you find a hypodermic needle to leave it alone, mark where it is, and Fire Dept. does provide containers for sharps.

Mayor Ruby recommended sending the two requests for code changes mentioned in the City Clerk's report to the Code Committee. There was no objection.

b. Standing Committee Reports

Chris Maines, Code Review Committee: continuing to work through a review of all sales tax exemptions.

Paul Liedberg, Finance and Budget Committee: held a number of budget meetings, looking at recommending the implementation of a tobacco excise tax, working on passing on the cost of processing credit cards to the user.

Mayor Ruby reported the budget would be presented at a workshop June 1 and then introduced at the June 1 Council meeting.

6. PUBLIC HEARINGS

Mayor Ruby reported she would be asking the Council to postpone action on these two ordinances to the June agenda since the required advertising did not make it in the Bristol Bay Times.

Mayor Ruby opened the public hearing on Ordinance No. 2017-03 and Ordinance No. 2017-04.

- a. Adopt Ordinance No. 2017-03, An Ordinance of the Dillingham City Council Amending Dillingham Municipal Code to Add Two New Offenses, To Add a Fine for Two Existing Offenses, and to Replace the Language for an Existing Offense

- b. Adopt Ordinance No. 2017-04, An Ordinance of the Dillingham City Council Amending the Budget by Adopting Budget Amendment No. 1 and Appropriating Funds for the FY2017 City of Dillingham Budget

There being no comments the public hearing closed.

7. CITIZEN’S DISCUSSION (Prior Notice or Agenda Items)

Ronnie Johnson reported he and several others had removed some of trees along Squaw Creek Road with more to come. He felt the road in its present condition was in need of emergency repair, and was asking for it to be graded.

Richard Clark reported on a water and sewer line that was installed on his property many years ago without his approval. He was aware that the City would be extending the line, referring to the resolution in the packet authorizing an encroachment, but should there be any more increases in his sewer rates, he would not pay for the sewer anymore.

8. ORDINANCES AND RESOLUTIONS

- a. Adopt Ordinance No. 2017-03, An Ordinance of the Dillingham City Council Amending Dillingham Municipal Code to Add Two New Offenses, To Add a Fine for Two Existing Offenses, and to Replace the Language for an Existing Offense

MOTION: Misty Savo moved and Chris Maines seconded the motion to postpone action on Ordinance No. 2017-03 to the June 1 meeting.

VOTE: The motion to postpone passed unanimously by voice vote.

- b. Adopt Ordinance No. 2017-04, An Ordinance of the Dillingham City Council Amending the Budget by Adopting Budget Amendment No. 1 and Appropriating Funds for the FY2017 City of Dillingham Budget

MOTION: Tracy Hightower moved and Chris Maines seconded the motion to postpone action on Ordinance No. 2017-04 to the June 1 meeting.

VOTE: The motion to postpone passed unanimously by voice vote.

- c. Adopt Resolution No. 2017-12, A Resolution of the Dillingham City Council Approving Emergency Maintenance on Squaw Creek Road

MOTION: Chris Maines moved and Tracy Hightower seconded the motion to adopt Resolution No. 2017-12.

Don Moore reported the city would do its best considering there was no money in the budget to maintain the road, legally city didn’t have the authority to be on the road, recognized acquiring r-o-w’s were in the works, didn’t want to give the impression the city would start upgrading the road, just want to be sure an ambulance could get through.

MOTION: Misty Savo moved and Chris Maines seconded the motion to strike the eighth Whereas.

The eighth Whereas noted after all the easements to the road are acquired the City will formally accept the road as a City street, felt this was premature at this time noting the extensive amount of work it would take to upgrade the road to meet City standards.

VOTE: The motion to strike the eighth Whereas passed unanimously by voice vote.

MOTION: Misty Savo moved and Chris Maines seconded the motion to add additional language after passable "for emergency vehicles" in the sixth Whereas and in the first paragraph after Now, Therefore, Be it Resolved.

VOTE: The motion to add "for emergency purposes" after passable passed unanimously by voice vote.

VOTE: The motion to adopt the amended Resolution No. 2017-12 passed unanimously by voice vote.

- d. Adopt Resolution No. 2017-21, A Resolution of the Dillingham City Council Approving a Long Term Encroachment for the Properties Located at 119 and 125 E Street to Connect to the City's Sewer Main on Seward Street

MOTION: Chris Maines moved and Paul Liedberg seconded the motion to adopt Resolution No. 2017-21.

Discussion:

- Noted it would be order to research if his rate was based on the size of the line that was accommodating other services.

Don Moore reported he would meet with the property owners and attempt to clarify any issues and resolve concerns before any works was done.

- e. Adopt Resolution No. 2017-22, A Resolution of the Dillingham City Council Authorizing the City Manager to Advertise for a Request for Proposal for Float Design at the Dillingham Small Boat Harbor

MOTION: Misty Savo moved and Chris Maines seconded the motion to adopt Resolution No. 2017-22.

VOTE: The motion to adopt Resolution No. 2017-22 passed unanimously by voice vote.

- f. Adopt Resolution No. 2017-23, A Resolution of the Dillingham City Council Amending the Fee Schedule for the Dillingham Municipal Landfill

MOTION: Paul Liedberg moved and Misty Savo seconded the motion to adopt Resolution No. 2017-23.

Paul Liedberg reported the increase in landfill rates was necessary to meet the rising cost of operating the landfill.

VOTE: The motion to adopt Resolution No. 2017-23 passed unanimously by voice vote.

- g. Adopt Resolution No. 2017-24, 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, 2018

MOTION: Chris Maines moved and Misty Savo seconded the motion to adopt Resolution No. 2017-24.

VOTE: The motion to adopt Resolution No. 2017-24 passed unanimously by voice vote.

- h. Adopt Resolution No. 2017-25, A Resolution of the Dillingham City Council Authorizing the City Manager to Advertise a Request for Proposal for Constructing Improvements at the Wastewater Lagoon and the Dock Lift Station

MOTION: Misty Savo moved and Paul Liedberg seconded the motion to adopt Resolution No. 2017-25.

Ken Morton provided a summary of the projects identified in the Resolution.

VOTE: The motion to adopt Resolution No. 2017-25 passed unanimously by voice vote.

9. UNFINISHED BUSINESS

- a. Citizen Committee Appointments
 - 1) Senior Advisory Commission, 1 Seat Open

There were no letters of interest on file.

- c. Interim Task Force Borough Feasibility Study Update

Mayor Ruby informed this item would be removed from the agenda since the study was finished.

10. NEW BUSINESS

- a. Action Memorandum No. 2017-05, Authorize City Manager to Execute Contract with HUB International Northwest LLC Broker for Alaska Public Entity Insurance for Insurance Coverages

MOTION: Chris Maines moved and Paul Liedberg seconded the motion to approve Action Memorandum No. 2017-05.

Don Moore referenced his write up that compared the value of the services provided by AML/JIA with the savings in premiums going with APEI.

VOTE: The motion to approve Action Memorandum No. 2017-05 passed unanimously by voice vote.

- b. Action Memorandum No. 2017-06, Authorize City Manager to Execute Contracts to Purchase Aggregate from Bristol Construction Services, JJC Enterprises, and Bennett Enterprises

MOTION: Tracy Hightower moved and Chris Maines seconded the motion to approve Action Memorandum No. 2017-06.

VOTE: The motion to approve Action Memorandum No. 2017-06 passed unanimously by voice vote.

- c Action Memorandum No. 2017-07, Authorize City Manager to Enter into Purchase Agreements with Cruz Construction, Snag Point Trucking and Snow Removal, JJC Enterprises, and Bennett Enterprises for Heavy Equipment Rentals

MOTION: Paul Liedberg moved and Tracy Hightower seconded the motion to approve Action Memorandum No. 2017-07.

VOTE: The motion to approve Action Memorandum No. 2017-07 passed unanimously by voice vote.

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

Chris Napoli, School Board President, thanked the Council for supporting the \$1.3Million contribution to the School District for their FY18 Budget.

12. COUNCIL COMMENTS

Chris Maines:

- Thanked Dillingham City School District reps for presenting their school budget and appreciated hearing of the high numbers of students graduating; and
- Noted he would be in next week's graduating class to receive a Master's Degree in Anthropology.

Paul Liedberg:

- Congratulated Chris Maines for earning his Master's Degree; and
- Thanked staff for all the work they do as well as the school personnel and School Board.

Misty Savo:

- Recognized Public Works for their good works at the landfill to successfully get the community to sort their trash;
- Thanked the School District for doing such an amazing job, noting she appreciated the staff and administration and how far they had come in the past seven years;

- Noted it was the end of school year graduation and proms coming up; and
- Congratulated Deb McLean who would be retiring this summer noting she had done some pretty amazing work for the University.

Tracy Hightower:

- Congratulated Pedro and Samantha Gonzalez for the birth of their son; and
- Congratulated former Council Member Bob Himschoot for his recent hire as manager of Nushagak Cooperative.

13. MAYOR’S COMMENTS

Mayor Ruby:

- Urged all to participate in the Community Clean-Up;
- Thanked all the City staff noting the City was fortunate to have the staff it does;
- Asked Paul to take the Council’s best wishes to Maryanne, appreciated he can work as a Council Member at this time when it was not always easy; and
- Asked for a moment of silence to recognize those lost since the last meeting.

14. EXECUTIVE SESSION

- a. Personnel Matter – City Manager Recruitment

MOTION: Chris Maines moved and Tracy Hightower seconded the motion to enter into executive session to discuss Personnel Matter, City Manager Recruitment [8:35 p.m.].

VOTE: The motion passed unanimously by voice vote.

Mayor Ruby invited Don Moore and Janice Williams to the executive session.

MOTION: Chris Maines moved and Tracy Hightower seconded the motion to exit the executive session [8:42 p.m.].

VOTE: The motion passed unanimously by voice vote.

15. ADJOURNMENT

Mayor Ruby adjourned the meeting at 8:42 p.m.

ATTEST:

Mayor Alice Ruby
[SEAL]

Janice Williams, City Clerk

Approval Date: _____

1. CALL TO ORDER

An Organizational Meeting and Hearing of the Board of Equalization (Board) was held on Wednesday, May 17, 2017, at the Dillingham City Council Chambers, Dillingham, Alaska. Mayor Alice Ruby called the meeting to order at 5:30 p.m.

2. ROLL CALL

Mayor Alice Ruby was present.

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

Tracy Higtower Misty Savo Andy Anderson

Staff in attendance:

Janice Williams, City Clerk

Guests: Jim Canary, Alaska Assessment Services

3. APPROVE THE AGENDA

MOTION: Misty Savo moved and Tracy Higtower seconded the motion to approve the agenda as presented.

GENERAL CONSENT: The motion passed without any objection.

4. ASSESSOR'S COMMENTS

The assessor did not have any comments to add that wasn't already covered in his written report.

5. DETERMINE THE NUMBER OF OUTSTANDING APPEALS

Janice Williams noted this section of the agenda would be treated as the Organizational Meeting which had been canceled earlier in the month.

- a. Personal Property - Refer to Attached List

Janice Williams directed the Board to the list of settled appeals included in the packet. This was for information only at this time. All appeals and the assessor's responses were included in the packet.

- b. Real Property – Refer to the Attached List

Janice Williams directed the Board to the list of settled appeals included in the packet. This was for information only at this time. All appeals and the assessor's responses were included in the packet.

- c. Late-Filed Appeals

Janice Williams explained the role of the Board was to determine that the property owner was unable to comply and file a timely appeal.

MOTION: Misty Savo moved and Tracy Hightower seconded the motion to accept Gail Johnson's late filed appeal based on she was unable to comply with the filing date.

VOTE: The motion to accept the late filed appeal passed by unanimous consent.

Janice Williams noted since the Board had accepted the late filed appeal, the appeal would be included in the settled appeals that had been negotiated earlier with the City's assessor pending the result of the Board's action.

6. APPEALS FOR CONSIDERATION

a. Personal Property – Refer to the Attached List

1) Settled Appeals

Janice Williams referred to the report listing both settled and unsettled appeals. The assessor had reached a written agreement of valuation with the appellants on Case Nos. P-04-17, P-05-17, P-06-17, and P-07-17.

MOTION: Misty Savo moved and Tracy Hightower seconded the motion to concur with the assessor's determination on the settled appeals.

GENERAL CONSENT: The motion passed without objection.

2) Appeals Not Settled

a) Case No. P-01-17 and P-02-17; Appellant: Douglas Cooper, Two Skiffs

Appellant presentation: The appellant did not attend the hearing.

Assessor's presentation: Jim Canary noted he had nothing to add to his report.

There were no questions from the Board. The hearing was closed and the Board deliberated on the matter.

MOTION: Misty Savo moved and Andy Anderson seconded the motion for the Board to grant the appeal and ask for a no vote on appellant's request [to adjust the property value from \$39,000 to \$11,500, and ruled in favor of the assessor's determination of \$11,000].

VOTE: The motion to uphold the assessor's determination passed unanimously.

b) Case No.P-03-1; Appellant: Dan Mullins; F/V Tish

Appellant presentation: The appellant did not attend the meeting.

Assessor's presentation: Jim Canary noted he had nothing to add to his report.

There were no questions from the Board. The hearing was closed and the Board deliberated on the matter.

MOTION: Misty Savo moved and Andy Anderson seconded the motion for the Board to grant the appeal and ask for a yes vote [on appellant's request to adjust the appeal from \$150,000 to \$100,000].

VOTE: The motion to uphold the assessor's determination passed unanimously.

- c) Case No. P-08-2017; Robert Buchmayr, F/V Okuma
- d) Case No. P-09-2017; Robert Buchmayr, F/V Okuma
- e) Case No. P-10-2017, Robert Buchmayr, F/V Okuma

Appellant presentation: the Appellant's exhibit was included in the board meeting packet. The appellant did not attend the meeting.

Assessor's presentation: Jim Canary, in response to the Board, noted he did not have any values to compare 2013, 2014, and 2015 escaped taxes with prior years so accepted the 2017 proposed value for all three years.

The hearing was closed and the Board deliberated on the matter.

MOTION: Misty Savo moved and Tracy Hightower seconded the motion for the Board to grant the appeal and ask for a yes vote [on appellant's request to adjust the appeal from \$300,000 to \$216,019].

VOTE: The motion to uphold the assessor's determination passed unanimously.

- b. Real Property – Refer to the Attached List
 - 1) Settled Appeals

Janice Williams referred to the report listing both settled and unsettled appeals. The assessor had reached a written agreement of valuation with the appellants on Case Nos. R-01-17, R-03-17, R-04-17, R-05-17, R-06-17, R-07-17, R-13-17, R-14-17, R-15-17, R-16-17, R-18-17, R-20-17, R-21-17, R-24-17, R-25-17, R-26-17, and R-28-17.

MOTION: Andy Anderson moved and Tracy Hightower seconded the motion to concur with the assessor's determination on the settled appeals.

GENERAL CONSENT: The motion passed without objection.

- 2) Unsettled Appeals
 - a) Case No. R-02-17; Appellant: Dillingham Mini Storage, Property Location, USS 2732 B12 L5

Appellant presentation: Scott Christianson attended via teleconference. He commented the increase in the land value was excessive, did not feel real estate values had gone up that much and noted he did not have the market data to support his claim. He noted his units had a 50% vacancy and felt that needed to be calculated into the overall value.

Assessor's presentation: Jim Canary noted there had not been an onsite visit in a number of years, which was reflected in the increase in the land value. He responded yes to Scott's question if he had had a commercial appraisal would it be considered by the Board.

The hearing closed and the Board deliberated on the matter.

MOTION: Misty Savo moved and Tracy Hightower seconded the motion to grant the appeal and ask for a no vote [on appellant's request to adjust the appeal from \$231,400 to \$171,792, and ruled in favor of the assessor's determination of \$200,000].

VOTE: The motion to uphold the assessor's determination passed unanimously.

- b) Case No. R-08-17, Appellant: Rick and Allison Tennyson;
Property Location: USS 2732 B1 L1

Appellant presentation: Rick Tennyson commented the value of the lot was excessively overvalued over last year, and opined the assessor had arbitrarily applied the increase from the previous year's value of \$6,000 to \$10,400.

Assessor presentation: Jim Canary commented he stood by his evaluation and that it was not arbitrarily computed.

The assessor and appellant responded to questions from the Board. The hearing closed and the Board deliberated on the matter.

MOTION: Andy Anderson moved and Chris Maines seconded the motion for the Board to grant the appeal and ask for a no vote [to adjust the land value from \$10,400 to \$6,000 and ruled in favor of the assessor's determination of \$6,700].

VOTE: The motion to uphold the assessor's determination passed unanimously.

- c) Case No. R-09-17, Appellant: Rick and Allison Tennyson;
Property Location: USS 2732 B1 L2

Appellant presentation: Rick Tennyson commented same as Lot 1, the value of the lot was excessively overvalued over last year, and opined the assessor had arbitrarily applied the increase.

Assessor presentation: Jim Canary commented he stood by his evaluation.

The hearing closed and the Board deliberated on the appeal.

MOTION: Misty Savo moved and Andy Anderson seconded the motion for the Board to grant the appeal and ask for a no vote [to adjust the land value from \$10,400 to \$6,000, and ruled in favor of the assessor's determination of \$6,700].

VOTE: The motion to uphold the assessor's determination passed unanimously.

- d) Case No. R-10-17, Appellant: Rick and Allison Tennyson;
Property Location: USS 2732 B2 L7

Appellant presentation: Rick Tennyson commented these lots had no sewer, water, or electricity, and the value of the lot was excessively overvalued over last year from \$5,100 to \$8,800.

The Board questioned whether or not septic could be added to the lot considering the size.

Assessor presentation: Jim Canary commented this was a factor he had not considered compared to other communities he had knowledge of.

The hearing closed and the Board deliberated on the appeal.

MOTION: Misty Savo moved and Andy Anderson seconded the motion for the Board to grant the appeal and ask for a yes vote [to adjust the land value from \$8,800 to \$5,100, for the reasons provided by the appellant].

VOTE: The motion to rule in favor of the appellant passed unanimously.

- e) Case No. R-11-17, Appellant: Rick and Allison Tennyson;
Property Location: USS 2732 B2 L8

Appellant presentation: Rick Tennyson repeated his previous comments held on this lot as well, and the value of the lot was excessively overvalued over last year.

Assessor presentation: Jim Canary commented he agreed that being able to add septic was a factor and agreed with the appellant.

The hearing closed and the Board deliberated on the appeal.

MOTION: Misty Savo moved and Andy Anderson seconded the motion for the Board to grant the appeal and ask for a yes vote [to adjust the land value from \$10,900 to \$6,500, for the reasons provided by the appellant].

VOTE: The motion to rule in favor of the appellant passed unanimously.

- f) Case No. R-12-17, Appellant: Rick and Allison Tennyson;
Property Location: USS 2732 B2 L9

Appellant presentation: Rick Tennyson commented his previous remarks held on this lot as well, and the value of the lot was excessively overvalued over last year.

Assessor presentation: Jim Canary commented he agreed that being able to add septic was a factor.

The hearing closed and the Board deliberated on the appeal.

MOTION: Misty Savo moved and Andy Anderson seconded the motion for the Board to grant the appeal and ask for a yes vote [to adjust the land value from \$10,900 to \$6,500, for the reasons provided by the appellant].

VOTE: The motion to rule in favor of the appellant passed unanimously.

- g) Case No. R-17-17, Appellant: Nick Wahl Trust; Property Location: Snug Harbor Lot 2

Appellant presentation: Nick Wahl presented that his property increase was overly excessive, from \$14,000 to \$65,000, that the lot was all swamp, and opined the comparison sales provided by the assessor were not river properties. He suggested walking the property in the summer, when the property was free of snow and ice.

Assessor presentation: Jim Canary commented he had walked the property, and he would revisit the property later in the summer when he returned.

The hearing closed and the Board deliberated on the appeal questioning the use of the land, and that it was in order to see a slight increase from the previous year's value.

MOTION: Misty Savo moved and Tracy Hightower seconded the motion for the Board to grant the appeal and ask for a yes vote to adjust the land value from \$65,000 to \$14,500.

VOTE: The motion to amend the land value passed unanimously.

- h. Case No. R-27-17, Appellant: Lyle and Silke Smith; Property Location: USS 2732 B 29 L3

Appellant presentation: Thiel Smith represented the appellants via teleconference. He questioned the significant increase in land value over the prior year from \$520 to \$12,900, especially since the land had eroded away over the years.

Assessor presentation: Jim Canary referred to the lot map that was provided, and felt the \$100 value he had recommended would cover the cost of administering the account, since the land although it was apparent had eroded way, it was still owned by them.

The hearing closed and the Board deliberated on the appeal.

MOTION: Misty Savo moved and Tracy Hightower seconded the motion for the Board to grant the appeal and ask for a no vote [to adjust the land value from \$12,900 to \$0, and ruled in favor of the assessor's determination of \$100].

VOTE: The motion to uphold the assessor's determination passed unanimously.

- i. Case No. R-29-17, Appellant: Lyle and Silke Smith; Property Location: USS 2732 B 29 L4

Appellant presentation: Thiel Smith represented the appellants via teleconference. He questioned the significant increase in land value over the prior year from \$3,700 to \$23,600. He asked if the properties were considered residential or commercial, that the increase was unjustified.

Assessor presentation: Jim Canary referred to the lot map that was provided. He noted both this property and the adjacent Lot 5 property could be built upon and were significantly undervalued previously.

The hearing closed and the Board deliberated on the appeal, noting it was unfortunate the increases had to be made, but understood the reasoning.

MOTION: Misty Savo moved and Andy Anderson seconded the motion for the Board to grant the appeal and ask for a no vote [to adjust the land value from \$23,600 to \$3,500, and ruled in favor of the assessor's determination of \$20,000].

VOTE: The motion to uphold the assessor's determination passed unanimously.

- j. Case No. R-30-17, Appellant: Lyle and Silke Smith; Property Location: USS 2732 B 29 L5

Appellant presentation: Thiel Smith represented the appellants via teleconference. He noted his reasoning was the same as the previous Lot 4, questioned the extreme jump in value over the previous year, and did not agree with the Board's vote.

Assessor presentation: Jim Canary noted he was bringing both lots to market value, and fixing what had been established in the past, noting waterfront properties were no different than if it was in Juneau.

The hearing closed and the Board deliberated on the appeal.

MOTION: Misty Savo moved and Andy Anderson seconded the motion for the Board to grant the appeal and ask for a no vote [to adjust the land value from \$23,600 to \$3,500, and ruled in favor of the assessor's determination of \$20,000].

VOTE: The motion to uphold the assessor's determination passed unanimously.

- k. Case No. R-31-17 (*), Appellant: Lyle and Silke Smith; Property Location: Edra Garage L2, used to be USS 2732 L3

Appellant presentation: Thiel Smith represented the appellants via teleconference. He noted his reasoning was the same, questioning the extreme jump in value over the previous year from \$99,100 to \$169,800.

Assessor presentation: Jim Canary noted he had reevaluated the condition of the home, and agreed to lower the value.

The hearing closed and the Board deliberated on the appeal.

MOTION: Misty Savo moved and Andy Anderson seconded the motion for the Board to grant the appeal and ask for a no vote [to adjust the value from \$169,800 to \$100,000, and ruled in favor of the assessor's determination of \$104,600].

VOTE: The motion to uphold the assessor's determination passed unanimously.

- I. Case No. R-31-17, Appellant: Lyle and Silke Smith; Property Location: Edra Garage L3, used to be USS 2732 L2

Janice Williams reported this property had not been appealed, but the assessor felt it was in order to reevaluate it along with the other four properties.

Appellant presentation: Thiel Smith represented the appellants and noted he appreciated the reevaluation.

Assessor presentation: Jim Canary noted he had conducted an outside view of the home last year, and felt there was just cause for a reduction after revisiting the property.

The hearing closed and the Board deliberated on the appeal.

MOTION: Misty Savo moved and Andy Anderson seconded the motion for the Board to grant the appeal and ask for a yes vote [to adjust the value from \$148,100 to \$74,000].

VOTE: The motion to uphold the assessor's determination passed unanimously.

- m. Case No. R-19-17, Appellant: DLG LLC; Property Location: USS 2874 L2

Appellant presentation: The appellant did not attend the hearing.

Assessor's presentation: Jim Canary commented when a property is leased from a government entity, the land is taxable, but the land diminishes in value down to a salvage value based on the length of the lease.

Mayor Ruby asked to include the information on taxing leased property in the next Council packet. The hearing was closed and the Board deliberated on the matter.

MOTION: Misty Savo moved and Andy Anderson seconded the motion for the Board to grant the appeal and ask for a no vote on appellant's request [to adjust the property value from \$333,700 to \$260,100, and ruled in favor of the assessor's determination of \$301,800].

VOTE: The motion to uphold the assessor's determination passed unanimously.

- n. Case No. R-22-17, Appellant: Joan Junge; Property Location: Neqleq B3 L8

Appellant presentation: The appellant did not attend the hearing.

Assessor's presentation: Jim Canary commented the value had remained the same for 2016 and 2017, had reevaluated it and the value came in higher, although he was not recommending any changes for this year.

The hearing closed and the Board deliberated on the appeal.

MOTION: Misty Savo moved and Andy Anderson seconded the motion for the Board to grant the appeal and ask for a no vote on appellant's request [to adjust the property value from \$340,000 to \$251,000, and ruled in favor of the assessor's determination to leave at \$340,000].

VOTE: The motion to uphold the assessor's determination passed unanimously.

- o. Case No. R-23-17, Appellant: William and Deborah Tennyson; Property Location: Nerka VII, B9 L4

Appellant presentation: The appellant did not attend the hearing.

Assessor's presentation: Jim Canary did not have anything to add to his report.

The hearing closed and the Board deliberated on the appeal.

MOTION: Misty Savo moved and Andy Anderson seconded the motion for the Board to grant the appeal and ask for a no vote on appellant's request [to adjust the property value from \$105,800 to \$30,000, and ruled in favor of the assessor's determination of \$92,600].

VOTE: The motion to uphold the assessor's determination passed unanimously.

7. CITIZEN DISCUSSION (Prior Notice or Agenda Items)

There was no citizen's discussion.

8. MAYOR/COUNCIL COMMENTS

Misty Savo:

- Commented it was unfortunate that there had to be some high jumps in valuations from the previous year, but recognized it was their duty to evaluate the information provided to them by the assessor.

Mayor Ruby:

- Commented she was in agreement with Misty, and wished it didn't have to be that way.

9. ADJOURNMENT

Mayor Ruby adjourned the meeting at 8:12 p.m.

ATTEST:

Mayor Alice Ruby
[SEAL]

Janice Williams, City Clerk

Approval Date: _____

DRAFT

CITY OF DILLINGHAM, ALASKA

RESOLUTION NO. 2017-26

RESOLUTION OF THE DILLINGHAM CITY COUNCIL EXPRESSING THANKS AND A COMMENDATION TO DR DEBORAH MCLEAN-NELSON

WHEREAS, Dr. Mclean-Nelson will retire as Director of the University of Alaska Fairbanks Bristol Bay Campus in June 2017; and

WHEREAS, Dr. McLean-Nelson has always demonstrated a commitment to providing educational opportunities to residents of Dillingham and to residents throughout the region; and

WHEREAS, Dr. McLean-Nelson’s commitment to grow the opportunities for education and make courses and degree offerings more relevant to the region’s students led to a tremendous growth in enrollment through the UAF Bristol Bay Campus; and

WHEREAS, Dr. McLean-Nelson championed the development of the Environmental Studies program and the Nursing program in collaboration with the University of Alaska Anchorage and the Bristol Bay Area Health Corporation; and

WHEREAS, under Dr. McLean-Nelson’s leadership, the Bristol Bay Campus secured millions of dollars in federal grants, which aided in greatly enhancing programs; and

WHEREAS, Dr. McLean-Nelson was instrumental in securing funding to enhance and expand the facilities resulting in an attractive, visible and multi-purpose higher education campus; and

WHEREAS, the Council wishes to recognize Dr. McLean-Nelson’s contribution to the community and to the region;

NOW, THEREFORE, BE IT RESOLVED that the Dillingham City Council offers this commendation with sincere appreciation to Dr. McLean-Nelson for sharing her time, her commitment and her talent with the citizens of the region and making it a better place to live and learn.

PASSED and ADOPTED by the Dillingham City Council on_____.

Alice Ruby, Mayor

ATTEST:

[SEAL]

Janice Williams, City Clerk

City of Dillingham

House District 37 / Senate District S

~ 5/25/17 ~

(Day 129-Overall) (Day 8-Special Session)

30th Alaska State Legislature ~ 1st Special Session

MAY 2017 – LEGISLATIVE REPORT

Cliff Stone / City Lobbyist

~ Halls of Capitol are mostly empty except for tourists ~



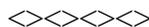
I trust all the mom's out there had a very happy Mother's Day! Lets us never forget those who are no longer with us as well.

If a constituent were to travel to Juneau and expect to find the hustle and bustle of lawmakers deciding on the fate of a \$3 billion dollar deficit and a looming government shutdown, they would be sadly disappointed. Quite a few legislators aren't even in town, and those that are around seem to be waiting for something to happen. As of this writing, no committee hearings are scheduled and floor sessions are mostly technical in nature.

The ball is clearly in the Senate's court as the House has conducted their due diligence and presented a plan to backfill a structural deficit. Hopefully the Senate will see their way to a compromise. Unfortunately with both sides dug in, I predict that we will see at least a partial shutdown of services that the state provides. In my talks with folks on the executive side, they will have skeletal crews in place to ensure a multitude of essential services are still delivered.

However, the lifeblood of so many communities around Alaska – fisheries, will be severely hampered and could even see shutdowns because of the lack of Fish and Game personnel if a budget isn't agreed upon. Only time will tell, but from my view point the horizon is wrought with great uncertainty.

There was some discussion to extend the first session by an additional 10 days, but in the end the governor issued a proclamation calling them back into a special session on May 18th. Under a special session, the legislature is limited to the topics placed on the 'call'. He has focused his call on the budget, other key revenue bills and legislation dealing with our opioid epidemic. See the proclamation here: <https://gov.alaska.gov/wp-content/uploads/sites/5/05.17.17-Thirtieth-Legislature-First-Special-Session-Proclamation.pdf>



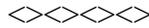
REAL ID ACT

Towards the end of the 121 days, two well-vetted bills were combined to ensure that Real ID legislation passed in time to meet a critical deadline to comply with the federal program. SB 34 was linked to HB 16 in order to avoid serious consequences for Alaskans working on military bases, gaining access to other federal facilities, and traveling by airplane. The governor has signed this act already.

HB 16 was originally a bill that required law enforcement to undergo training to recognize people with disabilities and provide appropriate resources and interactions. The bill also requires the Division of Motor Vehicles (DMV) to provide a voluntary designation on an ID card or driver's license that a person has a disability.

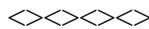
With the contents of SB 34 incorporated into HB 16, you can use your existing ID until January 2018. After that you have the choice to get a REAL ID compliant card or keep a non-compliant card and use another form of federal ID (like a passport) to board planes.

I would check in with your local DMV office to find out when the necessary paperwork will be available to make all of this happen. I'm not convinced that DMV headquarters will have the proper resources to meet all of these deadlines.



TRANSPORTATION NETWORK COMPANIES

During the last few days of the extended session the legislature passed HB 132 which will create a state regulation base for transportation network companies (TNC) like *Uber* and *Lyft*. There are many Alaskans that want the opportunity to use these companies, but there were also concerns about the loss of local control and regulation. HB 132 allows municipalities by ordinance to opt out of allowing TNCs in their municipal limits, but that opt out decision must be ratified by a vote of the people.



GOVERNOR'S CORNER

<http://gov.alaska.gov>

Governor Bill Walker has been appointed to a 10-member Council of Governors by the U.S. President. The Council is intended to serve as a mechanism for governors and key federal officials to address matters pertaining to the National Guard, homeland defense and defense support to civil authorities. He is the first Alaska governor to be appointed to the Council.

The Legislature confirmed all but one of Governor Walker's boards and commission appointees. Among those approved were Attorney General Jahna Lindemuth, Department of Public Safety Commissioner Walt Monegan, and Department of Natural Resources Commissioner Andy Mack.



NEW LEGISLATION

<http://www.akleg.gov>

I've listed the highlighted bolded bills below that have been introduced since the last report and could potentially have an impact on Dillingham. I will monitor these bills and any future bills introduced. Please bring to my attention any other House or Senate legislation that you want me to keep track of. I encourage you to review all new legislation as it's introduced.

Budget & Fiscal Bills / FY18

HB 57 – Operating Budget // HB 59 – Mental Health Budget

(A conference committee has been appointed, but no substantive action taken yet)

SB 23 – Capital Budget (\$288 million for oil companies added to the latest CS by the Senate)

SB 26 – Permanent Fund Restructure/Income Tax/Appropriation Limit

(A conference committee has been appointed, but no substantive action taken yet)

HB 111 – Oil Tax Restructure (Conference Committee members have been appointed on the House side)

HB 115 – Education Funding Act/Income Tax (Voted down on the Senate Floor before special session)

General Municipal/School Issues and Employee/Retirement Issues

Note: Other than the Budget and Fiscal Bills, the legislation below will not be considered until 2018.

HB 244 / Workers Compensation; Collective Bargaining and Mediation

HB 252 / Municipal regulation of smoking in certain places; relating to established villages and local option elections to prohibit smoking in public places; relating to citations for smoking.

◇◇◇◇◇

SB 112 / Workers Compensation; Drug Database and Tests

SB 121 / Compensation/benefits for members of the Alaska State Defense Force/certain state employees.

◇◇◇◇◇

FROM THE DESK OF REP. PAUL SEATON – Volume 226

I subscribe to a newsletter from Representative Paul Seaton who is co-chair of the House Finance Committee this year. In a recent publication, he brought forward some statements made by the Senate that he felt needed clarification. I thought I would provide those verbatim statements and his responses. For me, this dialogue provides some food for thought as we all struggle with what is the way forward out of our fiscal crises. I provide this as a conversation starter if need be, because it is too important not to let legislators know how you feel. Here are those comments and one person's interpretation, whether you agree or not. All of the words below are his. The [links](#) provided in his text, may or may not work.

"I was concerned by a number of statements by members of the Senate Labor and Commerce Committee. Those statements showed a disregard of the information presented to the committee or seemed to simply cherry pick out of context. I want to explain to the public the situation so you are not left with incorrect impressions from those statements and also provide links so you can easily check the facts."

Senate: "An income tax would have a very negative impact on our economy"

Opponents continue to mention that they are concerned with the negative impact an income tax would have on an economy that is already in a recession. But the full picture painted by economists is that any choice we make to fill the deficit will impact the economy, including budget cuts. According to [ISER](#), cuts to the state budget will lead to the greatest job losses by far, and an income tax would have the least impact, especially on [families](#).

[Jonathan King](#) of Northern Economics testified in House Finance, and I presented the information to Senate L&C, that any plan without a broad-based tax will lead to 4,500 to 5,000 more jobs lost than a plan implementing an income tax. This is because for every dollar of income tax revenue only the 80 cents paid by residents is removed from the Alaska economy. The state will bring in the other 20 cents in new revenues from nonresident workers and state deductions to federal taxes. Tax revenue collected by the state is spent almost immediately and exclusively in the state economy, whereas a cut to the state budget is only a withdrawal of money from the state's economy. A plan that includes a broad-based tax also ends the uncertainty that is freezing business investment in the state, whereas a plan that banks on future cuts will only extend that uncertainty and recession.

Senate: "The loophole to reduce federal taxes based on the state tax you pay may be closed."

I am not concerned with the possibility of a Trump tax plan ending the state tax deduction since almost every state in the nation benefits from that deduction and will fight to keep it. It is ineffective to delay state policies due to what might some day happen at the federal level; if any major changes do occur, state policies can be updated accordingly.

Senate: "The middle class will pay the lion's share of state tax."

There were statements made that middle and lower income Alaskans will pay the majority of the tax. It depends on your definition of middle and low income. The numbers show that Alaskans making less than \$100,000 (\$200,000 if filing jointly) make up 93.2% of all returns filed, but will only pay 47.2% of the total income tax. In fact, a recent [report](#) by the Institute on Taxation & Economic Policy found that of all revenue options, an income tax would have the smallest effect on low and middle income Alaskans. (I hope you take a look at the graphs starting on page 16 of the ITEP report which compare the impact of various revenue options to a progressive income tax).

Senate: "This would be 12th highest marginal tax in the nation."

Statements that the proposed tax would be the 12th highest in the nation are a misleading manipulation of the information. According to ITEP, the proposed tax would actually be the [4th lowest](#) in terms of the tax collected as a percentage of total personal income in the state. It is accurate to say that it would be tied for the 12th highest marginal tax rate, which is the 7% tax rate paid for the top income bracket. But this rate only applies to the income over \$250,000 (\$500,000 for joint filers). In most other states the highest tax bracket kicks in at a lower income level.

This means that though other states may have a lower top marginal tax rate their effective tax rate (percentage of total income) will be higher because the top rate would be paid on more income. It is hard to directly compare state income taxes because there are many differences in rates and deductions, but it is important to note the distinction between the marginal tax rate and the effective tax rate. You can get a more in-depth description of this through my [presentation](#) and [talking notes](#). If the top rate was simply changed to 6.8% we would be 17th (22nd if you consider those states that also have local income taxes), or eliminating the 7% top rate would change our marginal rank to a 4-way tie for 19th (24th if you consider those with local taxes). These options were available to the Senate committee but they never proposed a single amendment.

The Senate Labor and Commerce Committee heard from two national tax policy groups who noted that it is best to keep any tax as broad as possible (taxing a wide range of income types) because this helps to keep rates low and equitable. Remember that the tax on income was not isolated but combined with the PFD reduction to give balance across all Alaskan families.

Senate: "Retirement income will be taxed. This could lead to an outmigration of seniors who feel they are already living in a state with a high cost of living."

Seniors generally have reduced income and if so, they would pay little tax. If they don't have high income, their taxable Social Security is already reduced in calculating adjusted gross income so it would be taxed lightly or not taxed at all. HB 115 did not exempt retirement income partially to keep the base broad. I would also note that of the \$1.9 billion dollars of taxable retirement income in the state, more than \$1 billion comes to the less than 19% of filers that make over \$100,000. Keep in mind that retirement money was originally deposited tax free so those drawing on it after retirement are likely paying a lower tax rate than they would have paid at the time the income was earned.

Alaska is the only state without a broad-based tax; with the proposed income tax we would still have the second lowest combined local and state tax burden in the country. Yes, some people may choose to leave the state because they don't want to pay the tax (though they would be paying higher income or sales tax in any state they move to), but the Mercatus Institute testified that if the tax revenue were invested in improving key services like education you could possibly see an in-migration of people that found the state more attractive because of better services; there are simply too many [variables](#) to accurately predict the effect of a tax on population movement.

However, if the Senate objected to including retirement income or to the marginal tax rate, they had ample opportunity to change the bill. Instead of addressing any of these potential concerns through amendments, they chose not to work toward compromise and instead voted the bill down entirely.

Senate: "It is best to approach such an enormous problem one step at a time."

To that complaint, the facts are simply that this plan was fully phased in one step at a time. The veto of half the dividend occurred in 2016. The POMV would start in 2017. The oil tax increase and credit reduction was to start January 2018, and the education income tax would start in January 2019. The economy requires the certainty of a full plan to allow businesses to invest in a knowable future.

Senate: "The Education Funding Act would allow future legislatures to spend the tax money on anything."

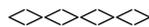
The Alaska Constitution prohibits dedicated funds to make sure one legislature cannot fully bind future legislatures. To help provide continuity with legislative intent we can use designated funds. The Public Education Fund is the fund to which deposits can be made from which the money will automatically flow out to fund the K-12 formula without further appropriation. We can forward fund education by depositing into the Public Education Fund but each legislature must take action to place the money into the fund. HB115 directed deposit of all the income tax to that fund as best we constitutionally can. We are creating a motor fuel fund for the same reason of program continuity.

We have created others in the past – like the Power Cost Equalization, the Higher Education Investment Fund, and the Permanent Fund Dividend distributable earnings account. Each has lasted over time, but as circumstances change legislatures cannot be prohibited from making changes to fit current circumstances. Since adequately funding of K-12 education is a specific duty of the legislature, I believe the case for the effectiveness of this Public Education Fund designation is even stronger than others.

Senate: "The House agrees with us on some use of the earnings reserve of the Permanent Fund – We should do the one thing we agree on."

There is only enough agreement on the use of the earnings reserve in the House IF we also implement the rest of the plan. The use of the earnings reserve by itself is too regressive, putting all the weight of pulling us out of recession on only Alaskans, and much more on middle and lower income Alaskans.

“The tax included in the Education Funding Act may not be the broad-based revenue the Senate is willing to pass, but they have not put forward any other options for discussion.”



COMMITTEE HEARINGS

Go to the Legislature’s homepage – <http://akleg.gov/index.php> Select a tab or link that suits your needs. Remember – Bills that have already been heard or previous scheduled in committee can come back before that body without prior notification. **The 24-hour rule is in effect, so committee announcements can be made the day before instead of the normal 5-day notice.**

Most documents that pertain to any particular hearing in any committee are available before the committee is scheduled to begin. Click on the MEETINGS tab, then select your parameters.

Live on the Web

Most committee hearings can be seen and heard on Gavel Alaska. It is broadcast on both local access TV and on the Internet. You can also access online archives from the following website:

www.360north.org

Streaming Video

Most committee hearings are also teleconference and available for viewing on the following website:
<http://alaskalegislature.tv>

Testifying

If you can't attend a hearing in person or at your local LIO you can participate by using the following numbers. In addition, please be advised that the toll-free number can only be used if you have had prior approval to call in from the appropriate committee chair. Alaska: 1-855-463-5009 / Juneau: 463-5009.



WEBSITES OF INTEREST

2017 **Legislators contact information** <http://akleg.gov/docs/pdf/whoswho.pdf>

<http://akleg.gov/docs/pdf/800numbers.pdf>

2017 **1st Session Staff contact list** http://akleg.gov/docs/pdf/session_phone_list.pdf

2017 **House & Senate Committees** <http://akleg.gov/docs/pdf/commlist.pdf>



Note: I've also attached an addendum to this report on HB 111 / Oil & Gas Production Tax – Synopsis. I would consider it a primer of sorts to help you understand what it is they are trying to do to adjust our tax structure with the oil companies.

~ End Report ~

Memorial Day – a day to remember those brave men and women who died while serving in our country's armed services. Let us never forget the sacrifices they and their families have given for our freedom.

~ Cliff

City of Dillingham

House District 37 / Senate District S

~ 5/25/17 ~

30th Alaska State Legislature ~ 1st Special Session

MAY 2017 – addendum to Legislative Report

Cliff Stone / City Lobbyist



HB 111 / OIL & GAS PRODUCTION TAX – SYNOPSIS

This bill was introduced to reform the oil and gas production tax regime as a component of protecting Alaska’s fiscal future. This legislation builds on the passage of HB 247 in 2016, which primarily scaled back tax credits available in Cook Inlet. If the oil and gas tax structure is left untouched it is estimated by the Alaska Department of Revenue that there will be \$1.6 billion in purchasable credits outstanding in 2026. The House Finance committee substitute includes the following major provisions:

*** Eliminates North Slope Purchasable Tax Credits**

Net operating loss (NOL) credits occur when an oil and gas company has insufficient tax liability against which to apply allowable cost deductions (lease expenditures). Unique to Alaska, the state may pay cash for NOL credits long before there is taxable production. At continuing low oil prices, the program is not affordable and is being eliminated.

*** Allows 100% of Net Operating Losses to Carry Forward to Production**

In place of the NOL credit program, companies will be allowed to carry forward 100% of their losses to when they have taxable production. Companies can then use their accrued NOLs to offset their production tax obligation. This is more in line with other oil and gas regimes.

*** NOL 10% Reduction Starting After Seven Years**

As an incentive for companies to get to production sooner, the carried-forward NOLs are reduced by 10% of their original value each year after seven years. Example: a company carries forward a \$1 million loss from its first year of activity and \$1 million its second year; if taxable production is not achieved by year eight, the first million becomes \$900,000; if no production by year nine, the first million becomes \$800,000 and the second is worth \$900,000, and so on.

*** NOL Carry Forwards Apply Only to a Field Where Earned**

Known as “ring fencing,” carried forward NOLs may only be applied against production tax obligations generated by the field where the loss accrued. Without ring fencing, a major producer could purchase a non-producing field and use the carried-forward expenditures associated with that field to offset their tax obligations from productive fields, reducing their production tax obligation without necessarily producing additional oil from the purchased field. Ring-fencing is an incentive to bring new fields into production because production is the means to recover costs for that field.

*** Repeals Sliding Scale Per Barrel Credit**

The sliding scale per barrel credit applies to fields that do not qualify for “new oil” incentives. The credit changes the effective tax rate depending on the price of oil. This is an unusual and mild form of progressivity; as oil prices decrease, the tax reduction increases and the effective tax rate decreases. Repeal of the credit simplifies the tax system and is more in line with other oil and gas tax regimes.

*** Lowers the Tax Rate from 35% to 25%**

The current 35% tax rate was a component of the reverse progressivity provision created by the per barrel tax credit; the 35% percent tax rate would be reached only at very high oil prices starting at around \$160 per barrel. To adjust for the repeal of the sliding scale per barrel credit, the tax rate is lowered to 25 percent of net profits.

*** Adds 15 percent bracketed supplemental tax**

By eliminating the per barrel tax credit, HB 111 removes the subtractive progressivity factor. In its place, the bill adds a more standard bracketed supplemental tax. The base tax rate is set at 25%. The additional tax is 15% triggered at a production tax value of \$60. For example, at ANS oil prices of \$120, after \$40 in transportation costs and lease expenditures are deducted, the production tax value is approximately \$80. When the production tax value is above \$60, the tax would be 25% of the first \$60 plus 40% of the \$20 difference.

*** Hardens minimum floor**

When the state instituted a net profits production tax in 2006, a minimum tax was included to ensure that the state would not receive less revenue than it would under the prior gross value tax system. The minimum tax rate is 4% of the gross value at the point of production when oil prices are above \$25; the rate steps down as oil prices decline to zero. HB 111 hardens the minimum tax floor so that no credits can bring the tax rate below the current minimum production tax rate. An exemption is made for the small producer credit, which is in the process of sunseting.

*** Repeals extra 10% gross value reduction for higher royalty fields**

In 2013, SB 21 added a gross value reduction (GVR) to exempt 20% of new production from the production tax. An additional 10% GVR was provided to fields with a royalty rate of more than 12.5% for a total GVR of 30%. Royalty is Alaska’s ownership interest in oil and gas production and a negotiated term in the leases. The tax system should not be a mechanism for reducing the value of our ownership interest.

*** Repeals third-party assignments of credits**

An amendment to the production tax in 2013 allowed companies to use tax credits as collateral for loans or sell credits to a bank or investment institutions with no requirements for where or how the money was spent. To protect the state’s interests moving forward, the provision is repealed. With the repeal of the North Slope NOL credit, only activities in the area outside the North Slope and Cook Inlet (Middle Earth) will have tax credits eligible for cash purchase so the impact of this repeal is minimal.

*** Allows certain taxpayer information to be publicly disclosed**

Due to taxpayer confidentiality requirements, the Department of Revenue is often hampered in how much otherwise publicly available tax information can be discussed with legislators and the public. HB 111 allows disclosure of otherwise publicly available oil and gas production tax information; or tax credit information related to credits for gas storage facilities, liquefied natural gas storage facilities; oil and gas service industries; in-state manufacture of urea, ammonia, or gas-to-liquid products; or in-state oil refinery infrastructure.

*** Adds new information requirements for tax credits and lease expenditures**

In order for decision-makers and the public to have a better understanding of how and where tax credits and lease expenditures are incurred and how successful they might be at incentivizing production, HB 111 requires taxpayers to report information to the Department of Revenue; credit and basic lease expenditure information will be made public in an annual report. Taxpayers shall file a description of the expenditure and a description of the lease or property for which the expenditure was incurred. The lease and property descriptions will assist in implementing the ring fencing requirement.

*** Fiscal Impact**

The bill increases revenues by \$100 to \$200 million at oil prices between about \$40 and \$100. At higher prices, total revenue is nearly unchanged from the current tax based on SB21. The fiscal impact for FY 2018 is approximately \$20 million. Additionally, nearly all future obligation for cash credit appropriations is eliminated.

#####

Mayor
Alice Ruby

Manager
Don Moore



Dillingham City Council
Tracy Hightower
Chris Maines
Misty Savo
Curt Armstrong
Andy Anderson
Paul Liedberg

MEMORANDUM

Date: May 23, 2017
To: Don Moore, City Manager
From: Janice Williams, City Clerk
Subject: Monthly Staff Report

Unfinished Business

Board of Equalization

The Board met on May 17 for a combined organizational meeting and hearing on unsettled appeals. The organizational meeting had previously been canceled for lack of a quorum, and it was determined due to the timing it would be best to combine both for this year. The May 17 meeting started at 5:30 p.m. and ended at 8:15 p.m. There was a total of 32 real property appeals and nine personal property appeals (mainly fishing vessels and skiffs). Five of the personal property returns were not settled by the time of the meeting. None of the personal property owners were represented at the hearing. Fifteen of the real property returns had not been settled prior to the meeting. Of those, ten properties, divided equally between two owners, and another two properties, two separate owners, were represented either in person or via teleconference.

The first year, 2014, when our code went into effect, the Board commented they liked it, but noted the appellants missed the assessor's beginning comments at the organizational meeting. Our new assessor commented for a new Board member not familiar with the process having the organizational meeting was primarily to explain the assessor's process involved in evaluating properties and felt that was very valuable. For my part, having an organizational meeting also allows the Board to act on any late filed appeals. Should the Board at their organizational meeting rule in favor of the late filed appeal, it can be scheduled for the hearing, in lieu, of holding an additional meeting.

Post Notice of Assessors in Town

Previous to our assessor, Jim Canary, and his assistant, Marc Hartness, coming to Dillingham this year, I posted a notice on the City's Facebook page, adding they would be driving the City's green van. This is the first year that I can ever remember receiving calls from the public questioning the assessor visiting their property. The concerns ranged from children at home hesitant to answer the door while their parents were at work, caller very upset we had not contacted them before entering the property, another questioning the legality of measuring their property. I proceeded to post a flyer, and sent a notice to KDLG to air the message, but this was toward the end of the assessor's time in Dillingham. Going forward there will be more

advertising coverage with photos of the contract worker(s), an explanation of the assessor's role, and door hangars. I truly appreciate the public contacting City Hall and airing their concerns. A field trip of all properties usually takes place every three years, but given this was his first term as our assessor, Jim has been visiting all properties, 1/3 last year, and the remainder this year.

Records Retention Schedule

I have not made much headway on this project, updating the current list adopted in 1988, which would include suggestions made by our Attorney several years ago. When completed, the Council will be presented with a resolution to adopt the updated list.

Law Suit Pending with Knik Construction

Knik Construction appealed the decision of the BOE to Superior Court, in which BOE did not accept its late filed appeal on a personal property assessment. The judge has up to six months from the end of January 2017 to issue a decision on the appeal.

STANDING ITEM(S):

Liquor & Marijuana License Renewals/Transfers/New Licenses. (Indicate any licenses due to expire.)

There is nothing to report.

Commission/Board Seats Vacant. Advertised on the City's website and Facebook page.

- Senior Advisory Commission (seven members and one council member)
Seats open - 1. No letters of interest on file.
- Planning Commission (seven members)
Seats open – 1. No letters of interest on file.

Mayor
Alice Ruby

Manager
Don Moore



Dillingham City Council
Tracy Hightower
Chris Maines
Misty Savo
Curt Armstrong
Andy Anderson
Paul Liedberg

MEMORANDUM

Date: May 23, 2017
To: Don Moore, City Manager
From: Braden Tinker, Fire Coordinator
Subject: Department Head Report

Summarization of EMS Responses – 12 Calls; 18.4 Total Man Hours

- 4 MEDEVACs
- 1 Unconscious
- 2 Diabetic
- 1 Other
- 1 Altered Mental Status
- 3 Seizure

Summarization of Fire Responses – 0 Call; 0 Total Man Hour

PROJECTS COMPLETED

- Ambulance Specs, Ambulance Purchase
- Power Cot, Power Load System Ordered
- Lucas(Automated CPR Machine) on Ambulance 1

ON-GOING PROJECTS

- Ambulance Build
- Fire/EMS Trainings
- Recruitment and Retention of Volunteers
- Engine 2 Replacement(Quotes)
- Run Reports
- Pump Testing Equipment
- Hiring of TEMP Laborers for hose, pump, and hydrant testing in June.

Mayor
Alice Ruby

Manager
Don Moore



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MONTHLY REPORT – PLANNING DEPARTMENT MAY 2017

To: Don Moore, City Manager
From: Courtenay Carty, Planning Director

Planning Commission

The Planning Commission did not hold a meeting in May. Our next meeting is yet to be scheduled.

Brad Archer, currently holds Seat B and has submitted a resignation from the Commission as he is leaving Dillingham. Therefore, the Planning Commission now has a vacancy in Seat B. We are thankful for Brad's service and wish him well on his future endeavors.

Permitting

There were seven (7) Land Use Permits and two (3) Encroachment permits adjudicated during the month of May. We issued short term encroachments for developers to begin construction as we did not have a Planning Commission meeting this month. Staff will process the encroachments as long term encroachments as soon as a Planning Commission meeting is scheduled.

The permits adjudicated this month are as follows:

- LUP 2017-02 was issued to Icicle Seafoods for fish processing and galley building expansions at their Wood River Plant.
- LUP 2017-03 was issued to the Dillingham Bible Fellowship for church classrooms and a kitchen.
- LUPs 2017-04, 05, 06, and 07 were issued to the Bristol Bay Housing Authority to construct single family homes, install wells and septic systems on the four lots at their new Dave McClure Subdivision on Waskey Road.
- LUP 2017-08 was issued to the Bristol Bay Housing Authority for a new single family home and well installation on Lot 7, Cedar Subdivision, near the intersection of Wood River Road and Kakanak Road.
- STE 2017-04 was issued to the Bristol Bay Housing Authority for construction of McClure's Way which is a cul de sac off Waskey Road into the subdivision.
- STE 2017-05 was issued to Nushagak Cooperative to connect utility services at Dave McClure Subdivision, as was STE 2017-06 to connect utility services at Lot 7, Cedar Subdivision.

RFPs

RFP 2017-05 Financial Audit Services was issued and bids closed on April 27 at 2:00 PM. At the June 1st meeting, the City Council will be presented with AM 2017-05 to authorizing an award to Altman Rogers, for a three year contract totaling \$195,105.

RFP 2017-06 Downtown Fire Hall Coiling Door Installation was issued bids closed on April 27 at 4:00 PM. At the June 1st meeting, the City Council will be presented with AM 2017-06 to authorize an award to AMCON General Contracting in the amount of \$32,317.

Vision: To have an infrastructure and city workforce that supports a sustainable, diversified and growing economy. We will partner with others to achieve economic development and other common goals that assure a high quality of living, and excellence in education.

RFP 2017-07 Harbor Float Design the City Council authorized staff to issue an RFP for designing a new float system for the Small Boat Harbor. This RFP is currently in development and has yet to be posted.

ITB 2017-08 Senior Center Repairs was issued on May 8, 2017. This project is for completion of repairs at the Dillingham Senior Center including modification of the existing Solarium and Arctic Entry to include exterior and interior walls, roof structure and finish, changes to fenestration, energy efficiency and drainage. A mandatory pre-bid conference is scheduled for May 23 at 10 AM with bids closing on June 8, 2017 at 11:00 AM.

ITB 2017-09 Landfill Cell 3, Phase 1 a resolution is being presented to the City Council to authorize staff to pursue development of the first phase of expansion for landfill cell 3.

ITB 2017-10 Sewer Lagoon & Lift Stations Improvements the City Council authorized staff to issue an RFP/ITB for improvements at the sewer lagoon and lift stations. This RFP is currently in development and has yet to be posted.

Mayor
Alice Ruby

Manager
Rose Loera



Dillingham City Council
Chris Maines
Misty Savo
Curt Armstrong
Andy Anderson
Paul Liedberg
Tracy Hightower

MEMORANDUM

Date: May 24, 2017
To: Don Moore / City manager
From: Jean Barrett / Port Director
Subject: May Monthly report

May is almost over, it is a stark contrast to the peacefulness of the past five months. People are showing up to work on boats, the dredge is in the water and making great headway, the halibut fishermen are going strong, freight is moving in and out of the dock at a semi furious pace.... It is summertime on the Nushagak, regardless of the fact there is SNOW in the forecast for this week.

Dock

Things are moving right along at the city dock, we have new blood working in place of a retired Eric Suttles, who gave the city of Dillingham 20+ great years of service. We were fortunate in getting a young man who cut his teeth working on the dock in Naknek and has several years of forklift and crane operation under his belt. Welcome aboard Mathew Johnson.

Other happenings at the dock are:

- After having the new fuel tank in place for a year we found that it is right in the path of all the spring runoff and was almost under mind, we have repositioned it slightly to avoid any problems in the future.
- Our damaged pass ramp has made its way back to us for Seattle where it was rebuilt, we have installed new wood on the top for a wear edge and has been in use already this spring

- We have had a few incidents at the dock this spring where people have attempted to break into some of the containers, we have filed reports with the DPD and have priced out locks to use on the containers. Our camera system is in need of repair, this is very important as without them working properly we do not have any way of identifying who is doing this.
- We are getting prepped for some projects this summer, 12x12 beams have been ordered to replace the damaged ones on the T dock. We are also going to move some fence line in order to make more room in front of the warehouse office

Harbor

Things are busy at the harbor already, like I stated the halibut fishermen are going strong and the hum of the dredge is a constant, they both should be done in a couple of weeks.

- We have had some issues with the ice machine this spring, one of the power wires feeding the machine wore thru the jacket of the wire and started to arc causing at least one relay to need to be replaced. We also had to have the wire and chase replaced as it had been compromised and had filled with water.
- I have made a claim with our insurance company concerning our bulkhead in front of the ice machine, due to the spring runoff it has bowed out to the point of cracking welds and splitting corners, the weight pushing out is also causing the adjacent bulkhead to move, this is only a small problem right now but could become a major problem if not repaired.
- The floats and docks will be in place this week , weather permitting
- Things are moving on the Bingman property, the firework stand that had been a landmark for many years has moved, some of the other small things have moved and hopefully over the summer we will make more of a dent in the area.
- I have been working with Courtenay in the planning department to get an RFP for our harbor float replacement out for design, this would make this project shovel ready and if money were to become available we would be ready.

That is all from the Port Department for this month

JEAN

Mayor
Alice Ruby

Manager
Don Moore



Dillingham City Council
Andy Anderson
Curt Armstrong
Tracy Hightower
Paul Liedberg
Chris Maines
Misty Savo

MEMORANDUM

Date: May 23, 2017
To: City Manager Don Moore
From: Chief Dan Pasquariello
Subject: **Public Safety JUNE 2017 report**

Reporting dates 4-25-17 to 5-23-17

Police:

- ❖ 440 Calls for service
- ❖ 20 Persons arrested
- ❖ 13 Title 47/Protective custody
- ❖ 26 Citations issued
- ❖ 42 Incident reports

Approximately 1 out of 10 calls for police service require an incident report to be completed by officers. A partial breakdown of our incident reports is as follows:

Assault/Disorderly Conduct	12
Trespass	5
Burglary	4
Violation release conditions	3
Criminal Mischief	3
Suicide attempts	3
Vehicle accidents	2
Vehicle thefts	2
Sex offenses	2
Death Investigation	1
MCA	1

The Grant Air terminal was burglarized several times during March/April. Most of the patrol division worked on the investigations. We solved the burglaries, charging a 19 year-old male, and two 17 year-old males with the crimes.

In mid-May all patrol officers attended a two day training in airport interdictions, vehicle interdictions, and informant development. The training was taught by the sergeant of the Anchorage WAANT unit.

All officers now carry Narcan with them while on patrol. It is an easy to administer nasal spray which reverses the effects of a heroin overdose. The legislature enacted a “good Samaritan” law which releases anyone (*law enforcement included*) from liability for administering the drug in the field. DPD received their Narcan from AST, as well as the State Public Health Center through “Project Hope”. In the near future the Chief and the Public Health nurse will be visiting several residences to distribute Narcan kits to at-risk persons.

We recently had a case adjudicated in the court system where a felon was in possession of a handgun, drugs for sale, and a large amount of money. A plea agreement was reached where the defendant pled to the felony gun possession and his drug offenses were dismissed. However, the \$8600 in cash he had in his possession was forfeited. This money will be placed in our nearly diminished Asset Forfeiture fund for use on drug investigations and the payment of rewards.

Our two new patrol cars are on the barge heading to Dillingham. Our patrol fleet is now almost completely updated. We still have one old, maintenance costly vehicle left in our fleet.

Corrections:

- ❖ 30 Total Inmates
- ❖ 13 Title 47/Protective custody

We had two felons fighting in our jail, one of them suffering injury. The two inmates were segregated, daily alternating one in the general population, and the other going into a separate holding cell. This situation lasted over a week due to the fact they were both being held for court proceedings. It is now resolved as one of them has been transferred to the Anchorage jail.

Dispatch:

- ❖ 512 Calls for service
- ❖ 86% Dispatched to Dillingham Police
- ❖ 5% Dispatched to Alaska State Troopers
- ❖ 5% Dispatched to EMS/Fire
- ❖ 4% Dispatched to Animal Control
- ❖ 109 911 calls received

During the reporting period we were short-staffed due to personnel on leave, but the dispatchers worked extra hard and to cover shifts. With summer coming our call volume is starting to increase, especially ambulance calls.

Animal Control:

- ❖ 3 Animals impounded (dogs)
- ❖ 1 Dog bite case
- ❖ 2 compassionate euthanasia
- ❖ 2 dogs sent to ASPCA in Anchorage
- ❖ 10 puppies sent to ASPCA in Anchorage
- ❖ 1 dog adopted out of shelter
- ❖ 5 citations issued
- ❖ 6 Rabies/parvo shots given

We had a hearing before the City Manager to determine the fate of a dog that had bitten a child and was declared vicious. The bite was deemed provoked and the dog was returned to its owners.

The above mentioned ordinance is vague in spots, which makes all efforts to enforce the ordinance difficult for the City. The ACO has been tasked with reviewing all DMV Chapter 7 (*Animals*) ordinances and making recommendations for changes. Once this is complete the proposed changes will be referred to the Code Committee.

DMV:

- ❖ 97 Registrations/Titles
- ❖ 24 Boat registrations
- ❖ 84 Driver's License/IDs
- ❖ 3 CDLs
- ❖ 10 Road tests
- ❖ 21 Written tests

Business at the DMV has been increasing now that summer is upon us.

Mayor
Alice Ruby

Manager
Don Moore



Dillingham City Council
Tracy Hightower
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Paul Liedberg

MEMORANDUM

Date: May 25, 2017
To: Don Moore, City Manager
From: Ken Morton, Public Works Director
Subject: Monthly Staff Report

This report marks my one-year anniversary as Public Works Director – and with this year of experience I offer the following:

Public Works is under resourced to provide the expected level of service to the community. Generally, employees respond to crises and have insufficient time to perform appropriate preventative maintenance. Over time systems degrade. This is evidenced by the wastewater lift stations (which are being updated by a capital project), the lagoon aeration/valving systems, the significant percentage of non-operable water valves, lack of equipment maintenance records, limited ability to repair heavy equipment, general state of building maintenance, etc. Without additional staff and / or staff with greater experience, this trend will continue.

Employee retention is a primary challenge. Public Works has 13 employees – and has had 17 hiring actions in the last year (2 foreman, 4 heavy equipment operators, 7 water / wastewater operators, 2 landfill operators, 2 fleet mechanics).

This level of turnover limits the transfer of institutional knowledge and increases the frequency of required training. Consider these points primarily related to Water/Wastewater (although there are examples related to the other work units):

- Septage processing training was held in September, 2016. Of the four employees that participated, I am the only one still employed with the City.
- Wastewater training was held in December, 2016. Of the four employees that participated, I am the only one still employed by the City.
- Water systems training was held January, 2017. Three City employees participated, two successfully passed exams (a fellow that resigned in May and myself).
- Freon removal training was held in June 2016. Of the four employees that participated, I'm the only one still with the City.

- A thaw wire energized at the airport lift station was left in operation (at an extra cost of about \$550/month) from March 2016 through May 2017 because no one remained employed that knew that it existed or that it should be shut off (Dagen identified what was happening by reviewing City power costs).
- About 2/3 of the water valves in the community are not operable (due to climate, age, lack of cycling over the years) – with no written records regarding which work. As a result, isolating sections of water main takes more staff time and impacts the community more than is necessary.

While one can question why there is such a high turnover (I suspect there are multiple factors at work: generational differences, itinerant workforce, limited hiring pool due to compensation, 401k style retirement vs. pension, low morale due to the delta between how the systems should operate vs. how they are operating) – it is apparent that the continued loss of institutional knowledge and frequency of employee training is expensive and becoming more so as the equipment, permits, operations, etc. become more complicated.

Regarding compensation:

- In May, the City of Kenai routed an unsolicited recruitment email for Water / Wastewater Operators indicating pay at \$28.85 / hour – which is a fair amount more than the \$21.55 / hour we start people at (without considering the higher cost of living in Dillingham).
- The State starts Heavy Equipment Operators in Dillingham at \$27.38 / hour (\$29.05 / hour with ARFF training) – as compared to \$21.55 / hour at the City.

While I can speak more to the problem – I have not been able to identify solutions that do not involve additional staff / compensation.

Please advise if you would like additional information on this.

Reports by work unit:

Streets:

- Grading / sweeping in general – including Squaw Creek Road
- Waskey Road – pulled crushed aggregate base course from roadway foreslopes (from years of grading activities) for use atop the road
- Hauled glass / metal from collection bins to Landfill. Picked up & brought “clean up day” bags to the landfill
- Assisted Landfill with building pad for the fish bin
- Assisted Lift Station project by building control system pad foundation & excavating at the Small’s Lift Station



Street sweeper unloading collected winter road sand

Shop:

- Prepped new senior center van for service
- Trackless Street sweeper – replaced brushes, ordered parts to address hydraulic leak
- Elgin Street Sweeper – identified and corrected control problem
- (3) Dock forklifts – serviced
- Fish Bin – welded on new door hinges (preparing for summer service)
- Case 821C Loader – joystick control replaced
- 95 Ford Ranger – Replaced tie rod end
- 160H Grader – fixed flasher
- Western Star Dump Truck – replaced flasher
- Landfill 4 wheeler – tuned up
- Landfill gate adjustments

Landfill:

- Shifting to summer operation schedule starting Monday, June 5.
 - With the help of one BBEDC summer hire, we will operate from 7 am to 11 pm.
 - The shooting range hours will be expanded: 10 am to 8 pm, Friday through Tuesday.
- Fish bin – Proposed plan for 2017 season
 - Place bin inside Landfill site across from the Transfer Station
 - To be accessible to the public 7 am to 10 pm, Friday through Tuesday
 - To be enclosed with electric fence when not open to the public to limit bear nuisance

- Will prepare a press release / coordinate media campaign through KDLG / Facebook to communicate the change in practice is proposed to reduce the likelihood for conflict with bears
- Electric fence installed around open cell continues to be effective at keeping bears out.
- The level of glass / cans in the “sorted waste” has been increasing
- Incinerator jammed once & jam cleared after system cooled to allow access Picked up trash along access road
- Burnt a portion of the accumulated cardboard, brush & unfinished wood
- Snag Point Trucking & Snow Removal began hauling aggregates
- JJC continuing Cell #3 clearing efforts

Buildings & Grounds:

- Shop: Fixed heat exchanger leaks; Fixed eye wash station leak; Replaced most fluorescent lamps with LED lamps;
- Old Airport Basketball Court: Reattached chain link fencing
- Spring Cleanup – hauled trash
- Public Safety: Replaced leaky exterior faucet; patched hole in weight room; Replaced furnace control card; unplugged drain
- Fire Dept: exterior light sources changed to LED; tacked down trip hazard on staircase

Wastewater System:

- ADEC inspected the sewer lagoon Wednesday, May 24 for permit compliance. Report & Enforcement Actions expected in 30-60 days. Am anticipating a list of required corrective actions with time frames for compliance & penalties for not.
 - Lack of Level 1 certificated operator for Wastewater Treatment
 - Lack of a formal Lagoon Maintenance Program
 - Lack of documentation of Lagoon inspections
 - Lack of an effluent flow meter
 - Don't know if they'll act on the fecal coliform exceedances (which would push us to disinfection)
- Municipal Matching Grant 28307 will expire on May 1, 2018.
- The Planner and I met with Richard Clark onsite to discuss the circa 1983 installation of a sewer line on his property. He stated that in exchange for the inappropriate placement of the sewer line that his children should not be expected to pay for water / wastewater services – and that he would write a letter stating such.
- Smalls Lift Station pump challenges required our pumper truck & Dan Pearson's truck to allow the pump to be set in place.
- Wipes in the wastewater stream represents represent the primary source of pump blockages & blocked sewer lines.

- Big Dipper filled the two 9,000 gallon septage tanks. W/WW staff has not yet been able to assemble the pumping / flocculent equipment to route the septage through the GeoTubes.

Lagoon effluent fecal coliform test levels – once again compliant:

- Permit allows a max level of 400, average of 200.
- This year’s data in bold, data from prior years in italics

Date	FC	Date	FC	Date	FC	Date	FC	Date	FC
2/21/2017	1,100	3/7/2017	950	3/16/2017	6300	4/4/2017	7300	5/6/2017	97
<i>2/16/2016</i>	<i>4,200</i>	<i>3/1/2016</i>	<i>2,600</i>	<i>3/15/2016</i>	<i>4300</i>	<i>3/31/2016</i>	<i>3400</i>	<i>4/13/2016</i>	<i>600</i>
<i>2/17/2015</i>	<i>3,200</i>	<i>3/4/2015</i>	<i>2,600</i>	<i>3/17/2015</i>	<i>780</i>	<i>4/1/2015</i>	<i>510</i>	<i>4/14/2015</i>	<i>250</i>
		<i>3/4/2014</i>	<i>5,200</i>	<i>3/18/2014</i>	<i>9500</i>	<i>4/2/2014</i>	<i>11000</i>	<i>4/15/2014</i>	<i>4700</i>

Water System:

- Was advised on 5/10 that the requested additional one-year time extension from ADEC for the Municipal Matching Grant was not approved. MMG 28308 will expire on May 1, 2018.
- Seasonal water service turn-on requests. Thawed several water services.
- Provided distribution certification to ADEC regarding the 2016 *Consumer Confidence Report* (annual water quality report).
- Started seasonal hydrant flushing.

Projects:

LS6 City Dock Lift Station

- Building / control system replacement project construction done – excepting the installation of a humidistat which is on order.

2016 Lift Station Upgrades / 6 – Stations

- HUD LS completed – except for minor punch list activities.
- TUBBs LS – contractor mobilized in, control system installed, bypass pumping started, repair efforts stalled due to ground water infiltration into the wetwell Contractor pursuing polyurethane foam grouting injection for waterproofing
- TENNYSONS LS – completed – except for minor punch list activities.
- HARBOR LS – floor repaired, new equipment in, working to tie in control system
- AIRPORT LS - floor repaired, new equipment in, working to tie in control system
- SMALLS LS – contractor mobilized in & setting up for bypass pumping.

Waste Water Capital Project – NEW CONSTRUCTION / BIDDING EFFORT

- 100% design check set package in review -
 - Dock LS wetwell improvements (floor repair/grouting, replace discharge elbows, piping, valves)
 - Lagoon – HUD force main reroute; power/control system for effluent manhole flow measurement. Added effluent manhole flow measurement system (weir) as staff has not been able to complete install.
- Advertise for bids – early June 2017

Water System Capital Project – NEW CONSTRUCTION / BIDDING EFFORT

- 75% design package reviewed.
 - connection of PARKWELL to water treatment plant (WTP) feed line
 - installation of pumps in the HIGHSCHOOL & PARKWELL well casings
 - modifications to the WTP control system
 - provisions to energize COURTHOUSE & PARKWELL by generator
 - addition of source water taps at each well (ADEC requiring).
- Advertise for bids - June 2017.

Small's Lift Station Building Repairs (insurance)

- Rebuild effort >95% complete. Mostly just clean up left. \$2,000 retained. Anticipate completion to follow Elite Mechanical's work.

Senior Center Remodel / Main Entry and Solarium

- Advertised for bids
- Four firms attended the 5/23 bidder site meet
- Bids due 6/8/17

Lake Road Fire Station Addition

- Lantech's 35% package reviewed & comments returned.
- 95% review package expected the week of 5/29.

Library Siding Upgrade

- Contractor started 5/25. Dagen Nelson / Robert Nielsen replacing windows in advance.

Downtown Fire Station Overhead Door Replacement

- Notice of intent to award issued 5/17/17.

Admin:

- Water / Waste Water Operator resigned without securing alternate employment. He had four weeks of training (Wastewater Systems, Water Systems, Lift Station Control Systems, Confined Space Entry, 40-hour HAZWOPER) since starting in August of 2016 and obtained provisional certification in Water Distribution & Wastewater Collection.
- New Water / Waste Water Operator (with no relevant experience) recruited from recent hiring pool.
- Recruitment for on-call laborers posted May 8. No interest as of 5/23.
- Annual inspection of Snag Point sheet pile 5/24 by the Corp of Engineers
 - Will provide a report to the City by the end of June (after they've had a chance to reduce the field data and compare it to previous years)
 - The riprap placed by the City in recent years has been effective
 - Recommended continued placement of riprap to protect the sewer line that is becoming exposed by shore erosion

Mayor
Alice Ruby

Manager
Don Moore



Dillingham City Council
Tracy Hightower
Chris Maines
Misty Savo
Curt Armstrong
Tracy Hightower
Paul Liedberg

MEMORANDUM

Date: May 22, 2017
To: Don Moore
From: Ida Noonkesser
Subject: Staff Report

During the month of April, the Senior Center served 294 congregate meals to 49 individuals, 488 home delivered meals to 27 individuals, gave 192 assisted rides to 23 individuals and 196 unassisted rides to 32 individuals.

We had four renters in the month of April.

At our Mother's Day Luncheon Fundraiser, we made \$327.00. Three of my Advisory Board members were able to come out to help and it was greatly appreciated! Thank you also to Isaac Wood, Mary Kapatok, Aleta Evans, and the MAP school students for helping out with preparing the food. Without all of the help activities like this would not be possible. The help is also not just during fundraisers. Our partnerships with BBNA's ADRC and Maarluut Eniit make a lot of what we do possible. Having ADRC employees in our building every day and Aleta here at lunchtime, is very helpful and makes our programs better for our elders.

Advisory Board Seat A is still open. If anyone knows a person who is interested, ask them to please submit a letter to Mayor Alice Ruby or Janice Williams.

We had our last meeting for the summer on May 9th. Our next meeting will be this fall August 8th.

1. CALL TO ORDER

The Code Review Committee met on Thursday, April 27, in the Council Chambers, Dillingham, AK. Chair Chris Maines called the meeting to order at 5:30 p.m.

2. ROLL CALL

Committee Members present:

Chris Maines	Mayor Alice Ruby	Misty Savo	Don Moore
Tracy Hightower	Janice Williams		

3. APPROVAL OF MINUTES

- a. Minutes of March 23, 2017

MOTION: Misty Savo moved and Tracy Hightower seconded the motion to approve the minutes of March 23, 2017.

VOTE: The motion passed unanimously.

4. APPROVAL OF AGENDA

MOTION: Tracy Hightower moved and Mayor Ruby seconded the motion to approve the agenda.

VOTE: The motion passed unanimously.

5. UNFINISHED BUSINESS

- a. Code Committee's To Do List

This is for information only.

- b. Review of All Code Sales Tax Exemptions

The committee continued its review of Dillingham Municipal Code Chapter 4.20 Sales Tax, Section 4.20.050 Exemptions, starting with item O and ending at Item V. This review will be carried over to the next regular Code Review Committee Meeting scheduled for May 11.

Follow-up:

- Attorney's opinion on air transportation;
- Ask Attorney if city can tax for telephone and electric service provided through the local cooperative to Aleknagik (t & e), Manokotak (t) and Clarks Point (t)?

6. NEW BUSINESS

There was no new business.

7. PUBLIC COMMENT/COMMITTEE COMMENTS

There were no public or committee comments.

8. ADJOURNMENT

The meeting adjourned at 7:38 p.m.

Chris Maines, Chair

ATTEST:

Janice Williams, City Clerk

Approval Date: _____

DRAFT

1. CALL TO ORDER

The Finance and Budget Committee met on Monday, May 1, 2017, in the City Council Chambers, Dillingham, AK. Mayor Alice Ruby, Acting Chair, called the meeting to order at 5:31 p.m.

2. ROLL CALL

Committee Members present:

Mayor Alice Ruby Don Moore Navin Bissram Curt Armstrong
Paul Liedberg (attended via teleconference)

Committee Members absent: Andy Anderson

Guest: Danny Frazier

3. APPROVAL OF MINUTES

- a. Minutes of April 25, 2017

MOTION: Paul Liedberg moved and Curt Armstrong seconded the motion to approve the minutes of April 25, 2017.

VOTE: The motion passed unanimously.

4. APPROVAL OF AGENDA

MOTION: Navin Bissram moved and Paul Liedberg seconded the motion to approve the agenda with the addition of RFP for auditing services and RFP for insurance coverages and change item c.1) a) to Liability Coverage for the City.

VOTE: The motion passed unanimously.

5. STAFF REPORTS

There was nothing to report.

6. UNFINISHED BUSINESS

- a. Revised Draft Ordinance Adopting Excise Tax on Tobacco Products

Manager Moore noted the ordinance was a work in progress and not yet ready for introduction.

Follow-up:

- Review a tax filing form used by City of Bethel or Nome;
- Add a new item on the business license application for tobacco sales.

- b. Business Licenses Issued by State Compared with Dillingham Business License
 - 1) Results of Letters

This item was postponed to the next meeting.

- c. Committee of the Whole
 - 1) Discuss FY18 City Proposed Budget
 - a) ~~General~~ Liability Coverage for City and School Duplicated?
 - b) Draft Resolution for School Contribution

MOTION: Don Moore moved and Curt Armstrong seconded the motion to enter the Committee of the Whole to discuss the FY18 Proposed Budget [5:41 p.m.].

VOTE: The motion passed unanimously.

(City Clerk Note: This portion of the meeting is conducted same as a workshop.)

Mayor Ruby asked the committee to come out of the Committee of the Whole [6:40 p.m.].

- d. Audit RFP

Navin Bissram reviewed the audit bids. He noted his concern with the current firm that their bid identified there would be manager/partner with CPA as part of the onsite audit review, but this wasn't always the case, although it was in their bid.

Follow-up:

- A recommendation to award a contract will be brought before the Council at their June 1 Council meeting.

- e. Insurance RFP

This was discussed under Committee of the Whole.

7. NEW BUSINESS

- a. Draft Resolution for School Contribution

Danny Frazier presented on the school's funding formula.

8. PUBLIC/COMMITTEE COMMENT(S)

Mayor Ruby noted the next Finance and Budget meeting would be scheduled for Monday, May 8, at 10 a.m. It would be the final work on the budget, would look at any additional adjustments to be made and discuss how to present the proposed budget to the Council.

9. ADJOURNMENT

The meeting adjourned at 7:12 p.m.

Alice Ruby, Acting Chair

ATTEST:

Janice Williams, City Clerk

Approved: _____

APPROVED