

I. CALL TO ORDER

A regular meeting of the Dillingham City Council was held on Thursday, February 5, 2015, at the Dillingham City Council Chambers, Dillingham, Alaska. Mayor Pro Tempore Tracy Hightower called the meeting to order at 7:02 p.m. The meeting was preceded by a workshop to review the FY14 Audit and the Mid-Year FY2015 Budget Amendment No. 1.

II. ROLL CALL

Mayor Alice Ruby was absent and excused.

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

Holly Johnson	Misty Savo	Paul Liedberg
Curt Armstrong	Tracy Hightower	

Council members absent: Chris Maines (excused)

Staff in attendance:

Rose Loera	Janice Williams	Dan Pasquariello
Carol Shade		

Guests: Attorney Brooks Chandler

III. APPROVAL OF MINUTES

- A. Minutes of December 4, 2014, Regular Council Meeting
- B. Minutes of January 15, 2015, Regular Council Meeting

MOTION: Holly Johnson moved and Paul Liedberg seconded the motion to approve the minutes of December 4, 2014 and the minutes of January 15, 2015 as amended.

VOTE: The motion passed unanimously by voice vote.

(Clerk Note: Edited the minutes of December 4, to change special meeting in the first paragraph on page 1 to regular meeting, and reviewed the comments made by J.R. Dull in the January 15 meeting.)

IV. APPROVAL OF CONSENT AGENDA

- A. Adopt Resolution No. 2015-09, A Resolution of the Dillingham City Council to Offer Thanks and Commendation to William "Bill" McLeod for His Service as Superintendent of Dillingham City Schools

MOTION: Holly Johnson moved and Curt Armstrong seconded the motion to adopt Resolution No. 2015-09.

VOTE: The motion passed unanimously by voice vote.

APPROVAL OF AGENDA

MOTION: Paul Liedberg moved to approve the agenda as amended to postpone committee appointments.

VOTE: The motion passed unanimously by voice vote.

V. STAFF REPORTS

City Manager Loera reported on the following (these items were in addition to the Manager's report in the packet):

- Army National Guard reported they could no longer justify maintaining a facility in Dillingham and would be vacating the building within the next couple of weeks;
- Received two grants for library staff to attend a Library Association conference;
- Work on the incinerator building had started the day before;
- Lawsuit filed against the City and the State Troopers involving a drug altercation was being taken over by the State.

MOTION: Paul Liedberg moved and Holly Johnson seconded the motion to send a request to add an addition to the Lake Road fire station to the Finance and Budget Committee for review.

VOTE: The motion passed unanimously by voice vote.

The City's Attorney, Brooks Chandler, presented comments on his report included in the packet on how the City's annual legal budget was spent during the 2014 fiscal year.

VI. PUBLIC HEARINGS

There were no public hearings.

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

There was no citizen's discussion.

VIII. ORDINANCES AND RESOLUTIONS

- A. Introduce Ordinance No. 2015-01, An Ordinance of the Dillingham City Council Amending the Budget by Adopting Budget Amendment No. 1 and Appropriating Funds for the FY 2015 City of Dillingham Budget

MOTION: Holly Johnson moved and Paul Liedberg seconded the motion to introduce Ordinance No. 2015-01.

VOTE: The motion passed unanimously by voice vote.

- B. Introduce Ordinance No. 2015-02, An Ordinance of the Dillingham City Council Amending Chapter 4.20 of the Dillingham Municipal Code to Clarify Application of City Sales Tax Laws to Sales of Fuel by Sellers Located in Dillingham to Buyers Outside Dillingham and Requiring Sellers to Report Such Sales in a Uniform Manner and to Remit Appropriate Sales Taxes to the City

MOTION: Holly Johnson moved and Misty Savo seconded the motion to introduce Ordinance No. 2015-02.

Manager Loera reported in the process of reviewing whether or not sales tax applied to fuel deliveries made outside of Dillingham, it was found that fuel companies were collecting a five percent sales tax on behalf of the City of Aleknagik for fuel deliveries made in Aleknagik. This had been in effect sometime after Dillingham amended its sales tax code in early 2000 and efforts to negotiate with Aleknagik had not followed through. The Code Committee recommended, after discussion with the City's Attorney on its options, to add one percent for a total of six percent sales tax. Fuel vendors were instructed in early December 2014 to collect an additional one percent for Dillingham to be sure and collect Dillingham's six percent sales tax on fuel deliveries made between the City of Dillingham and the City of Aleknagik, if they weren't already doing so. The City's Attorney advised that an ordinance was in order to additional one percent sales tax.

VOTE: The motion passed unanimously by voice vote.

- C. Introduce Ordinance No. 2015-03, An Ordinance of the Dillingham City Council Amending Title 7, Animals, to Add a Definition for Adoption Eligible to Chapter 7.02, to Amend Chapter 7.09, Impoundment, to Remove Redundant Language, to Add a Reference for Adoption Eligible, and to Cross Reference Chapter 7.11, Euthanasia

MOTION: Holly Johnson moved and Paul Liedberg seconded the motion to introduce Ordinance No. 2015-03.

Discussion ensued over the new language that included the exceptions to retaining an animal for at least ten days.

MOTION: Holly Johnson moved and Paul Liedberg seconded the motion to move the ordinance back to the Code Committee for further review.

VOTE: The motion passed unanimously by voice vote.

- D. Adopt Resolution No. 2015-06, A Resolution of the Dillingham City Council Appointing an Alternate Community Representative to the BBEDC Board of Directors

MOTION: Holly Johnson moved and Paul Liedberg seconded the motion to postpone action on Resolution No. 2015-06 to the next regularly scheduled meeting.

VOTE: The motion passed unanimously by voice vote.

- E. Adopt Resolution No. 2015-10, A Resolution of the Dillingham City Council Changing the Division of Motor Vehicle (DMV) Hours to Four Hours a Day, Monday through Friday

MOTION: Paul Liedberg moved and Holly Johnson seconded the motion to approve Resolution No. 2015-10.

Manager Loera reported the full-time DMV employee would be working ½ time at DMV and reassigned ½ time to dispatch, but would receive the same pay.

Manager was asked to research if students looking to take their driver's test after school would be compromised by the reduced hours. It was recommended to remove the days and times stated in the resolution to allow the Manager to make changes without having to come back to the Council.

MOTION: Holly Johnson moved and Paul Liedberg seconded the motion to amend the resolution to strike 11:30 AM to 3:30 PM, and Monday through Friday.

VOTE: The motion to amend the resolution passed unanimously by voice vote.

VOTE: The motion to adopt the resolution as amended passed unanimously by voice vote.

- F. Adopt Resolution No. 2015-11, A Resolution of the Dillingham City Council Accepting the Year End Audit for the Fiscal Year Ending June 30, 2014

MOTION: Holly Johnson moved and Misty Savo seconded the motion to approve Resolution No. 2015-11.

Paul Liedberg commented for the record that it was a good audit with no findings reported and that it spoke well of the administration and the City.

VOTE: The motion passed unanimously by voice vote.

- G. Adopt Resolution No. 2015-12, A Resolution of the Dillingham City Council Amending the Process for Approving the Operational Procedures and Rules Recommended by the Library Advisory Board and Repealing Resolution No. 2013-71

MOTION: Holly Johnson moved and Paul Liedberg seconded the motion to approve Resolution No. 2015-12.

VOTE: The motion passed unanimously by voice vote.

- H. Adopt Resolution No. 2015-13, A Resolution of the Dillingham City Council Opposing the Nomination of the Aleutian Islands National Marine Sanctuary

MOTION: Holly Johnson moved and Curt Armstrong seconded the motion to approve Resolution No. 2015-13.

Discussion ensued on whether or not the sanctuary would be a public benefit.

MOTION: Holly Johnson moved and Curt Armstrong seconded the motion to postpone action to the next regularly scheduled meeting.

VOTE: The motion to postpone action on Resolution No. 2015-13 failed with Tracy Hightower, Holly Johnson, and Curt Armstrong voting in favor of postponing and Misty Savo and Paul Liedberg voting to oppose postponing the resolution.

(Clerk Note: Four affirmative votes are required for the passage of an ordinance, resolution, or motion.)

VOTE: The motion to adopt Resolution No. 2015-13 failed, with Curt Armstrong, Paul Liedberg, Misty Savo, Holly Johnson, and Tracy Hightower voting against the Resolution.

- I. Adopt Resolution No. 2015-14, A Resolution of the Dillingham City Council Supporting the Reinstatement of a Full \$60 Million into the Revenue Sharing Fund on a Yearly Basis with a One-Year Appropriation of \$8 Million to the Fund with an Effective Date of Prior to June 30, 2015

MOTION: Paul Liedberg moved and Holly Johnson seconded the motion to approve Resolution No. 2015-14.

VOTE: The motion passed unanimously by voice vote.

IX. UNFINISHED BUSINESS

Mayor Pro Tempore Hightower commented citizen committee and council committee appointments would be postponed.

- A. Citizen Committee Appointments
 1. Cemetery Committee, 4 Seats Open
 2. Planning Commission, 1 Seat Open
 3. Parks and Recreation Committee, 2 Seats Open
- B. Council Committee Appointments
- C. Annexation Update

Attorney Brooks reported the city had submitted its annexation study. It was very similar to the first petition to annex. The Local Boundary Commission would have 45 days for a technical

review. The city should receive notice by March 10, whether or not it had been approved. He was not 100% confident the petition would get to the legislature in time for the 2016 legislative review. He was hoping a hearing would be scheduled for some time in the fall. The legislature could veto it, but didn't need to approve it. If vetoed the city could not appeal.

X. NEW BUSINESS

A. Municipal Regulation of Marijuana

Attorney Chandler reported from his January 12 letter that was enclosed in the council packet. On February 24, 2015 recreational use of marijuana would be legal in the State of Alaska under certain regulations. Cities had an opportunity to take steps to regulate legal marijuana before the state process unfolded over the next nine months. He noted he had prepared several ordinances for the city council to look at regulating against public use with fines attached, designating the City Council as the local regulatory authority to implement legislation or rule-making, and to amend the smoking policy to add prohibiting marijuana use.

The State was working on regulations regarding the production and sale of marijuana, which would be done by November 24. In the meantime, it would still be illegal to buy or sell marijuana. The City had the option of not allowing marijuana to be sold, or having commercial businesses selling marijuana-related products, but could not opt out of allowing one ounce as personal use or possessing up to six plants growing, of which three or fewer being mature, flowering plants, on the private premises where the plants were grown.

MOTION: Paul Liedberg moved and Holly Johnson seconded the motion to send the draft ordinances to the Code Review Committee for review and a recommendation.

VOTE: The motion passed with Holly Johnson, Curt Armstrong, Misty Savo, Tracy Hightower, and Paul Liedberg voting in favor of the motion.

B. Action Memorandum No. 2015-02, Award Contract to Coastal Surveyors to Render Professional Surveying Services to Complete an Exchange of Land Between Choggiung Limited and the City for the City Landfill

MOTION: Holly Johnson moved and Paul Liedberg seconded the motion to approve Action Memorandum No. 2015-02.

Manager Loera reported the award had gone to a contractor who also had the most experience in 14C3 land exchanges.

VOTE: The motion passed unanimously by voice vote.

C. Love Your Library Month – Fine Amnesty

Manager Loera commented by passing Resolution No. 2015-12 she had authority to approve procedures at the library, and was approving a fine amnesty for returned items, noting at the most, possibly around \$1,500 in fines would be forgiven.

D. Reschedule a Workshop for Strategic Planning Session

Manager Loera reported the mayor would be polling the council members for a date.

E. Action Memorandum No. 2015-03, Award Contract to Pearson Consulting to Assist with the Finance Director Search

MOTION: Holly Johnson moved and Misty Savo seconded the motion to approve Action Memorandum No. 2015-03.

VOTE: The motion passed unanimously by voice vote.

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

Wanda Fulton, representing the Dillingham Legislative office, reported the passage of Proposition 2, legalizing personal possession and commercial sales of marijuana in Alaska, was making its way through the legislature, and invited the Council to come to the local office and provide testimony.

There being no other citizen's discussion, the session closed.

XII. COUNCIL COMMENTS

Curt Armstrong: no comment

Paul Liedberg:

- Thanked city staff for all their good work, especially the finance staff for all their good work on the audit.

Holy Johnson:

- Praised Tracy for doing a good job.

Misty Savo:

- Praised Tracy and praised staff for a good job on the audit.

XIII. MAYOR'S COMMENTS

Mayor Pro Tempore Hightower:

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

XIV. EXECUTIVE SESSION

A. Legal Matter

1. Knutsen vs. City of Dillingham

MOTION: Paul Liedberg moved and Holly Johnson seconded the motion to enter into executive session to discuss Legal Matter, Knutsen vs. City of Dillingham [8:40 p.m.).

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

Mayor Pro Tempore invited Manager Loera, Atty. Brooks Chandler, Janice Williams, and Dan Pasquarillo into the executive session.

MOTION: Holly Johnson moved and Misty Savo seconded the motion to come out of executive session [9:03 p.m.].

VOTE: The motion to come out of executive session passed unanimously by voice vote.

XV. ADJOURNMENT

Mayor Ruby adjourned the meeting at 9:03 p.m.


Mayor Alice Ruby

ATTEST: [SEAL]


Janice Williams, City Clerk
Approval Date: 3/19/15

