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**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.

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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.

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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.

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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.

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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:

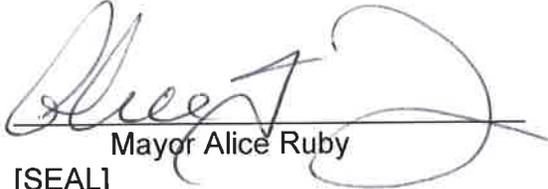
- Commented it was unfortunate that there had to be some high jumps in valuations from the previous year, but recognized it was their duty to evaluate the information provided to them by the assessor.

Mayor Ruby:

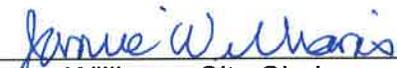
- Commented she was in agreement with Misty, and wished it didn't have to be that way.

9. ADJOURNMENT

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

  
Mayor Alice Ruby  
[SEAL]

ATTEST:

  
Janice Williams, City Clerk

Approval Date: 6/1/17