

1. CALL TO ORDER

A regular meeting of the Dillingham City Council was held on February 1, 2018 at the Dillingham City Council Chambers, Dillingham, Alaska. Mayor Ruby called the meeting to order at 7:00 p.m.

2. ROLL CALL

Mayor Ruby was present.

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

| | | | |
|-----------------|----------------|---------------|--------------|
| Tracy Hightower | Curt Armstrong | Andy Anderson | Aksel Buholm |
| Paul Liedberg | Chris Maines | | |

Staff in attendance:

| | | |
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| Tod Larson | Lori Goodell | Dan Pasquariello |
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3. APPROVAL OF MINUTES

- a. Regular Council Meeting, January 4, 2018

MOTION: Chris Maines moved and Aksel Buholm seconded the motion to approve the minutes of January 4, 2018.

VOTE: The motion passed as amended unanimously by voice vote.

4. APPROVAL OF CONSENT AGENDA

There was no consent agenda.

APPROVAL OF AGENDA

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

Susan Isaacs will be added to Citizens Discussion as item 7.b.

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:

- Confirmed that the State MMG grant funding deadline is coming up, the balance is approximately 1 million after all current payments are made. The request to the State to use this funding for the streets project is contingent upon ADOT completing a bid by April 15. ADOT isn't looking at this project until next year;
- The ISO rating for Dillingham has gone from a 6/9 to a 5/5X. Insurance companies utilize this rating when determining rates. Excellent job to the Fire Department for their dedicated work.

Discussion:

- City Manager can inquire with Rep. Edgmon's office regarding a possible extension on the MMG grant;
- Current status of the camera system is being evaluated. Repairs required to bring the entire systems back up is not cost effective. The system will be downgraded; funding is being explored to make several locations viable;
- Mid-year budget is being looked at by the Finance Director and Department Heads, adjusted budget will be going to the Finance & Budget Committee for review before going to Council;
- Proposals are being acquired to assess the direction to go with the ice machine;
- Minimal staffing and reduced budget at the Senior Center can be addressed during the FY19 budget meetings.

b. Standing Committee Reports

Chris Maines, Code Review Committee:

- After an attorney review Ordinance 2018-01 was amended to delete section 3 and is now recommended to Council for consideration;
- The committee discussed several items regarding code that have come to their attention; Animal code as it pertains to vicious animals , and when sales tax is applied (requested by the Finance Director 4.20.020 for review);
- The committee has reduced the long list of items they have been working on and is considering reducing the meeting schedule to quarterly / and as needed.

The City Council had no objections to adding the two issues to the Code Review Committee to do list and revising the meeting schedule.

Paul Liedberg, Finance and Budget Committee:

- Three items were discussed at the 1/22/18 meeting; Ordinance 2017-10 changes, Oct. and Nov. financials, and preliminary schedule for the FY19 budget season.

6. PUBLIC HEARINGS

- a. Ordinance No. 2017-10 (SUB1), An Ordinance of the Dillingham City Council Amending Municipal Code Title 4 – Revenue and Finance by the Addition of a New Chapter 4.24 Imposing an Excise Tax on Cigarettes and Tobacco Products

Feedback from the City Attorney suggests this ordinance needs more attention. Council will not be adopting this ordinance tonight. There was no other discussion.

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

- a. JD Palin – \$5,000 Sales Tax Cap

Mr. Palin is asking Council to retract the recent increase in the tax cap noting the following:

- Major competition comes from Anchorage and the market is already tight;
- Increased sales tax cap will take L&M Supplies out of the competitive market, leading to loss of sales and decreased business;
- If they cannot meet minimum orders they will lose partnerships with dealerships, which will put local business relationships, inventory and parts, at risk as well;
- A forecasted decrease of 40% will lead to layoff of 5-7 employees;
- Asks the City to consider ways to help business grow, not put sales at risk.

- b. Susan Isaacs – Chamber of Commerce project requests

- The Chamber of Commerce is defunct and accounts have been closed;
- There is a small amount of money that can be used for projects;

- A list of three proposals has been recommended: Find a new home for the Wooden Bear, Fire Hall Mural Restoration, and Welcome to Dillingham sign repainting;
- The Arts Council or others can be partners on these projects;
- Assistance with funding and physical work will be needed. Also, is looking for approval and a location from the City to relocate the wooden bear;
- Would like to have these projects completed this summer.

Gordon Issacs

- Tax on large ticket items gets, pretty big and is a regressive tax driving business out of town resulting in less tax overall. Would like to see the old tax cap reinstated;
- Susan is looking for permission from the city to move forward on the projects.

8. ORDINANCES AND RESOLUTIONS

- Adopt Ordinance No. 2017-10 (SUB1), An Ordinance of the Dillingham City Council Amending Municipal Code Title 4 – Revenue and Finance by the Addition of a New Chapter 4.24 Imposing an Excise Tax on Cigarettes and Tobacco Products

MOTION: Paul Liedberg moved and Andy Anderson seconded the motion to adopt Ordinance 2017-10.

Discussion:

Attorney review was received today with two additional versions of this ordinance for consideration. There has not been time for an evaluation or comparison to the existing Ordinance. Staff will analyze and get a report to the Finance and Budget Committee.

MOTION: Chris Maines moved and Tracy Hightower seconded the motion to table Ordinance 2017-10 until the March 1, 2018 council meeting.

VOTE: The motion to table Ordinance 2017-10 passed unanimously by voice vote.

- Introduce Ordinance No. 2018-01, An Ordinance of the Dillingham City Council Amending Title 4.15.200 Foreclosure List, Timeframe to Present the Foreclosure List to Council

MOTION: Chris Maines moved and Paul Liedberg seconded the motion to introduce Ordinance 2018-01.

VOTE: The motion passed unanimously by voice vote.

- Adopt Resolution 2018-02, A Resolution of the Dillingham City Council Adopting the State of Alaska Local Government Model General Administrative Records Retention Schedule

MOTION: Paul Liedberg moved and Chris Maines seconded the motion to adopt Resolution 2018-02.

General Index for the Records Retention was included in the packet, the full list is available for council review. Adopting a standardized schedule is important to records management. This schedule has been vetted by the state.

VOTE: The motion passed unanimously by voice vote.

- d. Adopt Resolution 2018-03, A Resolution of the Dillingham City Council Expressing Support for Preferred Routes for a Manokotak – Dillingham Road

MOTION: Chris Maines moved and Tracy Hightower seconded the motion to adopt Resolution 2018-03.

Feasibility study is available if council would like a digital copy. Bristol Engineers has it available through their website as well. Dillingham residents preferred route 4 shown on the survey in the study. This is also on the Curyung Tribal Council long range transportation plan.

VOTE: The motion passed as amended unanimously by voice vote.

9. UNFINISHED BUSINESS

- a. Citizen Committee Appointments

- 1) Senior Advisory Commission, 1 Seat Open

One letters of interest was received from John Heyano for Seat A. Mayor Ruby recommended that Mr. Heyano be appointed to the Senior Advisory Commission.

MOTION: Chris Maines moved and Tracy Hightower seconded the motion to concur with the Mayors recommendation.

VOTE: The motion to appoint John Heyano to the Senior Advisory Commission passed unanimously by voice vote.

- b. Progress Report

- 1) Dave Carlson House Property
2) Territorial School

There are no updates at this time.

10. NEW BUSINESS

No was no new business

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

There was no discussion

12. COUNCIL COMMENTS

Paul Liedberg:

- Appreciate JD's comments, noting there was not much input when council was considering this ordinance with the tax cap. Might be appropriate for Code Committee to put on their agenda to have another discussion about this new information. Concerned about regressive part, and potential loss of revenue.
- It is a balancing act between collecting and spending;
- Thanks to staff.

Discussion

- Add this item to the Code Review Committee agenda; just tax cap, not the entire section;
- There was very little involvement on this issue during the recent discussion on Ordinance 2017-08;
- Research included numerous communities as comparisons and all seem to be doing the same structure. Is there a happy medium that can be found?

Aksel Buholm:

- What options are available regarding the tax cap? Can a petition be done and the issue be on the ballot if nothing happens with council?
- Knows there is a slim margin of markup, and that the market is competitive;
- The potential for job losses is concerning;
- Would like the committee to reverse this.

Tracy Hightower:

- Has issues with Ordinance 2017-10 (SUB 1), raising a tax cuts into profit margins and has a negative impact on local businesses;
- Questions the wording about persons bringing tobacco products into the city must turn in sales tax return, will create a black market;
- City lost a former employee on January 9th. Asks that his sister and her family is kept in your prayers.

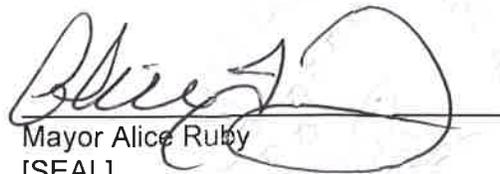
13. MAYOR'S COMMENTS

Mayor Ruby:

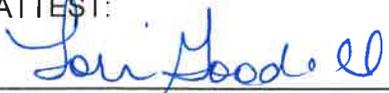
- Reminder that there will be council training on February 15, can spend a few minutes at the end of training discussing priorities;
- SWAMC conference is March 1-2. There is not much available in the council budget for travel, but the city could help with registrations if anyone will be in Anchorage. March 1st is a council meeting, Mayor has attended by phone in the past. Council can be polled to see if moving the regular meeting to March 8th is an option;
- Gary Peters worked for the city in several positions and left many with good memories. He volunteered his time and started the youth nights years ago. Contributed a lot to the community;
- Chamber of Commerce request – will ask Todd to take this to the department heads for suggestions and recommendations, they can help with implementing a plan. Not for the city to take over the projects but to support the projects. City doesn't have the resources to take over, identify other organizations that can partner with the Chamber to make these projects happen. Council has no objections to these projects;
- A moment of silence was observed for all those lost since the last meeting.

15. ADJOURNMENT

Mayor Ruby adjourned the meeting at 8:18 p.m.


Mayor Alice Ruby
[SEAL]

ATTEST:



Lori Goodell, City Clerk

Approval Date: April 5, 2018