
City of Bethel, Alaska

City Council Minutes

June 8, 1999

Regular Meeting

Bethel, Alaska

CALL TO ORDER

The Regular Meeting of the Bethel City Council was held on June 8, 1999, at 6:30 p.m. in the Log Cabin, Bethel, Alaska. Mayor Agnes Phillips called the meeting to order at 6:33 p.m.

ROLL CALL

There were present:

Mayor Agnes Phillips
Joerene Hout
Dario Notti

Antone Anvil
Stanley "Tundy" Rodgers

comprising a quorum of the Council.

Absent:

Karol Pobrislo (excused)
Mike O'Brien (excused)

Also in attendance were:

Bob Herron, City Manager
Denise Wiberg, Acting City Clerk

PEOPLE TO BE HEARD

Hal Jones, Chairman of the Finance Committee, said the committee was concerned over a motion regarding sales tax exemptions. Yukon-Kuskokwim Health Corporation has become legally exempt. Recently there has been a lot of confusion from businesses/agencies over whether they are exempt or not. The Finance Committee recommended if a business/agency receives revenue sharing through the city or if they are directly paid from state or federal government that they be granted an exemption. He asked the Council to take action on this. He went on to state if the businesses/agencies are able to prove where their money comes from then they do not have to provide legal briefs. The Finance Committee wants it to be an easier process. When the committee first recommended the sales tax change its first concern voiced was to have classes for all people involved so that everyone would know what was going on. A lot of confusion now is because people don't know what is going on. He said the committee would like to see something go along that way.

Mr. Jones' second comment was regarding the auditor's recommendation. He said three different committee members independent of each other contacted Stuart Robinson to express reservations about the process of choosing an auditor. In some areas the committee members were not qualified to rate the firms. They are not experts in auditing. Other concerns were

over things that had happened in the past. But Mr. Jones wanted to make sure the motions that were made at the last Finance Committee meeting were brought before the Council. Also he stated again there needs to be some clarification from Council regarding sales tax.

Mayor Phillips responded by saying that she had reported at the last City Council meeting on the recommendation of exempt status for non-profit organizations funded by the State and Federal government and those on the revenue sharing list. She also mentioned that the Finance Committee minutes were included in the packet at this meeting.

Rob Lewis, office manager for Mikunda Cotrell, stated that he was at the last City Council meeting to express a few concerns and to ask for Council's support towards their city auditing services bid. He wanted to let Council know they feel they are the most qualified firm. He informed the Council on their auditing services they provide for many other cities throughout Alaska. Since the last City Council meeting he has tried to get more information on how the service was awarded. He questioned the scoring of these firms and wondered if the Finance Committee's recommendation was the same that was in the memo in the City Council packet of May 25, 1999. He stated that Mikunda Cotrell is the only firm that has an office in Bethel and would be able to communicate closely with City Council. He thanked City Council for its time.

Stuart Robinson, Finance Director, responded by saying that he and the Finance Committee want to make sure the city is getting what its paying for. He said that it is normal procedure to go out and check to make sure the city is getting the services they pay for and that they are fair and meet certain standards and regulations. He said that they received four good bids and they were scored by the purchasing officer and had input from him, the city manager and the Finance Committee. He stated that the ratings are fair and valid. He said there was confusion at the Finance Committee meeting because members were not prepared for the process. His opinion was there was no preference to change or not to change firms, but that they must look at what is best for the city and how the firms were rated. He said the "biggest bang for the buck" is to go with Firm #1 and the reason is because of their low bid.

David Trantham thanked the Council members for their time. He said he had two issues to discuss. He said the first one was his privacy. He is a very private person. Sometimes he does things for his fellow man because it makes him and others feel good, but he doesn't expect anything in return. He understands there is a nomination for a park to be named after him. He is highly insulted, offended, and disappointed and feels he has been used. He doesn't want a park named after him or any recognition in any form. He said he would sue the City if they proceed with any more action. The second issue is that he feels the City is in a crisis. He thinks the City needs stronger leadership. He believes the City Council only listens to lawyers and not to the people. He doesn't think the mayor or the Council members have strong leadership. He asked the mayor to resign her post as mayor. He said it is embarrassing to be a senior citizen here and statewide. He went on to say that he has been searching for evidence of senior abuse that they have been accused of. The acting city clerk found documentation for him in the Finance Committee minutes dated December 1997, but he doesn't know if the document is official. He demanded a change in leadership and again strongly suggested that Mayor Agnes Phillips step down.

Mayor Agnes Phillips responded by saying that she respects his wishes of not having a park named after him. She said her own father refused a nomination to have a building named after him and that she understands Mr. Trantham's request for privacy. As far as her resigning as

mayor she said she serves at the pleasure of City Council. Since she has been mayor there has been a lot more communication between the people and Council. It is at the pleasure of the mayor that they are not following the three-minute rule under "People to be Heard." She believes everyone has the right to be heard.

Peter Jacobs spoke next. Council Member Antone Anvil translated. Jacobs said he is a senior here in Bethel and when he heard that the issue of tax exemption was going to be addressed he wanted to be there. He went on to say that he worked for the City of Bethel for many years. He said the Council members that served the City of Bethel many years ago helped the seniors to get what they needed. He came to ask the Council for their help. He also said that when the City demanded that all houses have water and sewer and to do away with honey buckets many seniors were not prepared for this. They had to hurry up and change systems in houses. And because they had to do it so quickly they had many problems with water and sewer freezing last winter. People had to do the work themselves and didn't do a good job and now have many problems. He thanked the Council for their time.

APPROVAL OF MINUTES

MOVED BY:	Anvil	To approve the minutes of May 25, 1999.
SECONDED BY:	Rodgers	

VOTE ON MOTION	Motion carried by unanimous voice vote.
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APPROVAL OF AGENDA AND CONSENT AGENDA

The Mayor read the items listed on the consent agenda:

Resolution #99-10: Encouraging the Alaska Municipal League to Open a Dialogue with the ACLU Regarding the Need for and Legitimate Uses of Curfew Ordinances in Alaska (City Council)

Resolution #99-11: Supporting the Conservation and Reinvestment Act of 1999: H.R. 701 and S. 25 (Mayor Phillips)

Resolution #99-12: Authorizing the Execution of a Letter of Credit with the National Bank of Alaska for the Purchase of Fenders for the Fendering and Bull Rail System (City Manager Herron)

Ordinance #99-11 Amending BMC Chapter 9.20., Offenses By or Against Minors (City Council) (Public Hearing 6/22/99)

Ordinance #99-12 Repealing and Re-Enacting Ordinance #98-25 Authorizing the Disposal of Lot 15, US Survey 4117 to the State of Alaska, Department of Natural Resources for a New Alaska National Guard Readiness Center and Memorial Park (City Manager Herron) (Public Hearing 6/22/99)

MOVED BY:	Rodgers	To approve the consent agenda and agenda.
SECONDED BY:	Notti	

VOTE ON MOTION

Motion to approve the consent agenda and agenda carried by unanimous consent.

MAYOR'S REPORT

Mayor Phillips announced the following:

She acknowledged the information provided on the Denali Commission
She asked City Manager Herron if the laundromat had made the deadline. He responded that the owners had.
She noted the information and page 15 regarding the moorage charges for the Yute Bait.
She mentioned the letter from the Department of Commerce regarding the cancellation of their meeting due to their travels.
She made note of the Governor's talking points.
She thanked the Chamber of Commerce for providing information.
She noted receipt of a letter from Ethel Fuller from California.

CITY MANAGER'S REPORT

City Manager Herron relayed the following information:

He noted the Department Head reports included in the packets.
He informed the Council that the City's union representatives would be returning to the negotiating table on July 14.
He noted that Collins Construction is on the job of renovating the Braund Building.
He mentioned that the Bathymetric survey of the seawall and the armor rock toe protection will be starting this week
He stated that there was a fire on Monday, June 7 at Haroldsen subdivision. The City responded but it was very difficult to get there. He said the City Council must address the overall issue of this "subdivision."

The Mayor thanked the staff of the city offices for their patience required during the transition.

STANDING COMMITTEES

Mayor Phillips noted there are vacancies on the Parks and Recreation, Transportation, Port and Public Works Commissions/Committees.

Transportation Commission

Council Member Hout stated the next meeting would be on June 17.

Planning Commission

Council Member Notti stated the next meeting would be on June 10 at the City shop. The agenda was included in the Planning Director's report.

Parks & Recreation Committee

Council Member Pobrislo was not present to give a report.

Finance Committee

Mayor Phillips stated the next meeting would be on Thursday June 10 at 7:30 in the conference room. She added that the minutes were in the packet.

Port Committee

Council Member Rodgers stated there was a meeting on May 24. They discussed the fingers going into the boat harbor. He added that the minutes were in the packet. The stated the next meeting would be June 21.

Public Works Committee

Council member O'Brien was not present to give a report.

Public Safety Commission

Council Member O'Brien was not present to give a report.

Senior Citizens' Advisory Board

Council Member Anvil stated quorum was not established on June 2. Those present had an informal meeting. The next scheduled meeting is July 7 at 10:30 am

OLD BUSINESS

Ordinance #99-09: Amending the Sales Tax Code to Provide an Exemption for Senior Citizens' Rent, Food and Utilities (Council Member Anvil)

Mayor Phillips called for public testimony.

Louise Charles noted that at the Senior Advisory Board meeting the seniors asked her to come to City Council to speak on their behalf. They expressed concerns over the ordinance. There are some amendments that the seniors support. They respectfully ask the Council to take into consideration the changes that Council Member Anvil will present. And if the changes are approved it will allow the senior citizens to live their lives with dignity and security.

Peter Jacobs – (translated by Antone Anvil) He said he had worked with the City Manager and Public Works when he was working for the City. They worked together and helped each other and depended on each other. It was important to him to come to ask for help from the City Council.

David Trantham, said seniors make a big contribution to the City. There are revenues derived from the Senior Center. He said seniors help pay the way and some people make sacrifices to make donations for meals and transportation. He went on to say that ANICA gives a 5% discount to seniors and he is very grateful. Many seniors are on a fixed income and have very little money. He said a group of senior citizens worked together to make some changes on the ordinance. They are asking the City to exempt seniors on three major categories, food, clothing and shelter, which would also include utilities. Seniors should pay tax on other items such as: hunting gear, outboard motors, boats, and other big items. They are asking that seniors be exempt only for the essentials that everyone needs. He respectfully requested the Council's consideration.

Peter Jacobs – (translated by Antone Anvil) He wanted to thank ANICA store for giving a 5% discount on groceries. He said he has two boats parked at the boat harbor. He paid \$488 rental fee for one year on those two boats.

Antone Anvil, asked permission to step down from City Council to speak as a Traditional Chief for Orutsaramuit Native Council. He said this ordinance would help a lot of people. He said he knows the City is short of money but taxing the seniors would not make a big difference. He spoke for all seniors in Bethel. He asked the Council to stop for a moment and think about how the City works. He pleaded to Council to not let the seniors down again, but to help them.

MOVED BY:	Rodgers	To declare that Council Members Hout and Anvil have a conflict of interest and be exempt from voting on Ordinance #99-09.
SECONDED BY:		

VOTE ON MOTION	Motion died for lack of second.
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MOVED BY:	Notti	To adopt Ordinance #99-09
SECONDED BY:	Anvil	

Discussion from Council Members followed the motion.

Council Member Hout said the new ordinance has addressed the criticisms made by some other Council Members about the previous ordinance. She recommended that it be passed. She said that everyone in Council represents a segment of the population in one way. She said that this tax exemption in no way directly affects Council Members Hout or Anvil. This applies to a large number of people.

Council Member Notti wanted to hear about Council Member Anvil's amendments. He went on to say that Members Hout and Anvil shouldn't be excluded from the vote just because they are seniors. They may reap the benefits now, but it doesn't mean they are the only ones benefiting. He said that it would be pretty straight-forward to have the seniors carry an identification card with the number. He thinks the seniors have earned this exemption.

Council Member Anvil told of his proposed amendments. He stated that section T should include food, shelter, clothing, utilities, and fuel

Council Member Hout and Mayor Phillips pointed out that section R already includes food. Council Member Hout also pointed out that section S already includes rent.

Council Member Anvil went on to propose the amendment of section C #1. He proposed that seniors should not have to pay any fees for the application, and to add fuel as an exemption.

MOVED BY:	Anvil	To amend Ordinance #99-09 to include Council Member Anvil's proposed changes
SECONDED BY:	Hout	

ANVIL Yes	HOUT Yes	NOTTI Yes	O'BRIEN Absent
PHILLIPS No	RODGERS No	SANCHEZ-POBRISLO Absent	3 YES 2 NO

VOTE ON MOTION | Motion failed 3 yes – 2 no.

Further discussion followed.

Mayor Phillips stated that the City's reserves are declining and that the City Council is in a very difficult position trying to study the budget to find the funds to provide for all the operations of the City. She said the City never has enough money to provide for the capital expenditures for the city that each department requires to provide maximum service. She went on to say that Bethel is growing and the Council has a very serious responsibility. What they decide today will have serious impact on Bethel down the road and that decisions are very difficult to make.

Council Member Hout agreed that Council has to make difficult decisions. But last year Council asked the people who could least afford it to put in water and sewer and then on top of that took away their senior exemption.

Council Member Rodgers voiced his concern over the fact that this might open it up for the whole world to take advantage of the City.

Council Member Hout disagreed and said that any money that is generated in the City will help the City in the long run.

ANVIL Yes	HOUT Yes	NOTTI Yes	O'BRIEN Absent
PHILLIPS No	RODGERS Yes	SANCHEZ-POBRISLO Absent	4 YES 1 NO

VOTE ON MOTION | Motion carried 4 yes – 1 no.

The Mayor recessed the meeting at 8:05 p.m. for a short break.

The Mayor called the meeting back to order at 8:17 p.m.

Ordinance #99-10: Establishing a City of Bethel Budget for Fiscal Year 1999-2000 Beginning July 1,1999 (City Manager Herron)

Mayor Phillips called for public testimony. There being none, she closed public hearing.

City Manager Herron noted that the final budget was in the packet, but in reviewing the capital expenditures some mistakes were found. In the capital expenditures section the numbers except for the \$25,000 were correct. Section 4 on page 58 of the packet shows \$8,000 in the police department. That money was not to be carried over. It was already spent. The \$25,000 was a last minute plea to Council for the all-encompassing computer that runs the police station, 911 and all incoming calls. They are asking Council to approve a Y2K update at the expense of \$25,000.

One other issue was in utility section 5 on page 59 of the packet. The numbers in the hauled water and hauled sewer lines were based upon the proposed wages for water and sewer drivers. In union negotiations they had proposed to raise those wages, but since negotiations

will not start until July 14 they could not guarantee those wages. The difference in wages is about \$25,000.

The amendment on the utility fund would reduce the amount that is on page 59 of the packet by approximately \$25,000. The other amendment is the last minute request from the police department for the Y2K upgrade for their computer which is \$25,000. The whole budget is approximately \$5.2 million for next year's budget of which \$3.3 million is sales tax revenue, about 65%.

MOVED BY:	Anvil	To adopt Ordinance #99-10 as amended.
SECONDED BY:	Hout	

ANVIL Yes	HOUT Yes	NOTTI Yes	O'BRIEN Absent
PHILLIPS Yes	RODGERS Yes	SANCHEZ-POBRISLO Absent	5 YES 0 NO

VOTE ON MOTION	Motion carried unanimously.
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Ordinance #99-06: Amending BMC 2.52, Boards, Commissions and Committees (Mayor Phillips)

Mayor Phillips called for public testimony. There being none, public hearing was closed.

Mayor Phillips said the reason she requested the amendment was to allow for the removal of committee members if they had missed three unexcused meetings within a year. This would allow the committees to function better.

MOVED BY:	Rodgers	To adopt Ordinance #99-06.
SECONDED BY:	Anvil	

ANVIL Yes	HOUT Yes	NOTTI Yes	O'BRIEN Absent
PHILLIPS Yes	RODGERS Yes	SANCHEZ-POBRISLO Absent	5 YES 0 NO

VOTE ON MOTION	Motion carried unanimously.
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Contract Award for Professional Auditing Services for FY 99

Mayor Phillips noted the confidential memo from Purchasing Agent Laurie Walters and the evaluation forms that were included in Council Member's packets.

City Manager Herron stated that the process was done fairly. He stands by his earlier recommendation to award Altman Rogers.

MOVED BY:	Rodgers	To accept the City Manager and Finance Committee's recommendation.
SECONDED BY:	Anvil	

VOTE ON MOTION

Motion carried by unanimous voice vote.

Discussion Item – Sales Tax Audit Services

City Manager Herron said that these are audits the City would like to do randomly. That way they could draw a name out of a hat and have an audit firm do a sales tax audit on any business that does business with the City.

Finance Director Robinson stated that this has been done in the past and has not been as efficient as it could have been. He said there has been discussion on the strategy behind spending the money and that it is his recommendation to have a local firm do the auditing to cut down on costs.

Because of the money that needs to be appropriated the Mayor suggested putting this item on the agenda for the next meeting on June 22, 1999.

NEW BUSINESS

There were no other items on the agenda apart from the items approved earlier on the consent agenda.

COUNCIL MEMBER COMMENTS

Council Member Rodgers offered condolences to the family of Joseph Pete. He said he was a very good friend and a lifelong partner.

Council Member Anvil also offered his condolences to Joe Pete's family. He said he was a good friend. He also wanted to say that he would like the City to have tighter security at the boat harbor. He said that someone already is missing a prop to his boat. He also talked about "Clean Up Green Up" that is going on, but stated that there is still a lot of debris around. He suggested getting help for this.

Mayor Phillips thanked Denise in the City Clerk's office for her assistance and prompt response when the mayor requested help. She also said that being Mayor is a big challenge. Her favorite jobs are being a mother and being Mayor and she doesn't get paid for either one. She went on to say that her greatest joy is the gratification she gets in the pride on Yupik children's faces. She feels she can give a child a good example and influence to study hard at school. She also wanted to thank the community for their support when her uncle died. She especially wanted to thank the police and fire departments for their roles they played a few years ago when they performed CPR on him and brought him back to life.

Council Member Notti offered his condolences to Joe Pete's family and said that he always enjoyed stopping in for coffee.

Council Member Hout also offered condolences to Joe Pete's family. She said she first met him in 1963 and she remembers many good stories about him.

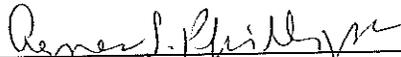
ADJOURNMENT

MOVED BY:	Nötti	To adjourn the meeting
SECONDED BY:	Rodgers	

VOTE ON MOTION	Motion carried by unanimous voice vote.
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With no further business to come before the Council, the meeting adjourned at 8:37.

APPROVED THIS 22nd DAY OF JUNE, 1999.



Agnes L. Phillips, City Mayor

ATTEST:



Gaye J. Vaughan, City Clerk