
City of Bethel, Alaska

City Council Minutes

February 13, 2001

Regular Meeting

Bethel, Alaska

CALL TO ORDER

A regular meeting of the Bethel City Council was held on February 13, 2001, at 6:30 p.m. in the council chambers, Bethel, Alaska.

Vice Mayor Pobrislo called the meeting to order at 6:30 p.m.

ROLL CALL

Comprising a quorum of the Council, the following were present:

Vice Mayor Karol Sanchez-Pobrislo-acting Mayor
Jerry Drake
Carl Berger
Agnes Phillips
Dario Notti

Also in attendance were the following:

Bob Herron, City Manager
Laurie Walters, Acting City Clerk
Louann Cutler, City Attorney-via teleconference

MOVED BY:	Notti	To suspend the rules and move new business Item E up on the agenda.
SECONDED BY:	Berger	

VOTE ON MOTION	Motion carried by unanimous voice vote.
-----------------------	---

New Business, Item E – Review of FY00 year-end comprehensive annual financial report by City Auditor, Altman, Rogers & Co.

Karen Rogers, Altman & Rogers Co, reviewed the City's comprehensive annual report and auditor's report prepared by her firm. Ms. Rogers said she is proud of the city's financial statements this year that the finance department put together. She also explained that the financial report is prepared by the finance department and it was done very well. Ms. Rogers reported the following about FY00: The City has improved their reporting requirements and strengthened their internal control policies; All prior year management letter comments have been resolved; Additionally, City Finance Department submitted its first Comprehensive Annual Financial Report (CAFR) to the Government Finance Officer's Association (GFOA) for participation in its Certificate of Excellence Program-this program evaluates CAFRs from all over the United States and evaluates the reports to determine whether they meet the highest standards of reporting. Ms Rogers said participation in this program is a substantial step forward for the Bethel Finance Department and their effort should be commended.

Council member Drake said it seemed that at some point there was going to be a change in accounting regulations and asked Ms. Rogers to clarify.

Ms. Rogers replied there would be a change, GASB 34, where every government entity will be required to change their financial reports to meet those requirements. Ms. Rogers explained the effective date of the change would require implementation by the City for its year ending June 30, 2004. She said this change is a substantial one and will make government and for-private financial statements very similar, but the government financial reports will still need to meet all government requirements.

PEOPLE TO BE HEARD

Oly Olson, Bethel resident, commented on the fact that the Planning Commission meeting and Finance Committee meeting are held on the same night. He said Council might want to consider changing the night that one of the two meet, because some people may want to go to both meetings.

Willy Keppel, Bethel resident and planning commissioner, commented on proposed Ord. 01-02 in that the drug and alcohol testing for cab drivers should not be conducted unless everyone is subject to the same test, including Council members. He said Council should lead by example. Mr. Keppel also addressed his other concern in that cabs should not be made to keep a trip report. He said cabs are coming and going all day and not all customers are dispatched. He said a trip record is a lot of excess work and an extra burden on free enterprise.

Vice mayor Pobrislo recommended Mr. Keppel talk to the PSTC about his concerns with the proposed ordinance, as it has been referred to the PSTC for public comments.

Manager Herron said good discussions take place at the last PSTC meeting about several of the points Mr. Keppel brought up. He said the ordinance is still a work in progress and invited Mr. Keppel to attend the next PSTC meeting to express his concerns.

APPROVAL OF MINUTES

MOVED BY:	Phillips	To approve the minutes of the Jan. 23 regular meeting
SECONDED BY:	Drake	and Jan. 30 special meeting; with changes noted below

Changes: Jan. 23 minutes-Phillips seconded motion to adopt Ord. 01-03; Jan. 30 minutes-Berger corrected his motion to read: To purchase the 1997 Ford LTS8000 water truck for the City provided there is no circumventing of the bidding process.

VOTE ON MOTION	Motion carried by unanimous voice vote.
-----------------------	---

APPROVAL OF AGENDA

MOVED BY:	Drake	To approve the agenda with addition executive session
SECONDED BY:	Phillips	discussions

VOTE ON MOTION	Motion carried by unanimous voice vote.
-----------------------	---

MAYOR'S REPORT

The Mayor's Report included the following:

- Letter of Apology from Mayor Rogers to the City Council and Citizens of Bethel
- Governor's Talking Points for the weeks of January 22 and February 5, 2001
- Letters from AK Dept. of Revenue-Re: Permanent Fund Dividend
- Public Notice-Denali Training Fund: Request for application for funding
- Letter Rep. Mary Kapsner-Re: Energy costs
- Letter Rep. Mary Kapsner-Re: Legislative session starts; Rep. Kapsner's top three priorities for the session-energy, education and VSPO program
- Newsletter from Rep. Mary Kapsner
- Letters from AK Dept. of Community and Economic Development-Re: FY01 Shared fisheries business tax payment
- Public Notice-Notice of Proposed Changes in the Regulations of the Department of Community and Economic development, including: municipal population determinations and state revenue sharing program related deadlines, requirement that a municipality submit to the Department a copy of its current year approved budget and year-end financial report to be eligible to receive payment under the safe communities program, and allocations of funds equally rather than per capita

Manager Herron said the City's shared fisheries business tax payment for this year was \$2,900.

MAYOR'S APPOINTMENTS

MOVED BY:	Phillips	To appoint Louie Andrew, Peter Isaac, Karen Cooke, Susan Murphy, Clara Kelly, Grace Lieb, Peter Aluska and Dick Andrew to the Senior Advisory Board (SAB).
SECONDED BY:	Drake	

VOTE ON MOTION	Motion carried by unanimous voice vote.
-----------------------	---

MANAGER'S REPORT

City Manager Bob Herron noted the management reports included in council packets and reviewed the following items with council:

- Wheel Loader Bid-The commendation to award this bid to NC Machinery was provided to Council. Pending input from Council, The city Manager's intention is to bring this bid back to Council at their next meeting for formal approval.
- Landfill/Lagoon Feasibility Study-Village Water requires city administrations and councils to review the successful short list of companies who have provided statements of qualifications (SOQs) for water/sewer projects going out for RFP.
- Senator Donley's comments on rural Alaska --Provided Council with Senator Donley's letter re: How Anchorage and Urban Alaska gets shortchanged in the State budget.

REPORTS OF STANDING COMMITTEES

Senior Advisory Board

Council member Berger said the SAB has not met since the last council meeting, but is scheduled to meet next week.

Planning Commission

Council member Notti said the commission met February 8 and had very good attendance. He asked that Mr. Keppel, planning commissioner, give a brief report. Mr. Keppel reported that proposed Ord. 01-05 has been and will continue to be reviewed. He said public participation has been good.

Port Commission

Mayor Rodgers was not present.

Public Works Committee

Council member Drake said the committee has not met since the last council meeting, but is scheduled to meet next week. He said the item brought to Council from the previous committee meeting is on the regular council agenda and will be discussed at that time.

Public Safety and Transportation Commission

Council member Drake reported, on behalf of Council member O'Brien, that Andrew Steele made a report to the PSTC in regard to lack of speed signs around Kilbuck School. Mr. Drake also reported that the Community Service Officers program would be put on the next PSTC agenda. He also reported that more than 30 cab drivers attended the meeting to talk about the proposed increase in cab fares and that the PSTC passed a motion to increase cab fares and requested the cab fare increase be put on the next council meeting agenda.

Manager Herron said it was his and the city attorney's understanding that Council member O'Brien would work with the city clerk on drafting a n ordinance to increase cab fares that would be introduced at this council meeting, but will need to be drafted for the next regular council meeting. Vice Mayor Pobrislo directed that an ordinance increasing taxicab rages be introduced at the next meeting, February 27.

Finance Committee

Council member Phillips noted the minutes are in the Council packets. She said a motion was made to redirect the motion recommending Council increase piped water and sewer rates to a level equal with hauled water and sewer rates. She also said the finance committee is concerned about a balanced budget.

Parks and Recreation Committee

Council member Pobrislo said the Committee met January 24 and was very well attended. She said there were a lot of community members at the meeting because of the shooting-range project agenda item. Ms. Pobrislo reported that a task force was created for the project and the next meeting is scheduled for February 21.

UNFINISHED BUSINESS

Item A — BMC 4.16 Sales Tax work session with City Finance Director

Jonna Daugherty, sales tax clerk, reviewed the finance director's memorandum of recommended changes to the sales tax code, where the changes requested were to chapter 4.16.040 in regard to exemptions and to chapter 4.16.050 exemption certificates/applications.

Laurie Walters, Assistant Finance Director, said this is the second of a series of work sessions on the sales tax code, as Council wished. She asked if Council would prefer to break the sales tax code up, covering 3 recommendations per council meeting, or would Council prefer to hold one work session to review all of the recommended changes to the sales tax code. Ms. Walters said the finance department could put together one package for Council to review for action.

Council member Drake recommended doing a special work session to go over all of the recommended changes of the City's sales tax code. Manager Herron said administration and the finance committee feel too much at once would be overwhelming. Manager Herron recommended council review changes over three of four council meetings, per section of the sales tax code. Council agreed to continue conducting a sales tax work session at each council meeting.

Item B — Public Hearing on Ordinance #01-07: FY01 Mid-Year Budget Modifications

Vice Mayor Pobrislo opened the public hearing.

MOVED BY:	Drake	To adopt Ord. #01-07: Mid-Year Budget Modifications — cumulative change to general fund ↓ \$151,420. ⁷² ; no change to special revenue fund; cumulative change to utility enterprise fund ↑ \$50,328; net change to port enterprise fund ↓ \$76,379; net change to leased properties enterprise fund ↓ \$65,182; no change to internal service fund
SECONDED BY:	Phillips	

Seeing no one to speak, she closed the public hearing.

VOTE ON MOTION	Motion carried with a unanimous roll-call vote; 5 to 0.
-----------------------	---

Item C — Public Hearing on Ordinance #01-08: Increase in water and sewer rates

Vice Mayor Pobrislo opened the public hearing and noted this is the first of at least four public hearings on Ord. #01-08

Willy Keppel, Bethel resident and planning commissioner, spoke to this ordinance and said a study should be conducted on rate increases to determine a fair amount. Mr. Keppel said it is unfair to increase water rates 20 percent across the board. He also said people should pay for what they use in regard to piped water. He commented that people who live further away and receive hauled water should pay more for their water services.

Manager Herron said the City couldn't discriminate against outlying reaches for water and sewer rates, under regulated utilities. He said the auditors did a study and recommended 20 percent across the board. Manager Herron said the City hasn't raised water and sewer rates for hauled services in almost 20 years and the City is losing money because it does not charge enough for water and sewer rates. He also said the 20 percent rate increase is a starting point to get the discussion going, but that rate could change.

Oly Olson, Bethel resident, recalled past discussions in regard to conducting a study in order to justify the increase rates at the outlying areas and he said he doesn't think the auditors are the right people to do a rate study. He said he would definitely like to see a rate study conducted and also said, to be fair, water meters should be used.

Vice Mayor Pobrislo asked when the last time piped water rates have been raised. Manager Herron said in the late 80s.

Council member Berger asked about the cost difference between providing hauled water services vs. piped water services. Manager Herron explained the costs associated with hauled and piped water services, such as the tremendous manpower needed for hauled water services. He said the economies of scale are vastly different.

Vice Mayor Pobrislo announced the next public hearing for ordinance #01-08 is February 27, at the next Council meeting.

Council member Notti asked city administration to provide Council with any studies the City has had conducted. Manager Herron said he would research what studies the City has and will provide Council with the information.

Council member Drake said delivering water by a pipeline is cheaper than hauled water. He said if it takes a 20 percent increase across the board to break even, then everyone should pay 20 percent more. He rhetorically asked how to make it fair for everyone.

Discussion ensued in regard to making a fair increase in rates.

NEW BUSINESS

Item A — Introduction of Ordinance #01-06: An ordinance adopting fees and charges for the City of Bethel

MOVED BY:	Drake	To introduce Ord. #01-06 and set the public hearing for Feb. 27, 2001 at the regular Council meeting
SECONDED BY:	Phillips	

VOTE ON MOTION	Motion carried by unanimous voice vote.
-----------------------	---

Item B — Introduction of Ordinance #01-09: An ordinance amending certain sections of the BMC providing for authority to impose certain fees

MOVED BY:	Phillips	To introduce Ord. #01-09 and set the public hearing for Feb. 27, 2001 at the regular Council meeting
SECONDED BY:	Berger	

VOTE ON MOTION	Motion carried by unanimous voice vote.
-----------------------	---

Item C — Introduction of Ordinance #01-10: An ordinance exempting the City's acquisition of a truck from the provisions of Chapter 4.20 of the BMC

MOVED BY:	Phillips	To introduce Ord. #01-10 and set the public hearing for Feb. 27, 2001 at the regular Council meeting
SECONDED BY:	Drake	

Council member Berger said in dealing with another exemption ordinance, perhaps Council should consider setting a higher purchase limit higher so Council is not in this type of a situation.

Manager Herron said there isn't a magic number because there will be a lot of instances where something will cost more than the limit and will require Council approval. He said he thinks the \$20,000 limit works, but agrees with Council member Berger in regard to a discussion on increasing the limit.

VOTE ON MOTION	Motion carried by unanimous voice vote.
-----------------------	---

Item D — Introduction of Ordinance #01-11: An ordinance amending certain provisions of Chapter 4.16 of the BMC, sales and use tax

MOVED BY:	Drake	To introduce Ord. #01-11 and set the public hearing for
------------------	-------	---

SECONDED BY:	Phillips	Feb. 27, 2001 at the regular Council meeting
---------------------	----------	--

VOTE ON MOTION	Motion carried by unanimous voice vote.	
-----------------------	---	--

Item F — Resolution #01-04: Adopting the year-end financial report

MOVED BY:	Phillips	To adopt resolution #01-04
SECONDED BY:	Notti	

VOTE ON MOTION	Motion carried by unanimous voice vote.	
-----------------------	---	--

Item G — Resolution #01-03: A resolution to the State Legislature in support of the City of St. Mary's ability to operate State funded projects under force accounts

MOVED BY:	Drake	To adopt resolution #01-03
SECONDED BY:	Phillips	

Council member Notti said he fully supports municipalities rights to manage their own construction projects under force accounts, but objects to force accounts paying the work force less. He said if the resolution doesn't include language in regard work force wages he would not support this resolution.

Council member Drake gave a brief history of this issue and said he this resolution came out of a discussion with Rep. Foster and has nothing to do with wages. Council member Drake explained that he asked Rep. Foster what Council could do to help and Rep. Foster asked for support on this issue. Council member Drake also gave a brief history of the wages in the Y-K Delta area and that local projects have been done and the wages were good. He said the point is that communities have a right to do their own work, hire locally and oppose big general contractors. He further stated that by doing their own work the community will be able to hire almost 100 percent local hires.

Discussion briefly ensued.

VOTE ON MOTION	Motion carried by roll-call vote of 4 yes; 1 no—Notti	
-----------------------	---	--

Item H — Resolution #01-05: Resolution requesting the U.S. Army Corps of Engineers to conduct studies to determine the feasibility of developing a small navigation improvement at Brown's Slough

MOVED BY:	Phillips	To adopt resolution #01-05
SECONDED BY:	Notti	

VOTE ON MOTION	Motion carried by unanimous voice vote.	
-----------------------	---	--

Item I — Discussion Item: Inquiry about possible contract with AK Airlines for official City business travel in an effort to reduce the costs of City business trips

Council member Berger addressed this topic in that, as in any large organization, there is a lot of travel and said he is looking for some ways to save money for the City in regard to travel expenses. He said AK Airlines has been a good neighbor since arriving in the 1980s. He said there is practically a monopoly situation with the air travel in this community and gave a brief history. Council member Berger touched on the rates from Bethel to Anchorage as an example. He also explained the 2744 account offered by AK Airlines that might be a good option, but still doesn't lower the fares. He also said the sales representative will come back with more information and he would like to wait to see

if AK Airlines would be willing to work with the City. He also referred to the disparity in travel rates to Juneau for Council's recent trip.

Manager Herron said Frontier Airlines contacted him after seeing this discussion item on the agenda and said Frontier is willing to negotiate a special rate with the City, that Frontier will be operating in Bethel again. Manager Herron said perhaps Frontier would provide some competition between the airlines.

Council discussed reliability and amenities of the two airlines, rates and competition.

Item J — Discussion Item: AML Legislative Conference and lobbying

Council member Drake said the next AML meeting is the end of March, which coincides with the legislative sessions. He said this is the last real chance to get to Juneau and reiterate the legislative stance for the year and lobby and said the City benefits a great deal by going to Juneau to lobby. He mentioned the last lobbying trip to Juneau in that many meetings took place and the trip was beneficial. He explained the importance of lobbying and maintaining good relationships with those in Juneau.

Vice Mayor Pobrislo asked that those Council members going to Juneau give detailed information of the trip when they return and said she appreciates the time individual Council members put into lobbying on behalf of the City.

Drake reported on behalf of Council member O'Brien the recent lobbying trip to Juneau. He said [Mr. O'Brien, Mr. Notti, Mr. Berger and himself] attended a lot of meetings and participated in many good discussions. He also thanked Paul Richards, city lobbyist, for his hard work and dedication and for setting up so many meetings.

Council member Berger also reported the time in Juneau was well spent and that he met with 18 different legislators in the two days spent in Juneau. He said the lobbying group laid some groundwork in regard to Bethel community needs and got to know some of the newer legislators. He also complimented Paul Richards for his hard work and for arranging so many meetings. Council member Berger asked that Council member O'Brien, also an AML Board member, give a report at the next meeting about the AML Board meeting that took place the same week.

Manager Herron commented on Paul Richards in that he does present a very credible face to Bethel. Manager Herron said Mr. Richards does many other things during the off-season to assist with bureaucratic issues.

MOVED BY:	Drake	To hold only one Council meeting in March—March 13, 2001
SECONDED BY:	Berger	

VOTE ON MOTION	Motion carried by unanimous voice vote.
-----------------------	---

Item K — Discussion Item: Boys and Girls Club requests to lease space at Senior Center

Manager Herron said administration recommends Council approve a lease.

MOVED BY:	Notti	To allow Boys and Girls Club to lease space at the Senior Center
SECONDED BY:	Drake	

Manager Herron said this Club is a huge benefit to the community and said the city attorney will draft the language for the lease. He also said this lease is for an office space for the Club.

VOTE ON MOTION	Motion carried by unanimous voice vote.
-----------------------	---

Item L — Discussion Item: Public Works Committee requests City to enter into an MOA with ONC to work together to fund and operate the Recycling Center

MOVED BY:	Drake	To enter into an MOA with ONC pending review by the city attorney
SECONDED BY:	Phillips	

Council member Drake said this MOA is part of taking over the Bethel Recycling Center. He said this MOA resulted from ONC's commitment to find grants to help fund the Center and that this MOA is especially needed to receive a pending grant.

Manager Herron recommended Council enter into MOA pending review by the city attorney.

VOTE ON MOTION	Motion carried by unanimous voice vote.
-----------------------	---

COUNCIL MEMBER COMMENTS

Council Member Berger acknowledged an e-mail he received from Bradley Kehoe in regard to public transportation in Bethel. He reviewed the e-mail in that a long time ago there was a bus service in Bethel. He said Bethel is growing and Mr. Kehoe suggested the possibility of implementing a public transportation system in Bethel. Mr. Berger noted several possibilities of operation. He said it is worth researching. He also said the Lower Kuskokwim Economic Development Council is conducting a regional business workshop and the dates are April 4, 5, and 6 at the Cultural Center and Fran Ulmer will be a keynote speaker. He invited everyone to attend.

Council Member Pobrislo asked that Council member Phillips and Mayor Rodgers attend the March lobbying/AML trip if able. Ms. Pobrislo then noted both Ms. Phillips and Mr. Rodgers will be out of town and will not be able to participate in the trip to Juneau. Ms. Phillips also commented on public transportation as Mr. Berger mentioned and agreed it is worth looking into, especially now that cab rates may increase.

Ms. Pobrislo said she would like to know if the City could implement a local income tax. She said she doesn't know if that has been pursued before, but would like to see some ideas of how that would affect the residents of Bethel.

Council Member Notti reported on the recent lobbying trip to Juneau. He said Council member Berger and himself met with Mr. Foster regarding economic development zones in Alaska and hopefully a bill will be put together that will help with rural Alaska. He said he also met with a staff member from the commercial fisheries department and met with many other commissioners from various State departments, newer legislators and finance committee.

Council Member O'Brien—*was not present.*

Council Member Drake—*no comment.*

Mayor Rodgers—*was not present.*

Council Member Phillips wished everyone a Happy Valentine's Day and thanked all those for helping promote healthy, happy families.

EXECUTIVE SESSION

MOVED BY:	Phillips	Moved to go into executive session to discuss a matter that could prejudice the reputation or character of a person (s); delinquent accounts with city attorney; a financial matter
SECONDED BY:	Berger	

VOTE ON MOTION	Motion carried by unanimous voice vote.
-----------------------	---

Council came out of executive session.

ADJOURNMENT

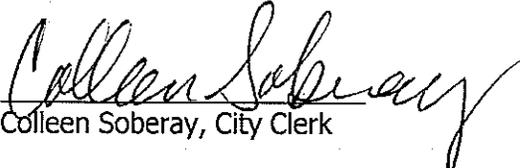
MOVED BY:	Drake	To adjourn the meeting.
SECONDED BY:	Notti	

VOTE ON MOTION	Motion carried by unanimous voice vote.
-----------------------	---

With no further business before the Council, the meeting adjourned at 10:40 p.m.

APPROVED THIS 27th DAY OF FEBRUARY 2001.

ATTEST:


Colleen Soberay, City Clerk


Stanley "Fundy" Rodgers, Mayor