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# City of Bethel, Alaska

## City Council Minutes

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July 24, 2001

Regular Meeting

Bethel, Alaska

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### CALL TO ORDER

A regular meeting of the Bethel City Council was held on July 24, 2001, at 6:30 p.m. in the Council chambers, Bethel, Alaska.

Mayor Rodgers called the meeting to order at 6:34 p.m.

### ROLL CALL

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

Jerry Drake	Stanley "Tundy" Rodgers
Agnes Phillips	Dario Notti
Karol Pobrislo	Carl Berger
Thor Williams	

Also in attendance were the following:

Robert Herron, City Manager  
Laurie Walters, Acting City Clerk  
Louann Cutler, City Attorney

### PEOPLE TO BE HEARD

*Karol Pobrislo*, city council member, commented that Kipnuk offers paper bags to its customers and said she wanted to make a public show of the fact that Kipnuk offers paper bags. She held the paper bag up for viewing.

### APPROVAL OF MINUTES

<b>MOVED BY:</b>	Drake	To approve the minutes of the July 10, 2001 regular meeting
<b>SECONDED BY:</b>	Pobrislo	

*\*Corrections noted by acting city clerk*

<b>VOTE ON MOTION</b>	Motion carried by unanimous voice vote.
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### APPROVAL OF AGENDA

<b>MOVED BY:</b>	Drake	To approve the regular agenda after adding a public hearing for Determination of Safe Speed Zone and postponing old business item D: Ordinance 01-29 until the next regular meeting
<b>SECONDED BY:</b>	Williams	

<b>VOTE ON MOTION</b>	Motion carried by unanimous voice vote.
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## MAYOR'S REPORT

The Mayor's Report included the following:

- Governor's Talking Points for the week of July 9 and 16, 2001
- News Release from Governor's Office — *Re: Gov. Knowles calls for leadership summit on subsistence issue*
- News Release from Governor's Office — *Re: Gov. Knowles names Ben Stevens of Anchorage to Senate vacancy*
- Letter from the Native Culture Club — *Re: Invitation to attend sobriety potlatch*
- Letter from AmeriCorps VISTA — *Re: Fund raising for Boys and Girls Club in Akiak*
- Notice of Public Comment by Alaska Housing Finance Corporation (AHFC) — *Re: Low-Income Housing Tax Credit—Public comment period ends August 1*
- Letter from Marine Conservation Alliance — *Re: Request for public comments on the draft Programmatic Supplemental Environmental Impact Statement (PSEIS)*
- Port Commission, Walter Suomela — *Request to waive residency requirement for Walter Suomela. City manager will address.*

## MANAGEMENT TEAM'S REPORT

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

- City manager requested Council authorize the Mayor to sign City manager Herron's amended contract.

<b>MOVED BY:</b>	Phillips	To authorize the Mayor to sign City manager Herron's amended employment contract
<b>SECONDED BY:</b>	Drake	

<b>VOTE ON MOTION</b>	Motion carried by unanimous voice vote.
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## REPORTS OF STANDING COMMITTEES

### Senior Advisory Board

Council member Berger said the SAB is planning a meeting for August. Mr. Berger highlighted some of the items in the Director's manager report to Council. He said Peter Green is transferring to Togiak and the senior center is planning a luncheon to honor Mr. Green.

### Parks and Recreation Committee

Council member Pobrislo said the committee has not met in July and the next meeting has not yet been scheduled.

### Planning Commission

Council member Notti said the commission did not meet due to lack of quorum. Council member Notti reviewed the agenda and said the meeting has been rescheduled.

### **Port Commission**

Mayor Rodgers said the commission met July 23 for a work session to discuss ideas to help the K-300 organization and Search and Rescue organization find possible areas for headquarters. He said the next meeting is scheduled for the third Monday in August.

### **Public Works Committee**

Council member Drake said the committee met July 17 in which they discussed baling cardboard. He said the committee also discussed new business—City collection of used oil, glycol and batteries. He said there used to be some glycol recovery at the city shop, but currently it costs more to recycle than to dispose glycol. Mr. Drake also said the city has a great deal of used oil that needs to be disposed of and because taking oil is becoming a touchy issue, it will probably be stopped all together except for city oil until new measures can be taken to test oil. He said the committee is scheduled to meet August 21.

### **Public Safety and Transportation Commission**

Council member Williams said he has been out of town and has not had the opportunity to attend any of the PSTC meetings.

### **Finance Committee**

Council member Phillips said the committee is scheduled to meet Thursday, July 26.

## **UNFINISHED BUSINESS**

### **Item A — Public Hearing — Determination of Safe Speed Zone**

*Mayor Rodgers opened the public hearing. There was no one from the public to be heard.*

### **Item B — Discussion: Second fuel tank farm in Bethel on City-owned property Tract 5-C**

Marc Stemp, President of Bethel Native Corporation, introduced Jeannie Sleeper, BNC attorney, and Michael O'Shay, Fleet manager for Crowley. He said they are here as a follow-up to the last council meeting when it was requested BNC discuss its operating plans to bring an additional bulk fuel tank farm to Bethel. He said because of a confidentiality agreement with Crowley, BNC could not discuss plans until an agreement had been made and that agreement has now been made. He said BNC stands behind the After Acquired Title Agreement and that Tract 5-C should be used for its intended purpose and not leased out to a private company. He asked that Council remove any further consideration of leasing Tract 5-C and to remove it from the agenda. He said BNC's attorney is present to explain BNC's position on the After Acquired Title Agreement. He also provided Council a copy of ONC Resolution 01-07-12—A resolution expressing support for development of a fuel tank farm by the Bethel Native Corporation to serve Bethel and the surrounding area.

Ms. Sleeper presented BNC's position with respect to potential lease of Tract 5-C by the City of Bethel. She reviewed the pertinent paragraph as it relates to leasing Tract 5-C and BNC's position that the parcel of land should not be leased to a private company. She said the City would be ill advised to enter into a lease with a private company on Tract 5-C.

Mr. O'Shay gave an overview of the tank farm to be built in Bethel. He said the BNC property is a good location and the tank farm is currently set at 6 acres and allows for about 4.8 million gallons of fuel immediately and future expansion up to 2.5 million gallons of storage. He explained the goal is to have fuel in these tanks by 3<sup>rd</sup> quarter of 2002. He said Crowley feels this would provide competition in the community and Crowley could offer a competitive price. He said the plan is to move the product into the

Bethel petrol pier not only for local distribution but also to the surrounding area, including the coast, and that the fuel tank farm will be a multi-million-dollar project. He reviewed the employment plan and products to be offered.

Council member Drake asked about the practice of off-loading fuel prior to the City port to avoid paying thru-put fees and what Crowley's plans were in that respect. Mr. O'Shay said it's their operating plan to bring as much fuel as possible through the Crowley Bethel fuel tank farm and explained the off-loading processes of fuel. He also briefly explained Crowley's ethics in doing business. Discussion briefly ensued.

Council member Williams asked Mr. O'Shay about the company's saturation point and its barge service to the surrounding areas. Mr. Williams's said his concern was with increased thru-put revenue for the City. After Mr. O'Shay explained the company's plans, Mr. Williams clarified that Crowley would use small boats to take fuel up river thus increasing warfage fees and dockage use for Bethel. Discussion briefly ensued.

Council member Pobrislo said that she agrees with Mr. Stemp's positive comments about a second fuel tank farm in Bethel. She also commented that the Agreement is subject to interpretation and one of the reasons the City wanted to pursue the lease of Tract 5-C was in an effort to reduce fuel prices for the community.

City manager Herron said though the City understands BNC's position on the Agreement, the City respectively disagrees. Council member Williams said competition is good and that he wouldn't be opposed to a third fuel tank farm in Bethel to drive competition and reduce prices. Discussion ensued.

<b>MOVED BY:</b>	Drake	To stop further public hearings, due diligence and spending any additional money and allow private enterprise to formulate their plan and reserve Tract 5-C for some other future use, but continue with the appraisal of Tract 5-C
<b>SECONDED BY:</b>	Pobrislo	

Council member Notti applauded BNC for entering into an agreement with Crowley. He said he disagrees with BNC's attorney and said he disagrees with Council member Williams's comments about additional fuel tank farms in the community. He said it would be in the best interest of the City to leave Tract 5-C open for future use. Mr. Notti said he thinks the City should continue with public hearings.

Council member Pobrislo said she agrees that a third tank would help drive prices down, but the Bethel is not ready for it at this time. She said she agrees the City should leave Tract 5-C open for future use, if necessary, and that she agrees public hearings should continue for discussion purposes. Council member Drake said the City shouldn't have any more public hearings.

Council member Williams said with three other buildings in the area where the fuel tank farm will be built, there are probably some issues concerning a fuel tank farm close to high pedestrian/residential area. He said if the City stops the public hearings right now, it would cut people off from expressing their concerns about a fuel tank farm in a pedestrian/residential area. Council member Drake said Crowley will need to go through a permit process before this occurs which would deal with many of these concerns and that there would be adequate time for public comment. Council member Berger said Crowley would take precautions and there would be adequate time for public comments throughout the process. Discussion ensued.

**Moved By:** Pobrislo To amend motion to allow for one more public hearing.

**Seconded By:** Williams

**Vote on Motion** Motion carried by a roll-call vote 5-2 (Drake and Rodgers)

<b>VOTE ON MOTION</b>	Motion, as amended, carried by a roll-call vote 7-0	
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*Dave Trantham* commended Crowley and BNC's interest in serving the community and said competition will be good.

*Willy Keppel* said Council should follow its ordinances in that everything dealing with land should go through the Planning Commission. He said as Council, they should leave the public process to the Planning Commission and then take the Planning Commission's recommendations under advisement.

**Item C — Public Hearing – Ordinance #01-27: Amending Chapter 17 of the BMC in regard to lot line adjustments**

*Mayor Rodgers* opened the public hearing. There was no one from the public to be heard.

<b>MOVED BY:</b>	Drake	To adopt Ordinance #01-27
<b>SECONDED BY:</b>	Pobrislo	

<b>VOTE ON MOTION</b>	Motion carried by a roll-call vote 7-0	
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**Item C — Public Hearing – Ordinance #01-28: Amending various sections of Chapters 4.14, 4.16 and 5.04 of the BMC regarding administration of the transient lodging business tax; sales tax exemptions and administration; and business license fees**

*Mayor Rodgers* opened the public hearing. There was no one from the public to be heard.

City manager Herron said Administration recommends Council pass Ordinance #01-28.

<b>MOVED BY:</b>	Drake	To adopt Ordinance #01-28
<b>SECONDED BY:</b>	Williams	

<b>VOTE ON MOTION</b>	Motion carried by a roll-call vote 6-1 (Berger)	
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**Item E — Public Hearing – Ordinance #01-30: Amending various sections of Chapters 4.14, 4.16 and 5.04 of the BMC regarding administration of the transient lodging business tax; sales tax exemptions and administration; and business license fees**

*changes to  
BMC 5.20  
+  
5.30*

*Mayor Rodgers* opened the public hearing. There was no one from the public to be heard.

City manager Herron said Administration recommends Council pass Ordinance #01-30. Council member Berger requested an overview of changes. The City Attorney, Louann Cutler, explained the changes to Council. Discussion briefly ensued in regard to validity of state driver's license and accumulation of points against an applicant's license. Ms. Cutler recommended an amendment be made to the language for clarity. Discussion briefly ensued.

<b>MOVED BY:</b>	Notti	To adopt Ordinance #01-30 with amendment to paragraph 5, page 2 noted by city clerk
<b>SECONDED BY:</b>	Pobrislo	

<b>VOTE ON MOTION</b>	Motion carried by a roll-call vote 7-0	
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**NEW BUSINESS**—*There was no new business to be discussed.*

## COUNCIL MEMBER COMMENTS

**Council Member Berger** gave an update on KYUK television transmitter in that it would be up and running soon.

**Council Member Pobrislo** said July 28 is National Hamburger Day.

**Council Member Drake** wished Clyde Pavil a happy birthday. Mr. Drake explained a child was able to purchase a pocket knife-lighter at the 4<sup>th</sup> of July celebration put on by the City and that the child later gave the pocket knife-lighter to a parent who then raised the concern with Council member Drake. Council member Drake said he is concerned that these types of items are sold at a City function in which children are present. Mr. Drake requested City Administration write a policy precluding the sale of such items at City functions.

**Council Member Rodgers** gave his condolences to Edna Mathlaw family.

**Council Member Notti** Wished a happy birthday to Dana. He said he was disappointed that no one showed up at this meeting to participate in the public hearings. He congratulated BNC and Crowley on going into business together for a second fuel tank farm in Bethel.

**Council Member Williams** wished his wife a happy belated birthday. He said he spoke with and councilman from a small town in upstate New York in that almost all towns are plagued by the similar problems regardless of where they are located and that it's not just Bethel.

**Council Member Phillips** wished everyone happy salmonberry picking.

## EXECUTIVE SESSION

<b>MOVED BY:</b>	Pobrislo	To go into executive session to discuss a financial and legal matter.
<b>SECONDED BY:</b>	Drake	

<b>VOTE ON MOTION</b>	Motion carried by unanimous voice vote.
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## ADJOURNMENT

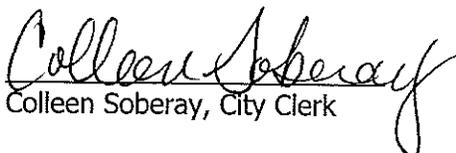
<b>MOVED BY:</b>	Williams	To adjourn the meeting.
<b>SECONDED BY:</b>	Drake	

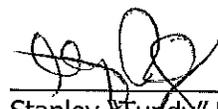
<b>VOTE ON MOTION</b>	Motion carried by unanimous voice vote.
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With no further business before the Council, the meeting adjourned at 9:10 p.m.

**APPROVED THIS 24<sup>th</sup> DAY OF JULY 2001.**

ATTEST:

  
Colleen Soberay, City Clerk

  
Stanley "Turdy" Rodgers, Mayor