CALL TO ORDER — Mayor Feaster called the regular Council meeting to order at 7:30 PM.

ROLL CALL — Present: Dale, Feaster, Richardson (late), Vanasse, Wallace, Warner, Wintersteen

APPROVAL OF MINUTES — M/M by Vanasse, 2nd by Wallace to approve the minutes of 12/10/91 regular Council meeting as presented. Voice vote. Motion carried unanimously.

APPROVAL OF AGENDA — M/M by Wintersteen, 2nd by Warner to amend the agenda by including review of additional gaming permit applications submitted by Hoffman Senior Center, KYUK, and the University of Alaska-Fairbanks under Item C, Old Business, and by adding under New Business, Item D, Executive Session, to act on legal matters. Voice vote. Motion carried unanimously.

MAYOR'S REPORT — Mayor Feaster stated that he had not prepared a report for the meeting because he had been out of town. He thanked Councilman Vanasse for running the meeting of December 10, 1991, so efficiently.

MANAGER'S REPORT — City Manager Hohman reviewed his written Manager's Report with Council on the following items:

-- Administration is working on gathering information on the Bethel Utilities Corporation purchase proposal.
-- The city attorney has tendered a settlement offer on the Nelson Brown case; this matter has been scheduled for discussion in Executive Session.
--A screening committee to help with the thirteen applications received for the position of Police Chief has been chosen. The committee consists of Gene Peltola, John Malone, Irv Kreider, Paul Longpre and Sue Hare. A meeting to review these applications is scheduled for Wednesday, December 11, 1991, at 5:00 pm in the Conference Room at the city offices. The committee will narrow the applications to three candidates, and a telephone interview session will be scheduled with the finalists. City Manager Hohman stated that he hoped the final selection of Police Chief could be made within a week from the 11th, but that was dependent upon when the telephone interviews were held.

In regard to a question from Councilman Vanasse concerning the cost of purchasing BUC, City Manager Hohman indicated that he had been advised by Mr. Tom Klinker, bond counsel, the Mayor of Yakutat and the AEA not to discuss purchase price until the cost of financing had been determined.

Discussion of submitting the bond issue to the voters was also held.

COUNCIL MEMBER COMMENTS

Councilman Vanasse stated that it was his understanding from a news report that the City Manager chose to continue to pursue the Public Safety Department concept and asked Mr. Hohman to comment. Mr. Hohman indicated that he had intended to submit a report on that subject for Council consideration, but that it had been delayed due to the pressures of other business. Councilman Vanasse pointed out that when the Public Safety Committee had recommended to reject the concept of a Public Safety Department and Council, in response to that recommendation, had not taken further action, it was his understanding that the issue had been settled. In other words, inaction was action because it would require action to change the recommendation submitted by the Public Safety Committee. Councilman Vanasse also stated that he did not think it would be prudent for the City Manager or Administration to continue to pursue the issue because it was not the wishes of the Public Safety Committee. Further, it was his understanding that the general consensus of the Council was to go along with the recommendation from the Public Safety Committee. At this time, it was felt that a motion was needed to settle the matter.

motion

M/M by Vanasse, 2nd by Wintersteen that the Bethel City Council reject the concept of the Public Safety Department and retain the existing structure of a separate Police Department and a separate Fire Department.

Discussion followed. Councilman Warner stated that he would like the opportunity to see the City Manager's plan for consolidation to include a cost breakdown. Councilman Dale stated that the concept had come before the Council in the past, that he still supported the idea of a Public Safety Department and for the benefit of other council members would also like to see a cost breakdown. In response, Councilman Vanasse stated that he had attended the Public Safety Committee meetings and had studied the proposal fairly extensively. It was his understanding that both management and the committee had determined that the consolidation would not save money; there would be an addition of a director-level position, but a reduction of a lieutenant position in the Police Department. The salary of the first is higher than the salary of the other. Other than that there would be virtually no staff changes.

At this time, City Manager Hohman stated that he had never indicated there would not be a savings and that, in fact, he believed there would definitely be a savings. It was just a question of how much. However, City Manager Hohman pointed out that effecting savings shouldn't be the only purpose for

seeking a consolidation, services should also be considered.

Councilman Wintersteen stated that an important component of the consolidation would be that the employees who are involved are satisfied with the arrangement, and it was his understanding that this was not the case. Councilman Vanasse next indicated that the Public Safety Committee minutes would reflect the Committee's determination that there would not be a cost savings and the manager in agreement with that.

As a member of the Public Safety Committee, Madam Richardson reported that to effect a cost savings the Committee determined it would be necessary to not bring the salary of the police chief up to the last police chief's salary and to eliminate positions in both the police department and fire department. The Public Safety Committee felt that was not in the best interests of the City as it would result in a reduction in services and that it would lower employee morale in both the police and fire departments.

vote-Public Safety Department

Poll vote. Motion carried; 5-yes, 2-no (Dale, Wallace).

Councilman Warner asked the Finance Director whether the $35.00 fee paid by city employees who receive utility (water/sewer) benefits were credited to the revenue account in the utilities enterprise fund or whether they were credited to the general fund. The Finance Director stated that he believed the fees were credited to the enterprise fund, but would need to confirm that and get back to Council. Councilman Warner pointed out that the fees paid by employees are considered income and therefore must be credited to the enterprise fund income account. He further stated out that if this is not currently being done, then a correction retroactive to the beginning of this fiscal year would need to be made along with an amendment to last year's audit report. Councilman Warner requested an answer to his question from Mr. Elam at the 1/14/92 Council meeting.

Councilman Warner next asked if the contract for maintenance of the ice roads had been awarded. In response, City Manager Hohman stated that the requirements of the contract had been placed before the low bidder to determine if the bidder could conform to those requirements; if not, then the contract would be offered to the second lowest bidder. Bids were submitted by Bush Air (low bidder at approximately $1,500 per call out); Hoffman-Langlie (at approximately $4,500 per call out);

Foundation Services (at approximately $5,400).

REPORTS OF STANDING COMMITTEES

Councilman Wintersteen reported that the Port Commission had met on Monday, December 9. The issues dealt with included: (1) raw fish tax and equitable division of $7,000 which usually goes into the general fund; (2) the Port Director sought a recommendation for the marine fuel tax to be kept in the Bethel area instead of going to Alaska's general fund--the Port Commission requested more information; (3) discussed the takeover of the dock from the State--the decision was made to set up an ad hoc committee to investigate pros and cons of such a development; (4) dealt with three letters received from Warren Hulbert, Bethel Fuel Sales, for Port Commission consideration:

The first letter requested exclusive use of the staging area instead of the current status of preferred use and a 5-year extension of the lease. The Commission recommended continuation of the preferred use rather than exclusive use and agreed to the 5-year extension.

The second letter requested leasing from the City a parcel of land to be used for housing BFS employees. The Port Commission agreed to the request with several stipulations: zoning would have to be changed from industrial zone to residential zone; period of time for housing would have to coincide with the 5-year extension; provision that housing would be for employees only.

The third letter requested re-establishment of a permanent pipeline at the center of the staging area of the dock. Acceptance of the request passed unanimously by the Port Commission.

At Council's request Port Director Stuart Greydanus indicated he would provide written reports on the lease extension, the preferential versus exclusive use provisions, and the raw fish and marine fuel tax for Council consideration at its January 14, 1992, meeting. In addition, Council requested Port Director Greydanus to direct the housing issue to the Planning Commission.

PEOPLE TO BE HEARD

No people to be heard at this time.

Council broke at 8:15 PM for a short recess. At 8:20 PM, Mayor Feaster called the meeting back to order.

OLD BUSINESS:
Item A--Public Hearing Amend. #10 & #11 to Ord. #85

PUBLIC HEARING ON AMENDMENTS #10 AND #11 TO ORDINANCE #85: PUBLIC SERVICES--WATER, SEWER, AND GARBAGE, RUBBISH AND WASTE MATERIAL

Before opening the floor for public hearing, Councilman Dale pointed out that Amendments #10 and #11 to Ordinance #85 were needed because under the current ordinance unpaid utility bills become an obligation of the property rather than of the customer. In many instances, customers would move without paying utility bills and the new occupant would be required to pay the previous occupant's bills before receiving services. The changes to the ordinance will put the obligation on the customer and not on the new occupant or the owner of the property. Councilman Dale further stated that these amendments will strengthen the City's position in collecting the fees owed, and will also significantly lessen the money that is owed to the City when people leave Bethel with unpaid utility bills. Mayor Feaster opened the hearing to the public. Mr. Irv Kreider reiterated Councilman Dale's comments and added that he had experience with tenants who left the city without paying their utility bills which then put the burden on the new tenant or on himself as the landlord. Hearing no other public input, Mayor Feaster closed the public hearing and asked Council for comments.

Council discussed the $100.00 deposit fee for garbage, the increase of $10 to $35.00 charged for reinstatement of services, the provision for return of deposit for prudent payment of bills, and the language in the section on "Changes in Services." Council also directed Finance Director Larry Elam to investigate regulations concerning interest payments on utility deposits to customers. Following the discussion, changes to Amendments #10 and #11 were recommended by Council.

motion

M/M by Dale, 2nd by Warner to approve Amendment #10 to Ordinance #85 with the following changes: Delete the last sentence in each of sections 13.04.110 (B) and 13.08.080 (B) which reads "The city need not pay interest on any deposit." Revise sections 13.04.120 and 13.08.090 Changes in Service to read: "Applicants or customers desiring an increased level of service shall pay an additional deposit to equal two months' service." Poll vote. Motion carried; 7-yes.

M/M by Dale, 2nd by Richardson to approve Amendment #11 to Ordinance #85 with the following changes: In section 13.12.040 (A) Establishment of Credit change one hundred dollars to twenty dollars; delete the last sentence in section 13.12.040 (B) which reads "The city need not pay interest on any deposit."

Revise section 13.12.050 Changes in Service to read: "Applicants or customers desiring an increased level of service shall pay an additional deposit to equal two months' service." Poll vote. Motion carried; 7-yes.

motion

M/M by Richardson, 2nd by Wallace that Amendments #10 and #11 to Ordinance #85 will become effective February 1, 1992. Voice vote. Motion carried unanimously.

Council next directed Administration to provide the public with adequate notice and information regarding the amendments to Ordinance #85.

Item B: BNC Land Petrol Port

BNC LAND PETROL PORT

City Manager Hohman reported that the appraisal of the land had not yet been completed and submitted to the other parties involved and therefore the matter could not be dealt with at this time. Mr. Hohman stated that the appraisal should be completed shortly and would be included on the January 14, 1992, Council meeting agenda.

Item C: Gaming Permit Applic.

GAMING PERMIT APPLICATIONS: BETHEL COMMUNITY SERVICES, EDDIE HOFFMAN SENIOR CENTER, BETHEL BROADCASTING, AND UNIVERSITY OF ALASKA-FAIRBANKS

motion

M/M by Vanasse, 2nd by Wallace to approve the games of chance and skill applications submitted by Bethel Community Services, Eddie Hoffman Senior Center, University of Alaska-Fairbanks, and the Monte Carlo Permit Application submitted by Bethel Broadcasting, Inc. Voice vote. Motion carried unanimously.

NEW BUSINESS:
Item A: Resol. #697 K-300

RESOLUTION #697--KUSKOKWIM 300

Beverly Hoffman, race manager for the Kuskokwim 300 Sled Dog Race, addressed Council regarding its request to the City for an appropriation of $10,000 in support of the K-300 1992 program. She reported that this year the program had lost $15,000 to $20,000 in direct financial support from some of its major contributors and was in jeopardy of being canceled for the following year. Because the race has been a positive event in the Bethel community, the race committee was asking the City for financial assistance.

In response to a question from Madam Richardson concerning availability of funds in the budget, City Manager Hohman stated that Administration's budgeted contingency fund carried a balance of approximately $27,000 for the remainder of the fiscal year.

motion

M/M by Warner, 2nd by Wallace that the Council accept Resolution #697 and appropriate $10,000 from the general fund to the Kuskokwim 300.

Councilman Warner pointed out that he intended to vote "no" on the motion as he had received negative input from a number of Bethel residents regarding financial assistance to this organization; he further pointed out that the Council has consistently turned down other organizations' requests for assistance due to budget problems. In addition, there will be budget requests at the six-month budget review which will require adjustments resulting in additional expenditures out of the general fund, and at this time it is not known whether there will be sufficient monies available from the contingency fund after adjustments are made to deal with this kind of additional appropriation.

vote (K-300)

Poll vote. Motion failed; 1-yes, 6-no (Dale, Feaster, Vanasse, Wallace, Warner, Wintersteen).

In response to Ms. Hoffman's expression of disappointment about the failure of the resolution, Mayor Feaster suggested that for next year the race committee make its request to Council during the time the budget is being developed.

Item B: Resol. #698 School of Excellence

RESOLUTION #698--GOVERNOR HICKEL'S SCHOOL OF EXCELLENCE

Mayor Feaster briefed Council on the School of Excellence concept. He reported that during their recent trip to Juneau, City Manager Hohman and the Mayor were made aware of the Governor's proposal to develop another boarding school similar to Mt. Edgecombe that would be located in the western part of the state, away from the Anchorage Bowl. The school would accommodate 200-250 students. Mayor Feaster further indicated that once the Governor received approval to move ahead with the project, then a site would be chosen. The purpose of the proposed resolution is to indicate the City's strong interest in being considered as the site for the school. In addition, Mayor Feaster cautioned the Council and the community that approval of the resolution was a minor part of what would need to be done as far as organizing a committee or task force to develop the "sales" program. He stated that it will take a real commitment from the Council and the community to develop the program and facilitate the campaign if Bethel is to be considered as the site for the school. Councilman Vanasse strongly encouraged the City of Bethel to continue its efforts in this direction and to work with the local school district. City Manager Hohman reported that a

meeting with the School Superintendent was in fact scheduled for the following day.

motion — M/M by Dale, 2nd by Richardson to accept Resolution #698.

City Manager Hohman pointed out that the next to the last line of the resolution should be changed to read ...strongly consider Bethel as the site for the school.

vote (Res. #698) — Voice vote. Motion carried unanimously.

Item C: City Manager's Oral Evaluation — CITY MANAGER'S THREE-MONTH ORAL EVALUATION

At this time, Council conducted the three-month oral evaluation of the City Manager. In response to whether he desired the evaluation to be conducted in an open or closed session, City Manager Hohman stated he preferred an open session. A transcript of the evaluation is attached as part of these official minutes.

Following the evaluation, Council broke at 9:45 PM for a short recess. Mayor Feaster called the meeting back to order at 9:50 PM.

motion — M/M by Warner, 2nd by Vanasse to continue meeting past 10:00 PM. Voice vote. Motion carried unanimously.

Item D: Exec. Session — EXECUTIVE SESSION-LEGAL MATTERS

motion — M/M by Warner, 2nd by Richardson to go into Executive Session to discuss letters from the City Attorney regarding sales tax issues for Nelson Brown vs. City of Bethel, the Riverfront Restaurant and Nelson Marine and to discuss the possible offers and direction the attorney wants to take. Voice vote. Motion carried unanimously.

Mayor Feaster called the regular meeting back to order at 10:40 PM.

motion — M/M by Warner, 2nd by Richardson to adjourn the meeting at 10:43 PM. Voice vote. Motion carried unanimously.

PASSED AND APPROVED THIS 14th DAY OF January, 1992.

James Feaster III

James Feaster III, Mayor

ATTEST:

Jane Elam

Jane Elam, City Clerk