



# CITY OF KOTZEBUE NOTICE

## Regular Local Beverage Control Board Meeting Agenda

September 17, 2024 at 5:15 PM

City Hall Chambers – 258 A Third Avenue

---

### I. THE PUBLIC IS ENCOURAGED TO ATTEND.

For residents who want to participate telephonically call: **1-800-315-6338**; access code:  
**49401#**

### II. Call to Order

### III. Invocation/Moment of Silence

### IV. Pledge of Allegiance

### V. Roll Call

### VI. Introduction of Guests and Staff

### VII. Adoption of The Agenda

### VIII. Adoption of Minutes

[a\)](#) July 11, 2024

### IX. Public Comments

### X. Swearing In of New Member

[a\)](#) Jonathan Heft

### XI. Election Closings Discussion

### XII. Arctic Spirits Manager's Report

[a\)](#) July Manager's Report

[b\)](#) August Manager's Report

### XIII. Financial Report

[a\)](#) Arctic Spirits Finance Report

### XIV. Set Next Meeting Date and Time

### XV. Member Closing Remarks

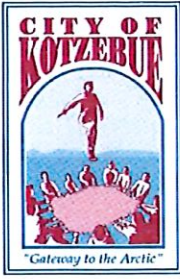
Joe Groves

Clay Nordlum

Ernest Norton

Barbara Collison

**XVI. Adjournment**



# CITY OF KOTZEBUE NOTICE

## Local Beverage Control Board Meeting Minutes

July 11, 2024 at 5:15 PM

City Hall Chambers – 258 A Third Avenue

---

### THE PUBLIC IS ENCOURAGED TO ATTEND.

For residents who want to participate telephonically call: **1-800-315-6338**; access code:

**49401#**

#### I. Call to Order

Chairman Clay Nordlum called the meeting to order at 5:19pm.

#### II. Roll Call

Present in person Chairman Clay Nordlum, Vice Chairman Joe Groves, Members Barbara Collison and Ernest Norton. New Board Member Jonathan Heft was absent.

#### III. Invocation/Moment of Silence

Moment of Silence.

#### IV. Pledge of Allegiance

Pledge of Allegiance.

#### V. Introduction of Guests and Staff

Appeared telephonically AGC CEO Kalla Peacock, City Attorney Joe Evans, and City Staff Jamie Lambert-Arctic Spirits Manager, Patricia Tauanuu-KPD Records Admin, Roger Rouse-KPD Chief.

#### VI. Adoption of The Agenda

Move to Amend-Jonathan Heft Swear-In moved to another date.

Vice Chairman Groves moved, and Barbara Collison seconded to approve the agenda.

#### VII. Adoption of Minutes

No Minutes presented.

#### VIII. Public Comments

No citizens in chamber or on phone.

**IX. Correspondence**

No correspondence.

**X. Unfinished Business**

No unfinished business.

**XI. New Business**

**A. Marijuana License Renewal-Alaskan Grown Cannabis**

The following legal proceeding regarding Alaskan Grown Cannabis Marijuana License Renewal, all comments can be found on recording at City Hall.

**Motion passed by Voice Vote.**

Board Member Norton moved to approve as presented, and Vice Chairman Groves seconded.

**XII. Finance Report**

The following legal proceeding regarding Financial Report, all comments can be found on recording at City Hall.

**XIII. Arctic Spirits Manager's Reports**

The following legal proceeding regarding Arctic Spirits Manager's Report, all comments can be found on recording at City Hall.

**XIV. Set Next Meeting Date and Time**

Next LBCB/LRA meeting will be Tuesday, September 10, 2024 at 5:15pm in the City Council Chambers.

**XV. Member Closing Remarks**

Joe Groves

Clay Nordlum

Ernest Norton

Barbara Collison

The following legal proceeding regarding Member Closing Remarks, all comments can be found on recording at City Hall.

**XVI. Adjournment**

Board Member Norton moved, and Vice Chairman Groves seconded to Adjourn.

Adjournment 5:37pm.

Respectfully Submitted By:



Charlie Santos

Admin Assistant



April 15, 2024

Letter of Interest for Local Beverage Control Board/Local Regulatory Authority

Dear Council Members,

I would like to express my interest in serving on the Local Beverage Control Board/Local Regulatory Authority for the City of Kotzebue. I have been a resident of Kotzebue since 2021 and plan on continued growth within this community. Currently, I manage AC Auto and I am on the City Planning Commission. I would like to contribute my time and knowledge to the community and believe that I can provide unique insight to the Local Beverage Control Board/Local Regulatory Authority. I am 28 years old and have had more experience than most my age and I plan to use my knowledge to help improve this city in which I have made my home.

Thank you for your consideration,

Jonathan Heft  
mrjeheft@live.com  
(602)535-9816  
893 Caribou Dr, Unit 3  
Kotzebue, AK, 99752

July 2024

# Arctic Spirits Manager’s Report

**To:** Tessa Baldwin – City Manager  
**CC:** Donna McConnell, Charlie Santos  
**From:** Jamie Lambert, Arctic Spirits Manager  
**Date:** July 8, 2024  
**Re:** Arctic Spirits Manager’s report and monthly recap comparison

The following is a calendar recap for July 2023 as compared to July 2024.

Total revenue collected in July of 2023 was \$328,011.29 compared to \$306,766.93 in July of 2024. This is a decrease of \$21,244.36 or almost 6% less revenue than this time last year. There were 26 sales days in July of 2023 and 27 sales days in July of 2024.

In July of 2023 we had 6,142 customers compared to 6,081 in July of 2024. This is a decrease of 61 customers. The average sale in July of 2023 was \$53.40 compared to \$50.45 in July of 2024 or an average of \$2.95 less spent per customer this year compared to last year.

Early July we started having some personnel issues, Charlene Sours, who was hired on as FT Retail Sales, did not complete her TAP certification on time. We are currently advertising for that position and should have it filled by August 16<sup>th</sup> before the Temporary Retail Sales position is done for the season. I also had some family matters to attend to towards the end of July, which also made the store short-handed and there was 1 day we closed early at 7PM, and 1 day we closed during a lunch hour.

Cigarette sales in July of 2023 were \$6,459.15 as compared to \$6,548.08 in July of 2024. This is an increase of \$88.93 in tobacco sales compared to this time LY.

- The Delivery Site 4 logged transactions.
- The number of 10-day permits issued was 177.
- The number of 30-day permits issued was 12.
- The number of 90-day permits issued was 4.
- The number of 180-day permits issued was 5.
- The number of one-year permits issued was 81.

At least 4 permits were newly suspended or revoked due to background checks, public intoxication reports, and COR/judgement paperwork sent from the jail. We received about 57 COR/judgements to update in our system.

Inventory for July 2024 will be completed and filed on August 10<sup>th</sup> due to getting the rest of the barge inventory brought in and pushed through our system to ensure accuracy.

Please feel free to contact me if you have any questions,  
 Jamie Lambert - Arctic Spirits Store Manager  
 (907)442-4000 or (907)412-0747

August 2024

# Arctic Spirits Manager's Report

**To:** Tessa Baldwin – City Manager  
**CC:** Charlie Santos  
**From:** Jamie Lambert, Arctic Spirits Manager  
**Date:** September 3, 2024  
**Re:** Arctic Spirits Manager's report and monthly recap comparison

---

The following is a calendar recap for August 2023 as compared to August 2024.

Total revenue collected in August of 2023 was \$311,435.73 compared to \$285,458.90 in August of 2024. This is a decrease of \$25,976.83 or almost 8% less revenue than this time last year. There were 27 sales days in August of 2023 and 26 sales days in August of 2024. Our summer hours ended August 20<sup>th</sup>.

In August of 2023 we had 5,977 customers compared to 5,805 in August of 2024. This is a decrease of 172 customers. The average sale in August of 2023 was \$52.11 compared to \$49.17 in August of 2024 or an average of \$2.94 less spent per customer this year compared to last year.

Cigarette sales in August of 2023 were \$4842.06 as compared to \$7168.14 in August of 2024. This is an increase of \$2326.08 in tobacco sales compared to this time LY.

- The Delivery Site 2 logged transactions.
- The number of 10-day permits issued was 222.
- The number of 30-day permits issued was 19.
- The number of 90-day permits issued was 7.
- The number of 180-day permits issued was 9.
- The number of one-year permits issued was 58.

At least 14 permits were newly suspended or revoked due to background checks, public intoxication reports, and COR/judgement paperwork sent from the jail. We received about 41 COR/judgements to update within our system.

Inventory for August 2024 has been completed and filed.

Please feel free to contact me if you have any questions,  
Jamie Lambert - Arctic Spirits Store Manager  
(907)442-4000 or (907)412-0747



Kotzebue City  
 Revenues with Comparison to Budget  
 For the 7 Months Ending July 31, 2024

Section XIII, Item a)

ARCTIC SPIRITS

	Period Actual	YTD Actual	Budget	Unexpended	Pcnt
<u>ARCTIC SPIRITS REVENUE</u>					
603-00-43405 Retail Sales	274,428.73	1,712,900.80	2,972,500.00	1,259,599.20	57.6
603-00-43407 Retail Sales - Tobacco	6,548.08	38,943.08	61,200.00	22,256.92	63.6
603-00-43408 Retail Sales - Miscellaneous	1,348.17	7,477.71	10,200.00	2,722.29	73.3
603-00-43410 Distribution Point Fees	160.00	1,080.00	1,500.00	420.00	72.0
603-00-43425 Permitting Fees	7,345.00	43,520.00	55,000.00	11,480.00	79.1
603-00-44107 State of AK PERS Relief	.00	.00	15,697.00	15,697.00	.0
Total ARCTIC SPIRITS REVENUE	289,829.98	1,803,921.59	3,116,097.00	1,312,175.41	57.9
Total Fund Revenue	289,829.98	1,803,921.59	3,116,097.00	1,312,175.41	57.9

Kotzebue City  
Expenditures with Comparison to Budget  
For the 7 Months Ending July 31, 2024

Section XIII, Item a)

ARCTIC SPIRITS

	Period Actual	YTD Actual	Budget	Unexpended	Pcnt
<u>ARCTIC SPIRITS EXPENSES</u>					
603-10-54110 LBCB Stipend	300.00	900.00	5,500.00	4,600.00	16.4
603-10-54125 Salaries & Wages	17,758.56	118,780.08	276,585.00	157,804.92	43.0
603-10-54130 Overtime	180.00	818.20	3,000.00	2,181.80	27.3
603-10-54140 Employee Benefits	3,570.14	27,821.08	108,502.00	80,680.92	25.6
603-10-54210 Electricity	450.27	3,286.25	6,000.00	2,713.75	54.8
603-10-54215 Heating Fuel	536.03	22,710.97	30,000.00	7,289.03	75.7
603-10-54220 Building Maintenance	.00	3,159.33	2,000.00	( 1,159.33)	158.0
603-10-54300 Cleaning Supplies	.00	189.42	500.00	310.58	37.9
603-10-54315 Office Supplies & Equip	701.99	8,258.35	5,000.00	( 3,258.35)	165.2
603-10-54320 Product Acquisition	787.41	3,527.74	1,279,000.00	1,275,472.26	.3
603-10-54321 Cash Overs/Shorts - Pkg Store	( 48.64)	128.23	500.00	371.77	25.7
603-10-54400 Service Charges	4,863.93	32,360.72	37,500.00	5,139.28	86.3
603-10-54410 Telephone/Fax	130.69	897.98	2,000.00	1,102.02	44.9
603-10-54415 Travel/Lodging/Per Diem	.00	.00	2,000.00	2,000.00	.0
603-10-54425 Training	100.00	150.00	1,000.00	850.00	15.0
603-10-54433 Postage	.00	.00	50.00	50.00	.0
603-10-54434 Freight Charges	34,724.43	239,628.17	475,000.00	235,371.83	50.5
603-10-54436 Professional Services	.00	.00	400.00	400.00	.0
603-10-54438 Legal Fees	497.70	2,931.80	10,000.00	7,068.20	29.3
603-10-54439 Insurance	4,724.54	32,848.44	63,000.00	30,151.56	52.1
603-10-54450 Permits	.00	46.50	500.00	453.50	9.3
603-10-54505 Gas/Diesel	635.68	2,052.54	2,700.00	647.46	76.0
603-10-54526 Light Vehicle R & M	.00	.00	2,000.00	2,000.00	.0
603-10-54527 Gen. Fund Admin. Overhead	.00	38,500.00	155,000.00	116,500.00	24.8
603-10-54530 Equipment Maint.	.00	1,181.00	1,500.00	319.00	78.7
603-10-54620 Maintenance/Support Agrmt	.00	.00	500.00	500.00	.0
603-10-54625 Computer Equipment	.00	2,126.35	1,500.00	( 626.35)	141.8
603-10-54702 Transfer to G.F.-Comm Support	.00	.00	1,137,672.00	1,137,672.00	.0
<b>Total ARCTIC SPIRITS EXPENSES</b>	<b>69,912.73</b>	<b>542,303.15</b>	<b>3,608,909.00</b>	<b>3,066,605.85</b>	<b>15.0</b>
<b>Total Fund Expenditures</b>	<b>69,912.73</b>	<b>542,303.15</b>	<b>3,608,909.00</b>	<b>3,066,605.85</b>	<b>15.0</b>
<b>Net Revenue Over Expenditures</b>	<b>219,917.25</b>	<b>1,261,618.44</b>	<b>( 492,812.00)</b>	<b>( 1,754,430.44)</b>	<b>256.0</b>