



# CITY OF KOTZEBUE NOTICE

## Regular City Council Meeting Agenda

September 05, 2024 at 5:15 PM

City Hall Chambers – 258 A Third Avenue

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### 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**
- II. **Roll Call**
- III. **Invocation/Moment of Silence**
- IV. **Pledge of Allegiance**
- V. **Adoption of The Agenda**
- VI. **Adoption of Minutes**
  - a) July 1, 2024
  - b) August 1, 2024
- VII. **Citizen Comments**
- VIII. **Correspondence**
  - a) Denali Commission-Cape Blossom Road Phase II Local Match Award
  - b) Donation Request-Backpacks in the Arctic
  - c) City of Kotzebue-RUBA Scoring
  - d) UAF Workforce Review
- IX. **Termination Appeal per PPM 9.10(12)**
- X. **Unfinished Business**
  - a) Fire Dept Update
- XI. **New Business**
  - a) **ORDINANCE 24-04 ENTITLED**, "A CODE ORDINANCE DELETING THE PRESENT SECTION 2.12.010, *APPOINTMENT-TERM [FOR CITY CLERK]*, OF THE

KOTZEBUE MUNICIPAL CODE ("KMC") IN ITS ENTIRETY AND REPLACING IT WITH A NEW SECTION 2.12.010, *APPOINTMENT-TERM FOR CITY CLERK*, OF THE KMC AS SET HEREIN." **[For Introduction]**

- b) **ORDINANCE 24-05 ENTITLED**, "A NON-CODE ORDINANCE PURSUANT TO KOTZEBUE MUNICIPAL CODE ("KMC") 15.04.100 REQUIRING THE OWNER OF HOUSE NO. 671 LOCATED AT LOT 16, BLOCK 6, USS 2645, KOTZEBUE TOWNSITE AT HIS OWN EXPENSE TO DEMOLISH OR REMOVE THE STRUCTURE HE OWNS." **[For Introduction]**
- c) **ORDINANCE 24-06 ENTITLED**, "A CODE ORDINANCE ADDING A NEW SECTION TO THE KOTZEBUE MUNICIPAL CODE ("KMC") CONFIRMING AND AUTHORIZING THE USE OF ALASKA MUNICIPAL LEAGUE'S ("AML") SERVICES TO COLLECT, REMIT, ENFORCE AND ADMINISTER KMC CHAPTER 3.20, SALES TAX, FOR THE CITY OF KOTZEBUE ("CITY")." **[For Introduction]**
- d) **RESOLUTION 24-50**, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE DIRECTING THE CITY MANAGER OR HER DESIGNEE TO SUBMIT THE STATE REVOLVING FUND ("SRF") APPLICATION FOR THE WATER TREATMENT PLANT FILTRATION SYSTEM FOR UP TO ONE MILLION DOLLARS AND NO CENTS (\$1,000,000.00) AND TO FOLLOW THE NECESSARY STEPS IN THE PROCUREMENT CODE TO COMPLETE THE PROJECT."
- e) **RESOLUTION 24-51**, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE UPDATING THE EMPLOYEE PERSONNEL HANDBOOK (PPM) TO ADDRESS EMPLOYEE BENEFITS AND DEFINING WORKPLACE VIOLENCE."
- f) **RESOLUTION 24-52**, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE DIRECTING THE CITY MANAGER OR HER DESIGNEE TO SIGN THE ALASKA MUNICIPAL LEAGUE (AML) SALES TAX CONTRACT."
- g) **RESOLUTION 24-53**, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE DECLARING THE NORTHWEST ARCTIC BOROUGH ASSEMBLY CHAMBERS AS THE ELECTION POLLING PLACE FOR THE OCTOBER 1, 2024 CITY COUNCIL ELECTION."
- h) **RESOLUTION 24-54**, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE ACCEPTING THE COMMUNITY UTILITY ASSISTANCE PROGRAM FUNDING AT THE AMOUNT OF FOUR HUNDRED AND FIFTY THOUSAND

DOLLARS AND NO CENTS (\$450,000.00) AND ADMINISTRATIVELY APPLY IT TO  
RESIDENTIAL UTILITY BILLS *NUNC PRO TUNC*."

**XII. Council Members Comments**

Seat F: Kathy Sherman

Seat G: Johnson Greene

Seat B: Derek Haviland-Lie

Seat D: Saima Chase

Seat C: Joshua Hadley

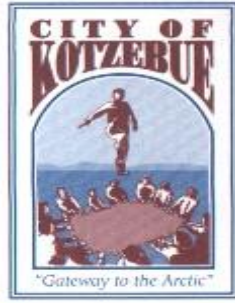
Seat E: Cory Jackson

Seat A: Ernest Norton

Youth Representative: Finnian Sweeney

**XIII. Executive Session**

**XIV. Adjournment**



**CITY OF KOTZEBUE  
NOTICE**

**MAYOR SAIMA CHASE HAS SCHEDULED  
THE NEXT REGULAR CITY COUNCIL  
MEETING FOR**

**THURSDAY, SEPTEMBER 5<sup>TH</sup>, 2024 AT  
5:15 P.M.**

***IN THE COUNCIL CHAMBERS LOCATED  
AT***

**258 A Third Avenue**

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**THE PUBLIC IS ENCOURAGED TO ATTEND**  
FOR RESIDENTS WHO WANT TO PARTICIPATE TELEPHONICALLY CALL  
1-800-315-6338 ACCESS CODE 49401#

Posted: 8/20/2024

City Hall/City FB Page  
KOTZ Radio  
Department Heads  
P.O.  
Bank  
A.C



# CITY OF KOTZEBUE NOTICE

## Regular City Council Meeting Minutes

July 01, 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**

Mayor Saima Chase called the meeting to order at 5:15pm.

**II. Roll Call**

Present in person Mayor Saima Chase, Ernest Norton, Joshua Hadley, Kathy Sherman, Cory Jackson (arrived 5:55pm), Johnson Greene, Youth Representative Finnian Sweeney; City Staff present City Manager Tessa Baldwin, City Attorney Joe Evans, City Clerk Rosie Hensley, Public Works Director Russ Ferguson; Residents Rick Lie and John Rae.

Present telephonically Vice Mayor Derek Haviland-Lie, DOWL Partners Chase Nelson and Stewart Osgood, Tetra Tech partners Theresa Lopez, Chris, Don, Amided, and Steve.

**III. Invocation/Moment of Silence**

Council Member Sherman gave Invocation. Moment of Silence.

**IV. Pledge of Allegiance**

Pledge of Allegiance.

**V. Introduction of Guests & Staff**

**VI. Adoption of The Agenda**

Council Member Sherman moved, and Council Member Greene seconded to approve the agenda.

**Motion Passed by Voice Vote.**

**VII. Citizen Comments**

No citizen comments made.

**VIII. New Business**

**a) WATER TREATMENT PLANT-Chase Nelson**

1) Current Status of Water Treatment Plant Project

-Challenges and Successes

-Financial Overview

2) Short Term Action Plan

3) Long Term Action Plan

**IX. Council Members Comments**

Seat F: Kathy Sherman

Seat G: Johnson Greene

Seat B: Derek Haviland-lie

Seat D: Saima Chase

Seat C: Joshua Hadley

Seat E: Cory Jackson

Seat A: Ernest Norton

Youth Representative: Finnian Sweeney

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

**IX. Set Date and Time of Next Meeting**

Next Regular City Council Meeting will be Thursday, August 1, 2024 at 5:15PM in the City Council Chambers.

**X. Executive Session**

1) Construction Contract Decisions

-Substantial Completion Decision

-Contracts Going Forward

2) Council Direction to Administration, DOWL and Tetra Tech

Council Member Hadley moved and Council Member Greene seconded that the Council go into an executive session to discuss matters which by law, or municipal ordinance are required to be confidential.

**Motion Passed by Voice Vote.**

The Council Members entered Executive Session at 6:39pm.

The meeting reconvened in open session at 8:40pm.

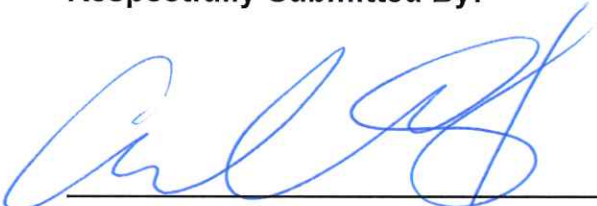
Mayor Chase reported that no votes were taken during the Executive Session, direction was given to Administration.

**XI. Adjournment**

Council Member Sherman moved, Council Member Greene seconded to Adjourn.

**Adjournment 8:43pm.**

**Respectfully Submitted By:**



Charlie Santos

Admin Assistant



# CITY OF KOTZEBUE NOTICE

## Regular City Council Meeting Minutes

August 01, 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

Mayor Saima Chase called the meeting to order at 5:15pm.

#### II. Roll Call

Present in person Mayor Saima Chase, Vice Mayor Derek Haviland-Lie, Council Members Ernest Norton, Joshua Hadley, Kathy Sherman, Cory Jackson, Johnson Greene; City Staff present City Manager Tessa Baldwin, City Attorney Joe Evans, Planning Director Sam Camp, Assistant Director of Parks & Recreation Lili Boiko, KPD Chief Roger Rouse, Human Resources Officer Rachel Belamour; Resident Jaqueline Viveiros.

Present telephonically City Lobbyist Drue Pearce, Youth Representative Finnian Sweeney.

#### III. Invocation/Moment of Silence

Council Member Sherman gave the Invocation. Moment of Silence.

#### IV. Pledge of Allegiance

Pledge of Allegiance.

#### V. Introduction of Guests & Staff

DOWL Partner Chase Nelson; AMG, HC partner Art Ivanoff.

#### VI. Adoption of The Agenda

Council Member Norton moved and Council Member Sherman seconded to adopt the agenda.

**Motion Passed by Voice Vote.**



a) **Swearing in of new City Clerk**

Mayor Saima Chase performed the swearing in of the new City Clerk, Paeton Schaeffer.

**VII. Adoption of Minutes**

a) July 1, 2024

Vice Mayor Hailand-Lie moved, and Council Member Norton seconded to table the adoption of July 1 Minutes.

**VIII. Citizen Comments**

The following legal proceeding regarding Citizens Comments, all comments can be found on recording at the City Hall.

**IX. Correspondence**

- a) Correspondence on House 671
- b) Letter of Donation for Miss WEIO
- c) Representative Peltola's Appropriations List

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

**X. Unfinished Business**

a) NVOK Land Sale Update

The following legal proceeding regarding Unfinished Business, all comments can be found on recording at the City Hall.

**XI. New Business**

a) Hearing on House 671

Vice Mayor Haviland-Lie moved, and Council Member Norton seconded to discuss this item in Executive Session.

**Motion Passed by Voice Vote.**

Executive Session convened at 6:03pm.

Open Session reconvened at 7:31pm.

- b) **RESOLUTION 24-43**, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE AUTHORIZING THE CITY MANAGER OR HER DESIGNEE TO FINALIZE AND PUBLISH A REQUEST FOR PROPOSAL ("RFP") FOR THE SWAN LAKE AND LAGOON WATER LOOPS REPLACEMENT PROJECT."

Council Member Greene moved, and Council Member Norton seconded to approve Resolution 24-43.

The Roll Call Vote

Ernest Norton	Yes	Joshua Hadley	Yes
Saima Chase	Yes	Kathy Sherman	Yes
Derek Haviland-Lie	Yes	Cory Jackson	Yes
Johnson Greene	Yes		

**Motion Passed.**

- c) **RESOLUTION 24-44**, “ A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE AUTHORIZING THE CITY MANAGER OR HER DESIGNEE TO FINALIZE AND PUBLISH SEPARATE REQUESTS FOR PROPOSALS (“RFP”) FOR STATE LOBBYING AND FEDERAL LOBBYING SERVICES FOR THE THREE-YEAR PERIOD OF CY2025, CY2026 AND CY2027.”

Vice Mayor Haviland-Lie moved, and Council Member Sherman seconded to approve Resolution 24-44.

The Roll Call Vote

Ernest Norton	Yes	Joshua Hadley	Yes
Saima Chase	Yes	Kathy Sherman	Yes
Derek Haviland-Lie	Yes	Cory Jackson	Yes
Johnson Greene	Yes		

**Motion Passed.**

- d) **RESOLUTION 24-45**, “A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE AUTHORIZING THE CITY MANAGER OR HER DESIGNEE TO FINALIZE AND PUBLISH A REQUEST FOR PROPOSAL (“RFP”) FOR LEGAL SERVICES FOR THE THREE-YEAR PERIOD OF CY2025, CY2026 AND CY2027.”

Council Member Sherman moved, and Vice Mayor Haviland-Lie seconded to approve Resolution 24-45.

The Roll Call Vote

Ernest Norton	Yes	Joshua Hadley	Yes
Saima Chase	Yes	Kathy Sherman	Yes
Derek Haviland-Lie	Yes	Cory Jackson	Yes
Johnson Greene	Yes		

**Motion Passed.**

e) **RESOLUTION 24-46**, “ A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE AUTHORIZING THE CITY MANAGER, OR HER DESIGNEE, WORKING WITH THE PLANNING DIRECTOR AND CITY ATTORNEY TO ISSUE A TIDELANDS USE PERMIT TO COPPER RIVER SEAFOODS (“CRS”) *NUNC PRO TUNC* PURSUANT TO TITLE 11, CHAPTER 11.04, “TIDELANDS REGULATIONS,” OF THE KMC FOR ITS SALMON-BUYING OPERATIONS FROM LOCAL FISHERMEN DURING THE 2024 SUMMER COMMERCIAL FISHING SEASON.”

Council Member Norton moved, and Council Member Jackson seconded to approve Resolution 24-46.

The Roll Call Vote

Ernest Norton	Yes	Joshua Hadley	Yes
Saima Chase	Yes	Kathy Sherman	Yes
Derek Haviland-Lie	Yes	Cory Jackson	Yes
		Johnson Greene	Yes

**Motion Passed.**

f) **RESOLUTION 24-47**, “A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE AUTHORIZING THE CITY MANAGER OR HER DESIGNEE TO FINALIZE AND SUBMIT A STATE OF ALASKA REVOLVING FUND (“SRF”) APPLICATION FOR ONE MILLION DOLLARS AND NO CENTS (\$1,000,000.00) FOR THE VORTAC LAKE DAM REPAIR/REPLACEMENT PROJECT.”

Council Member Greene moved, and Council Member Hadley seconded to approve Resolution 24-47.

The Roll Call Vote

Ernest Norton	Yes	Joshua Hadley	Yes
Saima Chase	Yes	Kathy Sherman	Yes
Derek Haviland-Lie	Yes	Cory Jackson	Yes
		Johnson Greene	Yes

**Motion Passed.**

g) **RESOLUTION 24-48**, “A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE AUTHORIZING THE CITY MANAGER OR HER DESIGNEE TO FINALIZE AND PUBLISH A REQUEST FOR PROPOSAL (“RFP”) FOR A

CONSULTANT FOR A PERIOD OF TWO YEARS USING FUNDS FROM THE UNITED STATES DEPARTMENT OF TRANSPORTATION PORT INFRASTRUCTURE DEVELOPMENT PROGRAM (“PIDP”) GRANT.”

Council Member Sherman moved, and Council Member Hadley seconded to approve resolution 24-48.

The Roll Call Vote

Ernest Norton	Yes	Joshua Hadley	Yes
Saima Chase	Yes	Kathy Sherman	Yes
Derek Haviland-Lie	Yes	Cory Jackson	Yes
Johnson Greene	Yes		

**Motion Passed.**

- h) **RESOLUTION 24-49**, “A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE *NUNC PRO TUNC* AUTHORIZING THE CITY MANAGER OR HER DESIGNEE TO APPLY FOR THE NORTHWEST ARCTIC BOROUGH (“NWAB”) VILLAGE IMPROVEMENT FUND (“VIF”) GRANT FOR THE PURCHASE OF A BULLDOZER BY THE CITY OF KOTZEBUE. “

Council Member Norton moved, and Council Member Hadley seconded to approve Resolution 24-49.

The Roll Call Vote

Ernest Norton	Yes	Joshua Hadley	Yes
Saima Chase	Yes	Kathy Sherman	Yes
Derek Haviland-Lie	Yes	Cory Jackson	Yes
Johnson Greene	Yes		

**Motion Passed.**

- i) Agenda Process Manual for the City of Kotzebue Adaption
- i) Manager's Reports
  1. City Manager
  2. Holland and Hart
  3. The Mulder Company
  4. Joe Evans City Attorney
  5. Finance Director (need to vote to accept & approve Finance Report)

Council Member Hadley moved, and Council Member Norton seconded to accept and approve the Finance Director Report and Finance Report.

The Roll Call Vote

Ernest Norton	Yes	Joshua Hadley	Yes
Saima Chase	Yes	Kathy Sherman	Yes
Derek Haviland-Lie	Yes	Cory Jackson	Yes
Johnson Greene	Yes		

**Motion Passed.**

6. Public Works (need to vote to accept & approve Public Works Report)

Council Member Hadley moved, and Council member Sherman seconded to accept and approve the Public Works Report.

The Roll Call Vote

Ernest Norton	Yes	Joshua Hadley	Yes
Saima Chase	Yes	Kathy Sherman	Yes
Derek Haviland-Lie	Yes	Cory Jackson	Yes
Johnson Greene	Yes		

**Motion Passed.**

i. Public Works Water

- 7. Police Department
- 8. Fire Department
- 9. Parks & Recreation
- 10. Package Store
- 11. Public Relations/Human Resources
- 12. Planning Department

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

**XII. Council Members Comments**

- Seat F: Kathy Sherman
- Seat G: Johnson Greene
- Seat B: Derek Haviland-Lie
- Seat D: Saima Chase

Seat C: Joshua Hadley

Seat E: Cory Jackson

Seat A: Ernest Norton

Youth Representative: Finnian Sweeney

The following legal proceeding regarding Council Members Comments, all comments can be found on recording at the City Hall.

**XIII. Executive Session**

Vice Mayor Haviland-Lie moved and Council Member Norton seconded to enter Executive Session to discuss matters which by law, or municipal ordinance are required to be confidential.

**Motion Passed by Voice Vote.**

**Entered Executive Session at 6:03pm.**

**a) House 671**

Vice Mayor Haviland-Lie moved, and Council Member Hadley seconded to move forward with a non-code ordinance to demolish the property at House 671 pursuant to KMC 15.04.

The Roll Call Vote

Ernest Norton	Yes	Joshua Hadley	Yes
Saima Chase	Yes	Kathy Sherman	Yes
Derek Haviland-Lie	Yes	Cory Jackson	Yes
Johnson Greene	Yes		

**Motion Passed.**

**b) Water Treatment Plant**

**c) Emergency Medical Services Update**

**d) Letter from Resident**

**Re-entered Open Session at 7:31pm.**

Mayor Chase reported that no other votes were taken in Executive Session; direction was given to City Staff and Administration.

**XIV. Adjournment**

Council Member Norton moved and Council Member Hadley seconded to adjourn at 9:06pm.

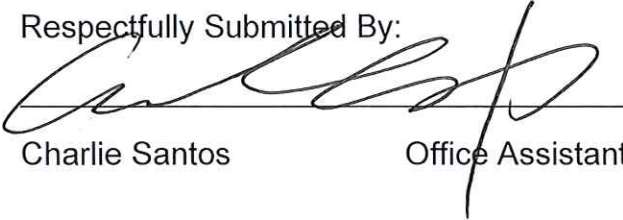
Adjourned at 9:06pm.

Accepted By:

\_\_\_\_\_  
Saima Chase Mayor

\_\_\_\_\_  
Date

Respectfully Submitted By:

  
\_\_\_\_\_  
Charlie Santos Office Assistant

[SEAL]



August 23, 2024

Tessa Baldwin  
City Manager  
City of Kotzebue  
258A Third Avenue  
PO Box 46  
Kotzebue, AK 99752

\*\*\*\*\*Delivered via email to [tbaldwin@kotzebue.org](mailto:tbaldwin@kotzebue.org) \*\*\*\*\*

**RE: 2024 Denali Commission Program Grants FOA DC-WP-24-001**

Dear Ms. Baldwin.,

I am pleased to inform you that a selection committee recently evaluated your application for **2024 Denali Commission Program Grant** funds. Your application for the Cape Blossom Road and Port Project Phase II was approved for funding in the amount of **\$2,000,000**.

Please note: this letter does not authorize you to incur costs or otherwise obligate Denali Commission funds until your financial assistance award has been fully executed.

Transportation Program Manager Nikki Navio will be in touch soon to assist you in identifying any additional information that may be relative to your project and to negotiate your financial assistance award.

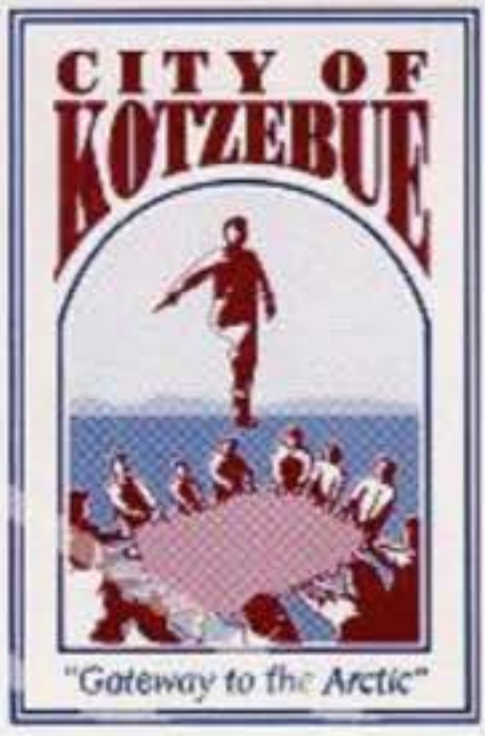
Congratulations on your successful application. We at the Denali Commission look forward to working closely with you on this important project and offer our best wishes for your success. If you have any questions regarding this award, please feel free to contact Nikki at 907-271-1414.

Sincerely,

Jocelyn Fenton  
Interim Federal Co-Chair

cc: Nikki Navio, Denali Commission Transportation Program Manager  
Janet Davis, Denali Commission Grants Officer





*P.O. Box 46  
Kotzebue, AK 99752*

*City Hall  
(907) 442-3401*

*Police Dept.  
(907) 442-3351*

*Public Works  
(907) 442-3401*

**Internal Use Only**  
Date Received By:

**Donation Request Cover Sheet**

Thank you for submitting a donation request to the City of Kotzebue City Council Meeting. Please note that the city council meetings are on the third Thursday of each month unless otherwise stated. Donation letters received between council meetings will be reviewed and submitted at the following council meeting. It is encouraged that residents submit donation letters early in advance to meet their deadlines. In addition, it is encouraged that a representative be present at the city council meeting that will review their request.

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**Organization Name:** Backpacks in the Arctic Giveaway

**Address:** PO BOX 1010 Kotzebue, AK 99752

**Name of Project Lead:** Jonie Carlson

**Email:** Joloca09@yahoo.com

**Phone Number:** 206-713-8587

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**Project Title or Event:** Backpacks in the Arctic Giveaway

**Requested Dollar Amount:** Any monetary amount appreciated.

**Brief Description of Project or Event:**

We collect backpacks and school supplies from community members,  
corporations and local businesses. We then have an event day  
to make all items available to the children in need of them.

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**Document Checklist:**

- Cover Letter
- Annual or Project Budget
- Audit and W-9
- Donations or other funding amounts applied for or received
- Other Supporting Documents

Dear City of Kotzebue,

In an effort to continue supporting the education of the children in Kotzebue and surrounding villages of the North West Arctic Borough, I am again organizing a community backpack and school supply giveaway. Thank you for the contributions you have made in the past! This will be our 6th Annual Giveaway!!

Even during Covid when schools were closed, we were able to support the families and students by creating 650 Family School @ Home Supply Kits that we passed out to the families of Kotzebue and sent out to all of the surrounding villages.

In 2022 we were grateful to be able to have an in person give away in which we gave out 172 backpacks along with school supplies. Last year, 2023, we unfortunately ran out of backpacks at 166 given away which left 56 kids without backpacks who had stood in line waiting to receive one.

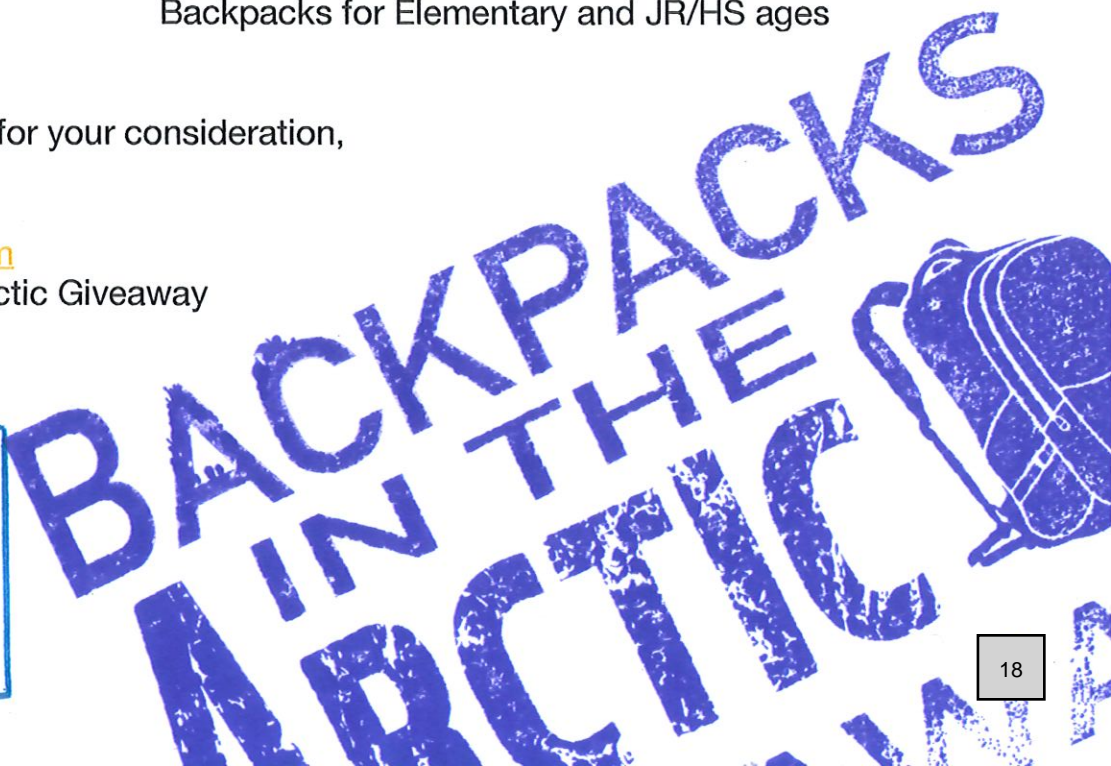
We would love to have enough backpacks and school supplies for all students in need of them this year! If you can support our efforts in accomplishing this goal, we are collecting backpacks, as well as school supplies to aide in students completing work at home when necessary. I also accept monetary donations to purchase aforementioned items but as I am not a non-profit organization, I cannot provide a tax deduction number.

Suggested Donations:

Glue sticks  
Rulers  
Highlighters  
Crayons  
Notebooks

Scissors - all sizes for all grade levels  
Standard pencils with pencil sharpeners  
Mechanical Pencils  
Colored pencils  
Backpacks for Elementary and JR/HS ages

Thank you so much for your consideration,  
Jonie Carlson  
206-713-8587  
[joloca09@yahoo.com](mailto:joloca09@yahoo.com)  
Backpacks in the Arctic Giveaway



**Best Practices Score  
Kotzebue  
Optional Fall 2024**

Section VIII, Item c)

Category	O&M Scoring Criteria	Possible	Score	Explanation of Score	How to Improve Score	Contact	
Technical	<b>Operator Certification</b>	Utility has more than one operator certified to the level of the water system	10	7	System Classification: Water Treatment 3 Primary Operator: <i>Matthew Lazarus</i> Certification Level: <i>WT 4</i> Backup Operator: <i>Olaf Walker</i> Certification Level: <i>WT 2</i>  Matthew Lazarus is certified at the correct level. Olaf Walker, Russell Ferguson, Alan Allen, and Travis Schumann hold certification but not at the correct level.	Matthew Lazarus needs 3.0 CEUs by 12/31/26 to renew in 2026. Olaf Walker has the CEUs to renew and needs to pay the renewal fee by 12/31/2024. Olaf also passed the WT 3 exam and may be eligible now, he should submit an application. Russell Ferguson needs an additional 2.9 CEUs by 12/31/24 to renew in 2024. Russell has passed the WT 3 exam but needs 4.5 additional CEUs to be eligible for certification. Alan Allen has the required CEUs to renew in 2024, and needs to take and pass the WT 2 exam. Travis Schumann needs to take and pass the WT 2 exam. Please see the enclosed flyer with more information about certification.	ADEC Operator Certification Program 465-1139
		Primary operator is certified to the level of the water system and the backup operator holds some level of certification in water treatment or distribution	7				
		Primary operator is certified to the level of the water system and the backup operator holds no certification or there is no backup operator	5				
		Utility has one or more operators certified at some level in water treatment or distribution	3				
		Utility has no certified operators	0				
	<b>Preventive Maintenance Plan</b>	Utility has a written PM plan; PM is performed on schedule; records of completion are submitted on a quarterly basis and have been verified	25	25	The operator is performing important maintenance on a regular basis and keeping records. Each month, the operator is submitting maintenance records to the assigned RMW.	Full points have been awarded in this category. Continue to perform maintenance according to the PM plan and send monthly records to the assigned RMW.	MHC RMW
		Utility has a written PM plan; performance of PM and record keeping are not consistent	15				
		Utility has no PM plan or performs no PM	0				
	<b>Compliance</b>	Utility had no Monitoring and Reporting violations during the past year	10	10	The utility had 0 Drinking Water Monitoring and Reporting violations in 2023. Excellent job - keep up the good work!		Mike Sharp ADEC Drinking Water Program 907-451-2178
		Utility had up to five Monitoring and Reporting violations during the past year	5				
Utility had more than five Monitoring and Reporting violations during the last year		0					
Managerial	<b>Utility Management Training</b>	A person who holds a position of responsibility for management of the utility has completed a DCRA approved Utility Management course or other utility management training course within the last five years	5	5	Donna McConnell attended Financial Management for Rural Utilities training on 2/6/2023.	To maintain the full points in this category, consider sending someone to one of the free RUBA trainings each year.	
	<b>Meetings of the Governing Body</b>	The utility owner's governing body meets routinely consistent with the local ordinance/bylaw requirements and receives a current report from the operator	5	5	Minutes were provided for the following months during this reporting period: December 2023, January, February, March, April, and May 2024. The water operator report was consistently included in the meeting minutes.	To maintain full points, the governing body must continue to meet according to local ordinance/bylaw and provide RUBA with meeting minutes.	
		The utility owner's governing body meets routinely consistent with the local ordinance/bylaw requirements	2				
The utility owner's governing body does not meet		0					
Financial	<b>Budget</b>	Utility owner and the Utility have each adopted a realistic budget and budget amendments are adopted as needed; Accurate monthly budget reports are prepared and submitted to the governing body	15	15	The owner-managed utility has adopted an overall balanced and realistic budget; accurate monthly financial reports have been submitted and documented in the meeting minutes.	Full points have been awarded. Continue to provide RUBA accurate monthly financial reports that are submitted to the council and documented in the meeting minutes.	Rebecca Rein DCRA RUBA Program 269-3037
		Either the Utility or the Utility owner has adopted and implemented a budget, the other has not	13				
		Either the Utility or the Utility owner has adopted a budget, but it is not being implemented	10				
		Utility owner and the Utility have not adopted a budget	0				
	<b>Revenue</b>	Utility is collecting revenue sufficient to cover the Utility's operating expenses and to contribute to a repair and replacement account	20	15	Financial reports show utility revenue is sufficient to cover expenses, but the utility does not contribute to a repair and replacement account.	Financial reports show utility revenue is sufficient to cover expenses, but the utility does not contribute to a repair and replacement account.	
		Utility is collecting revenue sufficient to cover expenses	15				
		Utility has a fee schedule and a collection policy that is followed	5				
		Utility has no fee structure or collection policy	0				
	<b>Worker's Compensation Insurance</b>	Utility has had a worker's compensation policy for all employees for the past two years and has a current policy in place	5	5	Continuous coverage for the utility owner was confirmed by the insurance provider on 12/20/2023.	Full points have been awarded. The utility owner must maintain an active workers' compensation policy to continue receiving these points.	
		Utility has a current worker's compensation policy in place for all employees	2				
Utility has no worker's compensation policy		0					
<b>Payroll Liability Compliance</b>	Utility has no past due tax liabilities and is current with all tax obligations	5	5	Utility owner has no past due tax liabilities and is current with all tax obligations.	Utility has no past due tax liabilities and is current with all tax obligations.		
	Utility owes back taxes, but has a signed payment agreement, is current on that agreement, and is up-to-date with all other tax obligations	2					
	Utility is not current with its tax obligations and/or does not have a signed repayment agreement for back taxes owed	0					
CIP O&M Score	32			TOTAL SCORE	92		

# Addressing Net Outmigration in Alaska's communities

Kevin Berry, PhD

Professor of Economics

Harold T. Caven Professor in Business and Finance

University of Alaska Anchorage

# Conclusions

- The US economy is good
- Alaska is lagging the Lower 48 in the recovery
  - The people who are here **are** working
- Alaska faces challenges in attracting people to the state
  - And the existing labor force is aging
  - Where could new (working-age) Alaskans come from? What draws young people to Alaska?
    - Higher wages and economic opportunity relative to the Lower 48 (see above)
- How do we avoid losing people?
  - Getting “hygiene” factors right
    - Wages, childcare, cost of living, K-12, the UA system, access to amenities
  - Offer a better economic deal
    - Resource development projects
    - Economic stability

**Alaska News**

# **Alaska demographers predict population drop, a switch from prior forecasts**

By James Brooks, Alaska Beacon

Updated: July 20, 2024

Published: July 20, 2024

# Alaska's working-age population has declined since 2013 peak, and recovery appears dim

By Yereth Rosen, Alaska Beacon

Updated: March 12, 2023

Published: March 12, 2023

# Alaska population up in 2016, even as people continued to move away

By Annie Zak

Updated: December 2, 2017

Published: January 12, 2017

Alaska's population grew slightly in 2016, despite more people moving out of the state than moving in for the fourth year in a row, according to new estimates released Thursday.

# Alaska's population rose slightly in 2022, but more people continue to leave than arrive

By James Brooks, Alaska Beacon

Updated: January 16, 2023

Published: January 9, 2023

## Opinions

# OPINION: The problem holding back Alaska's economic potential

By Kevin Berry

Updated: May 4, 2022

Published: May 4, 2022

# Alaska's population rose slightly in 2022, more people continue to leave than arrive

Section VIII, Item d)

By James Brooks, Alaska Beacon

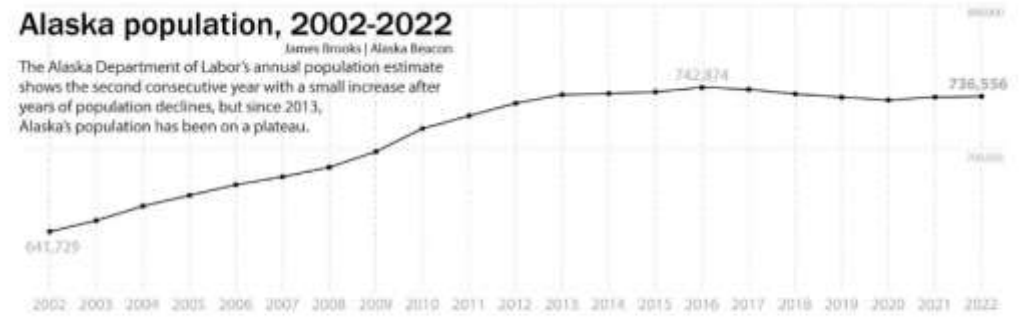
Updated: January 16, 2023

Published: January 9, 2023

## Alaska population, 2002-2022

James Brooks | Alaska Beacon

The Alaska Department of Labor's annual population estimate shows the second consecutive year with a small increase after years of population declines, but since 2013, Alaska's population has been on a plateau.



This line chart shows Alaska's population, as estimated by the Alaska Department of Labor, from 2002 to 2022. (Graphic by James Brooks/Alaska Beacon)

# Alaska's working-age population continues its long decline, a headwind for the economy

By Alex DeMarban

Updated: January 16, 2024

Published: January 15, 2024

# Alaska's population drops for the 4th year in a row, extending record losses

By James Brooks

Updated: January 7, 2021

Published: January 7, 2021

# How do we build the Alaska we want?

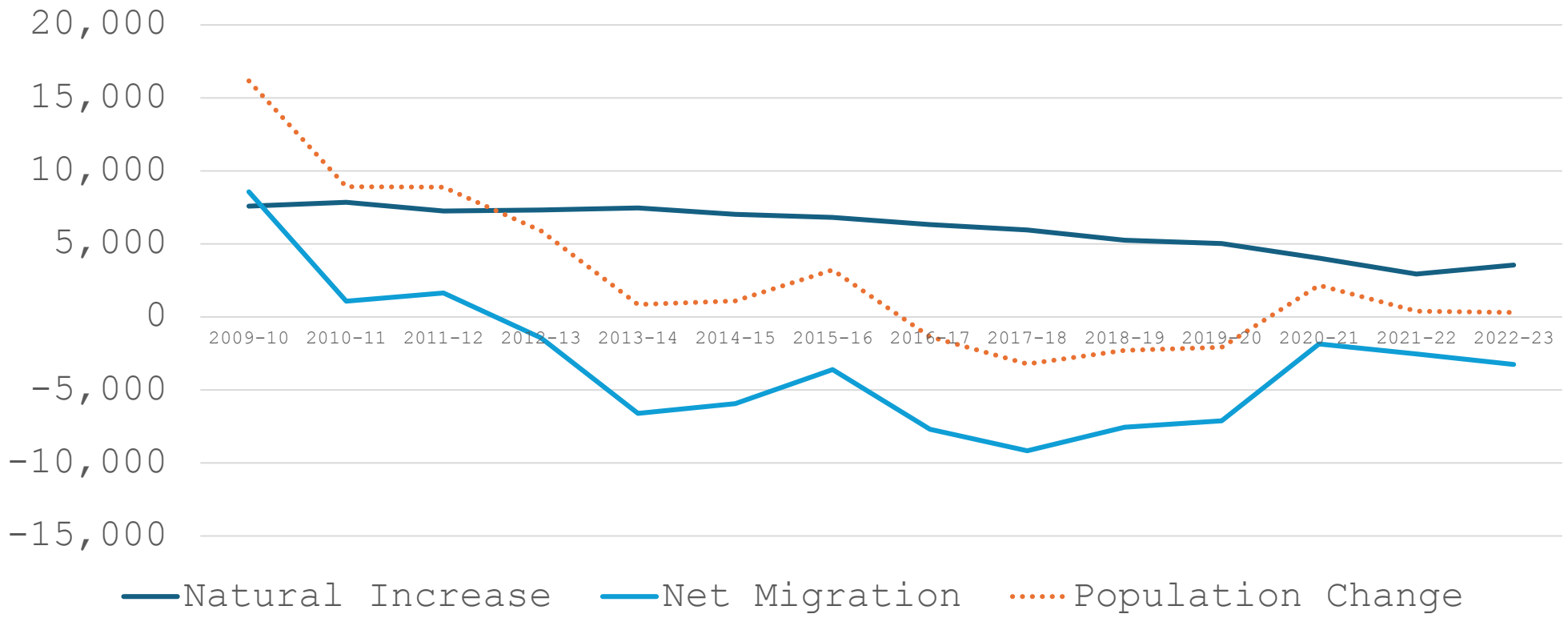
By Kevin Berry and Alexander James

Updated: November 15, 2021

Published: November 15, 2021

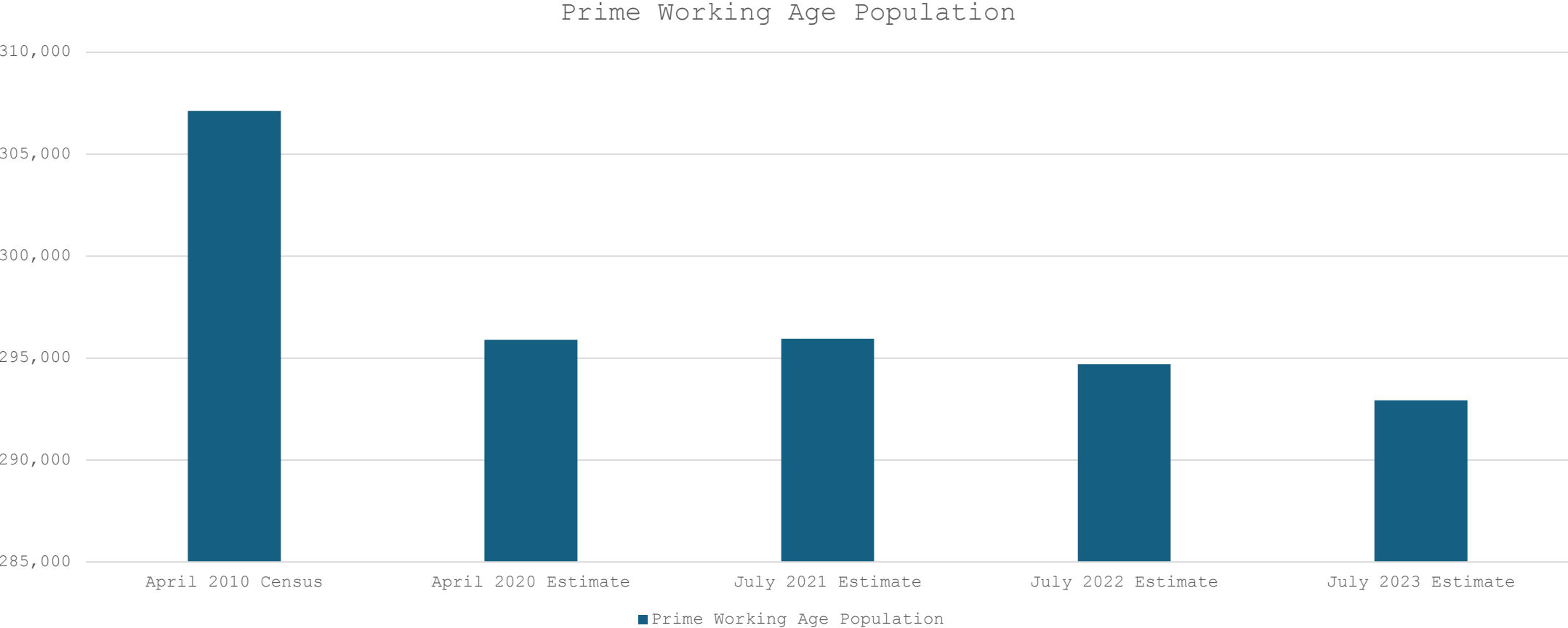
# Net Migration has negative since 2012

Annual Components of Population Change,  
2009-10 through 2022-23

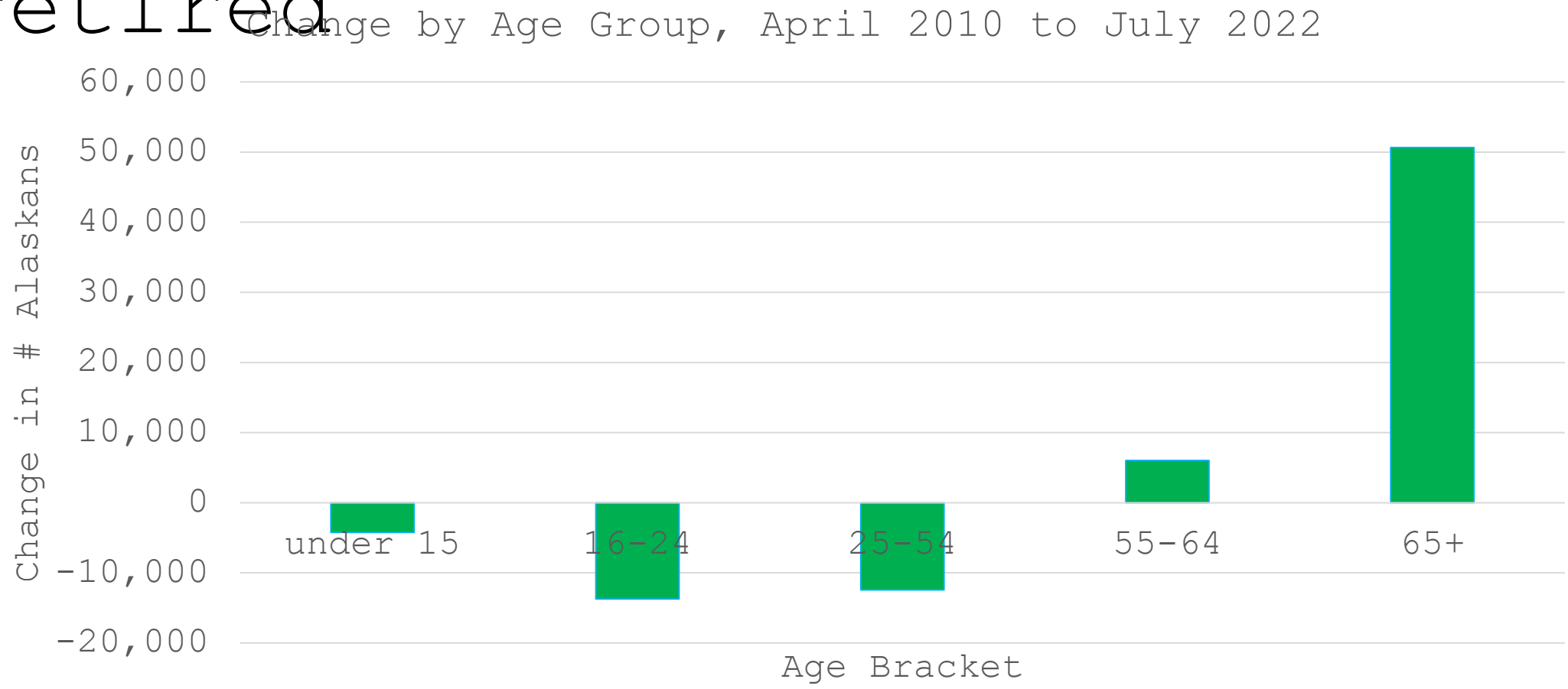




# Prime Working Age Population continues to decline



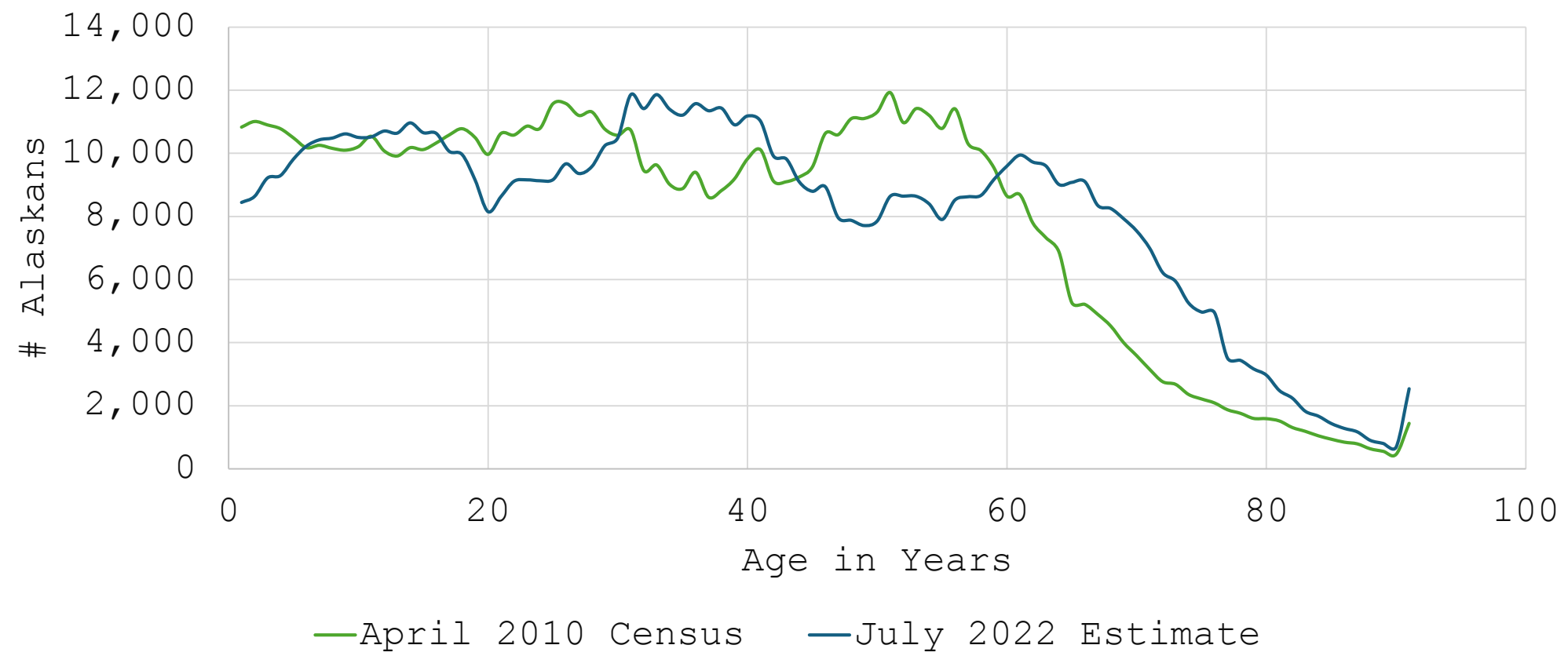
# The only age brackets that are growing are the retiring or retired



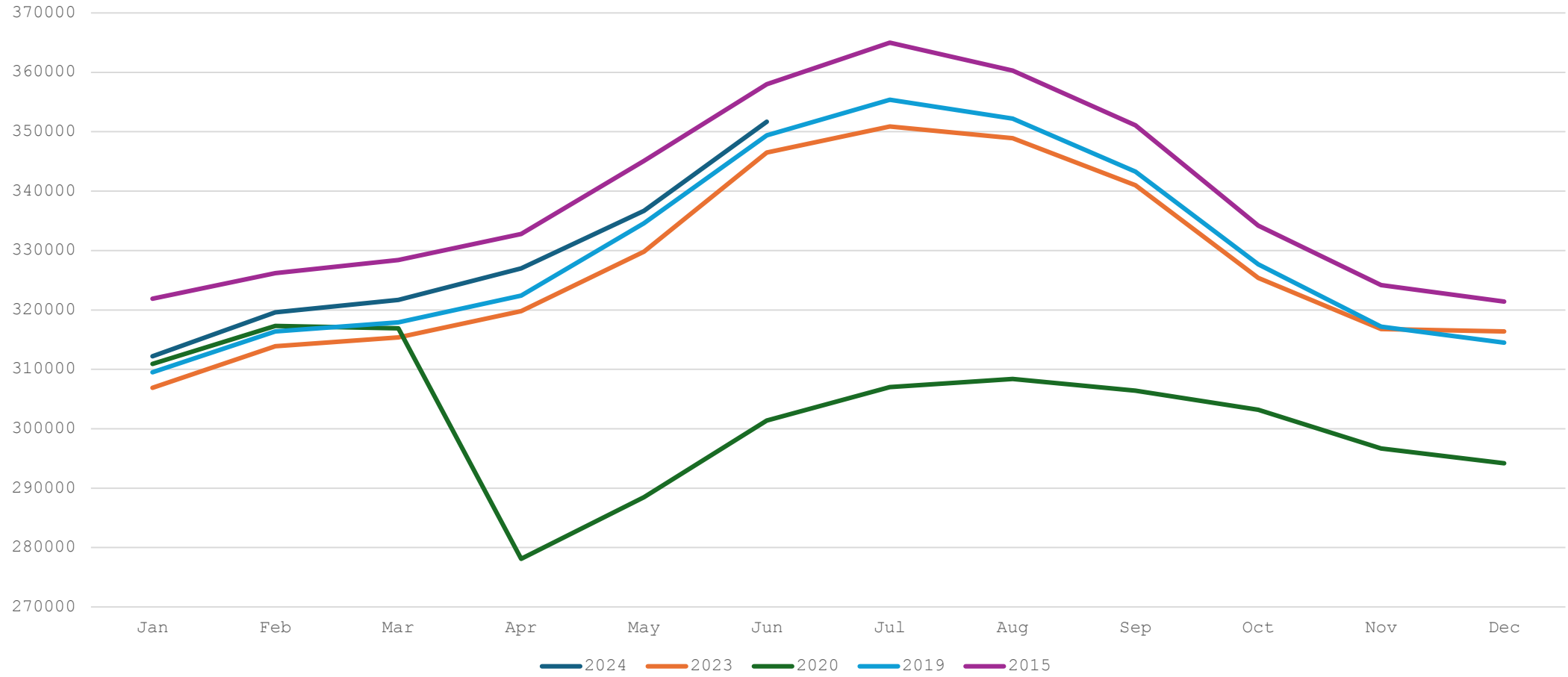
Sources: Alaska Department of Labor and Workforce Development Research and Analysis and US Bureau of Labor Statistics

# ... because workers are aging!

## Alaska Population by Age



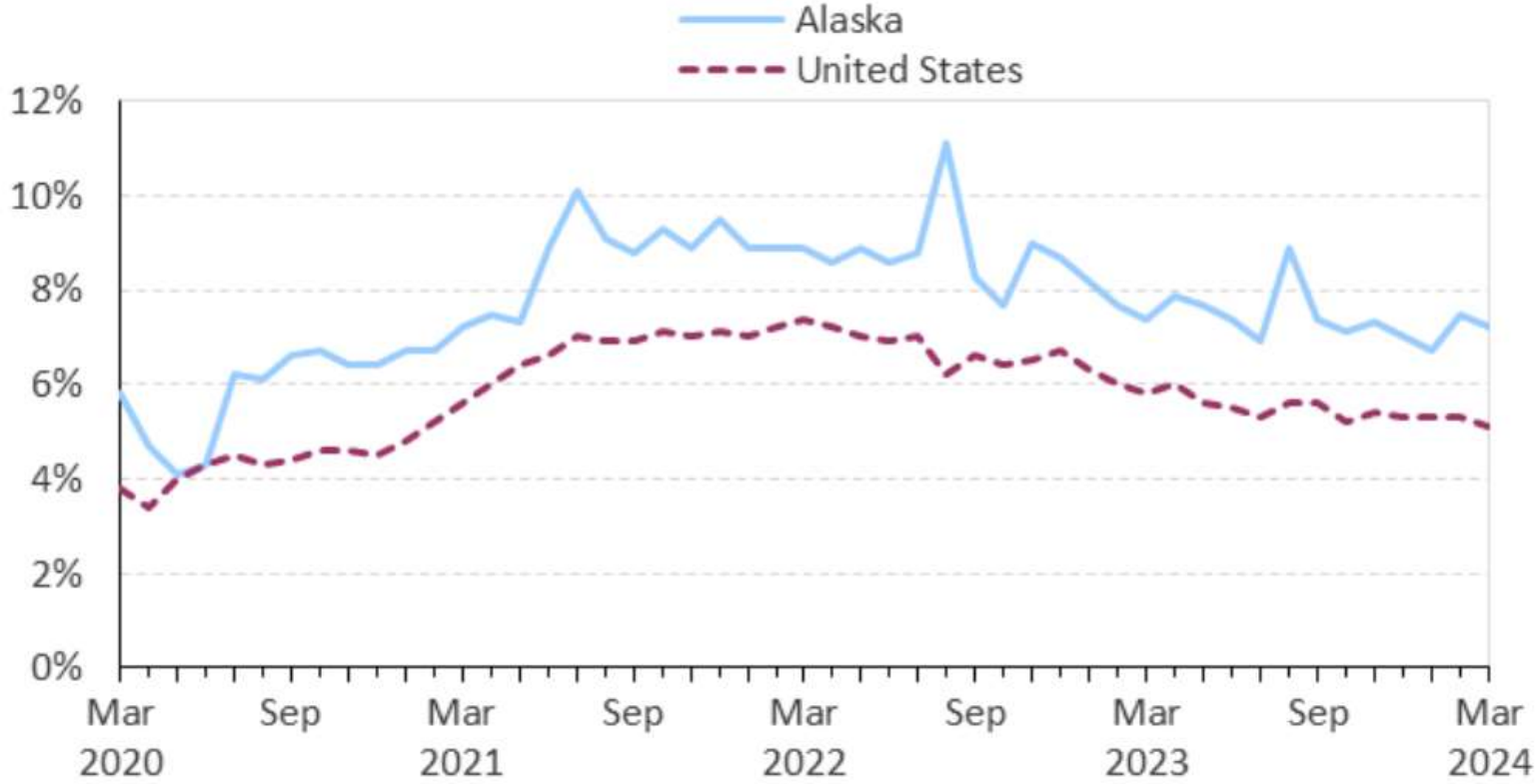
# Employment has about fully recovered



Sources: Alaska Department of Labor and Workforce Development Research and Analysis

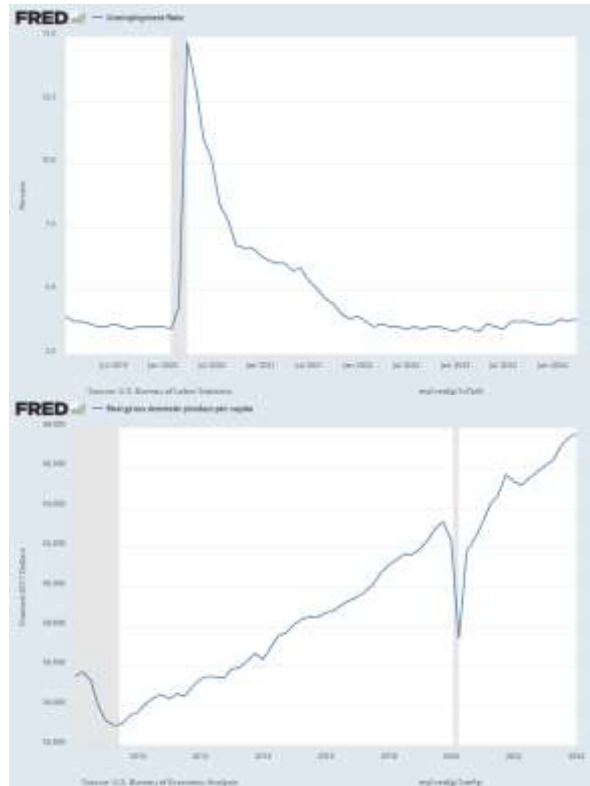
# There are more jobs for people looking...

**Chart 1. Job openings as a percent of employment for the United States and Alaska, seasonally adjusted**



Source: U.S. Bureau of Labor Statistics.

# ~50% of Americans are confidently wrong about everything



55% of Americans believe the economy is shrinking  
 56% think the US is in recession  
 49% believe the S&P 500 is down for the year  
 49% believe a 50-year

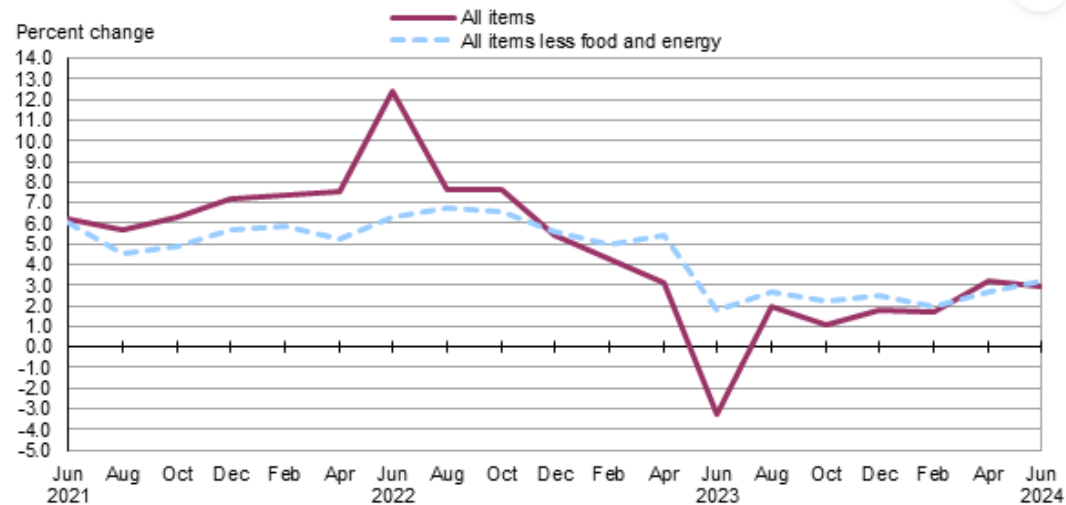


is at

<https://www.theguardian.com/us-news/article/2024/may/22/poll-economy-recession-biden>

# Inflation has been tamed(ish)

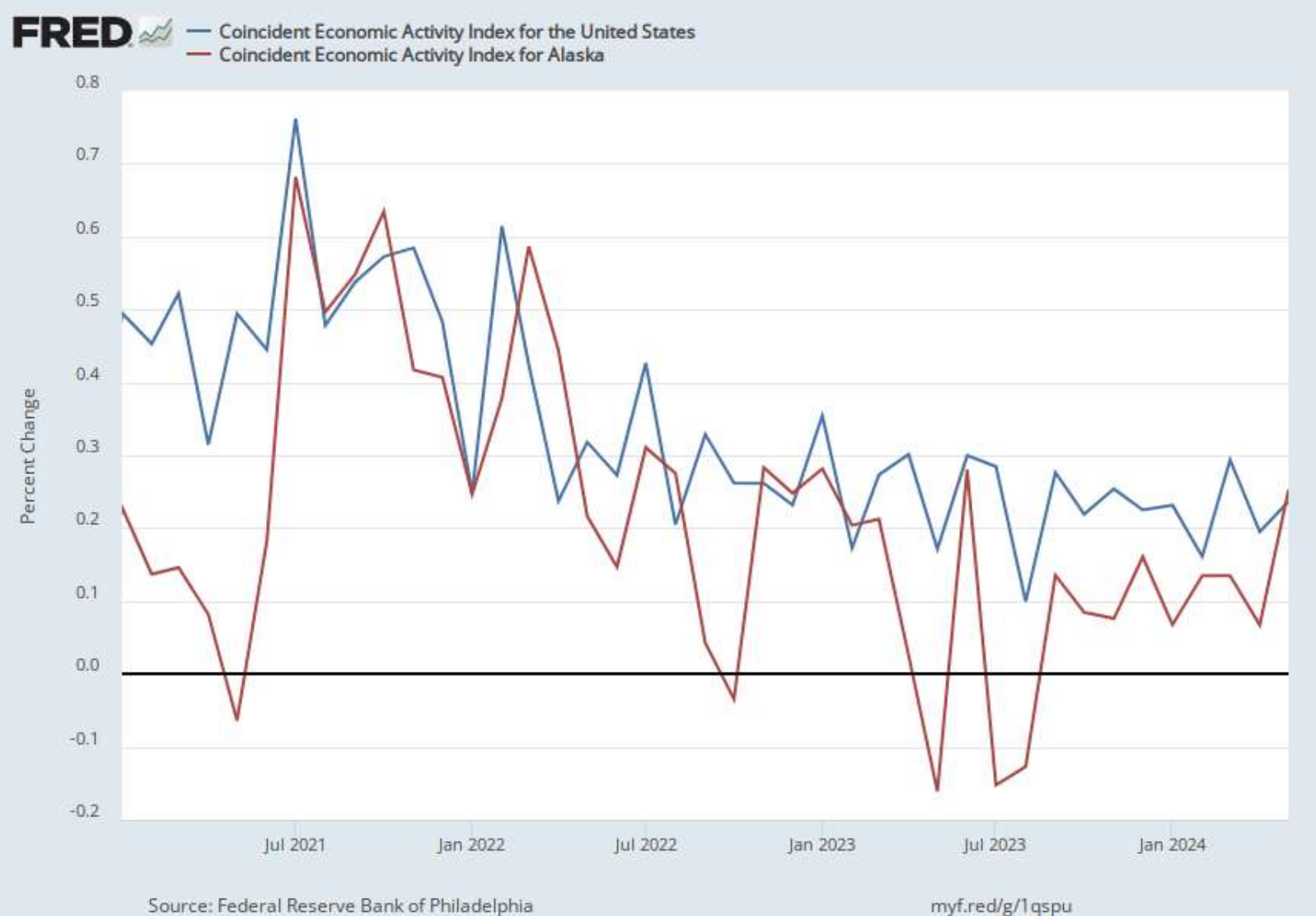
Chart 1. Over-the-year percent change in CPI-U, Urban Alaska, June 2021–June 2024



Source: U.S. Bureau of Labor Statistics.

- June 2023–2024
  - Overall price level up 2.9% (was 3.2% in April)
  - Food prices up 1.8% annually
    - Driven by food away from home
  - Rent up 6.7% (owner equivalent up 5.5%)
  - Energy index down 3.8% in June (driven by gasoline
    - Electricity prices climbed significantly
  - Price of new and used motor vehicles down 8.5%

# Alaska is lagging the Lower 48



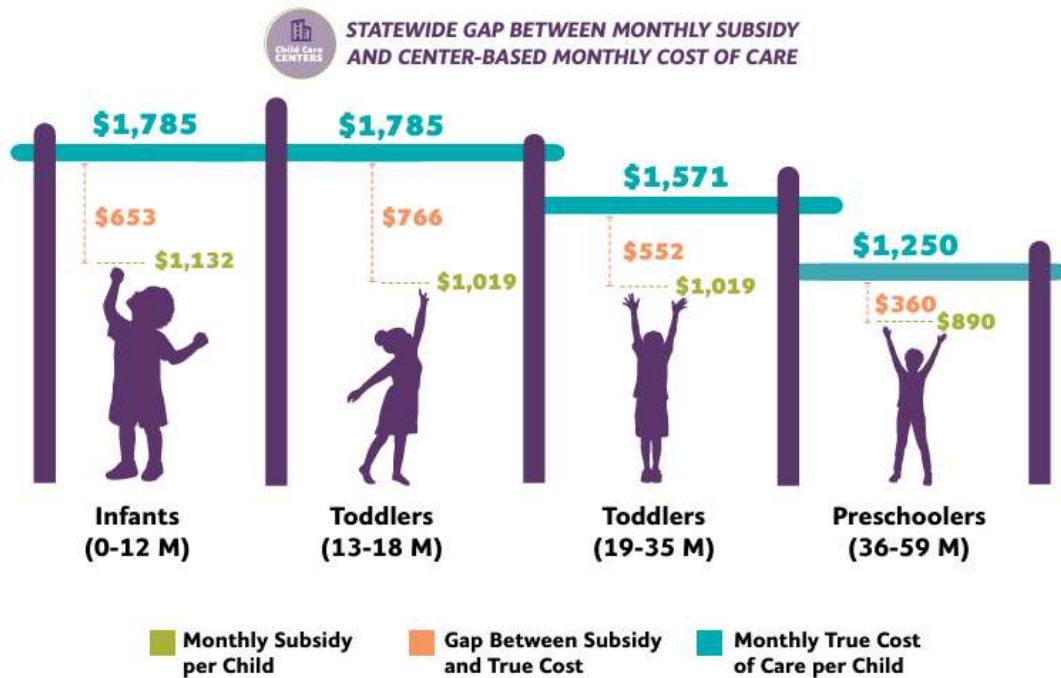




# What can we do?

- Pray for the US economy to stop being so good
  - If things elsewhere actually were bad, we'd look better in comparison
- Speed up the Alaska recovery
  - Resource development project news
  - IIJA Projects coming online (happening everywhere)
- Focus on things that attract young people to Alaska
  - Where could new (working-age) Alaskans come from?
    - Industry?
    - Military veterans?
    - University students?
    - Immigrants?
- Getting "hygiene" factors right
  - Stability, housing, wages, childcare, cost of living, K-12, the UA system, access to amenities

# Example: Childcare sector faces significant challenges



<sup>2</sup> McKinley Research Group. *Role of Early Care & Education in Alaska's Economy, 2023 Economic Impact Report*. Prepared for thread

- 51% of families in Alaska cannot fully participate in the workforce
- Average wage of a care worker is \$14/hr
- Statewide there is a gap of 21k+ kids who need care and capacity
- 33% of kids are entering kindergarten meeting 11 of 13 AK Dev. Profile goals

# Infrastructure Investment and Jobs Act (2021)

- Grant awardees starting to receive discretionary funds
  - Spend down goes through FFY2031
- Formula & Direct funding started in 2022
- More than \$6 billion in federal infrastructure projects over 5 years

Community	Project	AK Funding	Program
Statewide	National Highway Performance Program	\$362,707,359	FHWA FY22 Federal-Aid Highway Program Apportionments
Nome	Port of Nome	\$250,000,000	USACE Operation and Maintenance
Statewide	Rural Ferry Service	\$209,000,000	FTA's Ferry Service for Rural Communities Program
ALCAN Border	ALCAN Border Station	\$187,000,000	GSA Real Property Activities; CBP Land Port of Entry Modernization
Seward	Lowell Creek	\$185,000,000	USACE Operation and Maintenance
Statewide	Surface Transportation Block Grant Program	\$176,452,228	FHWA FY22 Federal-Aid Highway Program Apportionments
Kodiak	USCG Base Kodiak Fuel Pier Upgrade	\$130,000,000	U.S. Coast Guard - Major Shore, Housing, Aids to Navigation, Survey and Design
North Pole	Moose Creek Dam	\$88,000,000	USACE Operation and Maintenance
Statewide, Anchorage, Fairbanks	FTA FY22 Apportionment	\$77,401,427	FTA - Multiple Accounts
Statewide	Denali Commission	\$75,000,000	Full IJA Amount
Anchorage	Port of Alaska	\$68,700,000	PIDP
Calista Region	Calista for fiber across 10 villages in region	\$52,600,000	NTIA Tribal Broadband

# Other Alaska happenings

- Santo's Pikka Phase One and ConocoPhillips Willow Project
  - Leading an expected \$1.16 bn construction spending (18% of total forecast)
- Investments by utilities (\$700 m, 11% of total spending)
  - Statewide broadband, water & sanitation, electricity grid
- Manh Choh key infrastructure completed
  - 500 mining, 200 transportation jobs
- \$5.6 billion State Transportation Improvement Plan
- High mortgage rates and material costs

# Thank You!

Dr. Kevin Berry, PhD  
Professor of Economics  
University of Alaska Anchorage  
[kberry13@alaska.edu](mailto:kberry13@alaska.edu)  
907-786-4185

# Alaska labor force participation is above pre-pandemic level





**CITY OF KOTZEBUE, ALASKA  
ORDINANCE NO. 24-04**

**ENTITLED: “A CODE ORDINANCE DELETING THE PRESENT SECTION 2.12.010, APPOINTMENT-TERM [FOR CITY CLERK], OF THE KOTZEBUE MUNICIPAL CODE (“KMC”) IN ITS ENTIRETY AND REPLACING IT WITH A NEW SECTION 2.12.010, APPOINTMENT-TERM FOR CITY CLERK, OF THE KMC AS SET FOR HEREIN.”**

**BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF KOTZEBUE, ALASKA:**

**Section 1.** This is a Code Ordinance pursuant to KMC 1.12.010 and KMC 1.12.040.

**Section 2.** The City Council has determined that the present KMC 2.12.010, *Appointment-Term [for City Clerk]*, needs to be replaced with a entirely new KMC 2.12.010 with the same section title.

**Section 3.** The City Council believes this new KMC 2.12.010, *Appointment-Term for City Clerk*, will better serve the interests of the City Council and the City Clerk.

**Section 4.** The present section KMC 2.12.010, *Appointment-Term [for City Clerk]*, which is repealed and replaced by this Ordinance currently reads as follows:

*The city clerk shall be appointed by the city manager with the approval of the city council and shall serve at the pleasure of the city manager and the city council. The city clerk shall report directly to the city council and city manager. The city clerk may be removed from office by the city manager, with consent of the city council, upon due process of an established grievance procedure. The city council shall act as the grievance committee for the purposes of permitting the city clerk an opportunity to present any potential adverse actions brought before the city council. Any grievance procedure shall occur with the city council taking action within thirty days to permit at least two regularly scheduled meetings to present the issues brought about because of a grievance procedure.*

(Ord. 03-8 § 3 (part), 2003; Ord. 83-8 (part), 1983; Ord. 82-13 (part), 1982).



**Section 5.** The new KMC 2.12.010 enacted by this Ordinance 24-04 shall be entitled and reads as follows:

**2.12.010 Appointment – Term.**

*The city manager shall submit recommendations to the mayor and the city council on candidates for the position of city clerk. The mayor, with the approval of the city council, shall appoint a city clerk who shall serve at the pleasure of the city council. However, the city clerk shall report to and be under the direct supervision and control of the city manager who shall direct and supervise the day-to-day activities of the city clerk. The city manager will provide the city clerk with an annual evaluation after consultation with the city council. The city clerk may be removed by the city council at any time, to wit: the city clerk serves at-will and at the pleasure of the city council. The city clerk may also be removed by the city manager but such a removal shall not become effective without the approval of the city council.*

(Ord. 24-04, § 5 (part), 2024: Ord. 03-8 § 3 (part), 2003: Ord. 83-8 (part), 1983: Ord. 82-13 (part), 1982).

**Section 6.** This new section KMC 2.12.010 shall become effective immediately upon passage of this Ordinance 24-04 pursuant to 1.12.030(B).

**ENACTED** this 19<sup>th</sup> day of September, 2024.

**CITY OF KOTZEBUE**

\_\_\_\_\_  
Saima Chase, Mayor

[SEAL]

ATTEST:

\_\_\_\_\_  
Paeton Schaeffer, City Clerk

ATTESTATION: I, Paeton Schaeffer, City Clerk of Kotzebue, hereby attest that the above Code Ordinance, No. 24-04 was duly presented to the Kotzebue City Council, duly published and that a valid public hearing was held and that it was duly enacted on September 19, 2024.

Introduction: September 5, 2024  
Published/Posted: August 30, 2024  
Republished/Reposted: September 13, 2024  
Public Hearing: September 19, 2024  
Passage: September 19, 2024



**CITY OF KOTZEBUE, ALASKA  
ORDINANCE NO. 24-05**

**ENTITLED: “A NON-CODE ORDINANCE PURSUANT TO KOTZEBUE MUNICIPAL CODE (“KMC”) 15.04.100 REQUIRING THE OWNER OF HOUSE NO. 671 LOCATED AT LOT 16, BLOCK 6, USS 2645, KOTZEBUE TOWNSITE AT HIS OWN EXPENSE TO DEMOLISH OR REMOVE THE STRUCTURE HE OWNS.”**

**BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF KOTZEBUE, ALASKA:**

**Section 1.** This is a Non-Code Ordinance pursuant to KMC 15.04.100 which provides:

**15.04.100 Board of adjustment findings—Ordinance—Compliance.**

The board, after the public hearing, shall adopt an ordinance containing its findings. If removal or demolition of the structure is provided for and ordered, the owner, tenant or person in possession or control of the property shall have at least thirty days from the date of such public hearing so to do; if repairs, alterations or reconstruction is permitted by the board, the work may be done within such time and under such terms and conditions as the board may specify.

(Prior code § 10.05.060).

**Section 2.** The City Council held a public hearing on this matter on August 1, 2024 after NOTICE (with attachments) was duly given to Dickie Curtis by USPS First Class Mail, posting NOTICE (with attachments) on his House No. 671 and hand-delivering the NOTICE (with attachments) to him personally at his home. However, Mr. Curtis did not appear at this public hearing. Nevertheless, the City Council heard from City Staff regarding this matter.

**Section 3.** The City Council after hearing from City Staff and after reviewing the extensive packet of materials present to the City Council found the following:

1. House No. 671 has refused to pay for water, sewer and garbage service;
2. as a result of no water, no sewer service and no garbage service, Mr. Curtis chooses to

- dispose of his garbage and human waste by simply throwing plastic bags full of such out his backdoor, where the bags rupture and garbage and human waste flowing into adjoining properties aggravated by rainfall and flooding in the area;
3. these conditions have gone on for years completely and totally unabated by Mr. Curtis;
  4. over the past two years, the City has issued numerous abatement letters and issued numerous citations to Mr. Curtis to no avail, he simply ignores all such notices and citations and has paid none of the citations;
  5. in the past several years three people have died in this home from drug overdoses and/or alcohol abuse;
  6. in the past several years the City of Kotzebue Fire Department/EMS and Police Department have responded over two dozen times for calls for service at House No. 671;
  7. as a result of these extensive calls for service, the City Departments have found the interior of the home to be covered in human waste and other unknown substances and full of garbage;
  8. the home is heated by burning wood in a wood stove that is completely unsafe and unsuitable for that use and presents a very real and present damage of a fire in the home which would totally destroy that structure and endanger adjoining properties;
  9. the City of Kotzebue's Public Works Department in the past year has cleaned up the exterior of the property and hauled many cubic yards of garbage and human waste off the property, but to no avail because Mr. Curtis simply resumes his disposal habits noted above;
  10. the City of Kotzebue has even spread lime on his property in an effort to mitigate the human waste contamination but to no avail because of his continuing disposal habits;
  11. Mr. Curtis has been personally billed for these services, but has refused to pay any of the bills for such services;

- 12. the City of Kotzebue with the resources and staff available can no longer afford to try to mitigate this serious health and safety at House No. 671; and,
- 13. this situation must be abated by the demolition or removal of House No. 671 from the property owned by Mr. Curtis as soon as possible.

**Section 4.** This Non-Code Ordinance will be introduced on Thursday, September 5, 2024, at the RCCM on that date. A Public hearing on this Non-Code Ordinance will be held on Thursday, September 19, 2024 at the RCCM on that date.

**Section 5.** If this Ordinance passes on September 19, 2024, Mr. Curtis, owner of House No. 671, will be given thirty (30) days from that date to demolish or remove the structure from his property. If he fails to do so, the City of Kotzebue will be forced to take steps to evict Mr. Curtis, condemn the property and handle the demolition at the owner’s expense.

**Section 6.** All fees and costs for dealing with this property to date and in the future will be billed to Mr. Curtis and collection efforts pursued if he does not pay these duly incurred expenses pursuant to KMC 15.04.110.

**ENACTED** this 19<sup>th</sup> day of September, 2024.

**CITY OF KOTZEBUE**

\_\_\_\_\_  
Saima Chase, Mayor

[SEAL]

ATTEST:

\_\_\_\_\_  
Paeton Schaeffer, City Clerk

ATTESTATION: I, Paeton Schaeffer, City Clerk of Kotzebue, hereby attest that the above Code Ordinance, No. 24-05 was duly presented to the Kotzebue City Council, duly published and that a valid public hearing was held and that it was duly enacted on September 19, 2024.

Introduction: September 5, 2024  
Published/Posted: August 30, 2024  
Republished/Reposted: September 13, 2024  
Public Hearing: September 19, 2024  
Passage: September 19, 2024



**CITY OF KOTZEBUE, ALASKA  
ORDINANCE NO. 24-06**

**ENTITLED: “A CODE ORDINANCE ADDING A NEW SECTION TO THE KOTZEBUE MUNICIPAL CODE (“KMC”) CONFIRMING AND AUTHORIZING THE USE OF ALASKA MUNICIPAL LEAGUE’S (“AML”) SERVICES TO COLLECT, REMIT, ENFORCE AND ADMINISTER KMC CHAPTER 3.20, SALES TAX, FOR THE CITY OF KOTZEBUE (“CITY”).”**

**BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF KOTZEBUE, ALASKA:**

**Section 1.** This is a Code Ordinance pursuant to KMC 1.12.010 and KMC 1.12.040.

**Section 2.** The City of Kotzebue has been a member of AML for several decades and in recent years has successfully used the Alaska Remote Sellers Sales Tax Commission (“ARSSTC”) to collect, remit, enforce and administer the City’s 6% sales tax, KMC Chapter 3.20 on remote sales.

**Section 3.** The City now wishes also to use AML Shared Services Sales Tax Collection Service (“STCS”) to collect, remit, enforce and administer the City’s 6% sales tax on all local sales transactions as set forth in Exhibit “A” attached hereto.

**Section 4.** To effectuate and codify the City’s ability to use these AML services, the following new section 3.20.025, Use of Third-Party Services, which shall read as follows:

**3.20.025 Use of Third-Party Services**

The city may use the services of the Alaska Municipal League (“AML”) Alaska Remote Sellers Sales Tax Commission (“ARSSTC”) to collect, remit, enforce and administer the City’s 6% sales tax, KMC Chapter 3.20 on remote sales and use the AML Shared Services Sales Tax Collection Service (“STCS”) to collect, remit, enforce and administer the City’s 6% sales tax on all local sales transactions. (Ord. 24-06, § 4 (part), 2024)

**Section 5.** This use of these AML services is anticipated to increase the collection and remittance of sales taxes that are currently due and owing, but remain uncollected.

**Section 6.** This new section KMC 2.12.010 shall become effective immediately upon passage of this Ordinance 24-04 pursuant to 1.12.030(B).

**ENACTED** this 19<sup>th</sup> day of September, 2024.

**CITY OF KOTZEBUE**

\_\_\_\_\_  
Saima Chase, Mayor

[SEAL]

ATTEST:

\_\_\_\_\_  
Paeton Schaeffer, City Clerk

ATTESTATION: I, Paeton Schaeffer, City Clerk of Kotzebue, hereby attest that the above Code Ordinance, No. 24-06 was duly presented to the Kotzebue City Council, duly published and that a valid public hearing was held and that it was duly enacted on September 19, 2024.

Introduction: September 5, 2024  
Published/Posted: August 30, 2024  
Republished/Reposted: September 13, 2024  
Public Hearing: September 19, 2024  
Passage: September 19, 2024







# Shared Services from the Alaska Municipal League

Our goal is to help strengthen local governments who may not otherwise have access to or capacity for these services independently. Let us work with you to take the pressure off of your budgets and bring peace of mind to your staff and municipal officials.

[« back to Shared Services Overview](#)

# Sales Tax Collection Services: for Local Governments

## **REVENUE WITHOUT THE HASSLE**

**AML's Sales Tax Collection Service (STCS) is intended to help your community administer sales tax collection by reducing your staff time and increasing compliance.**

## PARTICIPATION BENEFITS

- No required changes to local sales tax code
- Collection for all local sales taxes including alcohol tax, bed tax, car rental tax, marijuana tax
- Continuity of community's filing frequency guidelines
- City staff can focus on other duties
- Online filing platform accessible to businesses 24-7
- Increased sales tax collection compliance which results in increased sales tax revenue
- Online filing platform requires payment in full, ensuring full collection
- Businesses can still send in physical returns and payments through the mail
- City staff have access to online filing portal to view administrative reports 24-7

## COMMUNITY WILL

- Send a list of active registered businesses to STCS

- Confirm late filing fee, interest, and penalty rates and rules
- Confirm local exemption certificate rules and procedures

## **OUR STAFF WILL**

- Set up accounts for each registered business in online filing portal
- Send an initial letter to each registered businesses notifying them of the city's participation in the STCS.
- Provide businesses with online filing portal login information
- Track all account balances and follow up with business as appropriate
- Administer business licenses and renewals
- Administer exemption certificates
- Once a month, send the community sales tax remittance and a report for all tax filings
- Notify and pursue delinquent filers
- Provide sales tax expertise to assist city staff with sales tax related questions

# Program Pricing

Participation in the STCS program requires a one-time implementation fee of \$4,000. The city is also charged a 2.5% fee on all revenues processed through the online portal.

## **The \$4,000 implementation fee covers:**

- Customized online sales tax return within the filing portal
- Customized online business registration (or business license) form and certificate within the filing portal
- Programming of the city's existing tax rate(s), exemption categories, late fees, penalties, interest and early filing compensation

## **The 2.5% fee covers:**

- AML administrative fee of 0.5%
- Ongoing portal processing and support fee of 2.0%



**CITY OF KOTZEBUE  
RESOLUTION NO. 24-50**

**“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE DIRECTING THE CITY MANAGER OR HER DESIGNEE TO SUBMIT THE STATE REVOLVING FUND (“SRF”) APPLICATION FOR THE WATER TREATMENT PLANT FILTRATION SYSTEM FOR UP TO ONE MILLION DOLLARS (\$1,000,000.00) AND TO FOLLOW THE NECESSARY STEPS IN THE PROCUREMENT CODE TO COMPLETE THE PROJECT.”**

**WHEREAS,** the City of Kotzebue (“City”) has received Notice that it has been awarded \$1,000,000 from the SRF as set forth in Exhibit A attached hereto;

**WHEREAS,** this award requires completion of various SRF processes before the City can receive the SRF monies;

**WHEREAS,** the Mayor is authorized pursuant to Kotzebue Municipal Code 2.08.020(A) to sign any necessary documents for this SRF application and related documents [*“The mayor shall...sign documents on the city's behalf upon council authorization”*]; and,

**WHEREAS,** these SFR monies are in the form of a fully forgivable loan with the exception of a nominal administrative fee that will be deducted from the \$1,000,000 awarded to the City.

**NOW, THEREFORE, BE IT RESOLVED,** that the City Council of the City of Kotzebue authorizes the City Manager or her designee to proceed *nunc pro tunc* as set out herein.

**PASSED AND APPROVED** by a duly constituted quorum of the City Council of the City of Kotzebue, Alaska, this 5<sup>th</sup> day of September, 2024.

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**Resolution 24-50 [SRF for Water Treatment Plant]  
September 5, 2024 RCCM  
Page 2 of 2**

**CITY OF KOTZEBUE**

\_\_\_\_\_  
Saima Chase, Mayor

[SEAL]

ATTEST:

\_\_\_\_\_  
Paeton Schaeffer, City Clerk

Attachment: Exhibit “A” SRF Notice of Award for FY25 [1 page]



**Alaska Drinking Water Fund - State Fiscal Year 2025 (SFY25) Project Priority List - Bipartisan Infrastructure Law (BIL) Emerging Contaminants Funding**

total available funding = \$17,987,259

1) The "Within Funding Limits" column indicates that the project is within the current fundable limit of the BIL Emerging Contaminants Funding allotted to the Alaska SRF Program. Projects that are not within the available funding for Emerging Contaminants may be eligible for funding through the Alaska Drinking Water Fund base and/or BIL General Supplemental funding sources.

2) BIL Emerging Contaminants Funding is provided as 100% forgivable loan.

(3) Principal forgiveness is provided to disadvantaged communities. Emerging Contaminants projects qualify for additional points as priority projects in the Disadvantaged Community Criteria. See Appendix 3 of the Intended Use Plan for more information about Disadvantaged Community Criteria.

Rank	Score	Within Funding Limits <sup>(1)</sup>	Public Water System ID# (Community Population)	Applicant	Project Name and Description	Requested Loan Amount	Loan Forgiveness <sup>(2)</sup>	Disadvantaged Community Tier <sup>(3)</sup>	Green Project Amount (Type)	Estimated Start Date	Added to PPL
1	211	X	MOA - Municipality of Anchorage AK2210906 (221,351)	Anchorage Water & Wastewater Utility	Tanaina Hills Subdivision Water - Due to per- and polyfluoroalkyl substances (PFAS) contamination in private wells, design and construct approximately 2,390 linear feet of a new water distribution main and install six fire hydrants. This construction will allow for residents of Tanaina Hills Subdivision to connect to the existing public water system and abandon the PFAS-contaminated private wells.	\$3,334,213	\$3,334,213	2	—	2/3/2025	SFY25-2
2	188	X	Cold Bay Water System AK2250414 (140)	Cold Bay	PFAS Water Treatment System - Both municipal wells, which are the sole source of water for the City of Cold Bay, were found to have high levels of PFAS. Due to PFAS contamination exceeding the EPA Maximum Contaminant Level and ADEC Drinking Water Action Level of 70 parts per trillion (ppt), the proposed scope for this project is to install a filtration system. The proposed treatment is to install an ion exchange system which consists of two 24x50 inch Poly NSF approved vessels with diffusers, fully self-contained, skid-mounted, and pre-loaded with 500 liters of ion exchange resin media. The target of the filtration system is to bring the levels to a non-detect PFAS level under 4 ppt.	\$250,000	\$250,000	2	—	7/1/2024	SFY25-1
3	175	X	Dillingham Water System AK2250197 (2,249)	Dillingham	Phase III PFAS Contamination Mitigation - Due to PFAS contamination at the Dillingham Airport, the anticipated scope of work for this project includes planning and design for an extension of the existing water system to the affected area.	\$1,400,000	\$1,400,000	3	—	2/26/2025	SFY25-1
4	165	X	City of Kotzebue AK340060 (3,200)	Kotzebue	Water Treatment Plant Filtration - Design and construct a new filtration system to resolve water quality issues, such as high levels of manganese.	\$1,000,000	\$1,000,000	3	—	7/19/2024	SFY25-2
5	160	X	MOA - Municipality of Anchorage AK2210906 (221,351)	Anchorage Water & Wastewater Utility	Girdwood Well 1 Upgrade - This project will address elevated manganese levels by either providing additional treatment at the existing well or developing a new well located elsewhere in the distribution system.	\$5,000,000	\$5,000,000	2	—	1/3/2025	SFY25-1
6	100	X	North Pole AK2310675 (4,500)	North Pole	Emerging Contaminant Mitigation - Complete a preliminary engineering design plan to establish a treatment method for PFAS and other emerging contaminants that threaten the city's drinking water sources.	\$165,000	\$165,000	2	—	9/2/2024	SFY25-2
<b>TOTAL</b>						<b>\$10,984,213</b>	<b>\$10,984,213</b>				



**CITY OF KOTZEBUE  
RESOLUTION NO. 24-51**

**“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE  
UPDATING THE EMPLOYEE PERSONNEL HANDBOOK (PPM) TO ADDRESS  
EMPLOYEE BENEFITS AND DEFINING WORKPLACE VIOLENCE.”**

- WHEREAS,** the City of Kotzebue (“City”) Personnel Policy Manual may be amended by Resolution;
- WHEREAS,** These revisions/edits need to be made to update certain Sections of the PPM as set out herein;
- WHEREAS,** The **current** section 3.05 and 7.05 read as follows:

**PPM 3.05 Types of Positions and Classifications.**

1. Regular Full-Time. A full-time position is considered to be a part of the regular complement continuously needed for performing city services.
2. Regular Part-Time. A part-time employee is one who is occupying a position that regularly requires working at least 15 hours but less than 30 hour in a week. Those working less than 15 hours per week are not eligible for PERS (Alaska Public Employees Retirement Fund).
3. Temporary. A temporary employee is one who is occupying a position where the need for that position is for a specific duration and where the work to be performed may not normally exceed six months. A temporary employee may fill the vacancy created by an approved leave of absence or extended illness. An employee hired to fill a temporary position serves at the pleasure of the department head and/or City Manager and is subject to summary discharge by either the department head or the City Manager, with or without cause, without right of hearing or appeal and is an "at-will" employee.
4. At-Will. Employees in positions determined to be "at-will" serve at the pleasure of the City Manager and can be dismissed at any time, with or without cause. At-Will positions include the Police Chief, the Fire Chief, all Department Heads, and other positions determined as "at-will" as set forth in KMC 2.48.010(A)

5. Partially At-Will. Employees in positions determined to be "partially at-will" serve at the pleasure of the City Manager and can be dismissed at any time, with or without cause. Partially at-Will positions include City Clerk.

**PPM 7.05 Health and Life Insurance.**

1. All regular full-time and regular part-time employees are eligible for health and life insurance after successfully completing 60 days of continuous employment and work a minimum of 30 hours. Employees may enroll in the municipal health insurance plan by completing required forms. Employees electing additional life insurance coverage are responsible for additional cost associated with the plan. Refer to the plan document for plan provisions outlining any costs associated for employee and employee dependents. The City will continue to pay the premium for the City's qualifying employee's basic life insurance and the employee health insurance subject to such terms as set by the City Manager with approval of the City Council.

2. Those employees electing not to participate in the either health or life insurance programs will be required to sign a waiver of coverage form; and,

**WHEREAS,** these sections are **amended to read as follows** with revisions/edits/additions set out in **red, bolded and underlined**:

**3.05 - Types of Positions and Classifications.**

1. Regular Full-Time. A full-time position is considered to be a part of the regular complement continuously needed for performing city services.

2. Regular Part-Time. A part-time employee is one who is occupying a position that regularly requires working at least **20** hours but less than 30 **hours** in a week.

3. Temporary. A temporary employee is one who is occupying a position where the need for that position is for a specific duration and where the work to be performed may not normally exceed six months. A temporary employee may fill the vacancy created by an approved leave of absence or extended illness. An employee hired to fill a temporary position serves at the pleasure of the department head and/or City Manager and is subject to summary discharge by either the department head or the City Manager, with or without cause, without right of hearing or

appeal and is an "at-will" employee.

4. At-Will. Employees in positions determined to be "at-will" serve at the pleasure of the City Manager and can be dismissed at any time, with or without cause. At-Will positions include the Police Chief, the Fire Chief, all Department Heads, and other positions determined as "at-will" as set forth in KMC 2.48.010(A)

5. Partially At-Will. Employees in positions determined to be "partially at-will" serve at the pleasure of the City Manager and can be dismissed at any time, with or without cause. Partially at-Will positions include City Clerk.

**6. Flexible Hour. Employees in positions as determined by their respective Department Heads and with the approval of the City Manager who work pre-determined, pre-scheduled flexible hours for extended periods of time. Those working less than 15 hours per week are not eligible for PERS (Alaska Public Employees Retirement Fund). Those working less than 20 hours per week are not eligible for Health Insurance Benefits.**

**7.05 - Health and Life Insurance.**

1. All regular full-time and regular part-time employees are eligible for health and life insurance **on the first of the month, following 60 days of continuous employment and work a minimum of 20 hours.** Employees may enroll in the municipal health insurance plan by completing all required forms. Employees electing additional life insurance coverage are responsible for additional costs associated with the plan. Refer to the plan document for plan provisions outlining any costs associated for employee and employee dependents. The City will continue to pay the premium for the City's qualifying employee's basic life insurance and the employee health insurance subject to such terms as set by the City Manager with approval of the City Council.

2. Those employees electing not to participate in either health or life insurance programs will be required to sign a waiver of coverage form.

**3. Flexible hour employees working less than 20 hours per week are not eligible for health and life insurance.**

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council of the City of Kotzebue approves these additions/edits/revisions as set out in the fourth **WHEREAS** as set out above, effective immediately.

**PASSED AND APPROVED** by a duly constituted quorum of the City Council of the City of Kotzebue, Alaska, this 5<sup>th</sup> day of September 2024.

**CITY OF KOTZEBUE**

\_\_\_\_\_  
Saima Chase, Mayor

[SEAL]

ATTEST:

\_\_\_\_\_  
Paeton Schaeffer, City Clerk



**CITY OF KOTZEBUE  
RESOLUTION NO. 24-52**

**“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE DIRECTING THE CITY MANAGER OR HER DESIGNEE TO SIGN THE ALASKA MUNICIPAL LEAGUE (AML) SALES TAX CONTRACT.”**

- WHEREAS,** Ordinance 24-06 introduced this date and set for first public hearing and passage at the September 19, 2024 RCCM authorizes the City of Kotzebue to use the Alaska Municipal League (“AML”) Shared Services Sales Tax Collection Service (“STCS”) to collect, remit, enforce and administer the City’s 6% sales tax on all local sales transactions;
- WHEREAS,** the Alaska Municipal League (“AML”) Shared Services Sales Tax Collection Service (“STCS”) has presented a contract to provide these services as set out in Exhibit A attached hereto;
- WHEREAS,** this contract has been reviewed by the City Administration and it is recommended for approval by the City Council; and,
- WHEREAS,** this Alaska Municipal League (“AML”) Shared Services Sales Tax Collection Service (“STCS”) will allow a more efficient and effective tax collection effort for the City as set forth in Exhibit B attached hereto.

**NOW, THEREFORE, BE IT RESOLVED,** that the City Council of the City of Kotzebue authorizes the City Manager or her designee to sign the Alaska Municipal League (“AML”) Shared Services Sales Tax Collection Service (“STCS”) Contract as set forth herein in Exhibit A on or after passage of Ordinance No. 24-06 on September 19, 2024.

**PASSED AND APPROVED** by a duly constituted quorum of the City Council of the City of Kotzebue, Alaska, this 5<sup>th</sup> day of September 2024.

**CITY OF KOTZEBUE**

\_\_\_\_\_  
Saima Chase, Mayor

[SEAL]

ATTEST:

\_\_\_\_\_  
Paeton Schaeffer, City Clerk

Attachment: Exhibit “A” - Alaska Municipal League (“AML”) Shared Services Sales Tax Collection Service (“STCS”) Contract [7 pages]

Exhibit “B” – STCS Flyer [2 pages]

**SALES TAX COLLECTION SERVICE AGREEMENT**

This Service Agreement (the "Agreement") is made and entered into as of this \_\_\_ day of \_\_\_\_\_, 20\_ (the "Effective Date") between City of Kotzebue (the "Municipality") and the Alaska Municipal League ("AML") (each individually referred to as a "Party" and collectively referred to as the "Parties") for the collection of sales tax revenue.

**Background**

1. The Municipality's finance department is responsible under municipal ordinance for the efficient administration of its local sales tax.
2. The Municipality is dedicated to efficient tax administration that promotes the highest levels of voluntary compliance, revenue collection, service, and fair enforcement of its sales tax ordinance.
3. Sellers with a physical presence in the Municipality's jurisdictional boundaries (called "local sellers") must submit monthly, quarterly or annual paper tax returns to the Municipality's taxing authority. Preparing and filing those returns imposes a burden on local sellers.
4. The Municipality desires to reduce the administrative burden and expense of complying with the sales tax by offering local sellers the option of filing sales tax returns and submitting sales tax remittances through an online tax portal.
5. AML provides Alaska municipalities sales tax registration, reporting, and remittance services through an online tax portal.
6. The Municipality desires to contract with AML to provide an online portal for local sellers (i) to register as local sellers, (ii) to submit sales tax returns and (iii) to remit sales tax collections.

**Agreement**

The Parties agree as follows:

1. **Term and Termination.** The Agreement shall commence on the Effective Date and shall continue as such in full effect and force until terminated by either Party upon 60 days' written notice.
2. **Scope of Services and Responsibilities.** AML's services and responsibilities under this Agreement are as follows:
  - a. Online Tax Portal Services. AML will develop and maintain an online tax portal to allow local sellers to (i) to register as local sellers, (ii) to submit sales tax returns and exemption certificates, and (iii) to remit sales tax collections.



- b. Tax Portal Filings. The tax portal will provide local sellers a standardized sales tax return on behalf of the Municipality. The tax portal will use sales tax rates and exemptions that are confirmed by a legal representative of the Municipality.
  - c. Physical Return and payment processing. As needed, AML will process physical sales tax returns and payments from sellers on behalf of the Municipality.
  - d. Reporting. AML will provide the Municipality a customized report each month showing registered sellers, gross sales, sales tax collected, and exemptions claimed.
  - e. Business Registration / Licensing. AML will issue business licenses and register local sellers through the portal in accordance with Municipality requirements.
  - f. Delinquencies. AML will send (i) monthly delinquency notices to sellers who have delinquent, unfiled sales tax return(s) and (ii) monthly balance due notices to sellers who have not paid in full.
  - g. Accessibility. AML will make the online tax portal accessible to the Municipality and registered local sellers.
  - h. Control Over Services. AML will retain the unqualified right of control over the means, manner, and methods by which the Services are rendered and performed. AML will be responsible for providing all equipment, materials and supplies required to timely provide those Services which have been requested by the Municipality. The Municipality understands and acknowledges that AML will contract with a third party to perform these services.
  - i. Insurance. AML agrees to maintain, at AML's sole cost and expense, Worker's Compensation Coverage where required by law and applicable General Liability Insurance, as required.
  - j. Taxes. AML shall be solely responsible for filing all tax returns, tax declarations and tax schedules, and for the tax payment, with respect to fees earned by AML under this Agreement.
  - k. Termination of Agreement Services. Upon termination of this Agreement, AML shall provide to the Municipality confirmation of destruction of hard copy confidential information of Municipality transferred to AML; all electronic account information must be deleted from AML's computer systems, including backup copies. In addition, AML shall send a letter to all registered taxpayers notifying them that AML will no longer be offering online tax portal services.
3. **AML Fees for Services**. As compensation for the services provided under this agreement, AML will be entitled to the fees specified in Exhibit A.
4. **Expansion of Scope of Services**. The online tax portal will be initially established with the capability to handle sales tax registration & licensing, sales tax return filing, and

payment of sales tax obligations. AML may offer additional capability to pay additional types of municipal taxes and other services through the online portal. AML is required to provide those additional services only if agreed to by the Parties in a separate written agreement.

- 5. Municipality's Responsibilities.** Municipality's responsibilities under this Agreement are as follows:
- a. The Municipality will have the sole authority to set tax policy, tax rates, tax deductions, tax exemptions, tax rules, and tax classifications. AML will not set tax policy, tax rates, tax deductions, tax exemptions, tax rules, and tax classifications.
  - b. The Municipality will be responsible for confirming sales tax rates, exemptions, interest, and penalties that will apply to returns filed by local sellers through the tax portal.
  - c. The Municipality will promptly inform AML of any changes to its sales tax rates, exemption, or ordinances.
  - d. The Municipality is solely responsible for enforcing its sales tax code, conducting audits, proceeding with tax collection legal proceedings. AML is not responsible for enforcing the Municipality's sales tax code.
  - e. In the event a sales tax return is filed through the online tax portal, but the local seller remits the sales tax due directly to the Municipality, the Municipality will pay to AML its fee for services calculated under Exhibit A and attributable to such sales tax payments made directly to the Municipality.
  - f. Monthly filing will be required for Sellers unless otherwise approved by the Municipality.
- 6. Confidentiality-Unauthorized Disclosure.** Within or after the services period, AML shall at no time divulge, release, or remove for its use or that of any other individual or company, any confidential municipal or taxpayer documentation or information obtained under this Agreement. Furthermore, the Municipality and AML agree that:
- a. Confidential Information shall include, but is not limited to, all non-public information, written or oral, whether disclosed directly or indirectly, through any means of communication or observation by a taxpayer or any of its affiliates or representatives to or for the benefit of the AML.
  - b. Confidential information excludes that which is public knowledge or publicly available.
- 7. Indemnification.**

- a. Each Party agrees to defend, indemnify, and hold the other Party, their officers, employees, and agents harmless from and against any and all liability, loss, expense, or claims for injury or damages arising out of the performance of this Agreement but only in proportion to and to the extent that such liability, loss, expense, or claims for injury or damages is caused by or results from the negligent or intentional acts or omissions of that Party, its officers, employees, or agents.
  - b. Municipality shall indemnify, defend, and save harmless AML and its respective officers, agents, and employees from and against any and all losses, costs, including reasonable attorneys' fees, liabilities, damages, and deficiencies, including interest, penalties and settlement amounts entered into, in each case, with respect to any and all claims that arise out or are connected to the Municipality's sales tax, including sales tax administration, sales tax enforcement, and sales tax collection activities.
8. **Notice.** Any notice sent under this Agreement must be sent by email with confirmation of receipt, fax, common carrier, or certified mail, return receipt requested, provided that such notice is addressed to the other Party at the address set forth below:

**City of Kotzebue**  
PO Box 46  
Kotzebue, AK 99752

**Alaska Municipal League**  
One Sealaska Plaza, Ste. 302  
Juneau, AK 99801

9. **Miscellaneous Provisions.**

- a. Entire Agreement. This Agreement represents the entire agreement and understanding between the Parties with respect to the subject matter of this Agreement and supersedes all prior or contemporaneous, express or implied, written or oral agreements, representations, and conditions between the Parties with respect to the subject matter of this Agreement.
- b. Counterparts. This Agreement may be executed in any number of counterparts, including by electronically-transmitted signature, and each counterpart shall for all purposes be deemed to be an original; and all such counterparts shall together constitute but one and the same agreement.
- c. Amendment. No addition to or alteration of the terms of this Agreement will be valid unless made in the form of a written amendment to this Agreement, which is formally approved and executed by the Parties.
- d. Assignment. This Agreement may not be assigned by the AML without Municipality's prior written consent, which may not be unreasonably withheld.

- e. Severability. In the event any provision of this Agreement is held by a court of competent jurisdiction or arbitration to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force and effect without being impaired or invalidated in any way.
- f. Third-Party Beneficiaries. Each Party intends that this Agreement shall not benefit or create any right or cause of action in or on behalf of, any person or entity other than the Parties. This Agreement does not create, and shall not be construed as creating, any rights enforceable by any person or entity not a Party to this Agreement. Nothing in this Agreement shall be deemed or construed to create the relationship of principal and agent, or of partnership, or of joint venture, or of any association between the Parties.
- g. Independent Contractor. AML shall perform under this Agreement as an independent Contractor. AML and its officers, agents, and employees are not, and will not be deemed, employees of the Municipality for any purpose, including workers' compensation, and will not be entitled to any of the benefits accorded to employees of the Municipality. AML shall determine, at its own risk and expense, the method and manner by which the duties imposed in general by this Agreement will be performed.
- h. Governing Law. This Agreement will be governed by the laws of the State of Alaska. Any legal proceeding relating to this Agreement shall be exclusively brought in the Superior Court of Alaska, Third Judicial District at Anchorage.

[SIGNATURE PAGE FOLLOWS]

The Parties have executed this Agreement as of the Effective Date.

**MUNICIPALITY**

**ALASKA MUNICIPAL LEAGUE**

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Printed Name/Title:

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Printed Name/Title:

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**Exhibit A**  
**Sales Tax Collection Service Agreement**  
**Statement of Fees**

**Section 1. Fees payable to AML**

The fees outlined in Section 1 will be applied to total municipality receivables including sales tax, late fees, penalties and interest, as determined by seller filing(s) processed by AML in a given month.

<b>Fee Description</b>	<b>Fee amount</b>
AML Administrative Fee	1.25%
GovOS Software as a Service Fee	2.0%
<b>Total monthly fee:</b>	<b>3.25%</b>

**Section 2. Municipality Implementation Fees**

The Municipality Implementation Fees outlined in this section are payable to MUNIREvs and are one-time costs specific to implementation.

<b>Fee Description</b>	<b>Fee Amount</b>
Customization of one tax form & workflow	\$2,000
Customization of one licensing form & workflow	\$2,000



# GUIDE TO AML MEMBER SERVICES

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GUIDE TO AML MEMBER SERVICES

# SALES TAX COLLECTION SERVICE

AML offers the ability to collect sales tax on behalf of members, through a contractual relationship. Building on the work of ARRSTC, AML's goal is to remove some of the burden of compliance and management of local tax collection, offering these services as a low-cost alternative. Members retain entire control of rates, exemptions, and overall governance, while tasking AML with collection and oversight of sales tax collection and remittance for the community, with a monthly transfer to the member of that month's collections. Through this service, AML legal counsel can also work with the member to update old sales tax code or make other adjustments as determined by the member.

### Benefits to Members

- Frees up member staffing resources to focus on other important duties.
- Competitive 2.5% fee may represent cost savings to members when compared to staffing expenses.
- May result in increased compliance and overall tax collection.
- Program will be managed by experienced sales tax professionals with a background in municipal sales tax administration.

### Services Provided by AML

- Online filing and remittance portal.
- Processing of physical returns and payments as needed.
- Business licensing / registration on behalf of city including issuing renewal notices.

- Access to online portal for city to view monthly / quarterly / annual reported data including:
  - Registered sellers.
  - Gross sales and exempted sales reported by businesses.
  - Sales tax reported & collected.
- Monthly delinquency notices sent to sellers who have failed to file and or pay.
- ACH payment to city from AML of amounts received from sellers, less applicable fees.

Fee Description	Fee Amt.
AML Administrative Fee	0.5%
Software Processing & Support Fee	2.0%
<b>Total monthly fee:</b>	<b>2.5%</b>

**Implementation**– These fees are payable to AML's 3rd party software provider and are one-time costs specific to implementation. Can be paid by AML and spread out within monthly fees.

Fee Description	Fee Amt.
Customization of one tax form and workflow	\$2,000
Customization of one licensing form and workflow	\$2,000

### Fees Breakdown

**Operations** – These fees will be applied to total collections, including sales tax, late fees, penalties, and interest as determined by seller filings processed by AML.





**CITY OF KOTZEBUE  
RESOLUTION NO. 24-53**

**“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE DECLARING THE NORTHWEST ARCTIC BOROUGH ASSEMBLY CHAMBERS AS THE ELECTION POLLING PLACE FOR THE OCTOBER 1, 2024 CITY COUNCIL ELECTION.”**

**WHEREAS,** the City of Kotzebue (“City”) will hold its 2024 General Election on Tuesday, October 1, 2024;

**WHEREAS,** the City must designate a polling place for this October 1, 2024, General Election pursuant to Kotzebue Municipal Code (“KMC”) 2.52.030 [*The city shall constitute a single election district for all city elections. The one polling place for all city elections shall be designated by motion or resolution of the city council*]; and,

**WHEREAS,** the City designates the **Northwest Arctic Borough Assembly Chambers, Northwest Arctic Borough Offices**, at 163 Lagoon Street, Kotzebue, Alaska as the election polling place for the Tuesday, October 1, 2024, City of Kotzebue General Election.

**PASSED AND APPROVED** by a duly constituted quorum of the City Council of the City of Kotzebue, Alaska, this 5<sup>th</sup> day of September, 2024.

**CITY OF KOTZEBUE**

\_\_\_\_\_  
Saima Chase, Mayor

[SEAL]

ATTEST:

\_\_\_\_\_  
Paeton Schaeffer, City Clerk



**CITY OF KOTZEBUE  
RESOLUTION NO. 24-54**

**“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE ACCEPTING THE COMMUNITY UTILITY ASSISTANCE PROGRAM FUNDING AT THE AMOUNT OF FOUR HUNDRED AND FIFTY THOUSAND DOLLARS AND NO CENTS (\$450,000.00) AND ADMINISTRATIVELY APPLY IT TO RESIDENTIAL UTILITY BILLS *NUNC PRO TUNC*.”**

<b>WHEREAS,</b>	the NWAB started a utility assistance program for the villages in the NWAB in the second half of FY2019;
<b>WHEREAS,</b>	the City of Kotzebue (“City”) participated in that program since FY2019;
<b>WHEREAS,</b>	the City has been informed that the NWAB will appropriate funds in the amount of \$450,000.00 and desires to continue this program for FY2025;
<b>WHEREAS,</b>	the NWAB will submit a Community Utility Assistance Program Agreement in the near future for FY2025; and,
<b>WHEREAS,</b>	the City is desirous of continuing this much needed NWAB Program for FY2025.

**NOW, THEREFORE, BE IT RESOLVED,** that the City Council of the City of Kotzebue, authorizes the Mayor and City Manager, or her Designee, to execute the NWAB Utility Financial Support and Technical Services Agreement/Community Utility Assistance Program-FY2025 once it is submitted to the City and reviewed by the City Manager, Finance Director and City Attorney.

**BE IT FURTHER RESOLVED** that the Finance Department shall prepare a spreadsheet for these FY2025 credits as was done for the FY2019, FY2020, FY2021, FY2022, FY2023 and FY2024 NWAB Program as set forth in the example spreadsheet attached hereto as Exhibit “A.”

**PASSED AND APPROVED** by a duly constituted quorum of the City Council of the City of Kotzebue, Alaska, this 5<sup>th</sup> day of September 2024.

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**CITY OF KOTZEBUE**

\_\_\_\_\_  
Saima Chase, Mayor

[SEAL]

ATTEST:

\_\_\_\_\_  
Paeton Schaeffer, City Clerk

Attachment: Exhibit “A” – Example of CUAP Spreadsheet [1 page]

	Regular Rates	Current Rates	# of Customers	Annual Total		New Rates		Water portion of NWAB Payment
Water	101.46	84.74	432	525,968.64	70.0%	69.66		238,500.00
Sewer	46.60	32.98	432	241,574.40	84.0%	12.33		211,500.00
Garbage	45.97	52.27				53.18		450,000.00
Sub-Total	194.03	169.99				135.17		
Sales Tax	11.64	10.20				8.11		
Total	205.67	180.19				143.28		
							Total Utilities	878,369.28
							Minus NWAB	450,000.00
							Total to Collect	428,369.28
Sr/Disability Rate								
Water	40.58	0.48	152	74,017.92	30%	1.85		
Sewer	20.18	5.96	152	36,808.32	16%	1.63		
Garbage	22.99	27.29				15.78		
	83.75	33.73				19.25		

No. of customers is an average of customers from 7/1-31/24