

Mayor
John K. Handeland
Manager
Glenn Steckman
Clerk
Bryant Hammond



Nome Common Council
Jerald Brown
Scot Henderson
Doug Johnson
Mark Johnson
Adam Martinson
M. Sigvanna Tapqaq

NOME COMMON COUNCIL
WORK SESSION & REGULAR MEETING AGENDA
MONDAY, AUGUST 22, 2022 at 5:30 / 7:00 PM
COUNCIL CHAMBERS IN CITY HALL

102 Division St. ▪ P.O. Box 281 ▪ Nome, Alaska 99762 ▪ Phone (907) 443-6663 ▪ Fax (907) 443-5345

WORK SESSION - 5:30 PM

- [A.](#) Discussion on Ad Valorem Assessments in the City of Nome,

PAGE 4

ROLL CALL

APPROVAL OF AGENDA

APPROVAL OF MINUTES

- [A.](#) July 25, 2022 Nome Common Council Regular Meeting Minutes,

PAGE 6

- [B.](#) August 10, 2022 Nome Common Council Special Meeting Minutes,

PAGE 13

COMMUNICATIONS

- [A.](#) Memo of August 5, 2022 from Clerk Hammond to Nome Common Council re: NCO Chapter Regarding Sales Tax Audits,

PAGE 15

- [B.](#) Letter of August 12, 2022 from 2nd Chance Modifications Co to City of Nome Leadership re: Invitation to Homecoming for Bryce Warnke-Green,

PAGE 16

- [C.](#) Letter of August 12, 2022 from Tom Vaden to Nome Common Council re: Failure of the Nome Volunteer Ambulance Department (NVAD),

PAGE 17

CITIZEN'S COMMENTS

UNFINISHED BUSINESS

- [A.](#) O-22-07-02 An Ordinance of the Nome Common Council, Nome, Alaska, Adding Chapter 15.100 Abuse of 911 System to the Nome Code of Ordinances, **SECOND READING/PUBLIC HEARING/FINAL PASSAGE,**

PAGE 21

- [B.](#) R-22-08-01 A Resolution Allocating the 2021 NSEDC End-Year Community Benefit Share Funds,

PAGE 23

- [C.](#) R-22-08-02 A Resolution of the City of Nome Authorizing the City Manager to Increase the Bounty on Junk Vehicles Disposed of Through U Call, We Haul,

PAGE 24

NEW BUSINESS

- [A.](#) R-22-08-04 A Resolution Designation September 2022 as Suicide Prevention Awareness Month in the City of Nome, Alaska,

PAGE 25

- [B.](#) R-22-08-05 A Resolution of the City of Nome, Alaska Providing for the Issuance of a Utility Revenue Anticipation Note of the City in the Aggregate Principal Amount of not to Exceed \$7,760,000 to Finance the Purchase of Diesel Fuel for the Nome Joint Utility System, Authorizing the Sale of the Note by Negotiation, and Authorizing the Execution and Delivery of a Security Agreement Providing a Security Interest for the Purchaser of the Note,

PAGE 26

- [C.](#) R-22-08-06 A Resolution Authorizing the City Manager to Execute Contract Amendment No. 3 with PND Engineers, Inc., to Facilitate 95% Design Level to Completion for the Local Service Facilities within the Port of Nome Modifications Project and Arctic Port Expansion,

PAGE 38

- [D.](#) R-22-08-07 A Resolution Authorizing the City Manager to Execute a Contract with PND Engineers, Inc., to Facilitate Subcontractor Services to Prepare an Incidental Harassment Authorization (IHA) Application Required to Allow for Solicitation and Construction of the Port of Nome Modifications Project and Arctic Port Expansion,

PAGE 45

- [E.](#) R-22-08-08 A Resolution Designating Bryant Hammond as Acting City Manager for September 14 to 25, 2022,

PAGE 60

UTILITY MANAGER'S REPORT

- [A.](#) Activity Report: August 9 - 19, 2022,

VERBAL

CITY MANAGER'S REPORT

- [A.](#) Activity Report: July 26 - August 19, 2022,

PAGE 61

- [B.](#) 2022 (& Updated 2021) Abatement Report,

PAGE 66

- [C.](#) May 19, 2022 Nome Port Commission Regular Meeting Minutes,

PAGE 97

- [D.](#) Nome Port Commission Motion of July 28, 2022 Recommending the Council Request Corps take Congressional Action to Permanently Authorize East/West Harbor Bulkheads & Dredging Portion as Federal Infrastructure,

PAGE 100

CITIZEN'S COMMENTS

COUNCIL MEMBER'S COMMENTS

MAYOR'S COMMENTS AND REPORT

- A. Activity Report: August 9 - 19, 2022,

VERBAL

EXECUTIVE SESSION

- A. Discussion of Personnel Matters the Immediate Knowledge of Which Could Have Adverse Impacts on City of Nome Finances,

VERBAL

- B. Discussion of Legal Matters the Immediate Knowledge of Which Could Have Adverse Effects on City of Nome Finances,

VERBAL

ADJOURNMENT

Ad Valorem vs. Fee Appraiser

by Arthur L. Gough

Mr. Gough is unit supervisor, appraisal services, for the Arizona Department of Property and Special Taxes, Phoenix.

Editorial note—This article is reprinted with permission from The Appraisal Review, published by the National Association of Independent Fee Appraisers, St. Louis, Missouri.

The independent fee appraiser looks at the appraisal problem through a different pair of glasses than does the ad valorem tax appraiser (i.e., assessor within a city or state jurisdiction). Although they both are doing a similar job, how they go about it is the difference.

The mass valuation technique requires ad valorem appraisers to make a physical inspection in a uniform and detailed manner.

① The ad valorem appraiser's primary job is to see that the tax burden is distributed equally among all the property owners. The fee appraiser's primary job is to see that his client receives an appraisal which is accurate and professional, and contains the information the client requested. At this point, both the fee appraiser and the ad valorem appraiser are performing the same task, appraising property. The difference is that the fee appraiser is making an appraisal on one property, while the ad valorem tax appraiser is making appraisals on masses of properties.

② An important point to remember is that the fee appraiser or assessor does not create market value. They both interpret the activities of buyers and sellers. Since the ad valorem tax is a capital tax and is not an income tax, value estimates for tax purposes must be based on "physical wealth of the property" rather than on the owner's ability to pay. Therefore, the purpose for which the ad valorem appraisal is made requires uniformity of treatment within and between classes of property, since tax rates are fixed by annual budget requirements and applied to all taxable property in the same political subdivision. The fee appraiser must make his appraisal based on his client's needs, and it could be used for insurance or for the purchasing or selling of the property in question.

The mass valuation technique, applicable to residential, rural, commercial, and industrial properties, requires ad valorem appraisers to make a physical inspection of the neighborhood and the subject property in a uniform and detailed manner, as would a fee appraiser. It follows, therefore, that the tax appraiser must select one method of valuing property that can be used on all of the property to be appraised, after a land value has been established using standard appraisal methods and techniques. Mass appraisal for property tax purposes lends itself best to multiple regression analysis, which is basically a refined and automated application of the sales comparison approach to value. As has been stated before, it is the assessor's responsibility and duty to ensure that all property on the roll represents current market value. Therefore, it is necessary for the assessor to turn to multiple regression analysis.

In order for an assessor to develop this system, an adequate data file must be established. Most fee appraisers would not find it feasible to establish such a file. They rely on outside sources, or the assessor, in order to obtain information. Although the income approach does not lend itself readily to ad valorem appraising, it is used by assessors to substantiate the value produced by the cost approach or multiple regression.

③ While the fee appraiser has the luxury of preparing a few appraisals at any given time, the assessor has the enormous task of preparing thousands of appraisals each year. These appraisals are not for just one type of property, but run the gauntlet of all types of property existing in the geographical area being assessed.

In most cases, when the fee appraiser completes his appraisal, he turns it over to his client and his task has been completed. However, when the assessor completes his appraisal, his task is only partially completed. After the assessor sets the value, normally, the property owner is notified. In addition, the assessor may be required to notify various governmental agencies of the total value he has established.

Once the tax roll is certified, it is then turned over to the appropriate agency so that the tax rate can be set by the various municipalities. Before the roll is certified, the property owner has a chance to be heard. In the State of Arizona, the property owner may request a review of his property assessment at the assessor's level. At this stage, the value can be changed by the assessor. If the property owner is not satisfied

with the assessor's decision, he may then appeal this value to the county board of equalization. If displeased with the board of equalization's ruling, the property owner can appeal, this time to the State Board of Tax Appeals. The property owner can also appeal to the courts if dissatisfied with any of the decisions rendered in his appeals. It is not until all the appeals are made and all decisions are received that the assessor can close his roll for the current year.

As has been stated previously, the ad valorem appraiser has used the income approach as a back-up to the cost approach. At this time, I would like to compare how the fee appraiser uses the income approach to value, as opposed to how the ad valorem appraiser uses the same approach.

The fee appraiser has to go to the market in order to arrive at the economic rent of the property, which is the first step in arriving at the potential gross income (the economic rent for the property at 100 percent occupancy). Obtaining this information requires a careful study of comparable properties in the area.

The assessor must also make a careful study of the area, in order to arrive at the economic rent of the property in question. In many cases, this information is supplied to him by the property owner during the filing of the protest. Although income information is often confidential, the assessor can generally use the information supplied if the source of information is not disclosed.

The assessor uses one of the three capitalization methods to arrive at value.

The assessor follows the same steps as the fee appraiser to arrive at value, by using one of the three capitalization methods—straight-line, sinking fund, or annuity. I would now like to give a brief overview of the mass appraisal process as used by the ad valorem appraiser and how it can aid the fee appraiser.

④ The mass appraisal is the process of valuing an enormous amount of properties as of a given date, with some uniformity, using standard methods. The mass appraisal has

been criticized in the past, as it will be in the future. The criticism stems from the interim value adjustments made each year. These adjustments are made for the purpose of equalization between property classes and to comply with statutory requirements.

Such criticism of mass appraisal is unwarranted, however. The assessor's office has been, and will continue to be, a very good source of property-related data to the fee appraiser. Budgetary limitations and the law usually decree just how much sophistication can be built into the mass appraisal system. Most authorities agree that fee appraisal techniques, if used by the ad valorem appraiser, would provide an overabundance of information, and the cost to the taxpaying public would be astronomical.

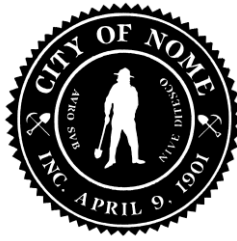


The mass appraisal system, as used by most assessors, provides a good valuation estimate that can be discussed with the taxpayer.

The mass appraisal system, as used by most assessors, provides a good valuation estimate quickly, and the value is produced on forms or appraisal records that can be reasonably discussed with the taxpayer, if necessary. The assessor's office must be capable of responding to today's fluctuating market. With the inflation of today's market, the property tax can become an extremely sensitive area, and the assessor must be able to respond to market change. With the mass appraisal system, he can do this each and every year.

In conclusion, the fee appraiser needs the ad valorem appraiser, just as the ad valorem appraiser needs the fee appraiser. The fee appraiser looks to the assessor for needed information in order to do a complete and professional job. In the same vein, the assessor needs the fee appraiser to supply the expertise that is needed in court cases or other technical hearings. ■

Mayor
John K. Handeland
Manager
Glenn Steckman
Clerk
Bryant Hammond



Nome Common Council
Jerald Brown
Scot Henderson
Doug Johnson
Mark Johnson
Adam Martinson
M. Sigvanna Tapqaq

**NOME COMMON COUNCIL
REGULAR MEETING MINUTES
MONDAY, JULY 25, 2022 at 5:30 / 7:00 PM
COUNCIL CHAMBERS IN CITY HALL**

102 Division St. ▪ P.O. Box 281 ▪ Nome, Alaska 99762 ▪ Phone (907) 443-6663 ▪ Fax (907) 443-5345

WORK SESSION - 5:30

- A. Discussion of O-22-07-01 An Ordinance of the Nome Common Council, Nome, Alaska, Temporarily Suspending Certain Fees for Building, Remodel, Mechanical, and Electrical Permits for Projects with Values Under \$500,000.
- B. Discussion of O-22-07-02 An Ordinance of the Nome Common Council, Nome, AK, Adding Chapter 15.100 Abuse of 911 System to the Nome Code of Ordinances.
- C. Discussion on Soliciting Greater Participation in Elections through Ordinance Reform.

ROLL CALL

Members Present: Jerald Brown; Scot Henderson; Doug Johnson; Mark Johnson (telephonic); Sigvanna Tapqaq

Members Absent: Adam Martinson (excused); Paris Hebel (excused)

Also Present: John Handeland, Mayor; Glenn Steckman, City Manager; Bryant Hammond, City Clerk; Nickie Crowe, Finance Director (telephonic)

In the audience: Diana Haecker (Nome Nugget) (Teams); Paul G. Kosto; Melissa Ford, Nome Sweet Homes; Ristine Casagrande, Coastal Heritage Properties

APPROVAL OF AGENDA

A motion was made by C. Henderson and seconded by C. D. Johnson to approve the agenda.

At the roll call:
Aye: Henderson; D. Johnson; M. Johnson; Tapqaq; Brown
Nay:
Abstain:

The motion **CARRIED**.

APPROVAL OF MINUTES

- A. May 4th, 6th, 10th & 23rd, 2022 Nome Board of Equalization Meeting Minutes.

A motion was made by C. Henderson and seconded by C. Brown to approve the 2022 Nome Board of Equalization Meeting Minutes.

At the roll call:

Aye: D. Johnson; M. Johnson; Tapqaq; Brown; Henderson

Nay:

Abstain:

The motion **CARRIED**.

B. July 11, 2022 Nome Common Council Regular Meeting Minutes.

A motion was made by C. Henderson and seconded by C. D. Johnson to approve the July 11, 2022 minutes.

At the roll call:

Aye: M. Johnson; Tapqaq; Brown; D. Johnson; M. Johnson

Nay:

Abstain:

The motion **CARRIED**.

COMMUNICATIONS

A. Memo of July 21, 2022 from Clerk Hammond to Nome Common Council re: Certification of Referendum on O-16-10-09.

- The Council discussed the merits and legalities of passing an ordinance adopting the referendum thereby obviating the need for a ballot measure.
- Council Member Brown objected to the council taking a position on the referendum, pro or con and advocated leaving the matter to the voters.
- Mayor Handeland requested more statistical information, saying the City had an obligation to advise the voters as to the potential impact.

B. Article of July 6, 2022 Entitled *Small Sight --Big Might: Economic Impact of Bird Tourism Shows Opportunities for Rural Communities and Biodiversity Conservation*.

CITIZEN'S COMMENTS

none given

UNFINISHED BUSINESS

A. O-22-07-01 An Ordinance of the Nome Common Council, Nome, Alaska, Temporarily Suspending Certain Fees for Building, Remodel, Mechanical, and Electrical Permits for Projects with Values Under \$500,000, **SECOND READING/PUBLIC HEARING/FINAL PASSAGE**.

For the purpose of holding a public hearing, the Council recessed at 7:09 PM.

The Council reconvened at 7:10 PM.

A motion was made by C. Brown and seconded by C. Henderson to adopt O-22-07-01.

A motion was made by C. Henderson and seconded by C. D. Johnson to amend O-22-07-01 by modifying the expiration date from 12/31/25 to 12/31/27.

At the roll call:

Aye: Tapqaq; Brown; Henderson; D. Johnson; M. Johnson

Nay:

Abstain:

The motion to amend **CARRIED**.

Returning to the main motion

At the roll call:

Aye: Tapqaq; Brown; Henderson; D. Johnson; M. Johnson

Nay:

Abstain:

The motion, as amended, **CARRIED**.

- B. R-22-06-05 A Resolution Approving a Contract Between the Nome Chamber of Commerce and the City of Nome for Operation of the Nome Convention and Visitors' Bureau.

A motion was made by C. Brown and seconded by C. Tapqaq to adopt R-22-06-05.

Discussion:

- Mayor Handeland summarized the status of the resolution and the contract. He asked if there were any members that thought they had a conflict of interest.
- Council Member Henderson declared he had a conflict as the Chamber president.
- Mayor Handeland reasoned that since his was not a paid position he had no conflict and directed Council Member Henderson to vote.
- Council Member Mark Johnson declared that he had a conflict.
- Council Member Tapqaq asked that in future the Visitor Center contract have a provision to work with local tribes.

At the roll call:

Aye: Brown; Henderson; D. Johnson; Tapqaq

Nay:

Abstain: M. Johnson

The motion **CARRIED**.

NEW BUSINESS

- A. O-22-07-02 An Ordinance of the Nome Common Council, Nome, Alaska, Adding Chapter 15.100 Abuse of 911 System to the Nome Code of Ordinances.

A motion was made by C. Henderson and seconded by C. Brown to advance O-22-07-02.

At the roll call:

Aye: Henderson; D. Johnson; M. Johnson; Tapqaq; Brown

Nay:

Abstain:

The motion **CARRIED**.

- B. R-22-07-03 A Resolution Authorizing the City Manager to Enter into an Agreement with Azavar Government Solutions for the Provision of Online Sales and Bed Tax Collection.

A motion was made by C. Henderson and seconded by C. Tapqaq to adopt R-22-07-03.

Discussion:

- Manager Steckman noted that the contract amount was under his authority, but wanted the Council to be aware. He noted that the company has the ability to conduct audits.
- Finance Director Crowe described the terms of the contract pricing.
- Mayor Handeland asked if audits would be initiated at the request of the City and not by the firm.
- Council Member Henderson clarified the purpose was to make processes more efficient.
- Manager Steckman opined the intent was to make it easier for customers and staff alike.
- Clerk Hammond discussed some of the details.
- Council Member Henderson remembered a past sales tax audit contractors' contract that had similar language concerning a percentage of new revenues.
- Manager Steckman discussed the delay of the potential audit until 2023 per the contract.
- Council Member Doug Johnson expressed concern over the audit potential.
- Council Member Henderson asked if there was a reason to tie the audits to the collection of sales tax. He opined he'd rather see a larger annual fee than potential revenue through audits.
- Council Member Brown agreed in theory, though pointed to ordinances concerning who gets paid in the result of an audit as a potential safeguard. He liked the financial incentive through "proper use" of the audits. He noted an example of such an incentive structure with property tax assessments, noting a 50% cut of any savings from the property tax challenge to the contractor. He noted the City hasn't been doing audits and there were certain people and industries that were blatant abusers of the system.
- Manager Steckman clarified the terms of the contract, noting the 30 day term.
- Council Member Mark Johnson stated he was against the part of the contract that gave an incentive to audit local businesses.
- Manager Steckman discussed the discrepancies found during the payout of the CARES Act.
- Council Member Henderson expressed his opposition again for Statement of Work 1.

Council Member Brown made a motion to postpone R-22-07-03 until the August 8, 2022 Regular Meeting of the Common Council.

Council Member Brown withdrew the motion.

- Staff suggested the Council pass the resolution and staff would only pursue the sales and bed tax administration agreement.
- Manager Steckman reassured him that staff wouldn't sign something against the Council's wishes.

At the roll call:

Aye: D. Johnson; M. Johnson; Tapqaq; Brown; Henderson

Nay:

Abstain:

The motion **CARRIED**.

- C. R-22-07-04 A Resolution Awarding the Contract for the XYZ Alarm System Upgrade Project to North Star Fire Protection LLC.

A motion was made by C. D. Johnson and seconded by Council Member Tapqaq to adopt R-22-07-04.

Discussion:

- Manager Steckman discussed the budgeted amounts for the project and the bids that came in. He discussed some of the challenges in developing and putting out the bid package.

At the roll call:

Aye: Tapqaq; Brown; Henderson; D. Johnson; M. Johnson

Nay:

Abstain:

The motion **CARRIED**.

UTILITY MANAGER'S REPORT

- A. Activity Report: July 12 - July 22, 2022.

- Mayor Handeland noted that Mr. Morton was in Cordova for a conference. Mayor Handeland discussed the next day's coast guard inspection for spill drills.
- He discussed the process for expressing concerns with respect to issues with AK Waste.

CITY MANAGER'S REPORT

- A. Activity Report: July 12 - July 22, 2022.

- Manager Steckman presented his written report, highlighting an upcoming work session on site closure for property where the Richard Foster Building is now situated, at-one-time owned by NovaGold, AK Gold and the City of Nome. He noted the DEC was looking to bring the matter to a close and he has been working closely with the parties.
- The first cruise ship came in since September of 2019. He discussed 350 passengers getting off and 350 passengers getting on. He noted 162 visitors came through the museum that day.
- He discussed the status of COVID and reiterated the City has COVID test kits and masks for free.
- Manager Steckman discussed cigarette buttes and trash.

- He discussed the status of pool repairs and the costs of the project. He noted he's been assured the project will give the City another 10-15 years of upgrades. He discussed the pool would be getting a SCADA system for remote control and monitoring.
 - He discussed the 2022 abatement process and noted that abatement reports were forthcoming.
 - He discussed the possibility of needing a new heating oil tank at the Mini Convention Center, as it is a single wall. He discussed the replacement of the tank at the Visitor Center and the precarious status of the piping.
 - Manager Steckman noted the bank was seeking to add some interest to the City accounts.
 - Council Member Brown asked about school bond reimbursement money, assuming it was not contingent on repairing the pool.
 - Council Member Henderson brought up the 2019 letter from NSHC regarding the ambulance department.
 - Manager Steckman discussed his discussions with CEO Gorn and the Fire Chief and suggested that it was informational and would have a report at the next meeting.
 - Port Director Baker stated she was there for questions if there were any.
 - Manager Steckman summarized a recent coast guard visit from staff that have never been here before.
- B. Letter of October 7, 2019 from Angie Gorn to Nome Common Council re: Ambulance Proposal.
- C. Department Quarterly Reports.
- Rec Center
 - Road Crew
 - Museum
 - Library
 - NPD
 - Finance
 - IT
 - Building Inspection

CITIZEN'S COMMENTS

None given

COUNCIL MEMBER'S COMMENTS

1. Council Member Tapqaq opined that it was nice to be back.
2. Council Member Brown – no comments.
3. Council Member Doug Johnson – no comments.
4. Council Member Mark Johnson – no comments.
5. Council Member Henderson discussed the new software platform for online sales tax collection, saying he supported it, but clarified that he didn't support the incentivization of audits, noting we need to be very careful of it.

MAYOR'S COMMENTS AND REPORT

A. Activity Report: July 12 - July 22, 2022.

- Mayor Handeland discussed a recent meeting with the brass of US Army Corps of Engineers, saying no promises were made, but "if you build it, they will come" was implied. He noted it was a fruitful meeting.
- He thanked the Clerk's Office for their efforts in organizing the Fourth of July events.
- Mayor Handeland opined was great to see the cruise ship dock and noted it was good to get back to normalcy with cruise landings. He noted he was able speak to a few of the tourists and that they were enjoying their time in Nome.
- He discussed the school construction fund vis-à-vis construction projects, that these funds were previously expended and asked Manager Steckman to work with Superintendent Burgess to see if they can be used for pool repairs.
- Manager Steckman noted the City has discussed with the school the conditons of the pool before, but never got down to brass tacks. He opined that a piecemeal approach would cost more in the longrun. He opined the project would likley impact the swim team's schedule.
- Finance Director Crowe discussed the bond reimbursement and gave details.
- Council Member Doug Johnson thanked Cole and his staff for doing a great job with the ship turnover.

EXECUTIVE SESSION**ADJOURNMENT**

Hearing no objections, the Council adjourned at 8:12 PM.

APPROVED and SIGNED this 8th day of August 2022

JOHN K. HANDELAND
Mayor

ATTEST:

BRYANT HAMMOND
Clerk

Mayor
John K. Handeland
Manager
Glenn Steckman
Clerk
Bryant Hammond



Nome City Council Item B.
Jerald Brown
Doug Johnson
Mark Johnson
Adam Martinson
Jennifer Reader
M. Sigvanna Tapqaq

**NOME COMMON COUNCIL
SPECIAL MEETING MINUTES
WEDNESDAY, AUGUST 10, 2022 at 12:00 PM
COUNCIL CHAMBERS IN CITY HALL**

102 Division St. ▪ P.O. Box 281 ▪ Nome, Alaska 99762 ▪ Phone (907) 443-6663 ▪ Fax (907) 443-5345

ROLL CALL

Members Present: Jerald Brown; Scot Henderson; Doug Johnson; Mark Johnson; Sigvanna Tapqaq
Members Absent: Adam Martinson (excused); Paris Hebel (excused)
Also Present: Glenn Steckman, City Manager; Bryant Hammond, City Clerk;
In the audience: Diana Haecker (Nome Nugget);

APPROVAL OF AGENDA

A motion was made by C. Henderson and seconded by C. D. Johnson to approve the agenda as presented.

At the roll call:
Aye: Henderson; D. Johnson; M. Johnson; Tapqaq; Brown
Nay:
Abstain:

The motion **CARRIED**.

CITIZENS' COMMENTS

None given

NEW BUSINESS

- A. R-22-08-03 A Resolution of the City of Nome Authorizing the City Manager to Enter into an Agreement with Polar Pools to Address Deferred Maintenance Required to Keep the Pool in Operation.

A motion was made by C. Henderson and seconded by C. D. Johnson to adopt R-22-08-03.

Discussion:

- Manager Steckman gave a recap of the discussion held on Monday night and discussed the most recent cost estimate and scope of work from Polar Pools.

- Parks & Rec Director Leeper discussed the scope of work in detail, as well as the timeline of the project and strategies to address the leak in house.
- Council Member Mark Johnson asked how the project would be funded.
- Manager Steckman discussed the means of funding the project through NSEDC and recent school bond reimbursements from the state.
- Council Member Henderson opined that costs would continue to increase if no action were taken, as they had in the past.
- Mayor Handeland opined deposit amount was steep and noted that Bob Walker's estimate of the gutter repair was \$250,000 for the record.

At the roll call:

Aye:

Nay:

Abstain:

The motion **CARRIED**.

ADJOURNMENT

Hearing no objections, the Council adjourned at 12:17 PM.

APPROVED and SIGNED this 22nd day of August 2022

JOHN K. HANDELAND
Mayor

ATTEST:

BRYANT HAMMOND
Clerk



City of Nome

P.O. Box 281, 102 Division Street

Nome, Alaska 99762

Phone (907) 443-6663

FAX (907) 443-5345 www.nomealaska.org

To: Mayor & Nome Common Council
From: Bryant Hammond, City Clerk
Date: August 5, 2022
RE: NCO Chapter Regarding Tax Audits

As requested at your July 25, 2022 Regular Meeting, below is the Nome Code of Ordinances chapter regarding tax audits:

17.10.130 Tax Audits

- (a) The assessor is not bound to accept a sales tax return as correct. He or she may make an independent investigation of all retail sales transactions. In such case, the assessor may make his or her own valuation of the taxable property, which shall be prima facie evidence in a court of law.
- (b) For the conduct of an investigation, the assessor or his or her agent may enter any premises during reasonable hours, and may examine all books, records and other documents and property that may reasonably lead to the discovery of evidence of retail sales transactions. A person shall, upon request, furnish to the assessor or his or her agent every facility and assistance for the purposes of the investigation.
- (c) An assessor may examine a person on oath. Upon request during reasonable hours, the person shall present himself or herself for examination by the assessor.
- (d) Each seller liable to collect and pay sales tax shall maintain for a period of six years all books, records and other documents containing evidence of retail sales transactions, and shall produce any and all said books, records and other documents for examination and inspection at any reasonable time by the assessor.
- (e) In the event the assessor, upon completion of an audit, discovers more than five hundred dollars in additional sales taxes due from a merchant resulting from a merchant's failure to accurately report sales and taxes due thereupon, the merchant will bear responsibility for the cost of the audit. The audit fee assessment will be in addition to interest and penalties applicable to amounts deemed to be delinquent by assessor at the time of the conclusion of the audit but shall not exceed one thousand dollars.
- (f) A merchant may appeal audit assessments and penalties. The appeal will be conducted in a manner that is consistent with the appeal procedures set forth in NCO Sections [17.10.110\(d\)](#) and (e). (Ord. O-20-02-01 § 10, 2020; Ord. O-12-09-02 § 14, 2012; Ord. O-93-6-6 § 1 (part), 1994)



August 12th, 2022

City of Nome
P.O. Box 281
Nome, AK 99762

Dear City of Nome Council Members, Nome Mayor John Handland and City leadership,

The board of directors for the 2nd Chance Modifications Company extends a warm invitation to attend our scheduled public event in Nome on Saturday, August 20th, 2022, at 5:00pm at 804 E. 4th Ave (the former Nome Youth Facility) for a welcome home to Bryce Warnke-Green and the unveiling of our modified track chair for Bryce to use to progress toward his goals of returning to work. He will be home from Friday, August 19th to Sunday, August 21st.

Our non-profit 501 (c) (3) organization was created on August 17th, 2021, in Nome, Alaska and was developed to help individuals experiencing a physical disability to overcome their limitations using fabrications and modern technology to help guide them to their highest level of independence. It would mean a lot to have you join us for this event.

What: Homecoming for Bryce Warnke-Green and unveiling his modified track chair

Where: 804 E. 4th Ave in Nome, Alaska

When: Saturday, August 20th at 5:00pm

Sincerely,

Jake Kenick

Vice Chairman of 2nd Chance Modifications Company

2ndchancemods@gmail.com

Second Chance Modifications

907 - 434 -1600

RECEIVED

AUG 12 2022

CITY OF NOME
CLERKS DEPARTMENT

Nome Common Council
City Manager
Mayor of Nome

August 12, 2022

Subject: Failure of the Nome Volunteer Ambulance Department (NVAD)

Dear Council Members,

I am a current member of the NVAD/Service and have faithfully supported this Department for the past 29 years. I have taught basic classes for almost 50 years and have received the Governor's award for EMT Provider of the Year, EMS Trainer of the Year and was a Commissioner on the State Emergency Response Commission. I also have served as a member of the ACEMS Training Committee and currently Co-chair the Local Emergency Planning Association and the Local LEPC. I am addressing this NVAD failure because I think things can be corrected and the result will be that NVAD is once again a highly respected Department in the State of Alaska.

This Department's failure is due to a lack of leadership.

In the City Manager's report Dated August 4, 2022, the concerns of turnout by EMT's were addressed:

As mentioned in the Common Council Meeting on July 11th, a recently retired NVAD paramedic addressed the Council with concerns she had with regards to NVAD and the safety of the community. Let me be very specific here, the Common Council has been addressed several times regarding the failure of the NVAD. The individuals addressing the Council are State Certified or State Licensed medical professionals and have spent plenty of time supporting NVAD and the region. These professionals addressed the Common Council because they were asking for some assistance with supporting the Ambulance Department.

This puts the Common Council in a precarious position in the event of discovery or lawsuit. In other words, you as the Common Council have been requested by the medical experts to do something and you Common Council have not done anything. The City Manager's report states "a member of audience made some comments about the Nome Volunteer Ambulance Department. While the comments were negative". Negative! How unprofessional to throw this concerned paramedic under the bus! It takes courage to stand before the Common Council and state the obvious facts! The NVAD member or a member of the audience, however you choose to call her, Stephanie Nielson who spent close to two years running ambulance calls for free in this community did all of us a favor by letting the Common Council know how the NVAD is being run and how little it has been supported which puts all of us at risk if we call 911.

The NVAD members have always been treated poorly by the City of Nome, sure there are some token items provide, however the last two Ambulance Chiefs quite because of poor treatment. Both Chiefs have given an entire career for NVAD free of charge to you, they spent thousands of hours of volunteer time/work which took them away from their families, their jobs, and the results affected their health and wellbeing. They received very little recognition or quite frankly no recognition from City Leadership, how thankless can you treat your volunteers? Do you know who your volunteers are? When was the last time you stopped one of them on the street and thanked them for the services, they provide the City of Nome and the region? Did any of the Common Council or City admission thank Stephanie Neilson for her service while she stood before you and addressed her concerns for NVAD and the safety of the community?

In the EMS Services, it would greatly assist the two full-time employees if NSHC would provide the EMT as mentioned in section 4. G. of the MOA from 2017 "NSHC shall provide at least one full-time employee to assist NVAD with necessary EMT training and when available respond as a responding volunteer his or her scheduled shift". This would provide immediate relief to the NVAD team.

Another item that needs to be addressed is the response times. The national standard for response is called the "platinum ten minutes". Basically, the concept is that responders have the patient to the hospital in 10 minutes. This is not happening nearly as often as it should and dispatch records and submitted run reports can support my statement. This Council has been notified that prolonged dispatch times, no response, or maybe only a driver response for a call for service has happened many times here over the past few years. The City Council was informed that the average response time is 6.5 minutes, but this fails to mention that this time is when someone gets in the ambulance and is enroute to the hospital, this does not address the fact that the call for service to dispatch takes place and the amount of response time it takes a team to launch an ambulance to get to a patient. Those times should be given to this Council as something to look at and take very seriously. Dispatch has documented call-out for both fire and ambulance for over an hour with no response many times over the past couple of years.

The city Council was also informed in the City's managers' report that generally the labeled non-responsive or those that suffer from mental health issues don't get a strong response from the medical/fire responders, and that a child in distress call receives a strong response. During my 29 years of responding to calls I find that the patient who suffers from mental health issues and substance abuse issues are some of the sickest people in Nome and we should never-not respond because these patients often have bleeding ulcers, head injuries, low blood sugar, hypothermic situations, and untreated diseases. This past year the NVAD has not responded to calls for service for strokes, chest pain, respiratory distress, and this all could be corrected by having current volunteers sign on the run schedule that is required by the State of Alaska EMS Policy and Procedures. The NVAD State certification is tied to the run schedule which requires this ambulance department to cover every single shift in a month with at least one EMT and driver. This run schedule requires a "duty to act" for those that signup. NVAD has not had a filled run schedule after the former Chief left, in fact if you asked to see this schedule, I would bet you would only find the two names of the paid staff on this month's schedule. Where is this run schedule and why isn't it filled with the names of the people on the NVAD

roster? Who is responsible for getting this schedule filled? Who is responsible for supporting the people on the current roster? Who is calling/emailing them and asking them why they are not coming to NVAD meetings and signing up? Whose job is this and why is this not being addressed?

There are several additional items I would like to address:

In 2002 75% of the Fire Departments (including Ambulance Departments) were volunteer, that percentage is not even addressed anymore. The reality is that volunteers in this generation are hard to find and as a general rule "want something beneficial to them". NVAD did vote to get a higher stipend for calls, but this didn't occur. The thought is that spouses would not turn off pagers and radios if there was a benefit for the family. Please consider supporting the volunteers by paying them a daily stipend that would get some attention.

The backbone of any ambulance department is the EMT I or EMT Basic. NVAD/NVAS has had evening and weekend classes in the fall starting in 1982 to recruit new members. This is very important because most new EMTs last through one certification cycle. The average lifetime of a Certified EMT is only two years. We have not had a fall night EMT Class in 2021, so no new EMTs. The EMT class is a minimum of 160 hours, in the MOA with NSHC/NVAD Section 4, K (5.1.2017) NSHC agreed to provide at least one local EMT -1 class held nights and weekends annually, I don't feel this has been provided.

NVAD leadership has failed to provide the required OSHA training such as Bloodborne/airborne pathogens class, Fit testing for masks, and Hazard Communication Training. Only three of the volunteers have airport badges which greatly limits who can go on the runway and pickup/deliver patients for/from medivacs. A question you should be asking is how many of the Fire Department personnel have airport badges so they can respond to a MOA with the State of Alaska DOT in the event we have a situation on the runway for example: Landing gear not working, fire on aircraft, and engine on fire, medical emergency on aircraft...we have all responded to these types of calls in the past and more of these incidents will take place on our runway in the future.

We have two paid employees who I am not certain that they fully understand their job descriptions. The ambulance bays are dirty, the ambulances have been dirty most of the winter. I would think that the nighttime staff especially would have time to wash a dirty ambulance in the nice heated garage we have. Ambulances should be cleaned after every single call, inside especially. In the past leadership had requested at the very least an ambulance that drove in very muddy conditions get rinsed off before it entered the garage, single fix but some direction is needed but current leadership of the NVAD. We would like to see some pride restored to this department and that starts from the top.

Please support this department that we want to keep under the City of Nome by hiring two more paid staff. Consider a position that would oversee the fire/ambulance chief/chiefs to ensure the work is being done and grants are being actively sought out. Apply for the SEMT Grant, FEMA grants, and lastly, please return back to the NVAD its offices located in the Public Safety Building. The Public Safety Building is a reality due to the hard work of Charlie Lean, former Chief of NVAD. Charlie sought out the EMS grant and the City was awarded the grant for the building. NVAD as soon as they moved into the building was asked to schedule their use of the training room, often to be told we can't use it because

some other City Department needed it. NVAD was then asked to move out of the two offices located in the back of the building and now reside in one office in the lobby. Their trainer's room was also taken from them. When does the abuse of your volunteers stop?

Thank you for your time,

A handwritten signature in black ink that reads "Thomas A. Vaden". The signature is stylized with a large, sweeping "T" and a long, horizontal stroke for the "V".

Tom Vaden
EMS Trainer, NVAD Volunteer

Cc: Nome Nugget

1st Reading: July 25, 2022
2nd Reading: August 22, 2022

Presented By:
City Manager

Action Taken:
Yes____
No____
Abstain____

CITY OF NOME, ALASKA

ORDINANCE NO. O-22-07-02

AN ORDINANCE OF THE NOME COMMON COUNCIL, NOME, ALASKA, ADDING CHAPTER 15.100 ABUSE OF 911 SYSTEM TO THE NOME CODE OF ORDINANCES

WHEREAS, the City of Nome provides emergency services to the citizens of Nome; and,

WHEREAS, fire and ambulance services in the City of Nome are largely provided by volunteers; and,

WHEREAS, non-emergency calls placed to emergency services burns out volunteers and wastes dispatchers' time, thereby potentially delaying or otherwise negatively affecting true emergency care.

NOW, THEREFORE, BE IT ORDAINED by the Nome Common Council as follows:

Section 1. Classification. This is a Code ordinance.

Section 2. Addition of NCO 15.100. Title 15 of the Code of Ordinances of Nome, Alaska, is hereby amended by adding a new chapter to read as follows:

15.100.010 Abuse of 911 System

- (a) Any person who, after being warned that their use of the 911 telephone system is improper, uses the 911 telephone system for any reason other than because of an emergency is guilty of an infraction.
- (b) For purposes of this section, "emergency" means a condition in which a reasonable person would believe emergency services will result in the saving of a life, a reduction in the destruction of property, quicker apprehension of a criminal, assistance with potentially life-threatening medical problems, a fire, a need for rescue, an imminent potential crime, or a similar situation in which immediate assistance is required. "Emergency" also includes calls to 911 to prevent an emergency response from being initiated when no such response is needed.
- (c) A person convicted under subsection (a) is subject to a fine of \$250.00.

Section 3. Amendment to Section 1.20.040.

Section 1.20.040 of the Nome Municipal Code is hereby amended to include the following addition to the fine schedule:

Code Section	Offense	Penalty/Fine
15.100.010	Abuse of 911 System	\$250

Section 4. Effective Date. This ordinance becomes effective upon adoption.

APPROVED and SIGNED this 22nd day of August, 2022.

John K. Handeland
Mayor

ATTEST:

Bryant Hammond
City Clerk

Presented By.
City Manager

Action Taken:
Yes____
No____
Abstain____

CITY OF NOME, ALASKA

RESOLUTION NO. R-22-08-01

A RESOLUTION ALLOCATING THE 2021 NSEDC END-YEAR COMMUNITY BENEFIT SHARE FUNDS

WHEREAS, on November 10, 2021, Norton Sound Economic Development Corporation (NSEDC) informed the City of Nome (City) that it was generously distributing \$200,000 as the 2021 end-year Community Benefit Share (CBS); and,

WHEREAS, on August 8, 2022, the Nome Common Council discussed the best use of the Community Benefits Share funds at their regularly scheduled meeting; and,

WHEREAS, the Nome Common Council decided it was in the community's best interest to complete deferred maintenance on the Nome Lifesaving Center, also known as the Swimming Pool; and,

WHEREAS, the entire community will benefit from addressing such deferred maintenance either directly through use of the swimming pool or indirectly by directing City tax revenues elsewhere.

NOW, THEREFORE, BE IT RESOLVED by the Nome Common Council that the 2021 NSEDC Community Benefits Share funds are hereby allocated to \$100,000 to deferred maintenance on the Nome Swimming Pool.

APPROVED and **SIGNED** this 22nd day of August, 2022.

JOHN K. HANDELAND
Mayor

ATTEST:

BRYANT HAMMOND
Clerk

Presented By.
City Manager

Action Taken:
Yes____
No____
Abstain____

CITY OF NOME, ALASKA

RESOLUTION NO. R-22-08-02

A RESOLUTION OF THE CITY OF NOME AUTHORIZING THE CITY MANAGER TO INCREASE THE BOUNTY ON JUNK VEHICLES DISPOSED OF THROUGH U CALL, WE HAUL

WHEREAS, the Nome Common Council adopted R-21-07-06 A Resolution of the City of Nome Authorizing the City Manager to Offer a Bounty on Junk Vehicles Disposed of Through U Call, We Haul; and,

WHEREAS, there yet remains an abundance of junk vehicles scattered throughout the City of Nome; and,

WHEREAS, the City of Nome wishes to expedite the removal of said junk vehicles;

NOW, THEREFORE, BE IT RESOLVED that the Nome Common Council authorizes the City Manager to increase the “bounty” of fifty dollars (\$50.00) on each car, truck or SUV removed from an individual’s property through “U Call, We Haul” within the City Limits to one hundred dollars (\$100.00).

APPROVED and SIGNED this 22nd day of August, 2022

JOHN K. HANDELAND
Mayor

ATTEST:

BRYANT HAMMOND
City Clerk

Presented By.
City Manager

Action Taken:
Yes____
No____
Abstain____

CITY OF NOME, ALASKA

RESOLUTION NO. R-22-08-04

A RESOLUTION DESIGNATING SEPTEMBER 2022 AS SUICIDE PREVENTION AWARENESS MONTH IN THE CITY OF NOME, ALASKA

WHEREAS, in 2020, the United States suffered a death by suicide every 11 minutes; and,

WHEREAS, the State of Alaska has a suicide rate that doubles the national average; and,

WHEREAS, Rural Alaska, where the City of Nome is located, has some of the highest rates of suicide in the State; and,

WHEREAS, the entire community of Nome has been affected by the loss of life by suicide, with personally knowing someone that has taken their life; and,

WHEREAS, the City of Nome is heartened by the expansion and implementation of the 988 Suicide and Crisis Lifeline in the State of Alaska; and,

WHEREAS, the 988 Lifeline will have the capability to receive calls, texts, and chats from people in crisis; and,

WHEREAS, the City of Nome encourages its citizens to seek help when needed and see hope for the future; and,

NOW, THEREFORE, BE IT RESOLVED that the Nome Common Council designates September 2022 as Suicide Prevention Awareness Month in the City of Nome, Alaska.

APPROVED and **SIGNED** this 22nd day of August, 2022.

JOHN K. HANDELAND,
Mayor

ATTEST:

BRYANT HAMMOND,
Clerk

CITY OF NOME, ALASKA

RESOLUTION NO. R-22-08-05

A RESOLUTION OF THE CITY OF NOME, ALASKA PROVIDING FOR THE ISSUANCE OF A UTILITY REVENUE ANTICIPATION NOTE OF THE CITY IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$7,650,000 TO FINANCE THE PURCHASE OF DIESEL FUEL FOR THE NOME JOINT UTILITY SYSTEM, AUTHORIZING THE SALE OF THE NOTE BY NEGOTIATION, AND AUTHORIZING THE EXECUTION AND DELIVERY OF A SECURITY AGREEMENT PROVIDING A SECURITY INTEREST FOR THE PURCHASER OF THE NOTE.

WHEREAS, the City of Nome (the “City”), a first class city organized under the statutes of the State of Alaska, now owns and operates the Nome Joint Utility System (the “Utility”) as a separate utility under Title 15 of its Code of Ordinances; and

WHEREAS, it is deemed necessary and in the best interest of the City that a utility revenue anticipation note of the City now be authorized to be sold and the funds derived therefrom be used to purchase diesel fuel for electric power generation (the “Fuel Purchases”); and

WHEREAS, the Constitution and statutes of the State of Alaska permit the City to issue revenue anticipation notes payable from the revenues of the Utility without ratification by an election; and

WHEREAS, the City anticipates that the Utility will receive sufficient revenues to pay the Note when due; and

WHEREAS, for the security of all parties to the transaction it is desirable that the City enter into a security agreement providing for a lien on the fuel purchased with the proceeds of the Note.

NOW THEREFORE, BE IT RESOLVED:

1. Definitions. In addition to the terms that are defined in the recitals above, the following terms shall have the following meanings in this Resolution:

1.1 “Bond Counsel” means Birch Horton Bittner & Cherot or any other law firm appointed by the City, having a national reputation in the field of municipal finance whose opinions are generally accepted by purchasers of municipal bonds.

1.2 “Bond Documents” mean and include, without limitation, the Note, the Resolution, the Security Agreement and all other documents relating to the Note.

1.3 “City” means the City of Nome, a municipal corporation of the State of Alaska, organized as a first class city under Title 29 of the Alaska Statutes.

1.4 “Code” means the Internal Revenue Code of 1986, as amended from time to time, together with all regulations applicable thereto.

1.5 “Council” means the Council of the City of Nome, as the general legislative authority of the City, as the same shall be duly and regularly constituted from time to time.

1.6 “Default Rate” means an interest rate per annum that is equal to 3.00% plus five per cent (5.0%) or, upon a Determination of Taxability, an interest rate per annum that is equal to 4.2% plus five percent (5.0 %). However, in no event will the Default Rate exceed the maximum interest rate limitations under applicable law.

1.7 “Determination of Taxability” means (a) the occurrence of any action that, in the judgment of the City, in reliance on the advice of Bond Counsel, will adversely affect the tax-exempt status of the Note, (b) the failure to take any action that, in the judgment of the City, in reliance on the advice of Bond Counsel, is necessary to preserve the exemption from income taxation of interest on the Note, (c) a final judgment or order of a court of competent jurisdiction, or a final ruling or decision of the Internal Revenue Service, in any such case to the effect that the interest on the Note is includable for Federal income tax purposes in the gross incomes of the recipients thereof, or (d) the enactment of Federal legislation that would cause the interest on the Note to be includable for Federal income tax purposes in the gross incomes of the recipients thereof. A judgment or order of a court of competent jurisdiction or a ruling or decision of the Internal Revenue Service shall be considered final only if no appeal or action for judicial review has been filed (and is pending) and the time for filing such appeal or action has expired.

1.8 “Note” means the “Utility Revenue Anticipation Note, 2022” of the City of Nome, the issuance and sale of which are authorized herein.

1.9 “Note Register” means the registration books maintained by the Registrar as Note registrar, which include the names and addresses of the owners or nominees of the owners of the Note.

1.10 “Operating Expenses” means the current expenses incurred for operation, maintenance or repair of the System of a non-capital nature, and shall include, without limiting the generality of the foregoing, payments required by any power purchase agreements, source of supply expenses, fuel expenses, production, transmission and distribution expenses, customer accounts expenses, administrative and general expenses, insurance premiums, lease rentals, legal and engineering expenses, payments to pension, retirement, group life insurance, health and hospitalization funds or other employee benefit funds which are properly chargeable to current operations, interest on customers’ deposits, payroll tax expenses, and any other expenses required to be paid under the provisions of this Resolution or by law or permitted by standard practices for public utility systems similar to the properties and business of the System (adjusted to reflect public ownership) and applicable in the circumstances. Operating Expenses shall not include any allowances for depreciation or amortization or any principal, redemption price or purchase price of, or interest on, any obligations of the City incurred in connection with and payable from

Revenues, except that operating expenses shall include equal monthly payments required for repayment of principal and interest on borrowings to provide for the bulk purchase of diesel fuel for the operation of the System's electric generators.

1.11 "Registered Owner" means the person named as the registered owner of the Note in the Note Register. Northrim Bank, an Alaskan state-chartered bank, is the initial Registered Owner.

1.12 "Registrar" means the City Treasurer, or any successor that the City may appoint by resolution.

1.13 "Resolution" means the Resolution No. R-22-08-05 of the City.

1.14 "Revenues" means all rates and charges and other income, in each case derived by or for the account of the City from the ownership, leasing or operation of the System except interest received and profits derived from the investment of moneys other than moneys in the Utility Revenue Fund. For purposes of the Note, Revenues shall not include allowance for funds used during construction.

1.15 "Security Agreement" means a security agreement executed by the City in favor of the Registered Owner as secured party, granting to the Registered Owner a first position security interest in the diesel fuel inventory and all accounts and proceeds thereof and in the event of default permitting the Registered Owner to repossess and dispose of the diesel fuel inventory as is, where is, in the locations or places where such inventory may be stored by the City.

1.16 "System" means the existing electric, sewer, water and refuse collection and disposal utility system of the City as the same may be added to, improved and extended for as long the Note is outstanding.

1.17 "Utility Revenue Fund" means the special fund of that name created by Ordinance No. O-88-8-2, as amended.

2. Authorization of Note and Purpose of Issuance. For the purpose of providing part of the funds necessary for the Fuel Purchases, and to the issuance of the Note, the City shall issue the Note in a principal amount equal to the aggregate amount of the advances that the Registered Owner makes to the City for Fuel Purchases, but not to exceed \$7,650,000. The City shall execute a Security Agreement granting to the Registered Owner a first position security interest in the diesel fuel inventory and the accounts and proceeds thereof as security for repayment of the Note and agrees that no second position or other junior security interests or liens are permitted in the diesel fuel inventory and the accounts and proceeds during the term of the Note.

3. Obligation of Note. The Note shall be an obligation only of the Utility Revenue Fund and shall be payable and secured as provided herein. Neither the faith and credit nor the taxing power of the City is hereby pledged for the payment of the Note.

4. Description of Note. The Note shall be designated "City of Nome Utility Revenue Anticipation Note, 2022" shall be issued in fully registered form, and shall be numbered in the

manner and with such additional designation as the Registrar deems necessary for purposes of identification. The Note shall be dated as of its delivery date and shall bear interest at a rate of Three percent (3.00%) per annum. Interest on the Note shall be computed on the basis of a 360-day year for the actual number of days elapsed.

The Note shall be payable in ten equal monthly installments of principal and interest, commencing on October 26, 2022, and on the same day of each month thereafter until a date not later than July 26, 2022, when the remaining principal balance of the Note, plus accrued interest, shall be due and payable. For each payment of principal or interest that has not been paid in full within fifteen (15) days after its date due, the City will pay to the Registered Owner a late charge of \$25.00 or 10 percent (10%) of the amount due, whichever is greater. The City acknowledges and agrees that the amount of this late fee is reasonable with respect to the Note, taking into account the Registered Owner's expectation of timely receipt of payments with regard to the favorable pricing of the Note, and the operational, administrative and regulatory burdens flowing from late payments and delinquencies. To the extent this late fee or any other fee or charge set forth in the Note may be prohibited or exceed any limit provided by any present or future applicable law, such fee or charge shall be reduced to the maximum amount allowed.

Upon the occurrence of a Determination of Taxability, the interest rate on the Note shall increase to Four and two tenths percent (4.2%) from the date of taxability.

5. Optional Redemption. The Note shall be subject to optional redemption in whole or in part at any time, at a redemption price equal to the principal amount of the Note to be redeemed plus accrued interest to the date of redemption.

6. Notice of Redemption. Notice of any intended redemption of the Note shall be given not less than ten (10) nor more than forty-five (45) days prior to the date fixed for redemption by first class mail to the Registered Owner of the Note at its address as it appears on the Note Register on the day the notice is mailed. The requirements of this section shall be deemed to be complied with when notice is mailed as herein provided, whether or not it is actually received by the Registered Owner. All official notices of redemption shall be dated and shall state the redemption date and the redemption price.

7. Form of Note. Each Note shall be in substantially the following form, with such variations, omissions and insertions as may be required or permitted by this Resolution:

UNITED STATES OF AMERICA
STATE OF ALASKA
CITY OF NOME

No. _____

\$7,650,000.00

UTILITY REVENUE ANTICIPATION NOTE, 2022

REGISTERED OWNER: Northrim Bank

PRINCIPAL AMOUNT: Seven Million Six Hundred Fifty Thousand Dollars (\$7,650,000.00)

The City of Nome (the “City”), a municipal corporation of the State of Alaska, acknowledges itself indebted and for value received promises to pay (but only out of the sources mentioned herein) to the Registered Owner identified above, or its registered assigns, a principal amount equal to the aggregate amount of the advances that the Registered Owner makes to the City for Fuel Purchases, but not to exceed \$7,650,000, together with accrued interest on the outstanding principal balance of this Note at a rate of Three percent (3.00%) per annum.

Upon the occurrence of a Determination of Taxability, the interest rate on this Note shall increase to Four and two tenths percent (4.2%) from the date of taxability.

Interest on this Note shall be computed on the basis of a 360-day year for the actual number of days elapsed.

This Note is payable in ten equal monthly installments of principal and interest, commencing on October 26, 2022, and on the same day of each month thereafter until July 26, 2023, when the remaining principal balance of this Note, plus accrued interest, shall be due and payable. Both principal of and interest on this Note shall be payable in any lawful money of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Installments of principal and interest on this Note shall be paid by automatic debit from the City’s account at Northrim Bank in Fairbanks, Alaska, or at the option of the Registered Owner at the office of the Treasurer of the City in Nome, Alaska. The City agrees to maintain a deposit account with Northrim Bank from which the Registered Owner is authorized to debit payments, fees and such other sums as may be payable under this Note or related documents as they become due, and shall keep such deposit account in good standing at all times. This auto payment authorization shall remain in full force and effect until discontinued by the Registered Owner.

For each payment of principal or interest that has not been paid in full within fifteen (15) days after its date due, the City will pay to the Registered Owner a late charge of \$25.00 or ten per cent (10%) of the amount due, whichever is greater. The City acknowledges and agrees that the amount of this late fee is reasonable with respect to this Note, taking into account the Registered Owner's expectation of timely receipt of payments with regard to the favorable pricing of this Note, and the operational, administrative and regulatory burdens flowing from late payments and delinquencies. To the extent this late fee or any other fee or charge set forth in this Note may be prohibited or exceed any limit provided by any present or future applicable law, such fee or charge shall be reduced to the maximum amount allowed.

Each of the following shall constitute an event of default under this Note: (1) the City fails to make any payment when due under this Note; (2) any warranty, representation or statement made or furnished by the City or on the City’s behalf in connection with the Note or any related documents is false or misleading in any material respects, either now or at the time made or furnished or becomes false or misleading at any time thereafter; and (3) dissolution or termination of the City’s existence as a first class city, insolvency of the City, appointment of a receiver for any part of the City’s property, and assignment for the benefit of creditors, any time of creditor workout, or the commencement of any proceeding under bankruptcy or insolvency laws by or against the City. Upon default, the Registered Owner may declare the entire unpaid principal balance under this Note and all accrued and unpaid interest immediately due, and then City will

pay that amount. Upon default, the Registered Owner may exercise its rights and remedies under applicable law, including, but not limited to, the rights and remedies of a secured party under the Uniform Commercial Code as adopted in Alaska or under the Security Agreement granting the Registered Owner a security interest in the diesel fuel inventory and all accounts and proceeds thereof, and apply the funds from the disposition of such collateral against the amounts due hereunder.

Upon default or at any time during the pendency of any event of default under this Note or any related documents, this Note thereafter shall at the Registered Owner's option and without prior notice, bear interest at the Default Rate (as defined in the Resolution).

The City shall pay to the Registered Owner immediately upon demand the full amount of all payments, advances, charges, costs and expenses, including reasonable attorneys' fees (to include outside counsel fees and all allocated costs of the Registered Owner's in-house counsel), expended or incurred in connection with the enforcement of the Registered Owner's rights and/or the collection of any amounts which become due under this Note, and the prosecution or defense of any action in any way related to this Note, including without limitation, any action for declaratory relief, whether incurred at the trial or appellate level, in an arbitration proceeding or otherwise, and including any of the foregoing incurred in connection with any bankruptcy proceeding (including without limitation, any adversary proceeding, contested matter or motion brought by the Registered Owner any other person) relating to the City or any other person or entity.

This Note is subject to prepayment by or on behalf of the City, in whole or in part, at any time without penalty, upon notice as provided in the Resolution.

This Note shall be interpreted and enforced in accordance with the substantive and procedural laws of the State of Alaska, without reference to choice of law provisions. Any arbitration or legal action, at law or equity, relating in any way to this Note or to the enforcement of this Note, shall be instituted only and exclusively in the superior or district court, as may be applicable, for the State of Alaska sitting in Fairbanks, Alaska, and the City consents to submit to such personal jurisdiction.

This Note is issued pursuant to Chapter 47, Title 29 of the Alaska Statutes and the Resolution, for the purpose of providing funds to acquire diesel fuel for use in the provision of electric utility service in the City, and is the single registered Note entitled \$7,650,000 City of Nome Utility Revenue Anticipation Note, 2022.

THIS NOTE IS PAYABLE SOLELY FROM THE REVENUES OF THE UTILITY. THIS NOTE IS NOT A GENERAL OBLIGATION OF THE CITY AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE CITY IS PLEDGED FOR ITS REPAYMENT.

IT IS HEREBY CERTIFIED and declared that this Note is issued pursuant to and in strict compliance with the Constitution and laws of the State of Alaska and the ordinances of the City of Nome, and that all acts, conditions and things required to happen, to be done and to be performed precedent to and on the issuance of this Note have happened, been done and been performed.

IN WITNESS WHEREOF, the City of Nome, Alaska, has caused this Note to be executed by the signature of its Mayor and attested by its Clerk under the seal of the City on this ____ day of September 2022.

CITY OF NOME

By: _____
Mayor

A T T E S T:

City Clerk

ASSIGNMENT

For value received, the undersigned sells, assigns and transfers to (print or typewrite name, address, zip code and Social Security number or other tax identification number of Transferee)

this Note and irrevocably constitutes and appoints _____
attorney to transfer this Note on the Note Register, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of this Note.

8. Execution. The Note shall be executed in the name of the City by the signature of the Mayor, and its corporate seal shall be impressed or otherwise reproduced thereon and attested by the signature of the City Clerk. The execution of the Note on behalf of the City by persons who at the time of the execution are duly authorized to hold the proper offices shall be valid and sufficient for all purposes, although any such person shall have ceased to hold office at the time of delivery of the Note or shall not have held office on the date of the Note.

9. Payment of Principal and Interest. The Note shall be payable in lawful money of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Installments of principal and interest on the Note shall be paid at the office of

Northrim Bank in Fairbanks, Alaska, or at the option of the Registered Owner at the office of the Registrar in Nome, Alaska; provided that the final installment of the principal of the Note, plus accrued interest, shall be payable upon presentation and surrender of the Note by the Registered Owner at the principal office of the Registrar.

10. Registration.

10.1 Note Register. The Note shall be issued only in registered form as to both principal and interest. The Registrar shall keep, or cause to be kept, a Note Register at its principal office. The treasurer of the City is hereby appointed as Registrar and paying agent for the Note.

10.2 Registered Ownership. The City and the Registrar, each in its discretion, may deem and treat the Registered Owner of the Note as the absolute owner thereof for all purposes, and neither the City nor the Registrar shall be affected by any notice to the contrary. Payment of the Note shall be made only as described in Section 9 hereof, but such registration may be transferred as herein provided. All such payments made as described in Section 9 shall satisfy and discharge the liability of the City upon the Note to the extent of the amount or amounts so paid.

10.3 Transfer or Exchange of Registered Ownership. The registered ownership of the Note may be transferred or exchanged, but no transfer of the Note shall be valid unless it is surrendered to the Registrar with the assignment form appearing on such Note duly executed by the Registered Owner or such Registered Owner's duly authorized agent in a manner satisfactory to the Registrar. Upon such surrender, the Registrar shall cancel the surrendered Note and shall cause to be executed and delivered, without charge to the Registered Owner or transferee, a new Note (or Notes at the option of the new Registered Owner) of the same date, maturity and interest rate and for the same aggregate principal amount, naming as Registered Owner the person or persons listed as the assignee on the assignment form appearing on the surrendered and canceled Note. The Note may be surrendered to the Registrar and exchanged, without charge, for an equal aggregate principal amount of Notes of the same date, maturity, and interest rate. The Registrar shall not be obligated to transfer or exchange the Note following any notice of redemption.

11. Lost Stolen, Destroyed or Mutilated Note. Upon surrender to the Registrar of a mutilated Note, the City shall execute and deliver a new Note of like maturity and principal amount. Upon filing with the Registrar of evidence satisfactory to the City that a Note has been destroyed, stolen or lost and of the ownership thereof, and upon furnishing the City with indemnity satisfactory to it, the City shall execute and deliver a new Note of like maturity and principal amount. The person requesting the execution and delivery of a new Note under this section shall comply with such other reasonable regulations as the City may prescribe and pay such expenses as the City may incur in connection therewith.

12. Utility Fund and Priority of Use of Revenues. There has heretofore been created a special fund known as the "Utility Revenue Fund." The City hereby obligates and binds itself to set aside and pay into such Fund as collected all Revenues. Such Revenues and the moneys in the Utility Revenue Fund are hereby pledged first to pay Operating Expenses, including principal and interest on the Note, and then to make all payments required for any other legally authorized purpose.

13. Specific Covenants. The City hereby covenants with the owner of the Note for as long as the same remains outstanding as follows:

13.1 That it will at all times operate the System in an efficient manner and at a reasonable cost and will maintain, preserve and keep the System and every part and parcel thereof in good repair, working order and condition; and will from time to time make or cause to be made all necessary and proper repairs, renewals and replacements thereto so that the business carried on in connection therewith may be properly and advantageously conducted.

13.2 That it will at all times carry fire insurance and such other forms of insurance on such of the buildings, equipment, property and facilities of the System as are ordinarily insured in such amounts and with such deductibles as under good business practice are ordinarily carried on such buildings, equipment, property and facilities.

13.3 That it will not expend any of the money in the Utility Revenue Fund for any extensions or betterments which are not economically sound and which will not contribute to the operation of the System in an efficient and economical manner unless such extensions or betterments are required by law or by any regulatory body having valid jurisdiction.

13.4 That it will keep and maintain proper books and accounts with respect to the operation of the System in such manner as prescribed by any authorities having jurisdiction over public utilities operated by municipal corporations in Alaska; and that it will cause its books and accounts to be audited annually by a certified public accountant, copies of which audits shall, upon request, be furnished to the Registered Owner of the Note. Said audits shall show whether or not the City has in all respects performed and complied with the covenants set forth in this Resolution.

13.5 That all employees and agents of the City collecting or handling money of the City in connection with the management and operation of the System shall be bonded in an amount commensurate with the funds they handle and sufficient to protect the City from loss.

13.6 That it will not sell, lease or otherwise dispose of the System or any portion thereof (other than the disposition and replacement of components of the System due to wear and tear) or enter into any operating agreement with respect thereto unless contemporaneously with such sale, lease or disposal there shall be paid to the Registered Owner of the Note a sum sufficient to pay the principal of and interest on the Note then outstanding to the date on which it first may be redeemed, nor will the City sell, lease or otherwise dispose of any part of the System which is material to the production of Revenues unless, in the opinion of an independent consulting engineer licensed to practice in the State of Alaska and experienced in the construction and operation of municipal utilities, the remaining System will generate Revenues sufficient to enable the City to comply with the requirements of this Resolution.

14. Application of Note Proceeds. The proceeds of the sale of the Note shall be applied to pay costs of the Fuel Purchases, issuance costs of the Note and accrued interest on the Note, and shall be deposited in the appropriate funds or accounts of the City for such purposes.

15. Amendatory and Supplemental Resolutions.

15.1 The Council from time to time and at any time may adopt a resolution or resolutions supplemental hereto, which resolution or resolutions thereafter shall become a part of this Resolution, for any one or more of the following purposes:

15.1.1 To add to the covenants and agreements of the City in this Resolution, other covenants and agreements thereafter to be observed, or to surrender any right or power herein reserved to or conferred upon the City.

15.1.2 To make such provisions for the purpose of curing any ambiguities or of curing, correcting or supplementing any defective provision contained in this Resolution or in regard to matters or questions arising under this Resolution as the Council may deem necessary or desirable and not inconsistent with this Resolution and which shall not adversely affect the interests of the Registered Owner of the Note.

Any such supplemental resolution may be adopted without the consent of the Registered Owner of the Note, notwithstanding any of the provisions of subsection (b) of this section.

15.2 With the consent of the Registered Owners of not less than 60 percent in aggregate principal amount of the Note at the time outstanding, the Council may adopt a resolution or resolutions supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Resolution or of any supplemental resolution; provided, however, that no such supplemental resolution shall:

15.2.1 Extend the due date of any principal installment payable under the Note, or reduce the rate of interest thereon, or extend the time of payments of interest from their due date, or reduce the amount of the principal thereof, or reduce any premium payable on the redemption thereof, without the consent of the Registered Owner of the Note so affected; or

15.2.2 Reduce the aforesaid percentage of Registered Owners of the Note required to approve any such supplemental resolution without the consent of all of the Registered Owners of the Note then outstanding.

15.2.3 Remove the pledge and lien of this Resolution on Revenues or the moneys in the Utility Revenue Fund.

It shall not be necessary for the consent of the Registered Owner of the Note under this subsection ~~15.2~~^{15.2} to approve the particular form of any proposed supplemental resolution, but it shall be sufficient if such consent shall approve the substance thereof.

15.3 Upon the adoption of any supplemental resolution pursuant to the provisions of this section, this Resolution shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Resolution of the City and the Registered Owner of the Note shall thereafter be determined, exercised and enforced thereunder, subject in all respects to such modification and amendment, and all the terms and

conditions of any such supplemental resolution shall be deemed to be part of the terms and conditions of this Resolution for any and all purposes.

15.4 Any Note executed and delivered after the adoption of any supplemental resolution pursuant to this section may bear a notation as to any matter provided for in the supplemental resolution, and if the supplemental resolution shall so provide, a new Note so modified as to conform, in the opinion of the Council, to any modification of this Resolution contained in any such supplemental resolution may be prepared by the City and delivered without cost to the Registered Owners of the Note then outstanding, upon surrender for cancellation of such Note in an equal aggregate principal amount.

16. Tax Covenants. The City covenants to comply with any and all applicable requirements set forth in the Code in effect from time to time to the extent that such compliance shall be necessary for the exclusion of the interest on the Note from gross income for federal income tax purposes. The City covenants that it will make no use or investment of the proceeds of the Note that will cause the Note to be an “arbitrage bond” subject to federal income taxation by reason of section 148 of the Code. The City covenants that it will not take or permit any action that would cause the Note to be a “private activity bond” as defined in Section 141 of the Code.

17. Designation as Qualified Tax Exempt Obligation. The Note is hereby designated as a “qualified tax exempt obligation” in accordance with Section 265(b)(3) of the Code, and the City hereby covenants that it shall not issue during the calendar year 2022 more than \$10,000,000 in aggregate principal amount of tax exempt obligations other than tax exempt obligations described in Section 265(b)(3)(C)(ii) of the Code.

18. Sale of Note. The Note shall be sold at negotiated sale to Northrim Bank. The City Manager and Utility Manager each is hereby authorized and directed to do everything necessary to complete such sale and delivery of the Note to the Registered Owner thereof upon payment of the purchase price thereof.

19. Authority of Officers. The City Manager, the acting City Manager, the Utility Manager, the acting Utility Manager, the Clerk and the acting Clerk are, and each of them hereby is, authorized and directed to do and perform all things and determine all matters not determined by this Resolution, to the end that the City may carry out its obligations under the Note and this Resolution, including without limitation the execution and delivery on behalf of the City of a Security Agreement substantially in the form now before this meeting, between the City and the Registered Owner, providing for the granting of a security interest in the fuel purchased with the proceeds of the Note.

20. Payment of Registered Owner’s Expenses. The City shall pay and reimburse Registered Owner for Registered Owner’s expenses incurred for the purchase of the Note including but not limited to Registered Owner’s reasonable attorneys’ fees and expenses, and fees incurred by Registered Owner for searches and filing of Uniform Commercial Code financing statements.

21. Termination of UCC Financing Statements. The City represents that all previous credit facilities, loans or notes secured by the City’s inventory of diesel fuel and the accounts and proceeds thereof have been paid in full. The City will cause all creditors other than Registered

Owner who have filed Uniform Commercial Code Financing Statements describing diesel fuel inventory and the accounts and proceeds thereof as collateral to terminate such financing statements.

22. Miscellaneous. No recourse shall be had for the payment of the principal of or the interest on the Note or for any claim based thereon or on this Resolution against any member of the Council or officer of the City or any person executing the Note. The Note is not and shall not be in any way a debt or liability of the State of Alaska or of any political subdivision thereof, except the City, and does not and shall not create or constitute an indebtedness or obligation, either legal, moral or otherwise, of said state or of any political subdivision thereof, except the City.

23. Severability. If any one or more of the provisions of this Resolution shall be declared by any court of competent jurisdiction to be contrary to law, then such provision shall be null and void and shall be deemed separable from the remaining provisions of this Resolution and shall in no way affect the validity of the other provisions of this Resolution or of the Note.

24. Effective Date. This Resolution shall take effect upon adoption.

ADOPTED by the Council of the City of Nome this ____ day of August, 2022.

CITY OF NOME

JOHN HANDELAND, Mayor

A T T E S T:

BRYANT HAMMOND, City Clerk

Presented By.
Port Director

Action Taken:
Yes ____
No ____
Abstain ____

CITY OF NOME, ALASKA

RESOLUTION NO. R-22-o8-o6

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE CONTRACT AMENDMENT NO. 3 WITH PND ENGINEERS, INC., TO FACILITATE 95% DESIGN LEVEL TO COMPLETION FOR THE LOCAL SERVICE FACILITIES WITHIN THE PORT OF NOME MODIFICATIONS PROJECT AND ARCTIC PORT EXPANSION

WHEREAS, the City executed an Agreement with the USACE Alaska District to cost-share at 35% on the design of the General Navigation Features (GNF) of the project, with the Local Service Facilities (LSF) design to be covered 100% by the non-federal sponsor and,

WHEREAS, the City solicited for qualified firms to propose on design Services for the LSF's, with PND, Inc. receiving the highest score, and therefore awarded the design contract by the Nome Common Council under R-21-o6-o2; and,

WHEREAS, the USACE Alaska District announced receipt of federal design funds through the F21 Work Plan and requested an Internal Technical Meeting with the City team to begin design of Phase 1, requiring the City to solicit a fee proposal from PND for 35% and 65% levels, and;

WHEREAS, the design of Phase 1 is currently on track with the USACE Alaska District Technical Team with 65% level drawings delivered by 30 June 2022, yet must remain aligned with the District's schedule to deliver 95% design by 14 Oct 2022, requiring the City to amend the PND contract for 95% design to completion in the amount of \$1,108,030, all of which will be funded through the FY2023 State of Alaska Direct Legislative Grants awarded to the City, ;

NOW, THEREFORE, BE IT RESOLVED, the Nome Common Council hereby authorizes the City Manager to execute amendment No. 3 to the June 15, 2021 contract agreement with PND Engineers Inc. to proceed with 95% design level to completion for a fee of \$1,108,030.

APPROVED and **SIGNED** this 22nd day of August, 2022.

JOHN K. HANDELAND,
Mayor

ATTEST:

BRYANT HAMMOND,
City Clerk

Ms. Joy Baker
Port Director
City of Nome
P.O. Box 281
Nome, AK 99762

August 17, 2021
211002

Subject: Nome Local Services Facilities Design Proposal

Dear Ms. Baker:

PND Engineers, Inc. (PND) is pleased to provide this proposal to the City and Port of Nome (City) for the design of the Local Services Facilities (LSF) for the Arctic Port Expansion Project (APEP), Phase I, in Nome. A detailed scope of work is outlined below.

Phase I LSF Design and Permitting Components:

The LSF for Phase I of the APEP includes the following design components;

- Three (3) sheet pile docks located in the proposed expanded West Causeway
 - 1 each, 600' +/-
 - 2 each, 450' +/-
 - -42' dredge elevation (with over-dredge)
 - Gravel surface*
- Five (5) steel pile mooring dolphins in the proposed expanded West Causeway
- Industrial gravel surface* roadway sufficient to connect the existing West Causeway to the proposed LSF within the Phase I causeway expansion.
- Localized dredge as required for dock construction and within berthing areas of the LSF.
 - Berthing areas assumed to be twice vessel width utilized in the design of the LSF.
- Foundation design for high mast lights required at the three dock structures.

* Alternative asphalt and/or alternative surfacing for the roadway and dock structures is provided as a separate task and fee within this proposal.

Scope of Work:

Task A – Phase I Local Service Facilities Design

Project Meetings:

PND will attend regular meetings with the project team to coordinate project needs between all involved parties. Initially these project meetings are anticipated to be bi-weekly and then transition to weekly as the project progresses.

Phase I LSF Plans Specifications and Estimates (PSE):

PND will prepare bid ready PS&E for the Phase I LSF components in coordination with the United States Army Corps of Engineers (USACE) General Navigation Features (GNF) package. PS&E packages will be developed in 35%, 65%, 95% and 100% packages based on the attached project schedule. Each package will be prepared and submitted to the City for review and comment.

Nome Arctic Port Expansion Project – Local Service Facilities Phase I

It is anticipated that close coordination with USACE will be required to incorporate the LSF within the GNF design. PND will work closely with USACE to ensure integration of the two designs.

A comprehensive engineering calculations package outlining the design of the LSF will be prepared and submitted to the City for submission to USACE for review with the 100% PS&E documents as outlined on the attached project schedule.

All plans will be developed in ACAD and/or Civil3D 2021 utilizing USACE provided title blocks and drafting standards.

Project specifications will be developed and submitted in SpecsIntact.

Project schedules will be developed in Primavera P6 or Microsoft Project whichever is preferred by the project team.

Cost estimates for the LSF will be developed in Hard Dollar estimating software.

It is expected that construction sequencing of the LSF and GNF will have significant impact to both construction costs and schedule. Close coordination of the LSF and GNF project teams will be required during design development to ensure the schedule and estimate assumptions are the most beneficial to the project as a whole and are accurately represented in the cost estimates and schedules.

Phase I LSF Milestone Reviews:

PND will attend a review meeting with the City, Nome Joint Utilities Services (NJUS), and USACE project team to review comments at each milestone submittal stage. Review comments will be compiled into a registry to be addressed prior to the next milestone submittal.

Phase I LSF Public Outreach:

It is assumed that the City and/or USACE will facilitate multiple public meetings during the design phase of this project to keep the public informed on the project and ensure public concerns are heard and addressed. PND will provide up to three trips to Nome to participate in Nome Common Council and/or Nome Port Commission meetings to present the current state of the project to the local community for comment and input. A summary report of all comments and any recommended actions from the meetings will be developed for the project record.

Task B – USACE Review Support

It is anticipated that a significant review of the LSF calculations and PS&E packages will be conducted by USACE. As this type of task is difficult to estimate, because the level of effort required to satisfy reviewer comments varies greatly from project to project, PND has proposed a Time and Materials, Not to Exceed fee for this effort. We feel this fee is likely greater than will be required to cover the cost of this task and will keep the City informed during the review process should our costs approach the budget estimate during this portion of the work.

Task C – Alternative Surfacing Design

PND will develop surfacing design (e.g. asphalt, concrete pavers) for the three new LSF dock structures, the three existing dock structures in the existing outer harbor as well as the access

Nome Arctic Port Expansion Project – Local Service Facilities Phase I

roadway along the causeway. It is assumed that roadway surfacing would extend along the entire causeway connecting to Port Road.

Task D – Permit Support

Phase I Permit Documents:

At the time of writing permitting scope amongst the LSF and GNF project team has not been delineated. The permitting fee in Table 1 represents a nominal fee to begin permitting coordination with USACE in the initial phases of the project. As permitting scope is clearly delineated in the coming months this fee may need to be adjusted to accurately represent the scope.

Schedule:

Deliverables for this project will follow the attached schedule. This schedule was prepared assuming the USACE provides PND with milestone deliverables (e.g. 3D Model, Geotechnical Report) on the timelines shown. Delay of these deliverables may result in delay of PND deliverables to the City.

Project Fees:

PND proposes to complete the above scope of work for the fees and fee structure outlined in Table 1. Should items outside the scope of work described above be required, PND can provide those on a T&M basis per the attached Standard Rate Sheet.

Table 1: LSF Design Fees


Task	Design Stage	Description	Fee	Fee Structure
A	35% Design	Local Service Facilities Design	-\$821,150	Fixed Fee
	65% Design		-\$1,058,425	
	95% Design		\$781,653	
	100% Design		\$157,477	
B	Following 95%	USACE Review Support	\$62,150	T&M NTE
C	N/A	Alternative Surfacing Design	\$106,750	Fixed Fee
D	Initial Onboarding Permitting	Permitting	-\$10,850	T&M NTE


Total Fixed Fees	\$2,925,455	\$1,045,880
Total T&M NTE Fees	\$73,000	\$ 62,150
Total Project	\$2,998,455	\$1,108,030
Total costs 95% to completion		

We look forward to working with you on this project. Should you have any questions or wish to discuss, please feel free to contact us.

Sincerely,

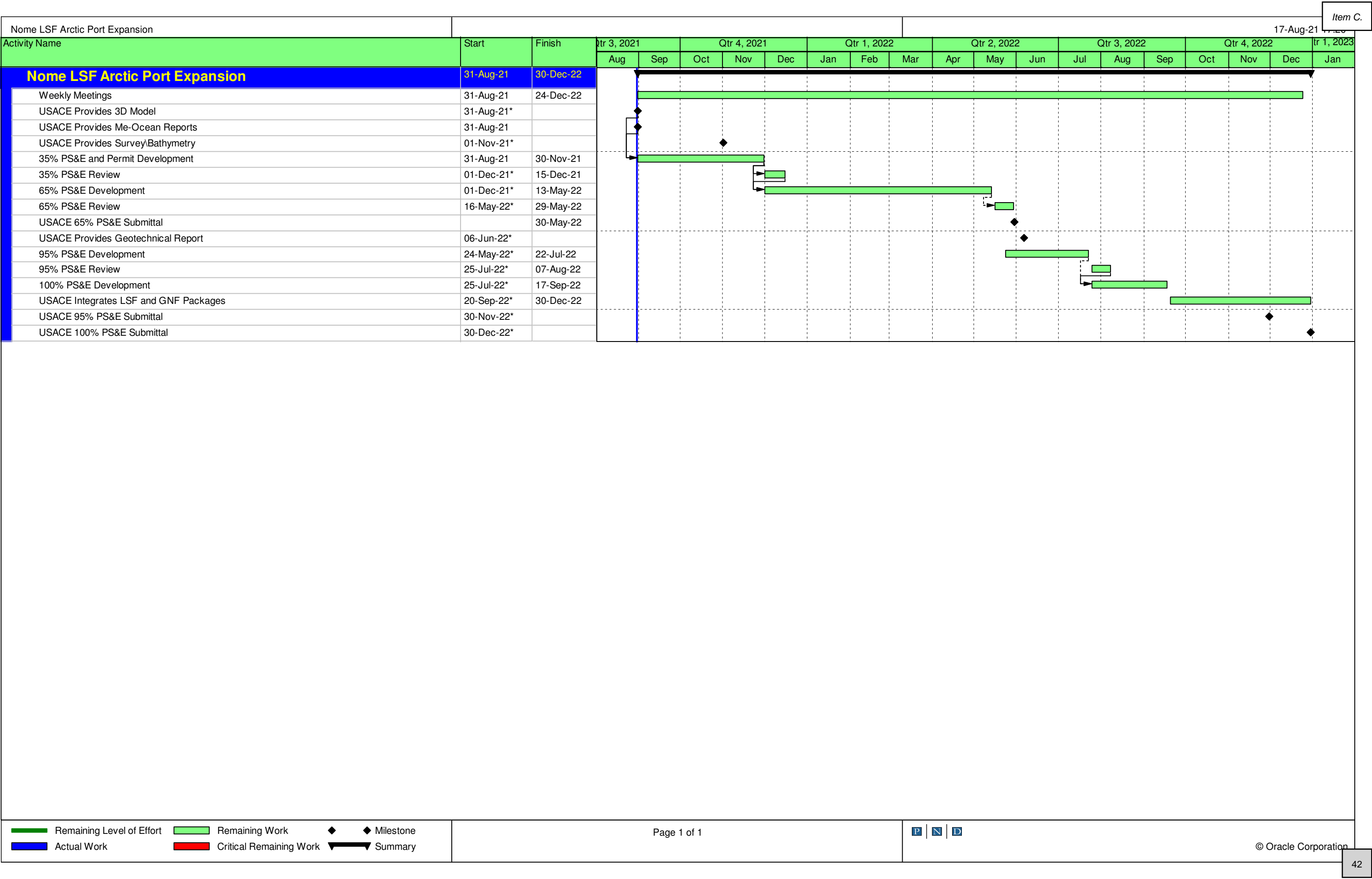
PND Engineers, Inc. | Anchorage Office


Bryan Hudson, P.E., SE.
Principal


Doug Kenley, P.E.
Vice President

Attachments:

Proposed Project Schedule
PND Standard Rate Schedule (1pg)



**PND ENGINEERS, INC.
STANDARD RATE SCHEDULE
EFFECTIVE FEBRUARY 2021**

<u>Professional:</u>	Staff Engineer I	\$95.00
	Staff Engineer II	\$105.00
	Staff Engineer III	\$115.00
	Staff Engineer IV	\$120.00
	Staff Engineer V	\$125.00
	Staff Engineer VI	\$140.00
	Senior Engineer I	\$135.00
	Senior Engineer II	\$145.00
	Senior Engineer III	\$155.00
	Senior Engineer IV	\$165.00
	Senior Engineer V	\$175.00
	Senior Engineer VI	\$195.00
	Senior Engineer VII	\$210.00
	GIS Specialist	\$100.00
	Environmental Scientist I	\$100.00
	Environmental Scientist II	\$120.00
	Environmental Scientist III	\$135.00
	Environmental Scientist IV	\$150.00
	Environmental Scientist V	\$165.00
	Environmental Scientist VI	\$180.00
<u>Surveyors:</u>	Senior Land Surveyor I	\$110.00
	Senior Land Surveyor II	\$120.00
	Senior Land Surveyor III	\$130.00
<u>Technicians:</u>		
	Technician I	\$55.00
	Technician II	\$80.00
	Technician III	\$90.00
	Technician IV	\$100.00
	Technician V	\$125.00
	Technician VI	\$140.00
	CAD Designer III	\$80.00
	CAD Designer IV	\$95.00
	CAD Designer V	\$115.00
	CAD Designer VI	\$125.00

AMENDMENT NO. 3 TO CONTRACT AGREEMENT

The original Agreement June 15, 2021, between the City of Nome, Alaska ("City") and PND Engineers, Inc., ("Consultant") is amended as follows:

1. Fee. In accordance with section 3 of the original Agreement, City agrees to pay Consultant \$1,045,880 for Fixed Fee, and \$62,150 for T&M Fee for services remaining to complete 95% level design to completion, to be rendered by Consultant in performance of work authorized pursuant to this Agreement, and described as in the attached Services Proposals dated September 10, 2021, and August 17, 2021. Additional funds for work beyond those described here-in will require separate and written authorization of the City.

2. Incorporation of All Terms and Conditions. Except as specifically and precisely stated in this Amendment, all of the other terms and conditions of the original Agreement, dated June 15, 2021, shall remain in full force and effect.

Dated this ____ day of August 2022.

CITY OF NOME

PND Engineers, Inc.

By _____
Glenn Steckman
City Manager

By _____
Bryan Hudson
Principal

Presented By.
Port Director

Action Taken:
Yes ____
No ____
Abstain ____

CITY OF NOME, ALASKA

RESOLUTION NO. R-22-08-07

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH PND ENGINEERS, INC., TO FACILITATE SUBCONTRACTOR SERVICES TO PREPARE AN INCIDENTAL HARASSMENT AUTHORIZATION (IHA) APPLICATION REQUIRED TO ALLOW FOR SOLICITATION AND CONSTRUCTION OF THE PORT OF NOME MODIFICATIONS PROJECT AND ARCTIC PORT EXPANSION

WHEREAS, the City executed an Agreement with the USACE Alaska District to cost-share at 35% on the design of the General Navigation Features (GNF) of the project, with the Local Service Facilities (LSF) design to be covered 100% by the non-federal sponsor and,

WHEREAS, the City has contracted with two firms to facilitate design of the non-federal sponsor's responsibility for Local Service Facilities, committing nearly \$4M in funding to ensure the Pre-Construction, Engineering & Design (PED) Phase 1, would not encounter delays on the City's behalf, and;

WHEREAS, the design of Phase 1 is currently on track with all parties in pursuit of the 95% design to completion, in an effort to meet upcoming milestones for final review and compilation of the bid documents to allow for construction solicitation by Mar 2023, requiring the City to assist the USACE in preparation and submittal of an IHA application for regulatory support pertaining to the Marine Mammal Protection Act (MMPA) and Endangered Species Act (ESA), in the amount of \$163,468;

NOW, THEREFORE, BE IT RESOLVED, the Nome Common Council hereby authorizes the City Manager to execute a contract with PND Engineers Inc. to proceed with subcontractor to prepare and submit an IHA application to regulatory agencies for a fee of \$163,468.

APPROVED and **SIGNED** this 22nd day of August, 2022.

JOHN K. HANDELAND,
Mayor

ATTEST:

BRYANT HAMMOND,
City Clerk



ENGINEERS, INC.

Item D.

Ms. Joy Baker
City of Nome Port Director
P.O. Box 281
Nome, AK 99762

August 12, 2022
211002

Subject: Nome Local Services Facilities – Permitting Proposal

Dear Ms. Baker:

PND Engineers, Inc. (PND) is pleased to provide this proposal to the City and Port of Nome (City) for permitting support for the Arctic Port Expansion Project (APEP), Phase I. A detailed scope of work is outlined below.

Phase I LSF Permitting:

PND has reached out to Owl Ridge Natural Resource Consultants, Inc. (Owl Ridge) to provide preparation of an Incidental Harassment Authorizations (IHA) application for the first year of construction on Phase I of the APEP. The proposal from Owl Ridge is attached for your review.

During preparation of the application PND will need to provide support to Owl Ridge in the form of information regarding construction techniques, timing, assumed schedule, equipment etc. The fee below includes the subcontractor's costs as well as management and support costs from PND during the preparation of the applications by Owl Ridge.

Proposed Project Fees:

PND proposes to complete the above scope of work for the fees and fee structure outlined in Table 1. Should items outside the scope of work described above be required, PND can provide those on a T&M basis per the attached Standard Rate Sheet.

Table 1: Fees

Item	Fee Structure	Fee
Owl Ridge (Subconsultants)	T&M	\$142,828
PND Management and Support	T&M	\$20,640
Subtotal	T&M	\$163,468

We look forward to working with you on this project. Should you have any questions or wish to discuss, please feel free to contact us.

Sincerely,

PND Engineers, Inc. | Anchorage Office

Bryan Hudson, P.E., SE.
Principal

Doug Kenley, P.E.
Vice President

Attachments: Owl Ridge Proposal (12pgs)
PND Standard Rate Schedule (1pg)

August 10, 2022

Bryan Hudson
PND Engineers, Inc.
1506 W. 36th Avenue
Anchorage, AK 99503
Submitted via email: bhudson@pndengineers.com

**Subject: Scope of Work and Cost Estimate – MMPA and ESA Support
Port of Nome Modifications, Nome, Alaska**

Dear Mr. Hudson:

Owl Ridge Natural Resource Consultants, Inc. (Owl Ridge) is providing this scope of work (SOW) and cost estimate to PND Engineers, Inc. for regulatory support pertaining to the Marine Mammal Protection Act (MMPA) and Endangered Species Act (ESA) for the planned modifications of the Port of Nome, Alaska.

SCOPE OF WORK

Task 0.0: Project Management

Task 0.0 includes coordination of resources and processes to ensure the proposed services are delivered on time, on budget, and produce the desired result. Project management tasks include the time required for internal management, budgets, monthly reporting, and monthly invoicing and will not exceed 5% of the overall project costs.

Task 1.0: MMPA Support

This project is planned to occur in three phases during the in-water construction season (May through October):

- Phase 1 – 2024 through 2027 (4 construction seasons)
- Phase 2 – 2025 through 2027 (3 construction seasons)
- Phase 3 – 2027 through 2030 (4 construction seasons)

Phase 1 is expected to require four construction seasons beginning in 2024. Because of the underwater noise associated with the port modification activities, mainly pile driving, this project has the potential to acoustically harm marine mammals protected under the MMPA. Task 1 includes the Incidental Harassment Authorization (IHA) for the first year of Phase 1 only (Year 1, Phase 1). Phase 1 includes construction of a roughly 3,500-foot L-shaped extension of the existing west causeway and an

approximately 2,030-foot continuous open cell sheet pile (OCSP) dock along the basin side of the causeway extension over four construction seasons.

Owl Ridge understands that the U.S. Army Corps of Engineers (USACE) needs to have the project completely permitted by mid-March 2023. To meet this goal Owl Ridge proposes to develop and request an IHA for Year 1 to expedite the permitting process. If agreed to by all parties, subsequent years of Phase 1 may be better covered with a multi-year Incidental Take Authorization, which would be prepared under a separate Scope of Work.

Task 1.1: IHA and 4MP Preparation (NMFS/USFWS)

IHA applications would be developed for both the National Marine Fisheries Service (NMFS) and U.S. Fish and Wildlife Service (USFWS). A Marine Mammal Monitoring and Mitigation Plan (4MP) would be developed to address all marine mammal species as part of the IHA.

Task 1.2: Agency Consultation

The IHA application and approval process will require consultation with NMFS and USFWS. Task 1.2 will include reviewing and addressing NMFS, USFWS, and public comments on the draft IHA applications and 4MP and any other consultation required to take the IHA application to approval.

Task 2.0: Plan of Cooperation / Stakeholder Engagement

A requirement of the IHA is to have a subsistence Plan of Cooperation (POC) with the local communities to demonstrate how the USACE will avoid disturbance to subsistence activities. The POC will be attached as an appendix to the IHA application and will include a stakeholder engagement meeting plan.

Task 2.1: Draft Plan of Cooperation

Owl Ridge will prepare a Draft POC and implementation plan to review and refine with PND and USACE. The POC will include the following elements:

- Description of mitigation measures integrated into the project that ensure the proposed activities will not interfere with subsistence whaling or sealing.
- Meetings scheduled with the community of Nome and local organizations that may be affected by the project to discuss the proposed activities and to understand the potential conflicts regarding any aspects of either the port modifications or the POC.
- Methods that PND and USACE will use to continue to communicate with affected communities, both prior to and during operations.

Task 2.2: Logistics and Meeting Preparation

Owl Ridge will prepare all meeting materials, local notifications (e.g., flyers, radio announcements), and logistics required for community meetings.

Task 2.3: POC Meetings

PND, USACE, and Owl Ridge will travel to Nome to present the POC and project plan to the community and local organizations. Owl Ridge will assist PND and USACE in navigating the POC process to maintain a positive and cooperative reputation in the communities without incurring onerous and costly operational restrictions.

Task 3.0: ESA Support

In 2019, NMFS determined the project had not advanced to a level that provided sufficient detail to engage in ESA section 7 consultation and recommended the USACE submit a revised request for concurrence once sufficient project details were known. The USACE completed a draft Biological Assessment (BA) in 2020 as part of a feasibility study. This BA, which covered the entire project (all phases) was never submitted to NMFS and will need to be revised by the USACE with the most recent project details and submitted to NMFS for concurrence.

In 2019, the USFWS determined that a BA and additional section 7 consultation for USFWS managed species (spectacled eider, Steller's eider, and polar bear) was not necessary, but to contact USFWS if the project undergoes any significant changes.

Task 3 includes NMFS and USFWS (if necessary) BAs for Year 1, Phase 1 of the project only to accompany the NMFS and USFWS IHAs (prepared under Task 1.1).

Task 3.1: Draft NMFS Biological Assessment

Owl Ridge will develop the BA for NMFS-managed ESA-listed species and critical habitat to accompany the NMFS IHA for Year 1, Phase 1 of the project. There are 10 NMFS-listed species to be addressed in the BA: ringed seal, bearded seal, gray whale, humpback whale, Steller sea lion, sperm whale, North Pacific right whale, bowhead whale, fin whale, and blue whale. Critical habitat for ringed seal, bearded seal, and Steller sea lions will be evaluated. A petition for expanding North Pacific right whale critical habitat was posted in June 2022, and will be evaluated, as applicable to the project.

Task 3.2: NMFS Section 7 Consultation

Owl Ridge will engage NMFS regarding ESA Section 7 consultation, to discuss project changes since the initial 2019 consultation. Owl Ridge will support PND and USACE and work closely with NMFS to streamline the consultation process.

Task 3.3: Draft USFWS Biological Assessment (To Be Determined)

If determined necessary though initial consultation with USFWS, Owl Ridge will develop the BA for USFWS-managed ESA-listed species and critical habitat to accompany the USFWS IHA for Year 1, Phase 1 of the project. There are five USFWS-listed species to be addressed in the BA: polar bear, spectacled eider, Steller's eider, Northern sea otter, and short-tailed albatross. Critical habitat for polar bear, spectacled eider, and Steller's eider will be evaluated.

Task 3.4: USFWS Section 7 Consultation

Owl Ridge will engage USFWS regarding ESA Section 7 consultation, to discuss project changes since the initial 2019 consultation. Owl Ridge will support PND and USACE and work closely with USFWS to streamline the consultation process.

SCHEDULE

The USACE SOW dated August 5, 2022 includes the following schedule:

Activity	Number of Business Days
1. Contractor to prepare list of information needs	10 (following Notice to Proceed [NTP])
2. USACE response to contractor	2
3. Contractor to prepare draft IHA applications and BA(s); provide to USACE	45*
4. USACE review and respond	5
5. Contractor finalizes IHA applications and submits to NMFS/USFWS; anticipated submittal no later than October 31, 2022	10
<i>Elapsed Business Days from NTP</i>	<i>72</i>

* Assumes that the USACE provides a complete up-to-date project description with its response to the contractor's list of information needs.

The USACE recognizes that once submitted to NMFS/USFWS, the processing time of an IHA application may take 5-7 months (per official NMFS guidance) or as much as 9-12 months (per actual observed average).

PROJECT DELIVERABLES

The following is a full list of all project deliverables:

Task	Deliverable	Description
1.1	NMFS IHA Application	An IHA application will address fifteen (15) species managed by NMFS: bearded seal, beluga whale, bowhead whale, gray whale, harbor porpoise, humpback whale, killer whale, minke whale, North Pacific right whale, ringed seal, ribbon seal, sei whale, spotted seal, Steller sea lion, Stejneger's beaked whale .
1.1	USFWS IHA Application	An IHA application will address three (3) species managed by USFWS: Pacific walrus, Northern sea otter, and polar bear.
1.1	Marine Mammal Monitoring and Mitigation Plan (4MP)	The 4MP is a necessary component of the IHA applications, and details how stipulations in the IHA will be implemented to minimize impacts to local marine mammals caused by underwater noise from project activities. All NMFS and USFWS species will be covered under the same 4MP.
2.1	Draft Plan of Cooperation (POC)	A POC will be developed to meet the requirements of Section 12 of the IHA application.

Task	Deliverable	Description
2.1	Revised POC	If required as a result of agency review, the POC will be revised.
3.1	Draft NMFS BA	The Draft BA for Year 1, Phase 1 of the project will address 10 NMFS-managed species: ringed seal, bearded seal, gray whale, humpback whale, Steller sea lion, sperm whale, North Pacific right whale, bowhead whale, fin whale, and blue whale.
3.3 (TBD)	Draft USFWS BA	The Draft BA for Year 1, Phase 1 of the project will address five (5) USFWS-managed species: polar bear, spectacled eider, Steller's eider, Northern sea otter, and short-tailed albatross.

ASSUMPTIONS

The following assumptions were used to develop the cost estimate:

Task 1.0: MMPA IHA/4MP

- PND/USACE will provide the necessary operational details (work plan).
- The exact list of species to be addressed and the level of discussion needed for each species may change after consultation with the agencies.
- Cost of consultation is based on estimated hours, not a specific deliverable.
- The time estimated for agency consultation is based on previous consultation experience but may vary due to project-specific considerations.
- A NMFS peer-review meeting is not included as it has not been part of the IHA process in recent years.

Task 2.0: POC

- The strategy will be to maximize communication in meetings with leaders while they are in Anchorage or by virtual meetings (e.g., Zoom, Teams), to minimize travel needs.
- Forty (40) hours of meeting time each for two Owl Ridge staff to accompany PND/USACE representatives to POC/subsistence meetings in Nome, Anchorage, and/or via virtual meetings.
- Includes round-trip travel between Anchorage and Nome on regularly scheduled airlines and two nights lodging in Nome for two Owl Ridge employees to attend POC/subsistence meetings in Nome.
- Includes rental fees of meeting facility, catering, local-hire assistance during meetings, Interpreter, and \$300 for door prizes.
- Estimate does not include potential delays that may result from natural events (e.g., weather delays), or other items outside Owl Ridge's control.

- No additional travel or lodging included to meet at communities outside of Nome.
- Locations and number of meetings may change after initial consultation with agencies and affected communities.

Task 3.0: BAs and Section 7 Consultation

- BAs will be prepared for Year 1, Phase 1 only of the project to accompany the NMFS and USFWS IHAs.
- Ten NMFS-managed species and five USFWS-managed species will be addressed, however, the exact list of species to be addressed and the level of discussion needed for each species may change after consultation with the agencies.
- Travel for two trips between Homer and Anchorage for Dr. Kate Lomac-MacNair to attend agency meetings and meeting with PND/USACE in Anchorage.
- No subcontractors included.
- The budget assumes informal consultation; effort associated with formal consultation is not included.
- Cost of consultation is based on estimated hours, not a specific deliverable.
- The time estimated for agency consultation is based on previous consultation experience but may vary due to project-specific considerations.

COST ESTIMATE

A cost estimate (Attachment 1) based on a time-and-materials basis is attached for this proposed work. The 2022 fee schedule (Attachment 2) is included.

STATEMENT OF CONFIDENTIALITY

This proposal for services is provided to PND and its designees with the express understanding that it will be held in strict confidence and will not be disclosed, duplicated, or used, in whole or in part, for any purposes other than evaluation of this proposal or otherwise in connection with the resulting contract. The release, use, or distribution of this information to organizations outside PND would subject Owl Ridge to harm and the loss of competitive advantage.

CONCLUSION

We look forward to working with PND and providing MMPA and ESA support for the Port of Nome modifications project. If you have questions on this proposal, feel free to contact me at your convenience at mblees@owlridgenrc.com or 907-891-7264.

Thank you for your consideration.

Sincerely,
Owl Ridge Natural Resource Consultants, Inc.



Megan Blees | Senior Scientist

cc:

Dr. Kate Lomac-MacNair | Owl Ridge Natural Resources Consultants, Inc.
Glenn Ruckhaus | Owl Ridge Natural Resources Consultants, Inc.

Enclosed:

Attachment 1 – Detailed Cost Estimate
Attachment 2 – Schedule of Fees

ATTACHMENT 1
DETAILED COST ESTIMATE

PND Engineers, Inc.
Port of Nome MMPA/ESA Support
Period of Performance
COST SUMMARY



COST ELEMENT		HOURLY RATE	DURATION	AMOUNT
DIRECT LABOR				
M. Blee	Sr. Scientist 4	\$ 178.00	391 Hour	\$ 69,598
K. Lomac-MacNair	Sr. Scientist 4	\$ 178.00	261 Hour	\$ 46,458
P. Cartier	Sr. Scientist 4	\$ 178.00	28 Hour	\$ 4,984
S. Walker	Sr. Scientist 2	\$ 145.00	36 Hour	\$ 5,220
C. Keil	Scientist 2	\$ 88.00	112 Hour	\$ 9,856
TOTAL ORNRC LABOR			828	\$ 136,116
DIRECT EXPENSES				
EQUIPMENT & MATERIALS				\$ -
PER DIEM & LODGING	Nome during POC meetings			\$ 1,472
TRANSPORTATION	Travel: ANC-OME; HOM-ANC			\$ 1,630
OTHER DIRECT COSTS				\$ -
MISC. COSTS	POC: Rental fees, catering, local-hires, Interpreter, door pr			\$ 3,000
SUBCONTRACTORS				\$ -
SUBTOTAL DIRECT EXPENSES				\$ 6,102
Markup-Direct Costs			10%	\$ 610
Markup-Subcontracts			10%	\$ -
TOTAL DIRECT EXPENSES				\$ 6,712
TOTAL COST				\$ 142,828



PND Engineers, Inc.
Port of Nome MMPA/ESA Support
Period of Performance
COST PER TASK

TASK DESCRIPTION	TOTAL HOURS	TOTAL DAYS	LABOR COSTS	EQUIPMENT COSTS	DIRECT COSTS	MARKUP (Direct Costs) 10%	SUB-CONTRACT	MARKUP (Subcontract) 10%	TOTAL COSTS
0.0 PROJECT MANAGEMENT	32	0	\$ 5,696	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,696
0.1 SOW, Schedule, Budget Management	32		5,696	-	-	-	-	-	\$ 5,696
1.0 MMPA Support	265	0	\$ 44,746	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44,746
1.1 IHA/4MP Preparation (NMFS/USFWS)	172		28,912	-	-	-	-	-	\$ 28,912
1.2 Agency Consultation	93		15,834	-	-	-	-	-	\$ 15,834
2.0 POC / Stakeholder Engagement	170	0	\$ 26,984	\$ -	\$ 5,272	\$ 527	\$ -	\$ -	\$ 32,783
2.1 Draft POC	28		4,132	-	-	-	-	-	\$ 4,132
2.2 Logistics & Meeting Preparation	62		8,612	-	-	-	-	-	\$ 8,612
2.3 POC Meetings	80		14,240	-	5,272	527	-	-	\$ 20,039
3.0 ESA Support	361	0	\$ 58,690	\$ -	\$ 830	\$ 83	\$ -	\$ -	\$ 59,603
3.1 Draft NMFS Biological Assessment	145		23,386	-	-	-	-	-	\$ 23,386
3.2 NMFS Section 7 Consultation	74		12,812	-	830	83	-	-	\$ 13,725
3.3 Draft USFWS Biological Assessment (TBD)	90		13,596	-	-	-	-	-	\$ 13,596
3.4 USFWS Section 7 Consultation	52		8,896	-	-	-	-	-	\$ 8,896
TOTAL COSTS	828	-	\$ 136,116	\$ -	\$ 6,102	\$ 610	\$ -	\$ -	\$ 142,828

ATTACHMENT 2
SCHEDULE OF FEES



2022 SCHEDULE OF FEES

Invoices will be submitted on a monthly basis and are payable on a net-30-day basis. Owl Ridge offers a **Prompt Payment Discount** equal to 3% of the Professional Services Fees if full payment for the invoiced amount is received within 15 days of the date marked on the invoice.¹ Services provided by Owl Ridge will be invoiced according to the following:

Professional Services	Categories	Hourly Rates ²
Scientists	Principal Scientist	\$218.00
	Sr. Scientist 5	\$197.00
	Sr. Scientist 4	\$178.00
	Sr. Scientist 3	\$161.00
	Sr. Scientist 2	\$145.00
	Sr. Scientist 1	\$131.00
	Scientist 5	\$118.00
	Scientist 4	\$107.00
	Scientist 3	\$97.00
	Scientist 2	\$88.00
	Scientist 1	\$80.00
Technicians	Technician 3	\$91.00
	Technician 2	\$82.00
	Technician 1	\$74.00
Project Support	Project Assistant 3	\$91.00
	Project Assistant 2	\$82.00
	Project Assistant 1	\$74.00

Other Fees	Fee
Subcontractors	Invoiced at cost plus 10%.
Project Materials	All project related expenses, materials, field supplies, equipment charges, insurance premiums, bonds and letters of credit that are requested by the client in addition to the normal coverage, etc. will be invoiced at cost plus 10%.
Travel and Related Expenses	All travel expenses such as, but not limited to, air travel, rental vehicles, parking, and taxis, will be invoiced at cost plus 10%. Meals and lodging will be invoiced at the client preference of either direct reimbursable plus 10%, or as per diem in accordance with the CONUS audited rates and rules for the destination.
Field Equipment	Owl Ridge owns and maintains a large inventory of equipment necessary to meet client's objectives. This reduces our dependencies in third party rentals and generally results in greater schedule flexibility and value to our clients. The equipment rental list is extensive and can be provided upon request.
Document Production	Project deliverables will be provided in digital format unless otherwise required. If printed copies are requested, small document productions (e.g., 200 pages, 8 large format maps) will be prepared at no additional cost to the client. For large document productions Owl Ridge will invoice for printing costs incurred.
Late Payment	All invoices are payable on a net-30-day basis. Unpaid balances of more than 30 days are charged a 1.5% per month fee.

¹ The credit will be applied on the next invoice. Accounts must be current for all invoices for the Prompt Payment Discount to apply.

² Day rates are available on a case by case basis upon request.

**PND ENGINEERS, INC.
STANDARD RATE SCHEDULE
EFFECTIVE FEBRUARY 2022**

<u>Professional:</u>	Staff Engineer I	\$100.00
	Staff Engineer II	\$115.00
	Staff Engineer III	\$125.00
	Staff Engineer IV	\$130.00
	Staff Engineer V	\$135.00
	Staff Engineer VI	\$150.00
	Senior Engineer I	\$145.00
	Senior Engineer II	\$155.00
	Senior Engineer III	\$165.00
	Senior Engineer IV	\$175.00
	Senior Engineer V	\$190.00
	Senior Engineer VI	\$210.00
	Senior Engineer VII	\$225.00
	Environmental Scientist I	\$105.00
	Environmental Scientist II	\$125.00
	Environmental Scientist III	\$140.00
	Environmental Scientist IV	\$155.00
	Environmental Scientist V	\$170.00
<u>Surveyors:</u>	Environmental Scientist VI	\$180.00
	Senior Land Surveyor I	\$115.00
	Senior Land Surveyor II	\$125.00
	Senior Land Surveyor III	\$135.00
	Technician I	\$60.00
	Technician II	\$85.00
<u>Technicians:</u>	Technician III	\$95.00
	Technician IV	\$105.00
	Technician V	\$130.00
	Technician VI	\$150.00
	CAD Designer III	\$85.00
	CAD Designer IV	\$100.00
	CAD Designer V	\$120.00
	CAD Designer VI	\$130.00

Presented By:
City Manager
Action Taken:
Yes____
No____
Abstain____

CITY OF NOME, ALASKA

RESOLUTION NO. R-22-08-08

**A RESOLUTION DESIGNATING BRYANT HAMMOND
AS ACTING CITY MANAGER
FOR SEPTEMBER 14 TO 25, 2022**

WHEREAS, NCO 2.335.030 provides that “During the city manager’s absence or disability, the city council shall designate by resolution an official to act as city manager”; and,

WHEREAS, modern advancements in communications technology allow individuals to perform duties from locations other than a fixed office, so job responsibilities and functions can be performed from anywhere on the globe, but on occasion it is necessary, prudent and healthy for an employee to be able to “unplug” on occasion; and,

WHEREAS, Glenn Steckman, City Manager believes it prudent to have an Acting City Manager available in town during this period to be able to address any necessary matters promptly; and,

WHEREAS, the City Manager recommends Bryant Hammond, be designated Acting City Manager with authority to perform powers and duties of manager during the period;

NOW, THEREFORE, BE IT RESOLVED that the Nome Common Council accepts the manager’s recommendation and appoints/designates Bryant Hammond Acting City Manager for the period of September 14 to 25, 2022 to perform delegated duties and assume the responsibilities as provided in NCO 2.35.020, elsewhere in the Code, and in Alaska Statutes – Title 29.

APPROVED and SIGNED this 22nd day of August, 2022.

JOHN K. HANDELAND, Mayor

ATTEST:

BRYANT HAMMOND, Clerk

TO: The Mayor and Common Council

From: Glenn Steckman

RE: City Manager's Report

August 4, 2022

EMT Services:

At your Common Council meeting of July 11, a member of audience made some comments about the Nome Volunteer Ambulance Department. While the comments were negative, the city staff had already determined that there were needed changes to be made to NVAD to encourage more responsive calls by the volunteers.

As you may recall, the Common Council approved a significant increase in stipends for our first responders. While the amount of an increased stipend was not discussed at budget time, it was recognized that the stipend for turning out for fire and ambulance calls had not increased for well over ten years while volunteer personal costs had risen.

The main area of concern was the turnout by EMTs. During the COVID pandemic, enough EMTs were not turning out due to family concerns about these volunteers responding to calls and being infected with COVID. The other concern centered around the amount of time these volunteers were giving to this volunteer work instead of being with family. This also happened in conjunction with a turnover of volunteers

At this meeting on July 11, there was a mention of NSHC's offer of a plan to the City of Nome back in 2019. Ironically, this NSHC plan is very similar to city staff recommendation to you as part of 2022/2023 budget preparation. Both the NSHC plan and the city budget reference two fulltime EMTs and the use of volunteers supplemented with stipends. This is like the manpower plan approved by you in the recent budget.

The NVAD plan that will be implemented calls for two volunteer EMTs available on either 12- or 24-hour shifts being paid an "on-call shift stipend" and a "on-call response stipend". The on-call shift stipend would be paid just to maintain the volunteer's availability and then the same volunteer would receive a stipend for responding to a call. The plan is to insure adequate coverage every weekend of the year.

The two full-time EMTs (city employees) would work on morning or night shift. It would be a normal eight-hour shift Monday thru Friday. They would then be on call after hours on a rotating schedule. Volunteer EMTs would still be called out and would still be eligible for an on-call response stipend.

Unfortunately, the environment of medical response to those needing substance abuse and mental health issues has created a burden on city staff, city volunteers and medical staff. If we have a call of a child in distress, we receive a strong turnout. If someone is labeled non-responsive, the turnout is less so.

I will be following closely these changes to see if there is a significant improvement to the ambulance service to citizens of Nome and our visitors. This evaluation matrix will include the number of calls, the filling of volunteer slots and response times.

New Gold House Site:

At your work session on Monday night, there will be a presentation to you and the public on working to bring closure to the former New Gold House site. A portion of this site is also owned by the city and another portion is owned by Bering Straits Native Corporation. ADEC will be participating by Zoom.

Polar Pools:

Bob Walker owner of Polar Pools will be attending your meeting on Monday night to discuss proposed pool improvements. One major change will be moving from salt water system back to a chlorine system. I believe the proposed changes will make for a better pool experience with better control systems to monitor the pool water. There will be a Scada system, an onsite management system to allow for offsite management to quickly address the water quality in the pool. A resolution for approval is on the agenda.

Visitor Center:

The exterior of the building has been walnut blasted and stained. The window trim and the door has been painted kelly green to match the visitor center sign. Corroded metal that was broken or loose has also been removed from outside the building. The roof of the center was power washed.

The additional trash cans around the building are being heavy use and require at least once a day dumping.

Anvil Mountain Park:

The composite material fence around the playground at Anvil Mountain Park has been replaced with a new wooden fence. A bench will be installed in the park. Many mothers are requesting a bench to watch their children playing on the equipment.

Recreation Center:

The sauna equipment has finally arrived to Nome. It will be installed over weekend to avoid disruptions at the Rec Center. Unless something unforeseen happens, the saunas will open Monday.

Quick Stop:

An electrician from AC's has been installing new wiring and replacing the electric box at the building. Quick Stop may be open as early as this weekend.

Public Safety Advisory Commission:

Unfortunately, the Commission could not muster a quorum this past Monday. Part of the problem may have been related to a GCI outage of phones and internet. Their next meeting will be on Wednesday, September 13th. The normal meeting date falls on Labor Day.

The Planning Commission:

The Commission met this past week to discuss a list for properties to be abated. A list of properties has been submitted to the council for approval. We are still waiting for approval from one party.

Bounty Increase:

I am requesting your approval of a \$100 bounty for cars and trucks. The goal is to get older and non-operating vehicles off lots around town. I hope this will also help in getting vehicles out of the city right away.

TO: The Mayor and Common Council

FROM: Glenn Steckman

RE: City Manager's Report

August 18, 2022

Fuel Prices:

With the sharp price increases for fuel, I estimate heating oil costs alone will be an additional \$250,000. To lessen the cost impact, Building Maintenance staff will be lowering building temperatures to 68 degrees, turning off boilers during the warmer months, replacing weather stripping around many doors and generally trying to find ways to reduce heating losses. This effort should soften the impact of fuel increases for the city.

Visitor's Center:

City staff met with Chamber President Scot Henderson and Chamber Director Paul Kosto to discuss making improvements to the interior of the building. The initial plans were simply to paint the interior and replace the carpet in the building. After further consideration, the discussions turned to making it into a "true" visitor center. This would involve potential new furniture, changing out displays, removing clutter and improvements in lighting. I may be asking for additional allocations of funds for this project.

City staff and Mr. Henderson and Mr. Kosto discussed ideas on improving the experience outside of the building too.

National Park Service:

I was invited to attend the announcement of improvements planned for their visitor center on the Bering Sea Land Bridge National Park. The visitor center for the park is in the Sitnasuak Building. The NPS recently received a \$4.4m dollar grant to improve the visitor center's telling the story of the indigenous people's journey across the land bridge to what is now known as the North American continent and beyond. This grant is from the Leona M and Harry M Helmsley Charitable Trust.

Administration Vehicle:

After a yearlong wait, the Administration's new Ford Expedition has arrived. Plus, the two new police vehicles which were ordered 16 months ago are scheduled for delivery in Nome on the last barge.

Rec Center:

The overhang for the ADA ramp is being replaced next week. As you may remember, the overhang pulled loose from the Rec Center last winter. This is a budgeted item. The new overhang will be replaced according to building codes.

New Gold House:

NOVAGOLD will be holding a public hearing at City Hall in the council chambers next Friday, August 26 from 4:30 – 6:00pm for the public to comment on the proposed remediation plan for the site.

City Wide Clean-up:

The Fall city wide clean-up is scheduled from September 12-16. U-call-We-haul will again be available as well as the Mono-Fill being open from 11am-7pm for free residential dumping. I am asking for your approval to increase the bounty for cars from \$50.00 to \$100.00 for this cleanup.

National Oceanic and Atmospheric Administration:

The Administrator for NOAA, Dr. Rick Spinrad, and his staff visited Nome to meet with members of the community to see how NOAA could improve services. Dr. Spinrad was meeting with those involved in fishing and subsistence living and the impact of global warming on communities like Nome.

Future Energy Needs:

NJUS held a public forum on Wednesday night on future energy needs in Nome as the result of the port expansion, mining expansion and the development of increased housing. Much of the discussion focused on the development of micro- nuclear reactors and was it feasible to be considered in Nome in the future.

While the turnout was small it was a dynamic discussion and more public forums will be held in the future.

Employee Health Insurance:

As you are aware, employee healthcare insurance increased by 24.5% this past year. Due to these increased costs on the budget and city employees experiencing higher co-shares, employees and management have been discussing options to see what changes are possible. I will be recommending soon to you that the city hire the broker which serves the AML. This broker would assist us in exploring options to help manage costs and provide better benefits.

July 21 , 2022

Suggested Abatement List

2021 Abatement Properties

Randy Bruns 408 East Tobuk Residential Parcel 001.171.17 Lot 12 Block 86

Building Inspector:

- Abatement approved September 13,2021
- Yet to be removed



NPD:

2022 – 1 police response

2021 – 0 police response

2020 – 0 police response

NFVD: none received for 2022

DPW: DPW concurs with building inspector. The building is crowding the right of way and debris from the property hinders snow removal

CITY OF NOME
ABATEMENT PROCEEDING
CITY CLERK'S OFFICE

PHYSICAL ADDRESS: 403 East Tobuk Alley

TAX LOT NUMBER: 001.171.17, Block 68, Lot 11

OWNER: Randy Bruns

MAILING ADDRESS: Box 85103, Brevig Mission, Alaska 99785

TELEPHONE:

NPD COMMENTS:

3 Calls For Service all related to using property as shelter/ squatting

NVFD COMMENTS:

No fire or ambulance calls to location. Building appears to be intact, needs to be secured, no electrical connected. No water and sewer.
 Has potential of remodel, owner follow building code's
 Jim West

DPW COMMENTS:

It is a place that homeless people would sleep in the winter.

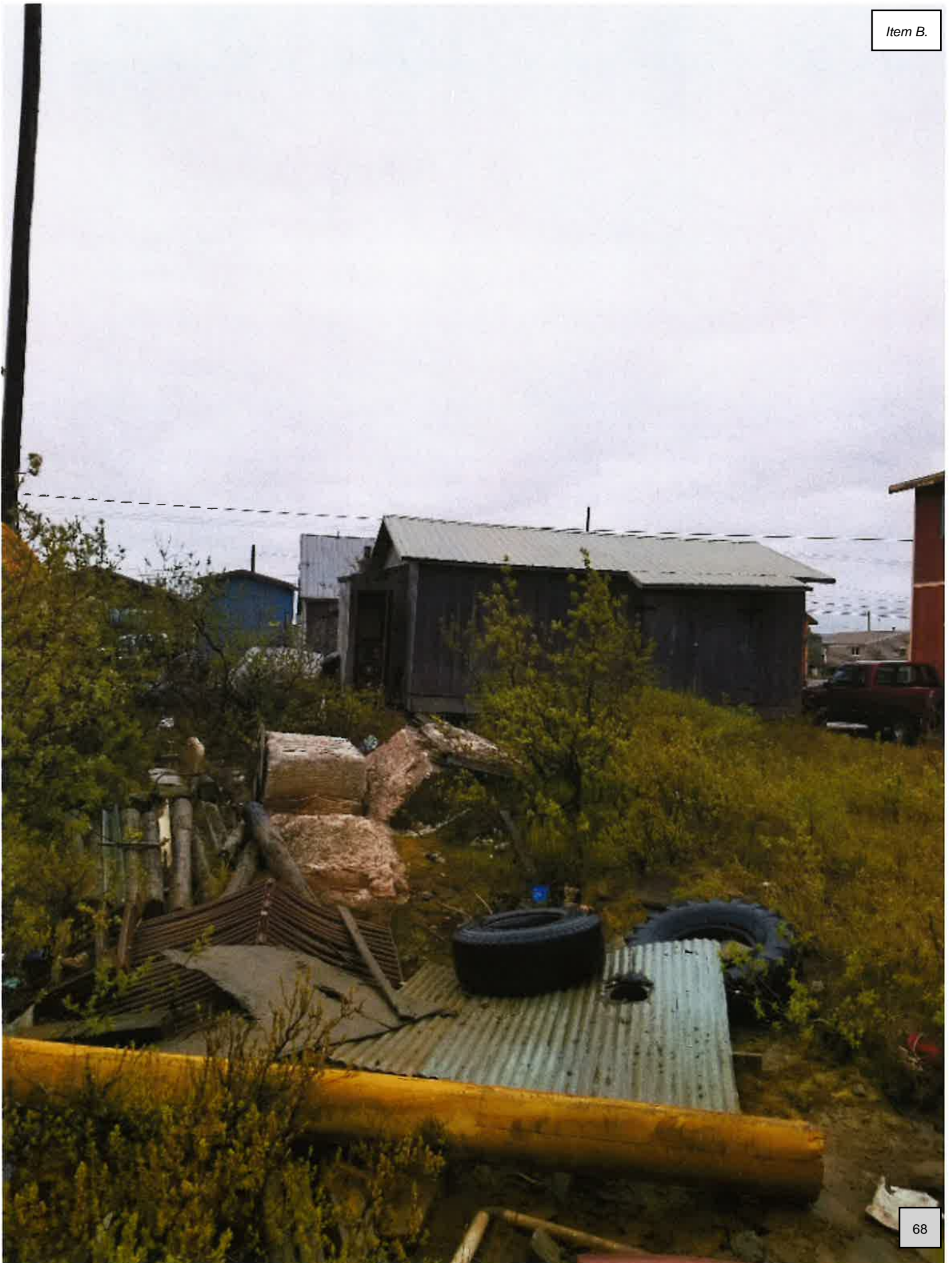
Joe Horton

BUILDING INSPECTOR COMMENTS:

The building is not secured and the property has no power and water and sewer. The property needs to be cleaned up and cars and 4 wheelers moved off city right of way.

NOME COMMON COUNCIL DECISION:

102 Division Street
 P.O. Box 281
 Nome, AK 99762
 907.443.6663
www.nomealaska.org









Fred Larsen 602 Warren Residential Parcel 001.301.14 Lot 4 Block 61

- Abatement approved September 13, 2021
- Yet to be demolished



NPD: Fire hazard and health hazard, needs to be abated.

2022 – 1 police response

2021 – 1 police response

2020 – 13 police responses

NVFD: none received for 2022

DPW: This property has excessive trash and junk vehicles.

CITY OF NOME
ABATEMENT PROCEEDING
CITY CLERK'S OFFICE

PHYSICAL ADDRESS: 602 Warren Place, 603 West 4th Ave.
TAX LOT NUMBER: 001.301.14, Block 61, Lot 4
OWNER: Fred Larsen Sr.
MAILING ADDRESS: Box 775, Nome, Alaska 99762
TELEPHONE:

NPD COMMENTS:

99 Calls for services 2006, 3 CFS in 2018, 10 CFS in 2019, 13 CFS 2020, 1 CFS 2021. 2 Fires at this location 2020

NVFD COMMENTS:

Recommend removal. 2 fires have occurred. Buildings uninhabitable. Electric is disconnected. Cost to repair exceeds value of property

Jim West

DPW COMMENTS:


It is a hazard for people. It is used by homeless people. Needs to be abated

BUILDING INSPECTOR COMMENTS:

These 2 building have been damaged by fire. The residents haven't applied for a remodel permit. They have 90 days after the fire to file for a remodel permit.

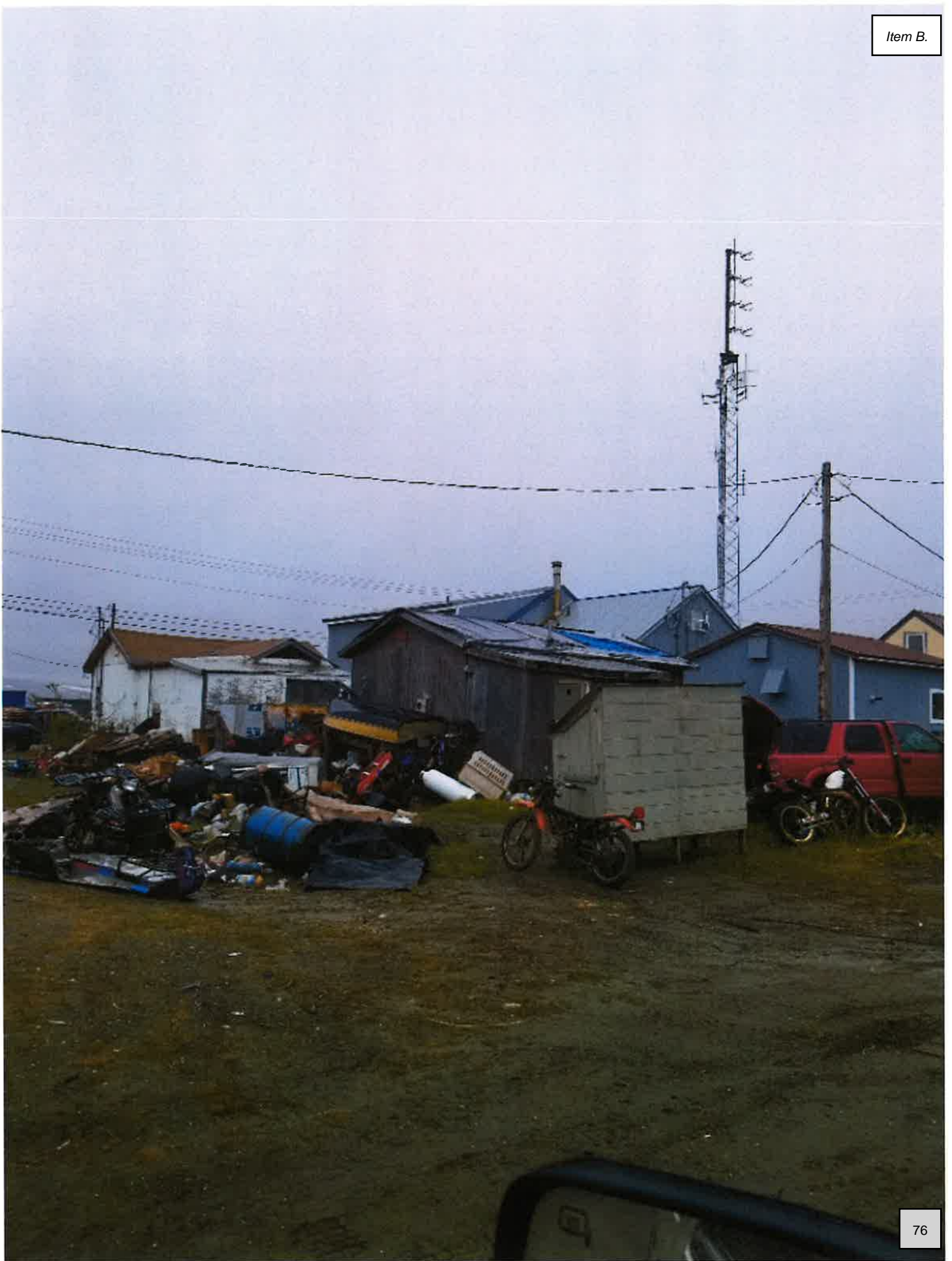
It has been over 90 days. They haven't made any improvements. There is no electricity and i believe the water has been turned off. The property is also a nuisance. The property is filled with none working vehicles and debris. Buildings aren't secured and not safe.

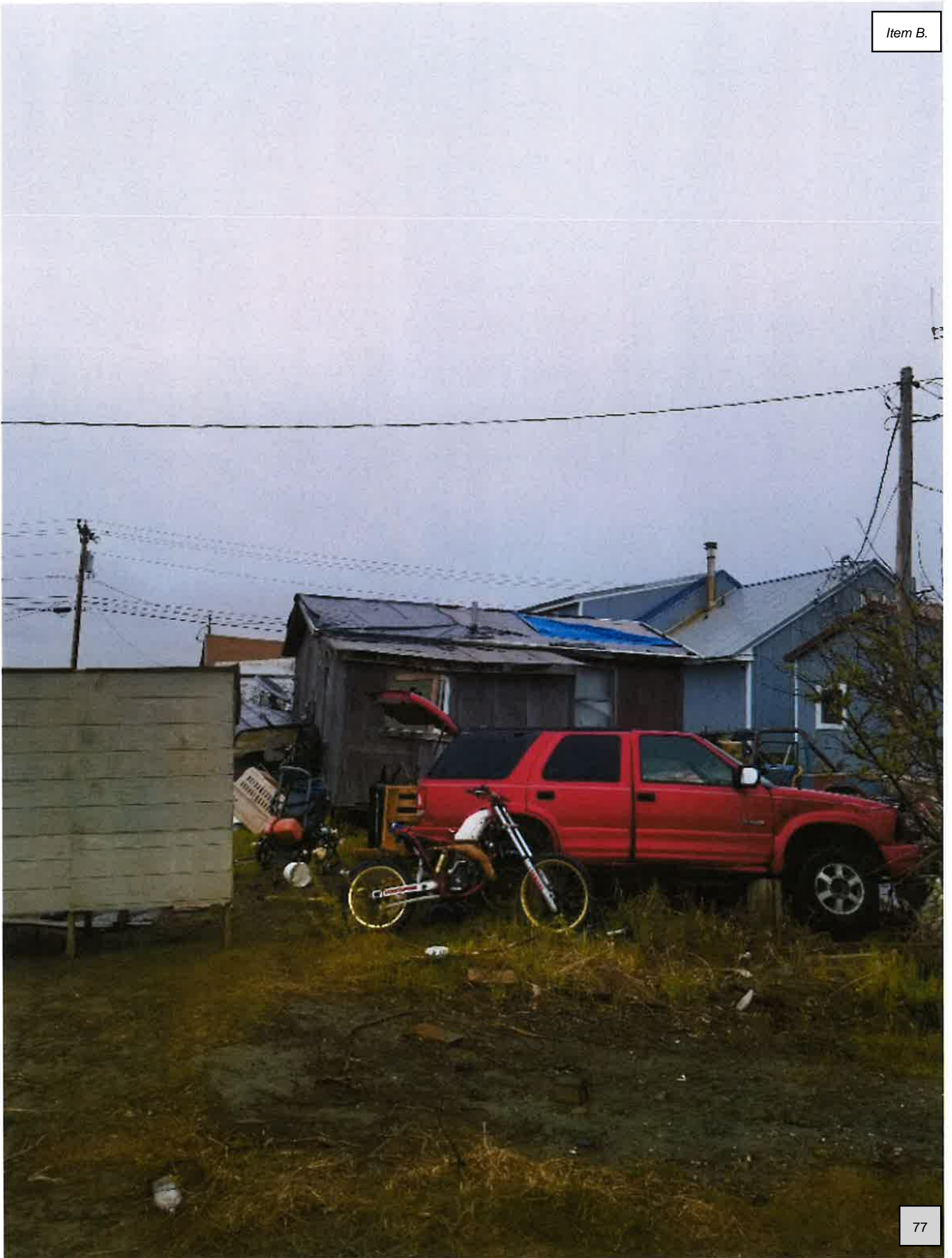
NOME COMMON COUNCIL DECISION:

 102 Division Street
P.O. Box 281
Nome, AK 99762
907.443.6663
www.nomealaska.org









Duffy Halladay 413 Division Residential Parcel 001.231.28 Lot 1 PTN Block 65A

- Negotiated with lawyer to remove leaning structure (1 of 2 buildings)
- Yet to be demolished.



NPD: 0 Police Responses 2022, 2021, 2020

NVFD: none received

DPW: This building is slowly approaching the point of collapsing on the adjacent building.

CITY OF NOME
ABATEMENT PROCEEDING
CITY CLERK'S OFFICE

PHYSICAL ADDRESS: 413 Division
TAX LOT NUMBER: 001.231.28, Block 65, Lot 1
OWNER: Duffy Halladay
MAILING ADDRESS: 607 Old Steese HWY. Fairbanks, Alaska 99701
TELEPHONE:

NPD COMMENTS:

0 Calls to Services

NVFD COMMENTS:

No fire calls to this location. Building appears to be secure but potential of being a hazard. Walls have started to fail, recommend building either be repaired and secured to protect from potential hazard to other adjacent building or should be removed.

Jim West

DPW COMMENTS:


It is a hazard to the surrounding properties. looks like it is ready to collapse.

Joe Horton

BUILDING INSPECTOR COMMENTS:

This building is an immediate danger of collapsing. It needs to be demolished ASAP

NOME COMMON COUNCIL DECISION:

 102 Division Street
P.O. Box 281
Nome, AK 99762
907.443.6663
www.nomealaska.org







2022 Abatement Properties

George Foot 610 Lomen Avenue Residential Parcel 001.281.42 Block 25 Lot 15

- Uncovered foam on exterior- **fire hazard.**
- Three story building, no sprinklers **fire hazard.**
- No exterior exit 3rd story **fire hazard.**
- Numerous exposed wiring **fire hazard.**
- Substandard size rooms **code violation.**
- Inadequate egress windows **code violation.**
- Reports of fuel leaks boiler room **fire hazard.**
- Numerous non-code plumbing and electrical work.
- Complaint from Fire Chief regarding third floor ambulance access.
- Numerous Right of Way issues with parking.
- No record of Building Permits since purchase in 2004, with many alterations.
- No response from Estate to produce drawings and pull permits for repairs.



NPD: (multiple clear code violations, lots of police activity)

2022 - 22 Police Responses

2021 - 47 Police Responses

2020 - 43 Police Responses

NVFD: none received for 2022

DPW: This property has numerous vehicles parked in the right of way which hinders snow removal and road maintenance.

George Foot 206 East Fourth A & B Fourth Avenue Residential Parcel 001.171.32 Block 67 Lot 26B

- Illegal sewer connection between buildings,
- Two illegal additions to rear of house.
- Non-functioning sewer and water both buildings.
- Exposed wiring in room between trailer living spaces.
- Non-code electrical connection between buildings.
- Un permitted connex placement appears to encroach on adjoining property.
- Neighbor complaint honey buckets-vacated building
- No records of Building Permits since purchase 2013.
- No response from Estate to produce drawings and pull permits for repairs.

**NPD: (hazardous conditions inside)**

2022 - 20 Police Responses

2021 - 51 Police Responses

2020 - 25 Police Responses

NVFD: none received

DPW: DPW concurs with Building Inspector

Jim West 508 Steadman Residential Parcel 001.231.01

- Unsecured doors allowing access to interior.
- Structure appears on verge of collapse.
- Building constitutes a **fire hazard as per NCO 5.30.030.**
- Violation of **NCO 18.50.20** item h “not including junk”.



NPD: 0 Police Responses 2022, 2021, 2020

NVFD: none received

DPW: This property is close to a bus stop and on the main route to the library and rec center. As such it has a higher than average amount of children passing by and could be considered an attractive nuisance.

Jim West 104 West Fourth Avenue Residential Parcel 001.221.45 Lot 11A Block 91

- Unsecured windows allow for unauthorized access.
- Bags stored inside possible health hazard.
- Structure appears on verge of collapse.
- Building constitutes a **fire hazard as per NCO 5.30.030**.
- Violation of **NCO 18.50.20 item h “not including junk”**.



NPD: 0 Police Responses 2022, 2021, 2020

NVFD: none received

DPW: DPW concurs with building inspector

Frank Sheldon 506 Lomen Avenue Parcel 001.281.54 Lot 13 Block 26

- Unsecured windows allow for access.
- Complaints from neighbors.
- Not currently in condition to be occupied. Building constitutes a fire hazard as per **NCO 5.30.030**
- Possible “Honey Buckets” stored inside create health hazard.



NPD: 0 Police Responses 2022, 2021, 2020

NVFD: none received

DPW: none received

Christopher Thornton 408 East F Street Parcel 001.161.02 Lot 17A Block 66

- Much junk and inoperative vehicles on property. **(NCO 18.50.20)**
- Lumber and combustible waste stored against building **fire hazard. (IFC 304.4.1.1)**
- Vehicles and debris encroaching ROW on F Street and 4th Avenue
- Unsecured garage public nuisance.
- No record of permit for addition to trailer. No record for Building Permit addition to trailer.

**NPD:**

2022 - 2 Police Responses

2021 - 0 Police Response

2020 - 0 Police Response

NVFD: none received

DPW: none received

NUISANCES

Sections:

5.30.010 Hearings.

5.30.020 Abatement.

5.30.030 Definitions.

5.30.010 Hearings.

(a) The mayor, city engineer, chief of police, fire chief or city health officer may report to the city council that a particular building or structure constitutes a fire hazard, health hazard or public nuisance.

(b) Upon receiving a report under subsection (a) of this section, the city council shall fix a time and place for a hearing before the council to determine whether the report is correct.

(c) When a hearing is set, the city clerk shall cause notice of the contents of the report and of the time and place of the hearing to be served upon the owner of the building or structure. Such notice shall be served personally or by certified mail on the person listed as owner in the tax records of the city, and shall be posted at or affixed to the building or structure. If the identity and address of the owner or his agent for service of such notice cannot be ascertained by reasonable diligence, then notice shall be sent by certified mail to the last known owner at his last known address, and shall be published in a newspaper of general circulation published within the city.

(d) The council shall hold a hearing to determine whether the report is substantially correct in all material respects at the time and place set for hearing, which shall be held not less than fourteen days after notice is served as provided above. The council may as part of the hearing inspect the premises and may treat its observations as evidence to determine the correctness of the report. At the hearing the owner or his representative, if present, shall be heard and may present evidence. If the report is substantially correct in all material respects the council may by resolution declare that the premises constitutes a fire or health hazard or a public nuisance. (Ord. O-93-6-6 § 1 (part), 1994)

5.30.020 Abatement.

(a) If the city council declares a building or structure to be a fire hazard, health hazard or public

nuisance, it may order removal or demolition thereof by the owner or his agent.

(b) Notice of a removal or demolition order shall specify a period of not less than fourteen days in which the removal or demolition must be completed, and shall state that the city will remove or demolish the premises thereafter.

(c) At any time before the date set for commencement of removal or demolition, the owner or his agent of the building or structure may request a rehearing. At such rehearing, the owner or his agent may show that the deficiencies proved have been substantially remedied or that he has taken steps to remedy them, in which case the city council may rescind or conditionally suspend its order.

(d) If the building or structure is not removed or demolished in accord with the order, the city may remove or demolish it or cause it to be removed or demolished. If the city removes the building, the cost is chargeable to the building, first against the salvaged material, which may be sold at public auction, and the balance of cost, if any, against the land as in the case of taxes. (Ord. O-93-6-6 § 1 (part), 1994)

CITY OF NOME
Nome Planning Commission

Memo

TO: Mayor John Handeland & Nome Common Council
FROM: Ken Hughes – Chairman, Nome Planning Commission
THRU: Glenn Steckman - City Manager
DATE: 08/05/2022
RE: Recommending City Council Adopt the newly revised City Abatement list of 8/02/22.

The following motion was passed by the Nome Planning Commission at the Regular Meeting on Tuesday, August 2, 2022.

1. Moved by **C. Ford**, and seconded by **C. Piscoya**, the following motion be approved as written:
 - **MOTION:** To accept the property list presented by Building Inspector Cliff McHenry for abatement.

AT THE ROLL CALL:

Ayes: Piscoya, Smith, Deighton, Hughes, Ford

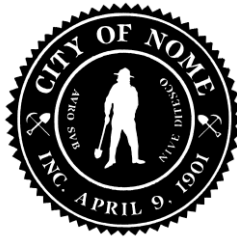
Nays:

Abstain:

The motion **CARRIED** unanimously.

Discussion on this motion reflected in the DRAFT minutes from August 2, 2022 Regular Meeting.

Mayor
John K. Handeland
City Manager
Glenn Steckman
Deputy City Clerk
Jeremy Jacobson



Nome Planning Commission Item B.
Kenneth Hughes III, Chairman
John Odden
Gregory Smith
Carol Piscoya
Colleen Deighton
Melissa Ford
VACANT

**NOME PLANNING COMMISSION
REGULAR MEETING MINUTES
TUESDAY, AUGUST 02, 2022 at 7:00 PM
COUNCIL CHAMBERS IN CITY HALL**

102 Division St. ▪ P.O. Box 281 ▪ Nome, Alaska 99762 ▪ Phone (907) 443-6663 ▪ Fax (907) 443-5345

ROLL CALL

Members Present: Colleen Deighton; Ken Hughes; Melissa Ford; Carol Piscoya; Greg Smith;
Members Absent: John Odden (excused);
Also Present: Glenn Steckman, City Manager; Jeremy Jacobson, Deputy City Clerk;
John Brees, City Engineer; Clifton McHenry, Building Inspector;
In the audience: Peter Loewi, Nome Nugget; Jim Adams

APPROVAL OF AGENDA

A motion was made by C. Smith and seconded by C. Ford to approved the agenda.

At the roll call:

Aye: Hughes; Ford; Piscoya; Smith; Deighton

Nay:

Abstain:

The motion **CARRIED**.

APPROVAL OF MINUTES

A. April 19, 20222 Nome Planning Commission Regular Meeting Minutes

A motion was made by C. Deighton and seconded by C. Smith to approve the April 19, 2022 minutes.

At the roll call:

Aye: Ford; Piscoya; Smith; Deighton; Hughes

Nay:

Abstain:

The motion **CARRIED**.

B. May 23, 2022 Nome Planning Commission Regular Meeting Minutes

A motion was made by C. Deighton and seconded by C. Smith to approve the May 23, 2022 minutes.

At the roll call:

Aye: Ford; Piscoya; Smith; Deighton; Hughes

Nay:

Abstain:

The motion **CARRIED**.

HISTORIC PRESERVATION COMMISSION ACTIVITIES

(3:33)

- City Manager Steckman notified the Planning Commission (PC) that the Historic Preservation Plan was still under revision.

COMMUNICATIONS

A. Pioneer Ditch - Proposed meeting SHPO, City of Nome, Paul Sayer

(3:59)

- City Manager Steckman noted a meeting between the City and the State Historic Preservation Office (SHPO) had already occurred. Proper signage describing the mining activity and history of the land ownership was advised by City Manager Steckman, additionally, any discovery or findings during the mining would be communicated to the City.

CITIZENS' COMMENTS

(7:17)

- Citizen Jim Adams at 312 Lester Bench Rd., Nome, AK, 99762 described an adjacent neighboring property where described junk vehicles and property has accrued.
- The City Building Inspector has visited the lot and made contact with the owners of the personal property, they are currently addressing the lot.

NEW BUSINESS

A. USACE - Regional General Permit

(12:32)

- Swade Hammond, *Program Manager - United States Army Core of Engineers (USACE)*, described their assessment of the last 15-years of permits applied to USACE, from Nome. He described the Nome Regional General Permit (Nome RGP) as similar to the Statewide Regional General Permit (Statewide RGP), however with limitations the Statewide RGP would not have. Nome RGP limitations in coverage
- Ryan Winn, *Project Manager - United States Army Core of Engineers (USACE)* noted program efficiency as USACE's goal. He stated the Nome RGP was being under utilized and Nome would be better suited incorporated into the statewide permitting program. He noted projects not covered under the Nome RGP are not currently covered under the Statewide RGP as Nome has it's own RGP. If Nome was incorporated under the Statewide RGP, coverage would be provided, as well as additional development opportunities.
- Swade Hammond reaffirmed for the PC projects outside City-limits not covered by the Nome RGP default to the Statewide RGP, however Nome not yet incorporated in the statewide

program would pose issues. USACE intentions would be to allow the Nome RGP to expire and add Nome into the Statewide RGP instead.

- John Blees, City Engineer joined the meeting telephonically (23:48). Mr. Blees described the previous RGP gave authority to the local-level, City Engineer, to issue an opinion of compliance. This would no longer be an option moving forward.
- Swade Hammond acknowledged an issue of compliance would be reviewed by USACE after issuance, as well as review by USACE if requirements were not met. Permits not meeting Nome RGP would be elevated to possibly either Nationwide GP or Individual permitting however only 4 instances in the last 15-years has that occurred. He opined no delay in reviewal time with the recent change in review process.
- Ryan Winn emphasized the Statewide RGP would provide more development options. He acknowledged USACE's delegated authority to local government, City Engineers. He stated USACE did not have the authority to delegate verification of the Nome RGP at the local-government level. Moving forward this procedure would no longer be allowable. There would be a delay in coverage, whether the Nome RGP was modified moving forward or an incorporation into the Statewide RGP.
- Commissioner Hughes inquired if any action is needed from the Planning Commission.
- Swade Hammond stated no action was required. Either direction chose, a gap in coverage during the reviewal period (3-5 months) would still be required. The likelihood of a project not covered under the Nationwide Permit or Individual however is not likely.
- Ryan Winn, reiterated a gap in coverage would be minimal and likely covered under the Nationwide Permit or Individual. Stating the Statewide Permit would provide more future development opportunities.
- City Manager Steckman requesting the Planning Commission provide a formal approval be forwarded to the Nome City Council.
- Ryan Winn stated the Statewide coverage would be providing many more development opportunities opposed to the Nome RGP and should be the message to the local Council.

B. Abatement Discussion

A motion was made by C. Ford and seconded by C. Piscoya to accept the property list presented by Building Inspector Cliff McHenry for abatement.

Discussion:

- City Manager Steckman noted the list presented before the PC is not complete. Some properties could fall under *dilapidated property* needing improvements before removal from the list all the way to recommended demolition. City Manager Steckman noted the list presented before the PC has his blessing, as well as the City Building Inspector's, and a signature forthcoming from the Fire Chief, with exception to a property under his own name.
- Building Inspector Cliff McHenry gave commendation to the PC for taking the topic seriously and looking into solutions towards property with the City. He gave a brief synopsis of each property condition on the list and what was requested.

- Commissioner Ford noted some of the properties have previously been apart of this list.
- Building Inspector Cliff McHenry further described code violations for properties on the list.
- Commissioner Smith noted 610 Lomen Ave., property owned by George Foot may have been made up of construction material posing challenges with a simple demolish.
- City Manager Steckman noted significant City time and resources seeking a solution with the 3-story property at 610 Lomen Avenue. He further provided a description of the abatement procedure for the Planning Commission. Emphasis was given towards finding a long-term solution towards mitigating hazardous property.
- Building Inspector McHenry suggested finding alternative solutions to addressing abatement with the property owners.
- Chairman Hughes gave his support towards moving forward on this project.
- Commissioner Piscoya opined her support as well.
- City Manager Steckman requested a motion from the Planning Commission to the City Council, recommending approval of the abatement list presented tonight.

Aye: Piscoya; Smith; Deighton; Hughes; Ford

Nay:

Abstain:

The motion **CARRIED**.

UNFINISHED BUSINESS

STAFF REPORTS

A. City Manager Report

- City Manager Steckman described City efforts towards addressing dilapidated properties around the City that may pose hazardous conditions, thus creation of the recent abatement list. The local "Nome Quickstop" convenience store had recently experienced an electrical fire which the City took quick action extinguishing before significant damage occurred.
- Commissioner Piscoya inquired into the newly installed fence at the local playground.
- City Manager Steckman addressed the ongoing issue with local vandalism plaguing fencing at the local parks.

B. Building Inspectors Report

(1hr 26m)

- Building Inspector McHenry embraced the City new permitting software, MyGov. He outlined the properties on the recent abatement list being addressed. Recap of the recent 3D housing project meetings, and recent utilization of the Community Progress organization as well.

C. Building & Remodel Permit Summaries

- Commissioner Hughes inquired into the miscellaneous permits summary which was missing.

- Deputy Clerk Jacobson noted the permit transfer from the MyGov permitting software was still going through a information transfer.

COMMISSIONERS' COMMENTS**(1:41:20)**

- Commissioner Smith praised the meeting flow and efficiency. Support for the Building Inspector and his work was given.
- Commissioner Deighton stated, due to circumstances beyond her control, she would be resigning her position with the Nome Planning Commission (NPC). She noted she would be selling her home and moving, thanking the NPC for the experience gained.
- City Manager Steckman gave C. Deighton praise for her work with the City.
- Commissioner Hughes acknowledged Building Inspector McHenry's work with the abatement, supporting his and the City's efforts to address property and development in Nome.
- Commissioner Ford
- City Manager Steckman acknowledged the recent Alaska Waste Management and advised complaints be forward the State regulatory commission as that is the appropriate body for those complaints.
- Commissioner Ford continued her inquiry to the trash-can size, as well as additional utility projects on the horizon.
- Commissioner Piscoya requested if the City could advertise a phone number for residents to call into regarding the Alaska Waste Management complaints. She thanked the U.S. Army Core of Engineers (USACE) for their attendance and guidance in the night's meeting.

SCHEDULE OF NEXT MEETING

The next regular meeting of the Nome Planning Commission is scheduled for September 6th.

ADJOURNMENT

A motion to adjourn was made by C. Deighton and seconded by C. Smith.

Hearing no objections the Planning Commission adjourned at 9:07 PM.

APPROVED and **SIGNED** this 6th day of Spetember, 2022.

KENNETH HUGHES III
Chair

ATTEST:

JEREMY JACOBSON
Deputy City Clerk

City Manager
Glenn Steckman

Port Director
Joy Baker

Harbormaster
Lucas Stotts



102 Division St. • P.O. Box 281
Nome, Alaska 99762
(907) 443-6619
Fax (907) 443-5473

**NOME PORT COMMISSION
REGULAR MEETING MINUTES
MAY 19th, 2022 @ 5:30 PM
CITY HALL COUNCIL CHAMBERS**

Nome Port Commission
Jim West, J
Charlie Lean, Vice
Item C.
Derek McLarty
Shane Smithhisler
Russell Rowe
Gay Sheffield
Drew McCann

The Regular Meeting of the Nome Port Commission was called to order at 5:30 pm by Commissioner McLarty at the City Hall Council Chambers.

ROLL CALL

Members Present: Smithhisler, West, McCann, Sheffield, McLarty

Absent: Lean, Rowe

Also Present: Glenn Steckman and Joy Baker (via Zoom)

In the audience: Howard Farley

APPROVAL OF AGENDA

Commissioner McLarty asked for a motion to approve the agenda.

Motion to approve made by Smithhisler, seconded by McCann.

At the Roll Call:

Ayes: West; McCann; Sheffield; McLarty; Smithhisler;

Nays:

Abstain:

The motion **CARRIED**.

APPROVAL OF MINUTES

April 21, 2022 Motion made by Smithhisler, seconded by McCann to approve minutes;

Discussion:

- Sheffield expressed concern on the minutes not reflecting discussion verbatim.
- PD Baker stated it is the City's practice to do summary minutes instead of verbatim.

At the Roll Call:

Ayes: West; McCann; Sheffield; McLarty; Smithhisler;

Nays:

Abstain:

The motion **CARRIED**.

CITIZENS' COMMENTS

- Howard Farley shared he will have an addition to his vessel fleet, to be used as needed; He plans to have it available for various uses during the season.
- Sheffield requested the Port Commission adopt rules of order for meetings.

COMMUNICATIONS

- 22-04-07 DOT – SOA M-5 Route Extension - MARAD
- 22-05-04 KNOM – Nome Port Expansion Project Needs Additional Funding by November
- 22-05-16 NOAA – West Coast Alaska Winter Storm Impacts

Discussion:

- PD Baker summarized the written communications.
 - MARAD Route Designation Request; with a final letter showing updated information.
 - NOAA holding virtual webinar opportunity on June 13 regarding forecasting winter storms.
- Sheffield asked about schedules for anticipated Research Vessels and other marine traffic.
 - PD Baker stated schedules may be provided for Research Vessels/Cruise Ships; schedules are not provided by cargo shipping companies as schedules change regularly. Not all science vessel missions have secured space yet.
- CM Steckman stated that:
 - Discussions regarding perceived conflict must be expressed prior to beginning of meeting.
 - Verbally provided Rules of Conduct for review by commissioners/participants.

COMMISSIONER'S UPDATES

- Sheffield stated she is invited to National Academies of US Coast Guard Authorities to represent the City of Nome and Port.
 - PD Baker added Sheffield will be sharing input on Arctic risks, opportunities, and challenges.

HARBORMASTER'S REPORT

- PD Baker provided a brief update;
 - HM Stotts has been occupied with Public Works, but prepping for season startup.
 - Siobhan Bradley-office starting 6 June in front office; Port did not receive any apps for full-time position intended to be shared with Public Works.
 - Still seeking applicants for Dock Watch, Deputy Harbormaster; both positions are seasonal.

PORT DIRECTOR'S REPORT

PD Baker provided an overview on progress tied to the port expansion:

- City's \$175M in matching funds for phase 1 of expansion project passed the Legislature in the State's FY2023 Operating Budget; waiting for Governor to do vetoes and sign the budget.
 - PD Baker recognized Senator Olson's & Representative Foster's efforts in keeping the City's match funding in the budget to build phase 1 of the port expansion.
 - Senator Sullivan: responsible for provision in the draft WRDA bill to change the federal/local cost-share to 90/10 instead of 65/35 – WRDA bill moving in Congress.
 - Congress Young being recognized for his efforts in driving the ADDP at Nome.
 - Spring 2023: will shift to on-shore development to tie to the off-shore construction.
- Cost estimates are expected to increase due to the 15% price increase for steel.
- Phase 1: Entire docks, roads, utilities; the expansion of the Causeway.

PD Baker stated the included spreadsheets provide insight on the grant applications that have been applied for; targeting what the money would build, and the cost shares anticipated.

- Regional Port Reception Facility: the ability and capacity to receive waste from the vessels.

OLD BUSINESS – None

NEW BUSINESS

- FY2023 Port and Harbor Proposed Budgets;
 - Increased labor, fuel, services, equipment and shipping costs are expected to affect operating costs of the Port and Harbor; some with significant delivery delays

Discussion:

- Commissioner West stated budgeted gravel revenue is expected to be higher than projected.
- Smithhisler asked about budgeting for full-time positions to attract more applicants.
 - PD Baker stated challenges are city-wide any responsive labor pool being so small.
 - McLarty suggested raising the wages to increase attraction for seasonal applicants.
 - PD Baker stated the Port cannot arbitrarily increase wages to entice applicants.
- Smithhisler noted the budgeted wages states previously \$220,000 and is now \$253,000.
 - PD Baker replied the office position was changed to year-round for sharing with Public Works, and 3-year delay in labor negotiations was finalized and went in effect 1 Jan 2022.
 - There was no response to the year-round office position so a seasonal hire was chosen to get through the summer.
- Sheffield inquired on the \$144K for events; PD Baker indicated that line item encompasses many elements associated with the Port & Harbor Conference at the end of September.

Motion:

The following motion was made by Chairman West and seconded by Sheffield:

Recommend the Nome Common Council adopt the FY2023 Port & Harbor Operating and Capital Budgets as presented:

At the Roll Call:

Ayes: McCann; Sheffield; McLarty; Smithhisler; West;

Nays:

Abstain:

The motion **CARRIED**.

CITIZENS' COMMENTS

Howard Farley commented on the waste incinerator. His business does anticipate transporting the waste from vessels to the Port's harbor.

COMMISSIONER'S COMMENTS

- West commented we need to thank Senator Olson and Representative Foster with an email, letter, handshake, for their support.
- McCann stated Happy Birthday to Mr. Farley; commented he would like the Port Commission to recognize the efforts of all of our Congressional Delegation and Alaska State Legislators.
- Sheffield commented there should be increased transparency in the meetings regarding the funds for Port Development. Looks forward to being on the same sheet of paper with the City and Port. The Avian Influenza is in wild birds in Alaska, she cautioned on symptoms/contagious of the virus.
- McLarty looks forward to a successful season this summer; thanks Joy for all of her hard work.

ADJOURNMENT

Motion was made by for adjournment at 7:00pm.

APPROVED and **SIGNED** this 21st day of July 2022.



Jim West, Chairman

ATTEST:



Joy Baker, Port Director

PORT OF NOME

Phone/443-6619 Fax/443-5473

Memo

TO: Mayor John Handeland & Nome Common Council

FROM: Jim West, Chairman – Nome Port Commission *JW2*

THRU: Glenn Steckman - City Manager

DATE: 07/29/2022

RE: Recommending Council Request Corps take Congressional Action to Permanently Authorize East/West Harbor Bulkheads & Dredging Portion as Federal Infrastructure

The following motion was passed by the Nome Port Commission at their Rescheduled Regular Meeting on Thursday, July 28, 2022.

1. Moved by C. McCann, seconded by C. Smithhisler, that the following motion be approved:
 - **MOTION:** Recommend the Nome Common Council request the Corps to pursue congressional action to Permanently Authorize East/South bulkheads and portions of the harbor dredging areas as federal infrastructure, with the authorized purpose designated as same – based on 100-years of dedicated service by the U.S. Army Corps of Engineers in maintaining navigation and bulkhead structures in the Nome Harbor.

AT THE ROLL CALL:

Ayes: McCann; Sheffield; McLarty; Smithhisler; Lean; West, Jr.

Nays:

Abstain:

The motion **CARRIED.**

Discussion on this motion reflected in the minutes of the July 28, 2022 Rescheduled Regular Meeting.



DEPARTMENT OF THE ARMY
ALASKA DISTRICT, U.S. ARMY CORPS OF ENGINEERS
P.O. BOX 6898
JBER, AK 99506-0898

Item D.

June 30, 2022

John K. Handeland, Mayor
City of Nome
P.O. Box 281
Nome, Alaska 99762

Dear Mayor Handeland:

As discussed in our letter dated 22 November 2021, the Tentatively Selected Plan (TSP) for the Nome Inner Harbor Continuing Authorities Program Section 107 project includes project features that require deauthorizing areas currently within portions of the Federal dredge limits and the East and South sheet-pile bulkheads. The City of Nome responded to that letter on 23 May 2022 requesting a policy waiver from EP-1105-2-58, Section 8b.

The study of the Nome Inner Harbor is being conducted under authority granted by Section 107 of the Rivers and Harbors Act of 1960 (Public Law [PL] 86-645), as amended (33 U.S.C. 577), which provides authority for the US Army Corps of Engineers (USACE) to improve navigation in partnership with local non-Federal sponsors. The non-Federal sponsor must normally agree to provide and maintain berthing and fleeting areas, floats, piers, slips and similar marina and mooring facilities as needed for transient and local vessels.

The areas in question are intended to be utilized as moorage as part of the project condition and thus are considered local service facilities. This is a change in their authorized purpose.

In light of the statute and policy, the Corps does not have authority to change the area in question from a General Navigation Feature to a Local Service Facility. Any changes in the authorized purpose require Congressional action.

If you require further information, contact the Project Manager, Richard Austrung, at (907) 753-2827 or by email at Richard.D.Austrung@usace.army.mil.

Sincerely,

Damon A. Delarosa
Colonel, U.S. Army
Commanding



May 23, 2022

Colonel Damon Delarosa
CDR-Alaska District,
US Army Corps of Engineers
CEPOA-PM-C
JBER, AK 99506-6898

RE: CAP 107 Nome Harbor Study – Request for Policy Waiver (EP-1105-2-58, Section 8b)

Dear Colonel Delarosa,

The City of Nome formally requests a policy waiver from the 2019 update to Section 8b of EP-1105-2-58, regarding deauthorization of elements in the project, as described in your attached letter.

Based on the letter, as well as email and verbal exchanges with members of the project team, the City's acceptance of deauthorization would be required, prior to TSP selection and completion of the study. This hard stance by the Corps has essentially resulted in a full stop on the project.

Regarding deauthorization of the two bulkheads built by the Corps in 1923, re-built in 1951 and 2006-08, as well as inspected and maintained by the Corps for the last 99 years, the City considers this detail alone demonstrates a precedence on long-term responsibility. Another concern expressed in the policy stated deauthorization was required since these bulkheads are used as docks so can't be federal infrastructure. However, since initial construction, at one time or another, both of these bulkheads have been used as docks to load/unload, fuel, cargo, building supplies, equipment, animals, etc., with the Corps' awareness, setting yet another precedence on historic operational use.

The City signed a cost-share agreement with the Corps in May 2020 on the CAP 107 Study, but it wasn't until 19 Aug 2021, when the 20 Aug 2021 TSP was changed to an internal meeting only, that the City suspected something was up, but was not formally notified until the 10 Nov 2021 letter.

The City is proud of our successful and long-standing partnership with the Corps, but disagrees that the local sponsor should bear the costs of maintaining infrastructure that has been the responsibility of the federal government for nearly 100 years – bulkheads or dredging. As with most federal programs with hard-lined regulations and restrictive mandates, the phrase, "one-size fits all" couldn't be more accurate. In other words, requiring large cities in the Lower 48 to take on federal infrastructure in their community that is being de-authorized, would not be considered insurmountable based on the tax base of that population. However, when the same policy action is applied to a small community in rural Alaska (pop. 3,700), it takes on a completely different context with significant financial impacts.



It is with all of this in mind that the City formally requests a policy waiver be issued to prevent taking on the additional burden of maintaining infrastructure belonging to the federal government. If there are any questions, or additional information is needed, please contact me or Glenn Steckman at 907-443-6600, or Joy Baker at 907-304-1905.

Sincerely,

CITY OF NOME

John K. Handeland
Mayor

CC: Bruce Sexauer
Glenn Steckman – City Manager
Joy Baker – Port Director

White Paper

Nome Harbor De-Authorization

Issue: A change in US Army Corps of Engineers policy in March 2019 allows the Corps to seek deauthorization of previously authorized projects in which the Federal government has always held responsibility. This recent change in policy is a thinly veiled attempt by the Corps to eliminate federal infrastructure from its inventory in order to rid itself of the responsibility for maintenance and repairs, and thereby pushing the financial burden onto local governments unable to bear those costs.

Background: The City of Nome engaged with the Alaska District Corps of Engineers for a CAP 107¹ project at the Port of Nome, by signing the feasibility cost-share agreement on May 6, 2020. As the Corps was getting close to finishing its evaluation and selecting an alternative, it was discovered that one of the sheet pile structures maintained by the Corps did not have a sufficient load rating. The City of Nome requested the structure be upgraded to industry tolerances for loading/unloading cargo and equipment in order to satisfy congestion and growing demand at the facility, amid the planned Port expansion. Although this structure and others are Federal responsibilities, a 2019 policy update at the Corps instituted a change in the way the Corps handles these features with the desired result of shifting responsibility for the features to the local sponsor. The Corps is refusing to finalize this project until the City of Nome agrees to the deauthorization. Deauthorization requires Congressional action.

The Corps has managed and performed projects at the Port of Nome for over 100 years. Construction on the Port began in 1919 with regular improvements over the years including nearly annual maintenance dredging of the navigation channels. In 1923, the South and East bulkheads were constructed as revetments to protect the navigation area and stabilize the shoreline. Repairs were made to the revetments in 1954 to replace the wooden timbers with sheetpile. In 1986, additional repairs were made to the sheetpile at the entrance channel. In 1999, a new entrance to Nome Harbor consisting of a 2,986-foot long breakwater, 230-foot long causey spur breakwater, and a 3,450-foot long entrance channel with support sediment traps and a causeway bridge were authorized, and constructed in 2004-2006. The East and South bulkheads were re-aligned with new z-piling in 2006-2008. During all of the projects described above, deauthorization was not sought or discussed any time since the original construction, despite the East and South bulkheads being utilized as dock structures since the wood timbers were placed, in order to load and unload cargo, equipment and fuel lightered from offshore. In all these years, these bulkhead features have been a Federal responsibility and routinely upgraded by the Corps of Engineers.

The Corps now claims that “(T)he re-alignment of the Federal dredge limits becomes necessary where the berthing areas required for the Fish and East docks that intrude into or overlap the existing Federal limits.” (Letter from Bruce Sexauer, Chief of Civil Works dated November 10, 2021) Mr. Sexauer’s letter further states that the East and South bulkheads must be deauthorized “recognizing their use as LSF/docks”.² These bulkheads were always known to be and recognized as docks in spite of what the Corps is attempting to claim now. So, there is no change in usage. Furthermore, this CAP 107 project has zero impact on the East Dock, but the Corps is seeking deauthorization for both docks, in order to capture this structure in the process. The City of Nome had initial discussions with the Corps regarding cost-sharing

¹ CAP is the Continuing Authorities Program

² LSF are local service facilities – a local sponsor responsibility.

to costs of upgrading the South bulkhead, which was never built to the standards needed for the growth and demand in cargo and equipment movement using the bulkhead. The City strongly objects to deauthorization of the East and South bulkheads.

The Corps is basing its recommendation for deauthorization on a policy change made in March 2019, EP 1105-2-58, Section 8b which states: “CAP will not be used to implement or replace a portion of a project specifically authorized by Congress, until Congress specifically deauthorizes the project or Congress specifically funds its implementation under a CAP authority in law.” It is important to note that the City of Nome first made application to the Corps for a CAP project in September 2017 through the attached Section 107 Interest Package – Dredging Limits Expansion document. The application was considered on multiple occasions on whether to proceed with CAP or combine with the larger expansion project. The decision was to combine with the larger project, then was reversed to stand alone as a CAP 107, which is why so much time has passed since the original application. The CAP 107 study is nearing completion after two years, the City of Nome has paid for half of the study, and the Corps has now declared that without full agreement on the deauthorization, the study will be terminated. Barring a completed study, improvements identified in the CAP 107 study cannot be completed.

The designation of GNF³ versus LSF features is somewhat loose as the boundaries for GNF features must allow for safe navigation and vessels turning in the harbor. The vessel size is the largest vessel currently using the harbor as determined by the Corps. So, part of this project has also designated what were previous LSF to now become GNF features. In addition, it is presumed that the bulkheads still provide protection for the navigation area and the shoreline stabilization. Those reasons formed the basis of the GNF designation in the first place.

“CAP authorities may be used to provide additional improvements to a completed portion of a specifically authorized P&S⁴ project so long as they do not impair or substantially change the purpose or functions of the specially authorized project.” (Corps issue paper with no date.) The purpose of the East and South docks has not changed since their initial construction nearly 100 years ago. For this reason, the Corps insistence on deauthorization of the GNF features for these docks prior to completion of this CAP 107 study fail to pass the straight-faced test.

Recommendation:

1. Provide guidance to the Corps on its continued responsibility to the originally authorized GNF features at the Port of Nome as it pertains to the East and South bulkhead docks.
2. Codify that guidance in law.
3. Identify a waiver process as needed.

³ GNF are general navigation features – a Federal government responsibility.

⁴ P&S are plans and specifications.



DEPARTMENT OF THE ARMY
ALASKA DISTRICT, U.S. ARMY CORPS OF ENGINEERS
P.O. BOX 6898
JBER, AK 99506-0898

Item D.

November 10, 2021

Joy Baker, Port Director
City of Nome
P.O. Box 281
Nome, Alaska 99762

Dear Port Director, Baker:

As discussed in the a meeting on 19 October 2021, Alternative 4, the Tentatively Selected Plan (TSP), includes project features that require deauthorizing portions of dredge areas currently designated as Federal, as well as deauthorizing the East and South sheet-pile bulkheads facing these docks. During the meeting you requested a letter explaining the need for deauthorization and potential impacts to project schedule.

The re-alignment of the Federal dredge limits becomes necessary where the berthing areas required for the Fish and East docks that intrude into or overlap the existing Federal limits. These berthing areas are necessary to obtain project benefits from vessels using these features as docks. Redesignating these berthing areas would convert a portion of the current general navigation features (GNF) to local service facilities (LSF). The feasibility report will also include recommendation for deauthorizing the East and South bulkheads, recognizing their use as LSF/docks. These deauthorizations will require congressional action.

The deauthorization actions will need to take place prior to project construction. Once the deauthorizations are approved by Congress, the non-Federal sponsor accepts responsibility for construction and maintenance for these LSF. The Pacific Ocean Division, Alaska District is requesting acknowledgment that the City of Nome will support deauthorization at this time to show support for the TSP. A more detailed discussion of the reasons for deauthorization associated of a portion of the Federal dredge limits and the East and South docks is presented in Enclosure 1.

If you require further information, contact the Project Manager, Austrung, Richard, at (907) 753-2827 or email at Richard.D.Austrung@usace.army.mil.

Sincerely,

Bruce R. Sexauer
Chief, Civil Works
USACE Alaska District

Enclosures