MEMORIAL DAY— A solemn Memorial Day parade reaches the Nome Belmont Point Cemetery. *See story on page 8.*

Photo by Nils Hahn

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Council sets mill rate at 11.5, reduces contribution to Nome schools

By Diana Haecker

In work session after work session, the Nome Common Council is fine combing the city's fiscal year 2026 budget, trying to balance the budget while keeping services to citizens intact and not laying off any employees.

On Tuesday night, when faced with the May 31 deadline to have the city's contribution to Nome Public Schools nailed down, the council pivoted last minute from a $3.4 million to a reduced $2.7 million contribution to the school district. The reasoning included that the council can at a later date supplement the contribution to the schools.

In a work session prior to the regular meeting, where the council voted on the amended resolution to set the school contribution at $2.7 million, Superintendent Jamie Burgess mentioned that the school's apartment capital fund has $2 million in it. Wait a minute, said councilmember Scot Henderson, the council was told it was $1.1 million. This changed the conversation, as it appeared the school could find more money in their own savings accounts rather than asking the city to dip deep into theirs.

The genesis of the budget discussions rested with an initial budget proposal presented to the council on May 5 that already had cuts to operational costs across departments. When the council was presented with the budget, they tried to find either more revenue or cuts to services to balance the $18,025,230 budget.

City manager Lee Smith was tasked after last Friday's work session to find more savings. He presented a slightly leaner budget with only $75,000 additional cuts. His budget draft was based on a mill rate of 11.5 and an assumed increased sales tax to 7 percent, while leaving the $3.4 million contribution to schools untouched. The budget included cuts to NEST, slashing the Visitor Center budget in half to $100,000, and cutting departments to the bone. Any further cuts, City Manager Smith said, would be cutting services to residents and would be detrimental to the city's operations. Smith said in conversations he heard that citizens were opposed to raising property taxes, but felt they could tolerate an increase in sales

continued on page 4

Graphite One listens to concerns at meeting in Nome

By Diana Haecker

In a series of meetings in Teller, Brevig Mission and Nome last week, Graphite One Alaska updated the public on their plans to develop a graphite mine on the northern slopes of the Kigluaik Mountains and to hear people's concerns and input.

Old St. Joe's Hall was packed on Thursday evening for the meeting that lasted over three hours.

After ten years of conducting baseline studies, drilling programs and preliminary work, Graphite One has finished a feasibility study in March, which now allows the company to go on the U.S. stock exchange to get investors for the project and approach banks for loans to bankroll the projected $949 million cost to build the mine.

Graphite One Inc., a Canadian company, is currently traded at the Toronto Venture Exchange, with an ownership of 50/50 Canadians and U.S. shareholders. The company owns Graphite One Alaska, the subsidiary that aims to bring online the proposed graphite mine north of the Kigluaiks, about 50 miles north of Nome. A second subsidiary plans the development of an advanced graphite manufacturing facility in Ohio.

Presenting for Graphite One Alaska were Vice President of Operations Mike Schaffner, Vice President Mining Kevin Torpy, Environmental and Permitting Manager Ed Fogels and Project Manager Loren Prosser.

On the outset, Schaffner stressed that Graphite One welcomes input and that previous meetings have "significantly changed how we're building this project. So, continue to give us your ideas," he said.

And comments were flowing. In passionate but respectful tone, community members expressed concerns about the proposed access road, about spoiling a subsistence-rich area for profit that won't be shared with the communities most affected by the mine, Teller and Brevig Mission. Other comments welcomed the mine and drew a comparison to the economic boon that the Red Dog zinc mine brought to the Kotzebue and NANA region.

But before the floor opened to comments, Graphite One offered information on the proposed mine. With the feasibility study in hand, a few things have changed compared to Graphite One's pre-feasibility plans that were presented in prior meetings. For one, due to changing market conditions and greater demand, plans were adjusted for a much larger output of material from 50 tons per day to 162 tons per day. To make this happen, larger equipment will be put to work with the same amount of people working on the project. Another significant change has to do with employee housing. At first the company proposed a camp at the mine site but now they plan to create a subdivision in Nome, assisting employees with the financing, co-signing their mortgage and after a number of years granting the land to them. There would still be camp style housing in Nome for those employees from the villages, who would travel home on their days off. With the bigger output, more traffic, bigger trucks and larger ships are necessary to move the graphite from mine to port.

Big Picture

Mike Schaffner said that the main use for graphite these days are electric car components. Each electric vehicle, he said, contains 10 kilograms (about 22 pounds) of graphite. China supplies 100 percent of graphite used in electric cars and since no graphite is produced in the U.S., the government through a $37 million

continued on page 4

Photos by Nils Hahn

CONCERNED ELDER— Arlene Soxie voiced her concern during the Graphite One meeting at Old St. Joe's Hall in Nome, on May 22.

SENIOR VP– Mike Schaffner, Senior Vice President of Operations at Graphite One, presents at the community meeting held at Old St. Joe's Hall.

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