

**Committee of the Whole – 6:30 P.M.
Regular City Council Meeting – 7:00 P.M.**

A regular meeting of the North Pole City Council was held on Monday, June 20, 2011 in the Council Chambers of City Hall, 125 Snowman Lane, North Pole, Alaska.

CALL TO ORDER/ROLL CALL

Mayor Doug Isaacson called the regular City Council meeting of Monday, June 20, 2011 to order at 7:00 p.m.

There were present:

**Ms. Arnold
Mr. McGhee
Ms. Hunter
Mr. Jones
Mr. Holm
Mr. McCarthy
Mayor Isaacson**

Absent/Excused

PLEDGE OF ALLEGIANCE TO THE U.S. FLAG

Led by Mayor Isaacson

INVOCATION

Invocation was given by Councilwoman Sharron Hunter

APPROVAL OF AGENDA

Mr. McGhee moved to Approve the Agenda of June 6, 2011

Seconded by Jones

Discussion

None

Mr. McGhee moved to Amend the Agenda to delete Item 12:B and Item 13:A.

Seconded by Mr. Jones

Discussion

None

On the Amendment

PASSED

YES –7 –Holm, McCarthy, Arnold, Hunter, McGhee, Jones, Isaacson

NO – 0

Abstained- 0

On the main motion as amended

PASSED

YES –7 –Holm, McCarthy, Arnold, Hunter, McGhee, Jones, Isaacson

NO – 0

Abstained- 0

APPROVAL OF MINUTES

Mr. McGhee moved to Approve the Minutes of June 6, 2011

Seconded by Mr. Jones

Discussion

None

PASSED

YES –7 –Holm, McCarthy, Arnold, Hunter, McGhee, Jones, Isaacson

NO – 0

Abstained- 0

COMMUNICATIONS FROM THE MAYOR

Communication Highlights from the Mayor for the period ending June 20, 2011

ISSUES:

• **FMATS**: several issues that affect North Pole include:

1) the “preliminary” draft of the President’s surface transportation proposal includes a change that may terminate MPO’s for metropolitan areas that have populations under 200,000 (approximately 200 out of the nation’s 382 MPOs). The Fairbanks MPO (FMATS) serves a population of 50,000. FMATS has been instrumental in ensuring funds have been made available for North Pole specific projects, such as the road and bike path work being done this summer.

2) The Alaska Railroad is awaiting final approval to proceed from the Federal Railroad Agency (FRA) to begin construction on the Northern Access to JPARC, known commonly as the “Tanana Bridge.” I spoke with representatives of the ARRC, including the President/CEO Chris Aadnesen, who are hopeful work can begin as early as July, with a formal ground breaking ceremony at the Salcha airstrip in August or September. What is important to remember, is that a) this is a bridge for military access, which includes the Alaska National Guard. The question has come up several times regarding access for the public. First, the public will continue to be able to get permits to hunt on that side of the Tanana. Second, once rail is actually constructed over the bridge, at some later point, the public and commercial entities will have access to that

property via rail.

On another railroad issue, the North Pole Road/Rail Crossing Reduction environmental analysis is being completed. We may have a report by this fall. That report is necessary in determining the actual route and seeking funding for the actual construction.

3) I have pushed hard for the sidewalk project on St. Nicholas, formally called the “North Pole Interchange Pedestrian Facilities.” That project has a long history, the recent history began officially, according to DOT, in 2007 and was supposed to be completed when the Dawson interchange was completed in 2008/2009. Then we were told it was on track for 2010, then 2015 or beyond. After raising a ruckus, the sidewalk is on task to be completed by 2014. There may be a right-of-way acquisition from 20 properties consisting of a sliver needed to make sure the sidewalk is within the corridor. If negotiations with property owners don’t hit a snag, construction may be done in 2013. See the attached four pages.

- Northern Edge 2011 Distinguished Visitor Day Report : Thank you to the Council for allowing me the funds to participate in this extraordinary event. I drove to Anchorage in the Admin car and discovered that a sensor had failed, which caused the car to have too rich a fuel mixture, which caused the car to die in Willow. The car was repaired at Kendall Ford in Wasilla and performed flawlessly on the return trip. Mayor Dave Talerico, of the Denali Borough, was also attending the event and he drove out from Anchorage and picked me and returned me the next day, for which my hat’s off to his generous act of kindness!

The Event day began at 6:45 a.m. and went full throttle until 4 p.m. We received briefings, toured facilities, spoke with military commanders and participants, and were able to gain a greater appreciation for the military investment in Alaska, the mission of the personnel stationed here and how they coordinate between the bases. As an extra benefit, I was able to have several conversations with Mayor Talerico, State Rep. Dan Sadler, State Sen. Bill Wielechowski, and ARRC President/CEO Chris Aadnesen, about issues affecting North Pole. Mayor Talerico and I were discussing how to report such a full day and the importance of being at such an event to our councils. There’s the aspect that the State’s highest ranking military officer, Alaska’s Adjutant General Major General Thomas Katkus, told me the afternoon I left for Joint Base Elmendorf Richardson (JBER); that is, we visibly demonstrate the honor we say we have for our military and the men and women in uniform when we accept their invitations to participate in such events. There’s the aspect that Mayor Talerico pointed out that we just could not comprehend the roles, the interactions, the usage of equipment, and all that we were shown if we simply watched or read a power point presentation. For example, we talk about the economic impact of exercises such as this, but the numbers become difficult to process, and in fact have not been fully

calculated, because its more than two weeks where planes come up to Eielson or JBER. It's the months of planning, the years of capital investment in military usage of land and facilities within Alaska. It's the continual lobbying the military does within its own ranks for educating other commands on the available resources in Alaska and getting them to visit and participate—making our bases that much more viable and BRAC-proof.

Having said that, Northern Edge is a bi-annual event. It has become the largest exercise in the Department of Defense—this year, it is the largest joint-electronic war exercise in history. The military is wanting to expand its training area in order to effectively train with the fifth generation “out-of-sight” weapons. Participants are not all located in Alaska, simulators are located in other states and across eleven time zones. The exercise fully cooperates with Alaska Air Traffic Control and other Alaska agencies. The exercises are not of a constant duration. For example, the Navy exercises up to 21 days between April – October. JPARC is immense, it is 2.5 times the size of the national training center; it is 5.5 times the size of the exercise area attached to Nellis AFB in Nevada. It is attracting the usage of other allied nations because of its size. For example, overlaying JPARC over S. Korea, JPARC would pretty much blanket the entire nation.

What remains the most outstanding aspect of this event is interacting with the military members. As their commanders note, it is Alaska's and America's sons and daughters, the combatants, who make all the difference. The equipment is second to none, but it is the people talent that wins wars and returns to the civilian workforce. These people are our neighbors, associates, and friends.

- Summer Festival Committee: continues to meet every Tuesday. My hat is off to the committed band of volunteers who are planning this event. We may have a venue change from the Elementary school to the Christmas Creek Market (formerly Santaland RV Park). The purpose would be to generate more visibility being right next to the highway. The Committee will meet every Tuesday in June to prepare for the July 4 event. If you would like to participate in helping to make this event exciting, whether it's producing the parade, scouring the community for finances and prizes, soliciting vendors, helping with games, putting on the Bed Race, marketing, or even being on the set-up and clean-up teams, please mark your calendar and attend **the next meeting is: Tomorrow, June 21, 6 pm, at City Hall.** See you there!

- Yukon Quest Update. While still a few months off, the Yukon Quest Board is looking for a way to bring the race to North Pole, at least on the years the race begins in Fairbanks. I was contacted by the organization and have begun the process and have included the North Pole Economic Development Corp, which successfully created and groomed trails for the sprint races

last season. I will update the Council when there is a clear direction for how we will bring this event to the City.

- World Eskimo Indian Olympics (WEIO) Queens to Visit North Pole. Mark your calendars now and do plan to attend a reception honoring the past and current WEIO queens on July 21, 2 p.m. at Hotel North Pole. This is the 50th Anniversary of WEIO which brings participants from across the state to the Interior. This year's competition will be held at the Carlson Center, July 20-23. We appreciate the opportunity to honor the participants, the "royalty" and the history of this truly Alaskan event. I'm glad they're coming out to North Pole—the more we make them feel welcome, the more they'll tell their friends and neighbors to visit us! For more information about WEIO, go to www.weio.org.

COMMUNITY:

- June 15, Attended Casing of the Colors for the 16th Combat Aviation Brigade which is transferring the headquarters to Ft. Lewis. This once in a career event, according to Maj Gen Palumbo who said it was the first time in his 30 year stint, was significant because the aviation unit had been brought back to life after Vietnam at Ft. Wainwright. While the Post will lose about 100 personnel, we retain the helicopters and about 1200 personnel.

FNSB ASSEMBLY MEETING:

FNSB A will meet this Thursday. There are no North Pole specific ordinances or actions being considered, however, the meeting promises to be long because of discussions relating to definitions in the PM2.5 Air Quality Program and an ordinance amending Grant Management. The next meeting is scheduled for July 14. For a list of meeting times and agendas, go to <http://co.fairbanks.ak.us/meetings/Assembly> .

MEDIA:

June 11 & 18: Mayor Isaacson was on KJNP (1170 AM, 100.3 FM) 8 – 9 a.m. "Over the Coffee Cup."

UPCOMING (*see above for other events, dates, and times*)

- **June 22, 10 a.m.**, Department Head meeting to discuss post-audit budget issues, Council members may attend.
- **June 27, 6 p.m.**, Itadori Sister Meeting @ City Hall
- **June 22, 3:30 pm:** FHR CAC meets @ NFPD Annex
- **June 24:** Mayor Isaacson is taking the day off and holding a garage sale (continues on Saturday)

- **June 26 1-4 pm:** Victorian Tea Party Fundraiser for the Georgeson Botanical Garden's Drew Outdoor Amphitheater @ UAF (see www.gbgsociety.org)
- **June 28, Noon:** Mayor Hopkins to give the "State of the Borough" speech at the GFCC Luncheon @ the Carlson Center.

COUNCIL MEMBER QUESTIONS OF THE MAYOR

Ms. Hunter asked about the signage at Safeway and asked the mayor to give the council a report.

Mayor Isaacson said he had been gone and would update the council at the next meeting.

Mr. McGhee said that DOT did not like the idea of signs and was under the impression that the council had already consented to removal of all signs in the round-a-bouts and the fence by Safeway.

Mayor Isaacson said that DOT didn't like the idea of any signs but would tolerate non profits. He said that they would probably allow some signs and that he was in the process of developing a policy for placing signs in North Pole.

Mr. McGhee said that the council had voted to not have any signage in North Pole.

Mayor Isaacson said they should poll the council to see what they wanted to do.

COMMUNICATIONS FROM DEPARTMENT HEADS, BOROUGH REPRESENTATIVE AND THE CITY CLERK

Accountant

Financial Report - I am still reconciling the month of May and do not have a completed financial report for you this evening. It will be ready by the next council meeting.

However, I can tell you that our Cash Balance is approximately \$271,000 higher than last year. Our sales tax is \$10,141 less than last year, our alcohol tax is \$7,761 lower than last year. However, as of the end of May we have earned \$24,589 that has helped to offset the lower sales and alcohol taxes. Bed tax is \$300 higher than last year.

Departments seem to be keeping their expenses in line with what we should have for this time of the year.

Audit & Finance Committee - With Mr. McGhee's permission, I would like to move the Audit and Finance Committee meeting to July in order to have a full six months of revenues and expenses in the general ledger for our discussion on budget changes. The meeting was moved to July 11 at 6:30 in Council Chambers

Police Dept

None

Fire Dept

Chief Lane

- Monthly Response report was given to council.
- They are 2/3 through testing hose, hydrants, and engines. They will be coordinating with Admin on the hydrant testing in July.
- Fireworks vendors will start selling next week. Chief Lane encouraged everyone to participate in fireworks safety.
- NIMS testing still needs to be completed. Chief Lane said his goal is to have a drill next month and administrative training. If council needs help with NIMS testing he encouraged them to contact the fire department.

Mr. Jones asked about a dispatch problem in the city limits of North Pole with a fire and then a fire hydrant by the Thai Restaurant.

Chief Lane said he did not know of any problem with dispatch in the North Pole area and would check on the fire hydrant by the Thai Restaurant.

Director of City Services, Bill Butler

June 20, 2011 Council Report

Bill Butler

Director of City Services

Building Department

- 1 commercial permit issued: Conditional foundation permit for Saint Nicholas Catholic Church

Public Works

- Main Street initiative
 - Met with DOT and discussed permitted beautification options for Santa Claus Lane
 - Receptive to general concepts with the exception of poles devoted to hanging flower baskets
 - Must submit a permit application to DOT
 - With DOT approval, permit then forwarded to Federal High Way Administration

Utility Department

- Lift station renovation project proceeding
 - Old Richardson Highway nearing completion
 - Kit Boulevard lift station will be completed soon after Old Richardson Highway lift station
 - Need to dewater at Yukon lift station because forced sewer main is below the water table—sulfolane groundwater contamination is complicating the work
 - Holiday lift station is scheduled to be placed on by pass pumping starting 3:00 am Tuesday morning
- Sludge removal project started removing sludge last Friday

- Engineering analysis and design project for waste water treatment plant is in the analysis phase
- Cash flow issue related to utility construction projects
 - Getting a line of credit was going to be difficult because we could not offer a repayment guarantee within 6 months (otherwise would have needed a vote of the people)
 - Pursued secondary option ADEC offered if line of credit could not be obtained
 - Will break July and August lift station contractor invoices into four instead of two
 - Sludge removal has agreed to not submit a payment request until August 1, 2011
 - ADEC has agreed to expedite City's payment requests

EPA will permit the City to submit reimbursement requests bi-monthly (EPA's turnaround time is approximately one week).

Ms. Hunter asked about the Yukon lift station and the Sulfolane and clarification on the wastewater and contamination.

Mr. Butler explained the process of de-watering for the project on Yukon.

Borough Representative, Mayor Isaacson

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City Clerk, Kathy Weber

- Ms. Weber attended the Northwest Clerks Institute in Tacoma, Washington at the University of Puget Sound. The 7 Habits of Highly Effective People was the topic of the course which was an intensive 4 day course.
- Marilyn Zrucky is out of the office for the next two weeks on vacation but she will be in the office every Friday.
- All reservations are made for council members attending the AML Conference in Sitka, Alaska on August 9 – 12. You should have received your confirmation for airline and conference via email. If you have any questions regarding the agenda please call my office.
- Eric Sonnenburg, Utilities Asst, will be leaving us on June 24th to return to Oregon. He is an asset to the city and will be missed by all.

ONGOING PROJECTS

- Sister City – Karen Lane
- Open House – discussion was held regarding the City of North Pole Open House – Sharron Hunter is going to host the Sister City table that will be held at City Hall. Karen Lane will provide table decorations to Ms. Hunter along with updated information sheets for trip in 2012.
- Fundraising for Japan Relief – It was decided to fundraise for the Shelter Boxes that cost

\$1,000 each. The North Pole Chamber of Commerce has agreed to put out donation jars and they will collect the \$ and the City will deposit it. Karen Lane will make the jars and give to Sharron Hunter for the Open House and the North Pole Chamber of Commerce for distribution. The jars will be out until July 9.

- Fundraising for August Visit – we will have a booth at the North Pole July 4th celebration and will have games: lollipop castle, barnyard race and sponge throw. They will also collect Japanese items from people who have hosted before or travelled to Japan and would like to donate for sale. Karen Lane will fill out booth forms. We will discuss more about games at next meeting.
- Discussion was held regarding 2012 trip. They will start promotions at Patriot Preview on August 15 and the beginning of the school year. Also discussed having a raffle in the fall and possibly a basket raffle during the Mayor's picnic.
- The group from Itadori will arrive on the 4th of August and leave the morning of the 10th of August. There will be 11 boys and 5 girls. There will also be 4 adults. The next meeting will be on Monday, June 27, 2011 at 6:00 p.m. in North Pole City Hall.
- There will also be a fundraiser on Wednesday, July 20, 2011 at Pioneer Park.

CITIZENS COMMENTS – 5 Minutes

Phil Zastrow – 2265 Peridot

Mr. Zastrow spoke on the damage that Peridot Rd has from HC Contractors. He reported that the gravel trucks are speeding and asked the council to do something and re-route the trucks to another exit.

OLD BUSINESS

None

NEW BUSINESS

FCVB REQUEST FOR 4TH QUARTER 2010 AND 1ST QUARTER 2011 BED TAX

Ms. Murphy reported that the Fairbanks Convention and Visitors Bureau (FCVB) is requesting the 1st quarter 2011, 5% allotment, of the North Pole City bed tax of \$304.29. The bed tax monies is reinvested into destination marketing and were expended to help fund the following:

FCVB staff in conjunction with our German Consultant, Elke Brosin, worked on the production of our Germany Brochure which was printed on January 10, 2011. The majority of these brochures will be distributed to travel agents, tour operators and tradeshows in German speaking areas.

FCVB added a new Tourism Sales Manager, Ed Malen, to our staff in January. He is a NPHS graduate and UAF graduate in Japanese Studies. The Tourism department has been busy attending the following travel agent and/or operator conventions; American Bus Association Convention with 40 business-to-business meetings, Seattle Travel Show, sales calls to Princess, Grayline of Alaska and other tour operators in the Seattle area, the New York Consumer Show, 54th Colorado RV, Sports, Boat Travel Show in Denver, met with Frontier Airlines while in Denver, 2011 International Trade Conference in Berlin and 2011 LA Times Adventure & Travel Expo.

The Tourism staff hosted a meeting with KAL Tours talking with them about the upcoming Korean flights and groups coming to Fairbanks. We currently have about 10 scheduled Familiarization Tours for this summer. Several of their itineraries include the opportunity to visit North Pole.

FCVB hired Amy Geiger in January as our new Director of Communications for the Advertising and PR department. They have hosted 8 press tours since the first of the year and have 6 scheduled for the next couple of months including travel writers from Germany, Australia, France and Korea. North Pole is included in the itinerary of several of them.

Amy attended the “Experience Alaska” with over 60 travel writers in New York. During her presentation footage of the aurora was displayed on an outside 30x16.5 foot screen to the general public, see attached release. She also attended

Public Comment

None

Mr. McGhee moved to Approve FCVB Request For 4th Quarter 2010 And 1st Quarter 2011 Bed Tax

Seconded by Mr. McCarthy

Discussion

None

PASSED

YES –7 –Holm, McCarthy, Arnold, McGhee, Hunter, Jones, Isaacson

NO – 0 -

Abstained- 0

COUNCIL COMMENTS

Ms. Hunter – appreciated the request from Councilman Holm for bed tax monies owed to have a financial breakdown brought before council. She also thanked Mr. Zastrow for coming and hoped it was one of the last visits he makes in order to change or come up with a solution for Peridot Road. She would like to see council take action on this issue.

Mr. McCarthy – No Comment

Mr. McGhee – No Comment

Mr. Holm – said the council can’t vote on a motion without knowing what the cost is to the city. He would also like to see a solution to the Peridot Rd issue.

Ms. Arnold – said they will be having mass casualty drills at the hospital. She also said our thoughts and prayers are with the Stykers that are being lost. It’s a huge cost for our freedom.

Mr. Jones - thanked Mr. Zastorw for coming out and said the borough should also be involved in the issue of Peridot Rd. He thanked mayor for going to Anchorage to attend Northern Edge and that it is in the works to draw down from Red Flag in Nevada and build up in Alaska. He informed council that there is another Red Flag exercise in August. Mr. Jones thanked everyone for coming out to the meeting tonight.

Mayor Isaacson - agreed that it is good business practice to have whatever the cost is to the city on the bed tax before council in order to make an informed decision. He will make sure that happens from now on. He is working on the Peridot issue and is hoping that HC will be a good neighbor. The mayor said it is good to know that we have different exercises and should try and tie in with the hospital. He encouraged council to do their NIMS testing.

ADJOURNMENT

Mr. McGhee *moved to adjourn the meeting of June 20, 2011*

Seconded by Mr. Holm

No Objection

The regular meeting of June 20, 2011 adjourned at 8:14 p.m.

These minutes passed and approved by a duly constituted quorum of the North Pole City Council on Tuesday, July 5, 2011.

DOUGLAS W. ISAACSON, Mayor

ATTEST:

KATHRYN M. WEBER, MMC, City Clerk