

**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, August 15, 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, August 15, 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***

**Excused**

**PLEDGE OF ALLEGIANCE TO THE U.S. FLAG**

Led by Mayor Isaacson

**INVOCATION**

Invocation was given by Councilman McGhee

**APPROVAL OF AGENDA**

**Mr. McGhee moved to Approve the Agenda of August 1, 2011**

**Seconded by Mr. Jones**

**Discussion**

**None**

**Mr. Jones moved to Put Item a. under New Business on Consent Agenda**

**a. Request for 1<sup>st</sup> and 2<sup>nd</sup> Quarter Bed Tax from North Pole Community Chamber of Commerce.**

**Seconded by Ms. Hunter**

**Discussion**

**None**

**On the Amendment**

**PASSED**

**YES –6–Holm, Hunter, Jones, McGhee, McCarthy, Isaacson**

**NO – 0**  
**Abstained- 0**

**On the main motion as amended**

**PASSED**  
**YES –6–Holm, Hunter, Jones, McGhee, McCarthy, Isaacson**  
**NO – 0**  
**Abstained- 0**

### **APPROVAL OF MINUTES**

**Ms. Hunter moved to Approve the Minutes of August 1, 2011**

**Seconded by Mr. McGhee**

#### **Discussion**

None

**PASSED**  
**YES –6–Holm, Hunter, Jones, McGhee, McCarthy, Isaacson**  
**NO – 0**  
**Abstained- 0**

### **COMMUNICATIONS FROM THE MAYOR**

**Communication Highlights from the Mayor for the period ending August 15, 2011**  
**ISSUES:**

- **ITADORI SISTER CITY VISIT:** Thank you to Karen and Buddy Lane for organizing a remarkable Sister City visit, to all the Home stay families, to those who volunteered extra duty, like James Hunter who escorted the adults for several days as tour guide, to Council members Jones and Hunter for attending the various functions, and to all those who participated and made our guests feel welcome! We are now gearing up for next year's visit to Japan in June 2012. For more information, please call Karen Lane at 459-3758.
- **AML Update:** The Conference of Mayors (ACoM) and the Alaska Municipal League (AML) Summer Session was well attended by 104 municipal leaders. Meeting in Sitka from August 10-12, we discussed many items of interest to local communities. State Attorney General John Burns spoke to the ACoM on a "Partnership Approach to Alaska's Economic Development," keying in on the responsible development of our natural resources being the key issue. He reiterated DNR's assessment that our known mineral deposits must be looked at from a global

perspective, which places Alaska amongst the top ten for multiple deposits, including rare earth elements. He emphasized the point that all citizens should read the State Constitution and the Statehood Act, especially those who question the State's approach to development; those documents make very clear the responsibility of the State.

Dennis McMillian, President of the Foraker Group ([www.forakergroup.org](http://www.forakergroup.org)) spoke about "Alaska's Non-Profit Economy." See the web site for complete reports, highlights are:

- Non-profits may be 501.c.3, 4, or 6
- There are approximately 7000 registered non-profits in Alaska, more than any other place nationally.
  - That means 1 non-profit for every 69 adults, or 1 for every 39 people likely to vote;
  - Non-profits are among the largest employers in Alaska, especially in the medical profession and tribal health services;
  - There are fewer people available to serve, expect large scale re-structuring;
  - In evaluating non-profits, invest in those that are sustainable: 1) that have a well-defined FOCUS, 2) a functioning BOARD; 3) have STAFF; and 4) have a SAVINGS ACCOUNT with reserves.
- Foraker Group provides training, research and reporting, finance, and other "back room" assistance, and advocacy to non-profits.

During the AML Session, Senator Stedman, Co-Chair of Senate Finance and Randy Ruaro, the Governor's Deputy Chief of Staff (Transportation, Law issues), addressed the attendees. Mr. Ruaro encouraged frequent communications between the communities and the Governor.

Sen. Stedman has been very helpful to AML's efforts in securing Revenue Sharing, and in a few other issues. However, he views the maximum benefit to the people in the form of the State having a large savings account, stating to those assembled in answer to my question about royalty oil discounts, "The refinery in North Pole is screwed...it's in the wrong location!" I have never heard of a dairy farmer telling his kids they must buy milk from him at greater than prevailing prices because it will be good for the family's bank account! The responsible father would give the kids milk from their own cows, which he then distributes at cost. Instead of trying to re-locate assets owned by private corporations, I believe Sen. Stedman should be looking to enhance the ability of these in-state companies to employ our people, reduce our costs, pass along the savings to the rural communities and thereby reducing PCE (power cost equalization payments) to the Bush, saving the State Treasury hundreds of millions of dollars per year! While we don't want to alienate a "friend" in the Senate, on behalf of our Interior Communities, I

would encourage the Senator to consider the ability to afford to live in a community, to work and play here, and the attractiveness to invest in our communities, as the gauges of maximum benefit to the people.

Additionally, there was discussion on APOC overreach in many communities and the Attorney General has encouraged dialogue.

John Davies, of the Cold Climate Housing Research Center, UAF, made an effective presentation demonstrating how money can be kept in a community that makes energy efficiency a priority. He showed how a decade of savings secured by energy efficiency improvements in only the residential home category would secure enough money to build a Susitna Dam (approximately \$11 billion).

Bill Walker, Alaska Gasline Port Authority attorney, made a convincing argument on how the “All Alaska Gas Line will benefit all Alaskans.” The main hindrance is the State’s retention of the AGIA constrictions in the ASAP line, stating the small volume line:

- Does not bring low cost energy to Alaska
- Adds nothing to the Trans Alaska Oil Pipeline (TAPS)
- Brings no income to the State to replace the TAPS decline
- Provides no real long-term benefit to Alaska
- Provides no funding source for revenue sharing
- Will squander the chances to build any future gas lines.

Mr. Walker is a proponent of announcing to the world that Alaska’s gas will go to Asian markets. He stated that although Valdez already possesses an unused export license, those who state otherwise should consider that “export licenses are being handed out like greeting cards in the lower 48!” I’ve asked Mr. Walker to make a presentation to the North Pole City Council in the very near future.

Sub Committees worked on the various policy positions that will be forwarded to the November meetings. Each of the four break-out groups were to look at the policy statements in terms of reducing them to more basic, easy to use formats, structuring the statements by those that address Administration functions, Legislature, and Federal Government issues. It is my intention to bring several resolutions to the Council for discussion/approval prior to the October 14 policy statement inclusion deadline.

Also, while Councilman and AML Board Member Ron Jones was missed, both Council members Dick Holm and Sharron Hunter were very involved with the meetings and contributed

to the discussions. Dick sat in the Public Works (et.al.) subcommittee, Sharron in Natural Resources (et.al.), and I in Finance. Sharron has tentatively agreed to co-chair Natural Resources (et.al) pending approval by the City Council.

• 6th Annual Chena Hot Springs Renewable Energy Fair: I was privileged to be one of the keynote speakers at this event yesterday, sharing the platform with US Senator Lisa Murkowski, DOE Geothermal Program Director, Dr. JoAnn Milliken, Benigno Fitial, Dr. Brian Hirsch of the National Renewable Energy Laboratory, Governor of the Northern Mariana Islands (Siapan), and Akinori Ito and Makoto Takizawa of Blest Co—a company that has a domestic sized plastic to oil converter!

I encouraged those present, including 6 State Legislators, to look at the North Pole area as a traditional and renewable energy center in Alaska, being the home of 2 oil refineries, 180 megawatts of electrical generation, a new partnership between Flint Hills Refinery and GVEA to bring LNG to the Interior, Superior Pellets production—the largest of its type in the state, the new power plants going in at Bernie Karl’s 9 mile Richardson facility, including fuel bricks made out of recycled paper products, 1 megawatt of electric generation that will provide the energy for several gasification projects including plastics-to-gas and an initial 1 acre food production greenhouse.

While praising the Legislators and Governor for passing a statewide energy plan and for putting aside money for renewable and alternative energy projects, I encouraged them to set aside even more money for projects that help Alaskans create wealth. The Permanent Fund is not a wealth builder, it is an interest collector, and while it’s important to have a healthy savings account, the money lost in the markets (\$10 Billion in 2008, \$2 Billion last week) could have been preserved in the economy of the State by building energy projects like the Susitna Dam or a gas line to North Pole/Fairbanks. We don’t all have the genius to invent a better mouse trap, or the entrepreneurial skill to bring an idea to market, but we all are smart enough to recognize a good idea and encourage the investments needed to make the conversions necessary to permit us to afford to live, work, play, and invest in our own community.

For more information regarding local alternative and renewable energy projects, go to [www.chenapower.com](http://www.chenapower.com).

**FNSB ASSEMBLY MEETING:**

There will only be one FNSB Assembly meeting this month on August 25; the Agenda is not yet posted. For a list of meeting times and agendas, go to <http://co.fairbanks.ak.us/meetings/Assembly> .

**MEDIA:**

**Aug 6 & 13:** 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)

- **Aug 16-18:** Mayor Isaacson will be participating in DOT’s STSP Team Meetings 2 in Anchorage
- **Aug 20:** NPHS Football Home Games begins at NPHS with a tribute to Coach Watson and his three decades of service to our area youth.
- **Aug 24, 10 a.m.,** FMATS Policy Committee meets at the DOT Conference Room on Peger Road (note, this is a date change from the normal time due to the AML meetings).
- **September 5: LABOR DAY**

- **City Hall Closed, Council will meet on September 6**

**Mayor’s Labor Day & Volunteer Appreciation Day Picnic, 11 a.m. to 3 p.m., at Terry Miller Memorial Park. COME ENJOY FREE FOOD AND ENTERTAINMENT!**

**COUNCIL MEMBER QUESTIONS OF THE MAYOR**

- None

**COMMUNICATIONS FROM DEPARTMENT HEADS, BOROUGH REPRESENTATIVE AND THE CITY CLERK**

**Accountant**

- None

**Police Dept**

Topics for Council Meeting NPPD 8/15/2011

- 1) Sgt. Rathbun and I just returned from DDACTS training in Anchorage. Paid for by AHSO – Learned about new techniques being developed for crime analysis.
- 2) Sgt. Nelson is due to deploy next couple of weeks. Shift supervision will be shifted to me for day shift. Sgt. Bellant will be switched to accommodate Swing shift coverage.
- 3) New Officer is moving through training process. Explain the demands this places on Sgt’s due to new staffing and lack of experience.

- 4) Traffic Officer McBroom's last day is the 10<sup>th</sup>. We will be moving patrol officer to cover while down a position and possibly two in training.
- 5) We are sorry to see Mike Lewis retire he has always been there for our department and we hope he enjoys his new found freedom. He will be missed. Mike has always been there to help us when we needed him and was a vital resource that helped keep our department running well.

6) Presentation: Lieutenants position

Duties: Operations of the Department to include:

Scheduling: Patrol, training (firearms-handcuffs), FTO, presentations, tours, visits, vacations

Equipment: Issuing, fixing, organizing, procuring, replacing, monitoring, inventory, (includes guns-computers), Fleet maintenance

Employee: hiring, training, monitoring, disciplining, commending,

Public: relations with patrol, command, press, counter traffic, complaints, and compliments

IT: Information Technologies - laptops, RMS, CAD, phones, Cell, radios (almr, programming and encryption), server maintenance, In car cameras, Department security system

Policy: Revisions, enforcement, interpretation,

Liaison: IT, Chief/Employees, public/chief, city hall, council, schools, CACFECC Dispatch, AHSO, NHTSA, Ect...

Patrol Ofc. Cover patrol shifts on regular basis: include all regular duties of a patrol officer,

Grants: Administer two Grants 1 for AHSO and one for JAG

Supervise: 3 Sergeants, 1 Detective, 1 Drug Unit Officer, 7 patrol Officers, 1 Dispatch/Evidence Custodian

Manage: Citizen Complaints, Day to day department operations to include all felony level cases assigned to the Detective.  
Personnel conflicts  
Case load management  
Hiring process from testing to final release (written-oral-PT-mental evals and health screening) I ensure the standards are met.

**Fire Dept**

- Chief Lane stated that hydro testing will be moved to September 18<sup>th</sup>.

**Director of City Services, Bill Butler**

- None

**FNSB Representative**

- **FNSB ASSEMBLY MEETING:**
- There will only be one FNSB Assembly meeting this month on August 25; the Agenda is not yet posted. For a list of meeting times and agendas, go to <http://co.fairbanks.ak.us/meetings/Assembly> .

**City Clerk, Kathy Weber**

August 1, 2011

Council Report by Kathy Weber, City Clerk

Here are some of the things that are coming up in the city. If you have any questions on any items below, please feel free to contact me at 488-8583 or email at [Kathy@northpolealaska.com](mailto:Kathy@northpolealaska.com).

- Election filing closed on Friday, August 12, 2011 at 5:00 p.m. for City of North Pole - One candidate filed for 1 of 2 seats for city council. There are two seats open so the other seat will be a write-in and if there is no write-in then the council will appoint that seat.
- Council members should have received their registration packet for the AML conference from November 7 – 11. I highly encourage you to attend the Academy that is put on by the Alaska Association of Municipal Clerks on Sunday, November 6 from 9-5 pm at the Westmark. The topic is “Take this job and love it!” and is focused around customer service, self esteem, and team work. The cost is \$125 which includes a sack lunch.
- We will be entertaining approximately 102 students on Friday August 19<sup>th</sup> from NPMS who will be getting a history lesson on local government.

There are 138 days left until Christmas.

**ONGOING PROJECTS**

NPHS FFA – Glen Gregoroff, 519 W 5<sup>th</sup> Ave

Secretary of FFA-

- Spoke on community garden in North Pole. Grange is willing to donate property for the project and it is also out of Sulfolane area.

- Mr. Gregoroff gave an update on FFA and their accomplishments.

Itadori Sister City – Karen Lane

Ms. Lane reported on the Itadori visitors;

- 20 Itadori guests visited North Pole this year and it has been 23 years since the relationship was formed.
- Received email that Itadori visitors made it home safely
- There were 5 home stay families.
- North Pole is planning trip in late May or early June.
- The non-profit organization in Japan has funds available for two more years.
- Would be great if the City of North Pole would put \$1500 in their budget for the Itadori visitors every year as this has been a 23 year relationship.
- Many thanks go out to Jim Hunter, Ron Jones, and Ed & Rumi Robinson for all their help. The Lanes had out of pocket expenses for the Shooting Range, Goodbye Party, and the Adult Dinner.
- Itadori Sister City group will be at NPMS and NPHS to promote the trip in May.
- Council members are welcome to attend the trip to Japan and can fundraise for the trip.
- Ms. Lane will have a written report for the next meeting.

**CITIZENS COMMENTS – 5 Minutes**

- None

**OLD BUSINESS**

- None

**NEW BUSINESS**

**ORDINANCE 11-06, AN ORDINANCE OF THE CITY OF NORTH POLE, ALASKA AMENDING TITLE 4, CHAPTER 4.10.010, USER FEES**

Chief Lane introduced the ordinance. He gave the council a possible Financial Assistance Policy for Emergency Medical Service or Transport. He said currently they are billing for ambulance transport. From January 1<sup>st</sup> to July 1<sup>st</sup> there has been \$20,000 that has been billed. From October 1<sup>st</sup> to January 1<sup>st</sup> there is \$6,700 that is billable and this includes mileage. Nationally there is a 40 – 60% rate of payment. In Fairbanks it runs about 60%. That is only billing non residents. Last year they transported 126 patients in the city which would have had an income of approximately \$116,000.

**Public Comment**

None

**Mr. Jones *moved to Introduce and Advance Ordinance 11-06, An Ordinance of the City Of North Pole, Alaska Amending Title 4, Chapter 4.10.010, User Fees***

**Seconded by Mr. McGhee**

**Discussion**

Mr. McGhee asked for clarification, that the council could vote against this and not advance it to the meeting of September 6, 2011.

Mayor Isaacson said that was correct.

**Mr. Jones *moved to Amend Ordinance 11-06, An Ordinance of the City of North Pole, Alaska Amending Title 4, Chapter 4.10.010, User Fees by adding “Fire” to line 7 of the User Fee Schedule to read Fire/Ambulance Reports to Insurance Companies***

**Seconded by McGhee**

**Discussion**

None

***On the Amendment***

**PASSED**

**YES – 6- Hunter, Holm, Jones, McGhee, McCarthy, Isaacson**

**NO – 0-**

**Abstained – 0**

Mr. Holm asked for wording on a waiver of co-pays rather than discount. He Agreed with Chief Lane that fees should be paid and we should collect but waive co-pays that residents would have.

Mayor Isaacson said he would have that in the next packet.

Mr. McGhee said this issue came up last year and he reluctantly voted for it but feels residents are being double dipped. If it is easy enough to create user fees for Fire Dept, then the next step will be for the Police Dept to charge a user fee for their services. He felt this was wrong. He pointed out that the attorney’s opinion is not a court document and not necessarily supportable in the courts. As a tax payer it was agreed upon and given benefits to residents since 1953. Mr. McGhee said that if a poll was done that the council would be surprised of how many residents don’t have insurance even with full time jobs. Private industry doesn’t have full, complete coverage. It costs the city to go outside the city limits. If it’s a balanced budget item, then the city should look at a raise in the sales tax or mil levy. He will only agree to a 50% discount on the ambulance fee.

Mr. Jones agreed that Mr. McGhee brought up good points. His wife doesn’t have insurance through her job. There is a Financial Assistance policy that council should implement for those who need the help with ambulance. The budgets in the future are getting tighter all the time. He would entertain raising the mil rate or sales tax and would second his amendment.

Mr. McCarthy said he is retired military and his insurance is willing to pay 100% and the city giving a discount to him is not good. The city needs to collect that revenue. They need to consider the ambulance fee, and that there are high maintenance residents and some buildings that the ambulance is at more than others. He stated that there is no way to separate land owning taxpaying residents versus those that don't own land and are just living here. He'll support the 50% but council should go a year and visit it again. Too many times people predict doom and gloom and there is no problem.

Ms. Hunter would like to see adding another level to debt forgiveness. One other difficulty is that she is not sure what the poverty level is and then that would cover more people without insurance. She would like to see them go to a 300% poverty level.

Mayor Isaacson said that federal poverty lines can be found online. The guidelines are on the back of the Financial Assistant sheet that Chief Lane handed out.

Mr. Holm said he is opposed to the way this has been presented currently as far as the discount proposed. He stated that they had visited this at the beginning of the year and are now visiting it again in mid-stream and now council is looking at knocking out two categories entirely and discounting one. He is willing to compromise 50% on all three of categories at least at this time. He would like to see what council could do with waiver language. He is opposed to using the mileage fee for an ambulance for a saving account for the Fire Department. Everything goes to general fund.

Mayor Isaacson reminded council that when talking about how many residents have insurance, Chief Lane has already given a report that most users already have insurance have not been billed and that is why this came up before. This was one of the looks at the general fund budget and in any discussion on mil rate versus a fee, if you have a \$250,000 home; you are paying approximately \$750.00 which is \$250.00 per mil. It is true on what Mr. McCarthy was saying is that certain customers use the service more frequently than others. He stated that it was a good discussion and should sit on making any motion as this time. Mr. Holm has recommended that council define this by waiver rather than discount. Council should review and send it back. He understands that 50% is something several have discussed and has gained some steam. He recommended that before council vote we should look at both ways of looking at this subject.

Mr. McGhee said that in lieu of making an amendment, the policy before them for financial assistance is pretty low. He said that the residents right for what they are paying for is not based on their ability to pay but that a waiver should include that if he has insurance, bill insurance, and if not, as a taxpayer within the city limits, he shouldn't have to pay for it. He used himself as an example and what his benefits cover and don't cover. He would propose the waiver should include those that are not covered by insurance.

Ms. Hunter said that you can't discriminate against those that have insurance and those that do not.

Mayor Isaacson said that a lot of the solution may be in the waiver coverage. He would like to incorporate the waiver policy.

Mr. Jones called the question.

*On the main motion as amended*

**PASSED**

**YES – 5- Hunter, Holm, Jones, McCarthy, Isaacson**

**NO – 1 - McGhee**

**Abstained – 0**

**COUNCIL COMMENTS**

**Mr. McGhee** – thanked everyone for the meeting, discussion, and viewpoints. He is grateful to council and grateful for all the services that North Pole has. City of Fairbanks doesn't even have the services we have. We are a proud city and our departments do an excellent job. He struggles with the user fees when he feels he already pays.

He had a great vacation but it was too short. His 40<sup>th</sup> year reunion was so much fun and good to see the class of 1964. He wished more would have come. The run to Sturgess was awesome and ended up with more tattoos that will be covered. The people that showed up were awesome and he glad to be home and get back to work.

**Mr. Holm** – attended the majority of last week's meetings in Sitka at AML. He stated that it is interesting to get together with Mayor's and other councils and it shows that we have a lot in common than differences. Sitka is a very beautiful community. The speakers were interesting and the one that he took greatest note of was Mr. Walker and the gas pipeline. He pointed out many things and why AGIA is not going to work. The administration has the ability to opt out of the contract and do it as quickly as possible. We've been led to believe that the gasline won't work is because a lack of market in lower 48. Mr. Walker pointed out that shale gas is popping up and being developed in North Dakota, Pennsylvania, etc. He informed council of Mr. Walker's opinion on natural gas and an Alaska pipeline.

**Mr. Jones** – thanked those that stayed for the meeting. It was good to see Lt Dutra back. Mr. Jones saw Chief Lindhag at the Grand Opening at the Chena River complex. He is hopeful that council can work out the short falls in the North Pole Police Department. He appreciated being able to work with council and the public on issues. He was sorry he missed Sitka but was working with Red Flag. Mr. Jones said he had a great time with Japanese visitors.

**Ms. Hunter** – thanked the Lanes for hosting the Japanese visitors. She thanked council for sending the three council members to AML in Sitka and that they are fortunate working with this council. They heard struggles of other councils in other communities and she said we are fortunate to have a good council. Two issues came up at AML and will come up in November – APOC, all communities are suffering and are going to put a resolution before voters and there is very little sympathy from legislators. Other issues are PERS/TERS termination studies. Ms. Hunter put her name forward for the Land Use Policy Statement Sub-committee.

**Mr. McCarthy** – one reason of the reasons he is not putting his name in hat is APOC. He stated that everyone should stand by when FNSB puts out tax assessments. The assessor had informed them that taxes are going up because he had installed new windows and doors. Mr. McCarthy said those were put in 2005 and assessors are going front, back and sideways by using surrounding selling prices to adjust all homes around it. He stated that when chatting with Tammy Wilson that they are going to change the structural date when house is built. He encouraged everyone to watch their tax bills and expect to pay higher taxes. Back in 2006 the federal government was giving tax breaks for energy efficient homes and the state is still doing it but the FNSB is penalizing people for those upgrades.

**Mayor Isaacson** – no comment

### **ADJOURNMENT**

**Mr. Holm** *moved to adjourn the meeting of August 15, 2011*

**Seconded by Mr. Jones**

**No Objection**

The regular meeting of August 15, 2011 adjourned at 8:53 p.m.

**These minutes passed and approved by a duly constituted quorum of the North Pole City Council on Tuesday, September 6, 2011.**

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**DOUGLAS W. ISAACSON, Mayor**

**ATTEST:**

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**KATHRYN M. WEBER, MMC, City Clerk**