

**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, December 5, 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, December 5, 2011 was called to order at 7:00 p.m.

There were present:

**Mr. Holm
Ms. Hunter
Mr. Jones
Mr. McGhee
Mr. Nelson
Mr. Ward
Mayor Isaacson**

Absent/Excused

PLEDGE OF ALLEGIANCE TO THE U.S. FLAG

Led by Mayor Isaacson

INVOCATION

Invocation was given by Councilman Ron Jones

APPROVAL OF AGENDA

Mr. McGhee moved to Approve the Agenda of December 5, 2011

Seconded by Jones

Discussion

None

PASSED

YES –7– Ward, Hunter, McGhee, Nelson, Jones, Holm, Isaacson

NO – 0

Abstained- 0

APPROVAL OF MINUTES

Mr. McGhee moved to Approve the Minutes of November 21, 2011

Seconded by Mr. Jones

Discussion

Mr. Holm said that there wasn't any mention in the minutes under Ongoing Projects, where the \$800 was going to come from to help fund the snowflake drop.

Mrs. Weber said she would listen to the minutes and see if there was any mention of it.

PASSED

YES –6–Ward, Hunter, McGhee, Nelson, Jones, Isaacson

NO – 1 - Holm

Abstained- 0

COMMUNICATIONS FROM THE MAYOR

Communication Highlights from the Mayor for the period ending December 5, 2011

GENERAL:

- Bed Tax Workshop meeting: After hearing the presentations by the various organizations to the Council on November 28, I recommend no changes to the bed tax distributions. Tonight, I will propose amending the titles of several budget items that will leave the budget at zero change—it still balances—but will require funding beautification in public works and AWG 2014 from the general fund.

- Legislative Priorities: Several meetings have been held with legislators, the General Fairbanks Chamber of Commerce, FMATS, the University, and members of the Assembly and City of Fairbanks Council to discuss legislative priorities in the Interior. City staff and I will be meeting with the legislators a few more times before December 16 seeking support for North Pole priorities. One of the requests is for us to think of our priorities in terms of “global actions” not just specific projects.

- Memorial Service for 1-25: I attended a memorial service for 4 Arctic Warriors with the 1-25 Strykers from Ft Wainwright killed in combat: Spc James Burnett, Jr., Pfc Matthew Collin, SPC Calvin Pereda, and SFC Johnathan “Bryant” McCain. SFC McCain has been a member of the North Pole community for the past 11 years and leaves behind his wife of 19 years, Leanne, daughter Breanna, a freshman at UAF and a NPHS grad, Ashlyn, a freshman at NPHS, and Chloe and Wyatt, also in North Pole schools. Our prayers go out for their families and friends of these warriors; and please remember that as these soldiers represent us, let's do our best to represent them in their absence to their families.

- Christmas In Ice: had a great opening day on December 3, including a ribbon cutting with Lt. Governor Mead Treadwell, State Senator John Coghill, State Rep Tammy Wilson, and Borough Mayor Luke Hopkins participating. But the next morning, as all now know, the temperature had soared to 48°F causing the ice art to melt drastically, closing the competition down, closing the ice park, and postponing the tree lighting until this coming Saturday, December 10 at 6 pm. The Ice Park will re-open this week after a re-organization of the event.

- The Winter Festival: also had a great opening day on December 3, with a very well attended bazaar at the North Pole Plaza Mall and a 20 minute fantastic, non-stop fireworks display. Due to the weather warming and quickly cooling, driving was hazardous on Sunday, December 4, necessitating the postponement of the Candle Lighting ceremony to (tentatively) Sunday, December 11 at 2 pm.
- The Singing Santa: a retired Fireman and Policeman from Ohio, is out to break the Guinness World Record for a singing Santa by singing 125 hours non-stop in North Pole Alaska! I've attached a letter from Inspirational Media International that describes the event and the opportunities. Council received this in the email, as did department heads and some community leaders. Let's help Santa accomplish this feat (no sleep!) and bring some positive news from North Pole during the 12 Days of Christmas!
- Other Meetings: included going weekly to NPMS and helping with announcements and giving "Words of Wisdom"
- FMATS: the Fairbanks Metropolitan Area Transportation System (FMATS) Policy Committee meeting will be held on Dec 21, 10 am at the DOT Conference Room on Peger. Public comment is possible at the beginning and near the end of the meeting.

FNSB ASSEMBLY MEETING:

The next regular FNSB Assembly meeting is scheduled for December 8 at 6 pm. Included on the Agenda are the following:

ORDINANCE NO. 2011-20-2A. An Ordinance Amending The FY 2011-12 Budget By Appropriating \$75,000 In Federal Pass-Through Grant Funding To The Transit Enterprise Projects Fund For A Dry Wood Education And Exchange Program.

ORDINANCE NO. 2011-20-2C. An Ordinance Amending The FY 2011-12 Budget By Appropriating \$798,240 In Federal Pass-Through Grant Funding To The Transit Enterprise Projects Fund To Install Electrical Plug-Ins At West Valley High School And To Provide Assistance For The First Three Years Of Plug-In Operation.

ORDINANCE NO. 2011-20-2E. An Ordinance Amending FY 2011-12 Budget By Appropriating \$100,000 To The Emergency Operations Department/Animal Control Division To Cover The Costs Of Veterinary Services And By Increasing Estimated Revenue For Charges For Services By A Like Amount And Amending Appendix E – User Fee Schedule/Animal Control Fees Of Ordinance No. 2011-20 For The Period Of July 1, 2011 Through June 30, 2012.

RESOLUTION NO. 2011-44. A Resolution Identifying And Supporting Legislative Priorities.

For a list of meeting times and agendas, go to <http://co.fairbanks.ak.us/meetings/Assembly> .

MEDIA:

Nov 25, Dec 3: 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*)

- **December 12, 6 p.m.:** Beautification Committee meets at Wendy’s
- **December 18 – January 9-ish:** Mayor Isaacson will be visiting family, Mayor Pro Tem Ron Jones will be acting in my place and conducting the Council meetings of December 19 and January 3.
- **December: CHRISTMAS IN ICE continues,** see attached flyer
 - Reading of the Bill of Rights

COUNCIL MEMBER QUESTIONS OF THE MAYOR

None

COMMUNICATIONS FROM DEPARTMENT HEADS, BOROUGH REPRESENTATIVE AND THE CITY CLERK

Fire Dept

- Buddy Lane, Fire Chief, talked with Mr. Whitely and would house the Singing Santa in the NPFD Annex. The Fire Department will be happy to help out when they can.
- Christmas party is on Friday, December 9th at Hotel North Pole and catered by Pagoda.
- Chief Lane stressed the importance of the NIMS completion. It is tied to operations and to Homeland Security grant money for fire and police to be in compliance. As of today, the City is not in compliance. The staff will be happy to help anyone to get these completed.
- Disaster Preparedness will be happening in February. He would like to see the city, outside the NPFD get involved as this could happen with power outages during cold spells, earthquakes, etc.
- There have been no motor vehicle accidents during this last warm spell.
- Kyle Green said to look at home heating appliances to make sure they are working properly.
- NPFD has a good stock of smoke alarms and batteries for residents.
- NPFD Open House planning will start next month and they hope to improve on last year and is looking forward to getting some new ideas. They use that day to push the safety message.

Police Department

- Lt. Dutra, stated that they have 2 officers giving a police cooperation class this next week.
- Sgt. Rathbun is in leadership training in Las Vegas.

- Chief Lindhag is in executive leadership classes in Anchorage.
- NPPD gave away 20 turkeys to families in need.
- New officer, Steve Fisher started today.
- Lt. Dutra asked that if council gets complaints from citizens about the NPPD that they contact the Chief or Lt immediately.
- The NPPD is still doing ride-alongs for any council members wishing to take advantage of that.

Accountant

- Lisa Vaughn, said that there was 2.6 million in the general fund in November. She said this was an unreconciled balance.
- Council payroll will be in your account this Friday.
- North Pole library is on the top of the Governors list.

FNSB Representative

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Director of City Services, Bill Butler

December 5, 2011 Council Report

Bill Butler

Director of City Services

Building Department

- No new building permits since the last Council meeting on October 17.

Public Works

- Submitted Community Development Block Grant application for Santa’s Senior Center Kitchen Upgrade Project
- City Hall electronic entry system continues to experience periodic failures. Entire security system needs to be assessed considering alarm systems notify you only if you are in the building.
- Looking into Astro-Turf for North Pole with State funding. An individual will be coming to speak with the Mayor and Bill Butler on the issue.

Utility Department

- Final construction payment request submitted for the lift station phase 2 rehabilitation project.
- Held preliminary meetings with architectural firm (Jantz Associates) for the development of request for proposals for Utility Garage Project.
- In coming weeks will schedule a presentation on our federally mandated industrial pretreatment program and the status of the permit application—pending notification from state and EPA related to acceptance of the City’s application.

City Clerk, Kathy Weber

November 21, 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.

- Missy LaBean passed away last week. She was a volunteer in the community and at NPHS. She leaves her husband and 2 daughters.

There are 20 days left until Christmas.

ONGOING PROJECTS

None

CITIZENS COMMENTS – 5 Minutes

None

OLD BUSINESS

ORDINANCE 11-09, AN ORDINANCE ESTABLISHING THE CITY OF NORTH POLE 2012 BUDGET AND LEVYING THE MIL RATE

Mayor Isaacson introduced the second reading of Ordinance 11-09. He stated that there would be no changes in the bed tax distribution or in the amount that the city would be receiving. He has spoken with council on advertising and no changes have been made except that to use the discount with 3rd Friday Art Show with the increased traffic. That would be changed with the bed taxes issue.

Public Comment

John Poirrier, North Pole Grange

Mr. Poirrier said he made a presentation on November 28th for bed tax assistance. On December 1st they received funding of \$5,000 from FHR. He spoke in favor of using the city discount for advertising.

Ms. Hunter said that she was under the impression that they needed to cover the costs of utilities for the gallery and if this grant from FHR would cover it.

Mr. Poirrier said that it would. He then explained how the 3rd Friday Art Show came to be.

Steve Dutra,

Mr. Dutra spoke to council about the cost of living allowance for city employees. He said in 2009 the city gave a 12% increase to employees which employees had not be given for 15 years. He said it is hard to attract people to the area when the costs of fuel and electricity are so high.

Mr. McGhee *moved to Advance Ordinance 11-09, An Ordinance Establishing The City Of North Pole 2012 Budget And Levying The Mil Rate, Second Reading*

Seconded by Mr. Jones

Discussion

None

Mr. Jones *moved to Amend Ordinance 11-09, as follows:*

Admin – Line 34, delete “Bed Tax”

Public Works, Line 34, delete “Bed Tax”

Seconded by Mr. McGhee

Discussion

Mr. McGhee asked where the money was coming from.

Mr. Isaacson said it would be coming from the general fund.

Ms. Hunter said that she felt the city needed to have a larger percentage of the bed tax to help other projects in the city.

Mayor Isaacson said that the city would still be able to get the 15% for advertising and the NPCCC helps with other advertising .

Mr. McGhee said he can't vote for this.

Mayor Isaacson said that Itadori would come out of bed tax and Arctic Winter Games would come out of general funds.

Mr. Holm said he would not support it if it comes out of general fund. He would like to revisit the appropriation of bed tax. He would like to discuss it. If the city needed 15% to begin with, why would we give it to Arctic Winter Games. He stated that bed tax is for non-profit organizations and beautification is not a non-profit organization.

Mr. Jones called point of order.

Mayor Isaacson said that this amendment discussion does come under this. He explained why he wanted the wording changed.

Mr. Ward asked if the city had a bed tax fund.

Ms. Vaughn said that the city could implement that.

Mr. Ward asked the mayor about publications and advertising for the Grange.

Mayor Isaacson said the city budgeted to where they have in the past and the City hasn't come to year end and will have extra monies left in order to help fund this.

Mr. Ward asked if that was the Mayors discretionary money.

Mayor Isaacson said that it would take 4 council members to say no to it.

Ms. Hunter said she was confused on the discussion.

Mr. McGhee said you remove the word, you remove the line. He said there is no line for Itadori and this should come out of Economic Development.

Mr. Holm agrees with Mr. McGhee about removing beautification and wanted to clarify and revisit the bed tax appropriation. He said the numbers don't add up.

Mayor Isaacson said that right now our receipts are \$83,000 and the City keeps 15%. The City has given to the 4 entities in the past.

Mr. Holm said doing it this way muddies the water. He wants to revisit the bed tax to re-appropriate monies.

Mr. Ward clarified that there is no bed tax fund. He felt the City needed to set up a fund.

On the Amendment

PASSED

YES – 4- Ward, Nelson, Jones, Isaacson

NO – 3 – McGhee, Holm, Hunter

Abstained – 0

Discussion on the main motion as amended.

Mr. Jones said that the city should look at the bed tax again. He said that Arctic Winter Games is not a part of our city.

Mr. McGhee said that the beautification line concerns him and Arctic Winter Games concerns him. He said that last year the bed tax was used to balance last years budget. He said there are smaller organizations that need to have funding. The council didn't set up the bed tax for those reasons. The workshop was set up to prepare to change the ordinance for bed tax distribution. He didn't hear of anyone else coming forward and he doesn't feel comfortable with how it is now. The \$5,000 for Arctic Winter Games needs to come from the 15% the city gets but not to arbitrarily take it from the general fund.

Mr. Holm said that some of the newer council members do not understand about the bed tax. The majority is already spent on specific organizations. He felt the council is muddying the waters. He thought the council was going to reapportion the bed tax after the meeting of November 28th.. He said he didn't like that the mayor was trying to push this through .

Ms. Vaughn said that the council can set up a specific fund and do allocations to the general fund. She said council should look at keeping 15% for admin and a little for the fund balance to help with other activities such as those students that play basketball and have money to help them.

Mr. Ward agreed with Ms. Vaughn and that there is not a bed tax fund set up and it is just like revenue to the general fund.

Mayor Isaacson said those organizations are levied by ordinance. By creating a line item for Arctic Winter Games we are saying this is the instructions and that this money is going to Arctic Winter Games. Presentations were given by entities that receive bed tax funds and are going to continue to get them. He stated that Ms. Vaughn pointed out that we are ahead of last year. The Workshop was to evaluate the bed tax and he had heard from some of the council members to not mess with the distribution.

Ms. Hunter wanted to make the point that she does not want to see the amount that is going to the Grange coming out of our advertising budget. She would also like to look into the cost of living allowance for employees.

Mr. Jones said that if there is no longevity pay they should have a cost of living increase.

Ms. Hunter said that it is a lot more equitable to give a little every year than to wait 5 or more years. She would like to give strong consideration to that.

Ms. Vaughn said that most cities have a merit raise system and the City of North Pole does not.

Mr. McGhee said that in retrospect, it should have been brought up during the budget workshop.

Mr. McGhee *moved to* amend the Mayors authorization to not remove \$1200 from Publications/Advertising but allow the removal of \$1200 from the City's Bed Tax portion

Seconded by Mr. Nelson

Discusson

Mr. Holm said that by taking any City funds regardless of where it is and giving to private organizations, ie. Kawanis, Moose, ect. is a private entity and should not be taken out of tax payer funds.

Mr. Ward asked for bed tax reorganization.

Mr. McGhee said it should be for publications/advertising and tourism for promotion of the City. That is why he wants it like that.

Ms. Hunter said that it could be cleaner.

Mr. Holm called the question.

FAILED

**YES – 3- Hunter, McGhee, Nelson,
NO – 4 – Holm, Ward, Jones, Isaacson
Abstained – 0**

Mr. Holm *moved to* amend the Mayors authorization to not remove \$1200 from Publications/Advertising

Seconded by Mr. Nelson

Discussion

None

On the amendment

PASSED

**YES – 6- Holm, Ward, Jones, Hunter, McGhee, Nelson,
NO – 1 – Isaacson
Abstained – 0**

On the main motion as amended

Discussion

Mr. Holm asked if the City's general ledger balances.

Ms. Vaughn said that yes it does. She said that revenue is good and expenses will be accrued back. From what she has seen now the city should balance at the end of the year.

Mayor Isaacson said that the City has times during the year that the expenses have been greater than revenue.

Ms. Hunter asked about misc general fund revenues.

Ms. Vaughn said that misc revenues can be a lot of different things and can be from insurance reimbursements or other things. She said it was a catch all from year to year.

Mr. McGhee asked about line item Beautification that the City put \$15,000 into and where it was coming from.

Bill Butler said it was going to be used for roundabouts and Main Street development, trees, benches, ditches.

Mr. Holm asked Mr. Butler if this was D.O.T property.

Mr. Holm moved to delete line 34 from PW (Beautification)

Seconded by Mr. McGhee

Discussion

Mr. Jones said he needed clarification and where the money would be going.

Mr. Holm said it was DOT's responsibility and the City should not pay for it.

Mr. Jones said beautification falls under the City and they should do things like upkeep the parks in the city and Candy Canes on 5th Ave.

Mr. Nelson asked if he was deleting this from the budget.

Ms. Hunter said that by taking it out of the budget is a step backwards. There is a beautiful entryway into the city and doesn't feel that the State is going to put effort in that direction.

Mr. McGhee said he wants a definite definition for the amount the city is contributing to DOT Property and is concerned about making corrections to state property and we may missing priorities.

Mr. Holm said he will never vote for beautifying private property.

Mr. McGhee moved to amend by removing \$15,000 from beautification PW to line item 33 backhoe

Seconded by Mr. Holm

Discussion

Mr. Butler said this was a policy decision made by the council. He said that the bucket truck would be used more than the backhoe.

Mayor Isaacson asked what is more expensive to rent.

Mr. Butler said it would depend on what you are renting and how big it is.

Mr. Ward asked if we removed \$15,000 from beautification where would it go.

Mr. Butler said he doesn't live in North Pole and feels it is not an attractive place. He felt the \$15,000 is an investment in the City and for quality of living.

Mr. McGhee said he brought this up and is concerned that the backhoe as a more responsible seed. The City can hire people in the summer to work but he can't justify \$15,000 to beautify public lands. He felt NPCCC and area businesses should spend money to beautify their property. Public Works has always been last to receive anything and they are always on the bottom of the list.

Mr. Jones said that if beautification is to beautify the city. If council takes it out they won't be able to buy flowers, etc.

Mr. Holm said that \$15,000 to beautify the city is like spitting in the wind and it should be used it for something that will be for the good of the City.

Mayor Isaacson said that equipment has ongoing expenses, and with renting there is no big expense. He stated that there is limited space right now to put the equipment and we should be listening to what the Dept. Head is asking and what best suites his department. He asked the council to vote it down.

Mr. Holm said that Mr. McGhee brought up the fact that there is no reserve funds in the city and this money could go toward that.

Ms. Hunter said if we took this money out of that line item that she would be for putting it in a reserve fund. If we could provide an incentive for businesses for beautification. She said that sometimes it takes somebody to see it and hopefully bring some synergy and private organizations to contribute to it and get more for our buck.

FAILED

YES – 2 - McGhee, Holm

NO – 5 - Jones, Hunter, Nelson, Ward, Isaacson

Abstained - 0

On the main motion as amended

Discussion

None

PASSED

YES – 5 - Hunter, Nelson, Ward, Jones, Isaacson

NO – 2 - McGhee, Holm

Abstained – 0

Mr. Jones *moved to suspend the rules to 10:30 p.m.*

Seconded *by Mr. Ward*

PASSED

YES – 6 - Nelson, Holm, Ward, Jones, Hunter, Isaacson

NO – 1 - McGhee

Abstained - 0

**ORDINANCE 11-10, AN ORDINANCE OF THE CITY OF NORTH POLE, ALASKA
AMENDING TITLE 4, AND ADDING SECTION 4.10.030, AMBULANCE/EMS
SERVICES**

Chief Lane introduced the ordinance to council. He brought opinions from Dept of Health and Human Services Inspector General and their opinion falls back on the anti-kick back policy. He said this was similar to what the city is already doing. This ordinance would allow the city to bill the residents and to give them a discount as to what the council decides on. The council can then decide if they want to send to collections or have steps set up. He feels it is a good idea and this is a revenue source that is in the \$60,000 range. If we don't charge the residents we can't charge other people.

Mr. Ward said that discount can't exceed 50%.

Chief Lane said that fraud with Medicare/Medicaid has stiff penalties.

Mr. McGhee asked if Mr. Lane was making an amendment.

Chief Lane said that this would be policy and explained that.

Mayor Isaacson said that in the ordinance the policy is set.

Mr. Jones *moved to Approve Ordinance 11-10, An Ordinance Of The City Of North Pole, Alaska Amending Title 4, And Adding Section 4.10.030, Ambulance/Ems Services*

Seconded *by Ms. Hunter*

Discussion

Mr. Ward said he has looked at it and that there are federal regulations that pertain to this and he could not find a way at more than a 50% discount with the research he's done.

Mr. Ward moved to Amend Ordinance 11-10 to read as follows:

The City hereby finds that the North Pole City Residents who use City Ambulance/EMS services are economically justified in receiving up to a 50% discount for said services due to the resident's financial support of ambulance/EMS services by the payment of City taxes.

The City shall by ordinance, establish a fee schedule for ambulance/EMS services. All customers shall be billed ~~charged the full fee~~ for ambulance/EMS services. North Pole City residents may be eligible for a discount of 50% of the ambulance fee as defined by (4.10.020 User Fee Schedule) City of North Pole. ~~and the city shall not waive any portion of this fee until the city has recovered all funds that are available through the customer's health care insurance or other third party, if any. Upon receipt of all available payments for third parties the city shall, for documented residence of the city only, waive that portion of the fee not paid by the customers insurance or third party payer but any such waiver shall not exceed 50% of the full undiscovered fees for the service received.~~

Seconded by Ms. Hunter

Discussion

Mr. McGhee spoke against the ordinance because he said he already pays for it. It came up again to balance the budget and not because of legal reasons. He is confused by mutual assistance; FNSB provides fire assistance and puts out fires and we can't bill for that. He said he is arguing the fact that people outside the city use services and we can't bill them for it. This ordinance is for the wrong reasons. It should not be for balancing the local budget and he is absolutely totally against the ordinance and he can't justify why he is being billed for something he is already paying for. He felt it was a trickle down effect. Mr. McGhee said this ordinance was to stay in line with Fairbanks and Delta and he doesn't want to be in line and doesn't want to be like everyone else.

Mr. Jones asked if his taxes go to EMS service.

Chief Lane said it is cost driven.

Mr. Ward moved to amend by adding:

North Pole City residents may be eligible for a discount of 50% of the Emergency fire equipment response to motor vehicle accident Fee as defined by (4.10.020 User Fee Schedule) City of North Pole.

Seconded by Mr. Jones

Discussion

Chief Lane said that this is not necessary at this time as they were going to strike this from the user fee schedule.

Mr. Ward Withdrew his motion

Mr. Jones removed the second.

Mayor Isaacson said this is insurance driven and it provides relief to those who don't have insurance.

On the main motion as amended.

PASSED

YES – 5- Hunter, Ward, Nelson, Jones, Isaacson

NO – 2 – McGhee, Holm

Abstained – 0

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

Mayor Isaacson introduced the ordinance to council.

Public Comment

None

Mr. Jones moved to Approve Ordinance 11-10, An Ordinance Of The City Of North Pole, Alaska Amending Title 4, Chapter 4.10.010, User Fees

Seconded by Ms. Hunter

Discussion

Mr. Ward moved to Amend to change the following items:

Ambulance Fee Discount for North Pole Residents' from \$300 to \$400

Delete Emergency Fire Equipment response to motor vehicle accident \$200

Delete Emergency Fire equipment discount for North Pole Residents \$200

Seconded by McGhee

Discussion

None

PASSED

YES – 7- Hunter, McGhee, Ward, Nelson, Holm, Jones, Isaacson

NO – 0 -

Abstained – 0

On the main motion as amended

Discussion

Mr. Holm moved to Amend the following items:

Ambulance/Patient transport mileage (loaded miles) Discount for North Pole Residents from \$11.00 per mile to \$5.50 per mile.

Seconded by McGhee

Discussion

None

PASSED

YES – 7- Hunter, McGhee, Ward, Nelson, Holm, Jones, Isaacson

NO – 0 -

Abstained – 0

NEW BUSINESS

APPROVAL OF APPOINTMENT OF KEVIN MCCARTHY TO SERVE AS THE NORTH POLE REPRESENTATIVE ON THE FNSB PLANNING COMMISSION

Mayor Isaacson explained that he has asked Kevin McCarthy to be the Representative on the FNSB Planning Commission and asked the council to approve this.

Public Comment

None

Mr. McGhee moved to Approve Of Appointment Of Kevin McCarthy To Serve As The North Pole Representative On The FNSB Planning Commission

Seconded by Mr. Holm

Discussion

None

PASSED

YES – 7- Hunter, McGhee, Ward, Nelson, Holm, Jones, Isaacson

NO – 0 -

Abstained – 0

Mr. McGhee moved to suspend the rules to 10:45 p.m.

Seconded by Ms. Hunter

Discussion

None

PASSED

YES – 6- Hunter, McGhee, Ward, Nelson, Holm, Isaacson

NO – 1 - Jones

Abstained – 0

**ORDINANCE 11-11, AN ORDINANCE OF THE CITY OF NORTH POLE, ALASKA
AMENDING TITLE 13, PUBLIC SERVICES**

Mr. Butler introduced the ordinance and took questions from the council.

Mr. Jones *moved to Introduce And Advance Ordinance 11-11, An Ordinance Of The City Of North Pole, Alaska Amending Title 13, Public Services*

Seconded *by Mr. McGhee*

Discussion

Mr. Ward stated that he is concerned about the increase on the sewer and a 30% increase is a lot.

Mr. Butler said this is due to operational increase.

Mayor asked where he could decrease.

Mr. Butler said they put \$25,000 in fuel costs and if oil goes up this would help to cover it. The city spends a huge amount on the utility side. You could also defer maintenance and/or do no maintenance and that would cut \$125,000. By cutting the backhoe would bring it to \$185,000 that they would be able to cut. He just couldn't see cutting electricity, fuel, etc.

Mr. Ward said that it is a difficult decision. He asked about usage.

Mr. Butler said the usage fluctuates and has been down a bit.

Mr. Ward asked if the last 5 years has been pretty stable.

Mr. Butler stated that if the city municipal matching for 2.5 million on the additional lining that voters approved in the last election will help for reduction in flow to the wastewater plant and it is not reflected in the budget. There are chemical and other costs associated with the treatment of the ground water from leaking pipes and it has a huge effect on operational cost. The City hopes to reduce that by 25%. That would help to invest less in expansion over time.

Mr. Holm *moved to amend the wastewater increase to a maximum of 15%*

Seconded *by Mr. Ward*

Discussion

Mr. McGhee asked about the decrease in the waste.

Mr. Butler said that he recognized these are tough economic times and it will be tough for the Utility department to cover all their costs. This is supposed to be run as a business.

Mr. McGhee said he can't vote for this amendment because the water and sewer can't support itself.

Mr. Butler said it's not supporting itself in operational cost as far as depreciation goes. It's not covering depreciation costs but they are hoping to move significantly towards that.

Mr. McGhee said he is fortunate not to be on the system.

Mr. Ward asked if it would be safe to say if this would be put toward on as a repair and replacement fund.

Mr. Butler said they moved everything and took out capital revenue and the budget is based on that.

Mr. Holm said these are tough economic times and we need to compromise as fuel, electric, food, etc. costs are all going up. We need to show compassion to residents.

Mayor Isaacson said he is not on the system. Council sees the numbers and if they pass this amendment and it will be eating into our depreciation fund. The city is going to get caught some time and council can always make a mid course correction.

PASSED

YES – 5- Nelson, Ward, Holm, Jones, Isaacson

NO – 2 – McGhee, Hunter

Abstained – 0

On the main motion as amended

PASSED

YES – 7- Nelson, Ward, Holm, Jones, Hunter, McGhee, Isaacson

NO – 0 –

Abstained – 0

RESOLUTION 11-30, A RESOLUTION OF THE NORTH POLE CITY COUNCIL SUPPORTING THE CONSTRUCTION OF LANDSCAPE IMPROVEMENTS AT THE CORNER OF FIFTH AVENUE AND ST. NICHOLAS DRIVE

Mayor Isaacson introduced the resolution to council.

Public Comment

None

Mr. McGhee moved to Approve Resolution 11-30, A Resolution Of The North Pole City Council Supporting The Construction Of Landscape Improvements At The Corner Of Fifth Avenue And St. Nicholas Drive

Seconded by Mr. Jones

Discussion

Mr. McGhee said there was more work to be done on Main Street and this Resolution was self serving to two businesses, Forbes Storage and Santa Claus House.

Mr. Holm said he couldn't support this as it was on State property.

Mayor Isaacson said it may be perceived as self serving but it is directly across from the Visitors Cabin. He sees the merit in it and this is a project they can carry forward. He asked council to pass it.

Mr. Ward like the idea of beautifying North Pole. A lot of people stop there to have their picture taked by the sign but it is hazardous and there should be an area where they can pull over. He felt it was a great idea but would like to see more planning on it and not in the middle of the street and not to that extent.

Ms. Hunter said she agreed with Mr. Ward and would like to see the plan revamped. She felt there was a mismatch with the design and would like to see the money attached to the roundabouts.

Mr. Holm said he doesn't think this is the appropriate area and the council should agree that there are better ideas.

FAILED

YES – 3- Nelson, Jones, Isaacson

NO – 4 – Ward, Hunter, McGhee, Holm

Abstained – 0

COUNCIL COMMENTS

Mr. Ward – commented that it has been exciting so far on the council. He is pleased to see council moving in a good direction with reserve funds and likes the discussion with ordinances and resolutions. He stated that Christmas is coming quick.

Mr. Holm – reiterated that he would like council to re-visit bed tax appropriations.

Mr. Jones – thanked everyone who stayed for the meeting. BP days are Saturday and the Christmas tree lighting will also take place on Saturday. He stated that the budget is a living document and council can add or delete from it.

Ms. Hunter – thanked Mr. Ward for his extra time in researching some of the material and that council can benefit from that. She would like to see more discussion on the bed tax and is looking forward to it.

Mr. Nelson – asked everyone to be extra cautious and extra safe and there is no reason to be in a

rush.

Mr. McGhee – thanked Mr. Ward for his research and stated how beneficial it is to the council. He appreciates Mr. Holm for his long term residency and businesses in town. He doesn't want to pay an ambulance bill and got dramatic hoping to pull the council with him. He appreciates everything that the departments do for the city but as a council member he doesn't like paying a user fee. Mr. McGhee stated that he would agree to raise the mil levy and spread out the cost so it wasn't affecting just a few. He would like to see taxes spread out. He stated that this is his last term and that Mayor Isaacson should stand up as the Mayor and raise taxes and the mil rate and create a reserve fund. That could be his legacy because of his actions we have reserves. He said everyone's taxes are rising.

Mayor Isaacson – commented that this council has good dynamics and no one is here on a personal agenda. The council works towards the best solution possible. Mayor Isaacson thanked council and stated that he wouldn't be here for the next two meetings as he would be with his children in Nebraska for Christmas.

ADJOURNMENT

Mr. McGhee *moved to adjourn the meeting of December 5, 2011*

Seconded *by Mr. Jones*

No Objection

The regular meeting of December 5, 2011 adjourned at 11:00 p.m.

These minutes passed and approved by a duly constituted quorum of the North Pole City Council on Monday, December 19, 2011.

DOUGLAS W. ISAACSON, Mayor

ATTEST:

KATHRYN M. WEBER, MMC, City Clerk