

**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, May 21 2012 in the Council Chambers of City Hall, 125 Snowman Lane, North Pole, Alaska.

CALL TO ORDER/ROLL CALL

Mayor Isaacson called the regular City Council meeting of Monday, May 21, 2012 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* Bryce Jones

APPROVAL OF AGENDA

Mr. McGhee moved to Approve the Agenda of May 7, 2012

Seconded *by* Jones

Discussion

None

Mr. McGhee *moved to* Consent the following item under New Business:

- a) **Resolution 12-15, A Resolution Of The City Of North Pole To Enter Into A Cooperative Agreement With The Santa's Senior Center To Implement The Community Development Block Grant #11-CDBG-004 Administered By The Alaska Department Of Commerce, Community And Economic Development In The Amount Of \$73,261 For The Senior Center Kitchen Upgrade Project**

Seconded *by* Mr. Jones

Discussion

None

PASSED

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

NO – 0 -

Abstained- 0

APPROVAL OF MINUTES

Mr. McGee *moved to Approve the minutes of May 7, 2012*

Seconded *by Mr. Jones*

Discussion

None

PASSED

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

NO – 0 -

Abstained- 0

COMMUNICATIONS FROM THE MAYOR

Communication Highlights from the Mayor for the period ending May 21, 2012

GENERAL:

• The Status of Eielson: The Site Activation Task Force (SATAF) report is expected out within the next week or two. You may have read in today's News Miner how Congressman Young put specific language limiting the Air Force from doing a "back door" BRAC. The bill still has to pass the Senate but it definitely ups the pressure on the DOD to ensure there is proper cost-accounting to justify the move of Eielson's F-16s.

Also, KeepTheF16s.com is a joint outreach effort by the Fairbanks North Star Borough and the cities of North Pole and Fairbanks to inform concerned residents about the Air Force's plans to move the F-16 squadron and support staff from Eielson AFB to the Joint Base Elmendorf-Richardson in Anchorage. The website (<http://www.keepthef16s.com>) and related Facebook page ([www.facebook.com/ KeepTheF16s /](http://www.facebook.com/KeepTheF16s/)) are also places where the public can share their comments, photos, and videos to help make the case that moving the F-16s from Eielson is the wrong solution for Fairbanks and the country.

• The Status of Energy Relief and Projects: With the conceptual buy-in by Mayors Hopkins and Cleworth, I have spoken to and/or made presentations to Anchorage groups during the past two weeks, including the Board of Commonwealth North, members of Institute of the North, members of the Anchorage Economic Development Corp, members of the municipality of Anchorage, the Presiding Officer of the Anchorage Assembly, the AML Board, and the Lt.

Governor trying to gain support for NOW-TERM (meaning, this coming winter) Energy Relief. Council members have received both a presentation paper and my correspondence to the Governor urging the use of what we own, Royalty Oil, to benefit Alaskans first and reduce the cost energy for Interior and Rural Alaskans by half of the current cost in a temporary use of our resources until projects like the trucking of LNG can be brought online. The concept has met with a lot of support, but the decision is with the Governor and Legislature.

The three local mayors met with Governor Parnell this afternoon. The Governor did promise us that he would pursue a now-term solution for this winter. It may or may not include the suggestion to use Royalty oil, which he questions the certainty of his constitutional and legal ability to do, that will be his call. The Governor did mention that he would like to see private companies (FNG, GVEA, FHR, etc) be more aggressive and would prefer to help us find a solution that would give immediate relief without the possibility of getting the State trapped into a quick-fix that became a permanent subsidy. We all agree.

The Governor will be speaking at a GFCC luncheon next Wednesday, May 30, from noon to 1 pm at the Carlson Center. He may update us on his NOW-TERM solution progress. Council members wishing to go, please contact me ASAP.

- City Open House: was held on May 19 with the NP Fire Department and NP Police Department hosting interactive events. The NPPD Live Burn demonstration graphically illustrated the benefit of having a sprinkler system in even a residential home, saving lives and property. The NPPD had a booth outside Cruis'n With Santa and appeared to have a steady stream of interested people looking at the displays, getting their children IDs, and getting their children properly fitted in car seats. Both the NPPD and the NPPFD offered the popular rides in their vehicles. Howard Rixie, of Cruis'n with Santa, stated that their numbers were over 4000, up from the 2500 attendees last year. Also on Saturday was the Third Friday and Saturday Art Show at the Grange Hall, adding to a very eventful day in North Pole. Thank you to all the departments, staff, and organizations who help to showcase the talents of our people, the expertise and helpfulness of our departments, and highlight the livability of our great little city! Thank you to each one of you who had a part in making this spectacular Saturday happen. Special kudos to organizers Eng. Kyle Green, NPPFD, Sgt. Chad Rathbun, NPPD, Howard Rixie, Cruis'n with Santa and Nicole Blizinski, Santa Claus House!

- Welcome Home Soldiers! STOMP (Salute to our Military Parade) was a huge success, as defined by the military members themselves! Thank you to all who participated in the day's activities on May 12, including the excellent singing of the Greatland Singers, whose members include our own Councilman Dick Holm.

I also attended the 1-25 Fallen Soldier Memorial and the 1-25 Redeployment Ceremony and the US Army Alaska (USARAK) Commanding General Change of Command Ceremony at JBER.

- Summer Festival Committee: has begun preparing for the July 4, 2012 event. Teffony Wyman has agreed to be the Organizational Co-Chair, which frees me up for other mayoral duties. This year, July 4 falls on a Wednesday which means that a lot of people will be in town who might

otherwise have been elsewhere. If you, or your business, would like to be involved in the planning and underwriting of expenses/activities/prizes, please join us! The next two meetings are 1) this Wednesday, May 22 and 2) Tuesday, May 29 at 6 pm here at City Hall. Your help is needed to make this a great event!

- Alaska Municipal League Board Meeting: The City of North Pole is extraordinarily represented on the AML Board. City Clerk, Past AMCC President, Kathy Weber, District 7 Councilman Ron Jones, and At-Large Mayor Isaacson, were in Anchorage on May 11 participating in the AML Board meeting. There was discussion about encouraging a statewide Energy Plan, possibly headed by a Commissioner of Energy. Discussion was also held on the upcoming ballot issue for Coastal Zone Management. There is great information relating to both sides of the issue at www.AlaskaSeaParty.org and <http://AlaskaAlliance.com>. Chief Jeff Tucker of the North Star Volunteer Fire Department gave an ALMR update. We'll hear more of this issue at the Summer Conference in Bethel as it again becomes a legislative priority. I was able to give a quick briefing of various Interior Issues: JPARC, Eielson, and my proposal for Energy Relief.
- Bond Refinancing: City Accountant, Lisa Vaughn, will give the briefing on savings generated by the City of North Pole during this Alaska Municipal Bond Bank Series Two issuance.
- FMATS: The Fairbanks Metropolitan Area Transportation System Policy meeting was held at the City of Fairbanks Conference Room, Director of City Services Bill Butler sat in for the mayor. There was a consensus to fund in FY13 the construction of sidewalks along St. Nicholas. The project is estimated to cost \$2 million. For more information, talk to Bill or me.
- Various Meetings in addition to those mentioned above, included:
 - weekly at NPMS giving "Words of Wisdom" and interaction with students and staff
 - Participated in the NPHS graduation ceremony, congratulating students.
 - Spoke at the NPMS 8th grade advancement ceremony.

FNSB ASSEMBLY MEETING:

There is nothing to report. The next regularly scheduled Assembly meeting is scheduled for June 14.

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

MEDIA:

May 12 & 19: Mayor Isaacson was on KJNP (1170 AM, 100.3 FM) 8 – 9 a.m. "Over the Coffee Cup." I have also been interviewed by various media regarding Interior issues.

UPCOMING (*This is NOT conclusive, see above for other events, dates, and times, or call the Clerk or Mayor for other possible upcoming events*)

- **May 23 & 29, 6-7 pm:** Summer Festival Committee meets
- **May 28: MEMORIAL DAY, CITY HALL IS CLOSED.**

COUNCIL MEMBER QUESTIONS OF THE MAYOR

Mr. McGhee had concerns on item B of Mayor Isaacson's letter to the governor. He said that there is a potential for people to think that oil companies are not being totally honest with us about their endeavors.

Mr. Ward echoed Mr. McGhee's comments and that it appeared that the Mayor demonized the business and that because the letter carries weight from the city that he needs to be careful.

COMMUNICATIONS FROM DEPARTMENT HEADS, BOROUGH REPRESENTATIVE AND THE CITY CLERK

Police Department, Lt. Dutra

- Our annual Outreach day – successful
 - 374 Child ID kits
 - Non stop police car rides
 - Car seats distributed
 - Car Seat checks
 - Handed out pamphlets on bullying, drugs, safety tips
 - Thank you public works for tent
 - Thank you Cody and Mr. Butler for setting up tent
- New In car computer systems working flawlessly
 - Excited about less down time and less issues
- New E-Citations is close to completion.
- Online accident reports and electronic Crash soon
- One Officer currently at Guard – 2 weeks
 - 2nd Officer goes out next week
- I will be out of the Office until Next Thursday but can always be reached by cell
 - Sgt Rathbun will be in charge

- Officer Memorial well attended by 5 Officers
- Impound lot update
- Vehicle bid
- Officer Durney attended CIT
- Two Officers went to gang class
- Detective plus Officer Binkley to attend Computer forensic class
- CEEP Training a success
- Signs in roundabouts - please advise everyone not to put them there

Accountant, Lisa Vaughn

INVESTMENTS

Council Meeting - May 21, 2012

**Time Value
Investments**

This email shows a sample of current CD's available:

Coupon Rate - Interest rate we can receive (put two 0's in from of the number)

All investments are fully insured with through the FDIC

We can invest up to \$250,000 per FDIC series number.

Currently, we are earning around .0014 on our Central Treasury account

Current City Bank Accounts	
Bank Account	Balance at 5/16
Central Treasury	1,762,543.44
Gaming (required by state law)	38.64
Highway Park Sewer - Improvement District	18,827.65
Highway Park Water - Improvement District	

	40,843.90
Stillmeyer - Improvement District	101,652.33
Utility Industrial FRR	<u>248,982.53</u>
Total Cash	<u><u>2,172,888.49</u></u>

Bank Accounts - Improvement Districts

I would propose, that we close out the bank accounts associated with the Improvement Districts
 Take the balance and move to a one year CD - to be renewed every year

<u>Bank Account</u>	<u>Acct Balance</u>
Highway Park Sewer	18,827.65
Highway Park Water	40,843.90
Stillmeyer	<u>101,652.33</u>
Move to CD	<u><u>161,323.88</u></u>

Bank Account - Utility Industrial FRR

I would propose that we close out the Utility Industrial FRR bank account
 The balance should then be moved over to Central Treasury
 Currently, this money is tracked on the general ledger in the utility fund
 In the G/L, we would move this amount over to Funds 25 and 27 - Water/Sewer Reserves

Central Treasury Balance at 5/16/12	1,762,543.44
Add: Utility Industrial FRR	<u>248,982.53</u>
Balance in Central Treasury	2,011,525.97
Less: Amount to Invest	<u>(288,000.00)</u>
Balance in Central Treasury	<u><u>1,723,525.97</u></u>

INVESTMENT PROPOSAL

CD	Amount	Description	Interest %	Interest Ear
1 Year	162,000.00	Bond Payments in Reserve - From ID Bank Accounts	0.0050	810.00
1 Year	88,000.00	General Investment - From Central Treasury	0.0050	440.00
6 Month	100,000.00	General Investment - From Central Treasury	0.0045	450.00
3 month	<u>100,000.00</u>	General Investment - From Central Treasury	0.0025	<u>250.00</u>
	<u>450,000.00</u>			<u>1,950.00</u>

162,000.00 Improvement District Bank Accounts

288,000.00 Central Treasury (A)

450,000.00

General Investments - From Central Treasury 288,000.00 (A)

Less: Utility Industrial FRR (248,982.53)

Actual Amt from Central Treasury 39,017.47

You replied on 5/16/2012 11:03 AM.
Lisa Vaughn

From: Paul Jarvis [paul.jarvis@timevalueinv.com] **Sent:** Wed 5/16/2012 10:07 AM
To: Lisa Vaughn
Cc:
Subject: CD Offerings for North Pole
Attachments:

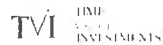
Identifier	Description	Mdy's/S&P/Fitch Ins (Underlying)	Coupon	Maturity
07370S5G8	Beal Bk USA Las Vegas Nev CD 0.2%12, Survivor Option, Int@Mat Blue Sky: OH, TX, FDIC#57833	-/-	0.200	8/22/2012
20440E5G7	Compass Bk Birmingham Ala CD 0.25%12, Survivor Option, Int@Mat Blue Sky: AL, AZ, CO, FL, NM, TX, FDIC#19048	-/-	0.250	8/23/2012 <i>3 mo</i>
060624FJ7	Bank Baroda New York N Y CD 0.45%12, Survivor Option, Int@Mat Blue Sky: OH, TX, FDIC#33681	-/-	0.450	11/18/2012
35463PDU1	Franklin Sec Bk Plains PA CD 0.2%12, Survivor Option, Int@Mat, FDIC#35113	-/-	0.200	11/21/2012 <i>6 mo</i>
446438PQ0	Huntington Natl Bank CD 0.3%13, Survivor Option, Int@Mat Blue Sky: IN, KY, MI, OH, PA, WV, FDIC#6560	-/-	0.300	2/25/2013
74267GSN8	Privatebank & Tc Chicago Ill CD 0.3%13, Survivor Option, Int@Mat Blue Sky: GA, IL, MI, FDIC#33306	-/-	0.300	2/25/2013 <i>9 mo</i>
01853QCW8	Alliance Bk Corp Fairfax VA CD 0.3%13, Survivor Option, Mnthly Cpn, FDIC#34664	-/-	0.300	5/21/2013
254671BJ8	Discover Bk CD 0.5%13, Survivor Option, Int@Mat, FDIC#5649	-/-	0.500	5/23/2013 <i>12 mo</i>

Sincerely,

Alex McCann | Chief Operations Officer

Time Value Investments, Inc. | 9725 3rd Ave NE, Suite 610 | Seattle, WA 98115

Direct: 206-365-3003 | Toll Free: 877-707-7787 | Fax: 206-417-5000



<https://exchange.ci.fairbanks.ak.us/exchange/lvaughn@northpolealaska.com/inbox/CD%2...> 5/16/2012

FNSB Representative

Next meeting is scheduled for June 14, 2012

Director of City Services, Bill Butler

Building Department

- No building permits issued since the last council meeting

Public Works

- Resurfacing of Holiday, 4th Avenue, northern section of Santa Claus Lane/6th Avenue and southern loops of Kit and Beaver Boulevards completed
- Replacement resolution before council this evening for Santa's Seniors kitchen upgrade project
- Have hired three seasonal Public Works Summer positions
- Public Works Department is accumulating a list of small road repair project
 - Settling at Dougchee/Badger Roads: Watching to see if it rises any with ground thawing. If repair too early a surface rebound could result in a speed bump in the winter
- Public works is continuing with beautification efforts on Santa Claus Lane
 - Roundabouts prepared for flower planting. Planting planned for early June
 - Drainage ditches being cleared of 5 years of accumulated gravel and litter. Plan is to till the soil and replant with grass

Utility Department

- Governor approved capital budget that includes a \$2,590,450 Municipal Matching Grant for the Utility Department's Techite Sewer Main and Manhole Rehabilitation project
 - Will be able to use the \$1.4 million loan ADEC has approved for the Utility as the required match for the project
 - Expect to receive formal notification from ADEC in July
 - Project should go to construction in Spring/Summer 2013
- Utility Garage Project
 - Foundation excavation completed
 - Gravel bed for foundation is being compacted
 - Metal building has been ordered
- ADEC has granted final approval for the Utility's Industrial Pretreatment Program
 - Utility has 90 days to implement the program—issue permits to the 3 industrial dischargers
- Utility's discharge to the Tanana River is now discharging to a dry river channel (pictures attached)
 - Waste water discharge is supposed to have a mixing zone to dilute the effluent
 - ADEC has been notified because the Utility is in violation of its discharge permit
 - ADEC is not penalizing the Utility for an act of nature

- No historical memory of this happening over the past 25 years

If the Tanana River does not re-flood the channel the Utility could be facing a significant expense to correct the problem.



City Clerk

The City Clerk was at the International Institute of Municipal Clerks Conference in Portland, Oregon.

ONGOING PROJECTS

Friends of the North Pole Library, Brenda Sadler

Ms. Sadler updated council and the public on the event called A Storybook Festival which will be held on June 30th.

Finance Committee Report, Ron Jones

Next meeting will be held after Memorial Day

CITIZENS COMMENTS – 5 Minutes

None

OLD BUSINESS

None

NEW BUSINESS

PRESENTATION OF 2011 AUDIT BY JOHN BOST, MIKUNDA, COTTRELL & CO, INC

See Attached
Report to the City Council
Basic Financial Statements – Single Audit Reports

COUNCIL COMMENTS

Mr. Ward – Theme for tonight is to plan for the future. The finance committee needs to start planning for the direction that they want the city to go. He encouraged everyone to consider where they would like the city to be in the next few years.

Mr. Holm – good night everyone.

Mr. Jones - Has a meeting with secretary of the Air Force tomorrow. He plans on drilling them on the issue of the F-16's and that it doesn't balance out. Thanked Rep. Don Young for his help. STOMP was excellent and it was nice to see the community welcome the soldiers back. AML was great and they had some good discussion and a voice at the table. They are hoping that the PERS issue will get better and do away with termination studies. They are also working on energy issues.

Ms. Hunter – Have a good evening.

Mr. Nelson – No comment.

Mr. McGhee – No comment.

Mayor Isaacson – No comment.

ADJOURNMENT

Mr. McGhee *moved to adjourn the meeting of May 21, 2012*

Seconded by Jones

No Objection

The regular meeting of May 21, 2012 adjourned at 8:56 p.m.


These minutes passed and approved by a duly constituted quorum of the North Pole City Council on Monday, May 21, 2012.





Douglas W. Isaacson, Mayor

ATTEST:



Kathryn M. Weber, MMC
North Pole City Clerk