

**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, September 17, 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, September 17, 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 Councilman Jones

APPROVAL OF AGENDA

Mr. McGhee moved to Approve the Agenda of September 17, 2012

Seconded by Mr. Jones

Discussion

None

Mr. McGhee moved to consent the following items on the agenda under New Business:

- a. Approval of Bids for the 2012 City of North Pole Surplus Sale
- b. Approval of the Purchase of Work Stations for the North Pole Police Department with ABADE Funds
- f. Resolution 12-20, A Resolution Establishing the 2013 Capital Projects Priorities for the City of North Pole

Seconded by Mr. Jones

Discussion

None

On the amendment

PASSED

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

NO – 0

Absent- 0

On the main motion as amended

PASSED

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

NO – 0

Absent- 0

APPROVAL OF MINUTES

Mr. Jones *moved to Approve the minutes of September 4, 2012*

Seconded *by Mr. McGhee*

Discussion

None

PASSED

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

NO – 0

Absent- 0

COMMUNICATIONS FROM THE MAYOR

GENER Communication Highlights from the Mayor for the period ending September 17, 2012

GENERAL:

• Thank you: NPPD Sgt Bill Bellant for spearheading effort to get 100 yards of clean fill dirt to enhance the use of the skateboard park and to the Brice Company for donating the fill dirt. There will be other thank you's owed to those who will volunteer to deliver the dirt and move it on location.

• Gas Utility issues: I attended the Fairbanks City Council meeting on September 10 and listened to the public testimony. Many of the same issues were discussed as we heard at the North Pole Council with some questions, of course, being Fairbanks specific. The Council postponed action to October 8, after our Joint Work Session. I was able to clarify the invitation to the Joint Work Session of the North Pole and Fairbanks City Councils to be held at the North Pole City Council Chambers on Tuesday, September 25 at 6 p.m. While the public is invited, only the Council members can interact with the panel. The invitee list includes the Alaska Industrial Development

and Export Authority (AIDEA), the Alaska Energy Authority (AEA), the Fairbanks North Star Borough and Bond Counsel, Fairbanks Economic Development Corporation, the Lowell Group, Fairbanks Natural Gas (FNG), GVEA (not confirmed), and Flint Hills (declined).

• The Status of Eielson: The Tiger Team continues to meet on a weekly basis; additionally, the Legislature's Joint Armed Services Committee met today with the Governor's consultants, Hyjek and Fix Consulting Group. Some of the current status highlights include:

- The 168th Air Refueling Wing will be given 2 of the 3 buildings they requested of the 8 buildings on Eielson scheduled for demolishing during the FY12 budget cycle.
- There is still a conflict of communication regarding the continuation of the SAIC F16 Environmental report process. Senator Begich's office was told by HQ USAF that the report will not be completed in FY 13, but today, Senator Murkowski's office reported that PACAF allocated the money prior and will continue to spend it.
- The Governor's consultants have stated that while communications have not been transparent in the past, the new USAF leadership has made overtures of cooperation and they are hopeful this will happen.
- The current effort includes efforts to add missions to Eielson, one example may be by transferring F16s from Asia or Europe; develop greater shared capabilities with the communities, for example land use development and reduced power costs; Department of Defense and State of Alaska industry collaborations; and noting regional positioning of military assets.
- The Governor's consultants are working on a phased plan which they expect to have to the Governor by mid/late October and to the Joint Armed Services Committee / public by early November.

• Legislative Visit. State Rep Bill Stoltz, Chugiak/Palmer, Co-Chair of House Finance, was in town for the Palmer "Moose" v North Pole "Patriots" game on Friday and visited City Hall. We spoke of our proposed legislative priorities and I took him on a quick tour of North Pole on our way to attending the POW / MIA Flag Retreat Ceremony at Eielson AFB. Unfortunately, Palmer beat North Pole 49-42 but the Co-Chair has a greater appreciation for what the City represents to the community and State at large.

• KUDOS: to NPFV Volunteer Fireman Jesse Sterns and NPPD Officer Scott Kvittem who represented the City with distinction during their participation in the POW / MIA Flag Retreat Ceremony last Friday at Eielson AFB. The interaction of our city employees and the military help forge those relationships that benefit the departments during the normal conduct of business and the community during joint exercises, one of which will be the North Pole Preparedness Fair at the North Pole Plaza Mall on Saturday, September 29 from 10 a.m. to 4 p.m. The Fire Department will be discussing this in more detail.

MEDIA:

Sep 8 & 15: Mayor Isaacson was on KJNP (1170 AM, 100.3 FM) 8 – 9 a.m. “Over the Coffee Cup.”

Sep 5: Interviews with KUAC & News Miner re: Gas Utility Transfer ordinance

UPCOMING (*This is NOT conclusive, see above for other events, dates, and times, or call the Clerk or Mayor for other possible upcoming events*) As a reminder, the Mayor will be taking leave time, as able, through August 29.

- **September 21, 5 - 8 p.m.:** Third Friday Art Show @ the North Pole Grange. Also on Saturday, September 22 from Noon – 4 pm.
- **September 25, 6 pm:** North Pole/Fairbanks Joint Work Session on Gas Utility Powers Transfer to the FNSB @ North Pole City Hall
- **September 29, 10 am – 4 pm:** North Pole Preparedness Fair @ North Pole Plaza Mall
- September 21, 4 pm JV, 7 pm Varsity: the “**Mayors’ Bowl**” Lathrop “**Malemutes**” v North Pole “**Patriots**” @ NPHS (loosing team’s mayor has to wear opponents’ jersey to next city council meeting—NPHS is undefeated in the series the past five years!)AL:

COUNCIL MEMBER QUESTIONS OF THE MAYOR

None

COMMUNICATIONS FROM DEPARTMENT HEADS, BOROUGH REPRESENTATIVE AND THE CITY CLERK

Police Department, Chief Dutra

Lt. Chad Rathbun and Sgt. Stevenson

- Several new cases
 - 4 burglaries – 1 unfounded - 2 homes - 1 business
 - MCA
 - 3 hit and run reports
 - 1 Assault simple and 1 Aggravated Assault
 - 1 Marijuana case over 28 grams of marijuana (School)
 - 1 Fraud Case
- Cleared a lot of stuff in the auction working on more.
- Just received equipment from DEA(2) 6x6 800cc wheelers – (2) 800 cc Snow machines, 1 two place trailer, 2 scopes on their way soon.

- Training topics:
 - Sgt. Bellant is attending MADD training in Virginia plus taser
 - EVOC scheduled with FPD in October
 - Ofc. Binkley on his way next week to Basic Computer forensic
- Publicly thank Kathy for all her help with Hiring, Impound code changes, and everything else she does for the police.
- Just received word that our AHSO Traffic Grant is on its way to approval.
- Also received word today our JAG Byrne funding is now 100% upon approval and acceptance by council.

Fire Department, Buddy Lane

- None

Accountant, Lisa Vaughn

- You have a draft financial for August. Everything looks good for this time of the year. Our current cash balance, as of today, is a little over \$1,800,000. We had some grant expenses in August that were reimbursed in September.
- Department heads are working on their 2012 budget amendments. We hope to have those ready for you at the next council meeting.
- We will start working on our 2013 budget next month. If you have any questions or suggestions on the budget, please stop by my office.
- A few weeks ago we had a DEC financial audit on our Lift Station II and Sludge Removal grants. Everything went well, there were no problems.
- We recently had a general liability insurance audit that resulted in a premium refund of a little over \$1700. This will be booked to miscellaneous revenue, as it has been done in the past.
- Last week we had a workman's comp audit, I do not have the final results back on that as of today.
- I will be out of the office on Friday.

FNSB Representative:

- **FNSB ASSEMBLY MEETING:**
- The Assembly met on September 13; there was nothing on the agenda immediately impacting the City of North Pole and I attended homecoming events at the request of students and teachers at NPHS.
- The next regularly scheduled Assembly meeting is scheduled for September 27. The agenda has not yet been published but the Gas Utility is expected to be on it for public

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

Director of City Services, Bill Butler

Building Department

- Building addition permit issued

Public Works

- Public Works legislative priority before Council this evening
 - Requesting state funding to connect Old Richardson Highway pedestrian path with Homestead Road Pedestrian path
- Beautification
 - Seeing some early signs of momentum among business in areas to contribute to beautification efforts
 - City's beautification efforts winding down with falling temperature
 - Will begin removing benches, planters and trash cans within next several weeks to protect from snow plowing
 - Building Christmas tree frames for lighting displays in each roundabout
- Community Development Block Grant for Santa's Senior Center Kitchen Upgrade Project
 - Contract signed with contractor, pre-construction meeting scheduled for Wednesday, September 19
 - Goal is to complete necessary outside work before temperature get too cold
- Cody Lougee is in Anchorage for the week (9/16-21) to get OSHA training
 - Help Public Works to meet its OSHA requirements
 - Cody will be working with Utility Department to assist them with OSHA-related issue
- Upcoming topics to see before future Council meetings
 - Snow plowing contract
 - Heating fuel contract

Utility Department

- Power outage this past Sunday (9/16)
 - Spruce tree fell and cut power lines on Kit Boulevard
 - Three lift stations lost power for over 6 hours
 - Utility staff had to use a mobile generator moved from site-to-site to keep waste water flowing
 - Upcoming ballot questions directly relates to purchasing mobile emergency generators
- Utility Garage Project
 - Contractor submitted a revised construction schedule to complete garage by October 31
 - \$250/day liquidated damages accruing
- Flint Hills Resources is proceeding with construction of industrial sewer force main

- Project completion estimated to be early October 2012
- Flint Hills Resources-Williams Alaska Petroleum possible lawsuit
 - I have been subpoenaed to give a deposition Wednesday (9/19)

City Clerk

City Clerk/HR Manager Report to Council– September 17, 2012

Human Resources

Two positions within the city have been open for hire. They are:

Firefighter - **Minimum qualifications are:** State of Alaska Firefighter 1, EMT 1. State of Alaska Firefighter 2 and EMT 3 preferred. The position closed today at 5:00 p.m.

Police Officer - Minimum qualifications are 21 years of age, valid driver's license, pass written testing, an oral board, a physical examination, an extensive background examination, psychological testing, polygraph, and physical agility test and have an APSC approved academy within the last 3 years of closing date or be a currently APSC certified officer.

All positions are posted online at www.northpolealaska.com under Job Opportunities.

- Officer Stevenson has been promoted to Sgt.
- Sgt. Rathbun has been promoted to Lt.

City Clerks Office

- The NPCCC has released their September 2012 newsletter and it is filled with lots of good information for the public. I encourage everyone to get on their website and read the wonderful newsletter that Marlene Fogarty puts out.
- There will be a Fundraising benefit for long time resident Laura Harper on Saturday, September 22, 2012. Ms. Harper was diagnosed with stage 4 pancreatic cancer and has no health insurance. A spaghetti and silent & live auctions will take place at the Badger Den starting at 3:00 p.m.
- The NPCCC is hosting a Candidate Forum on Friday, September 21st at the Hotel North Pole from 11:30 – 1:30. Lunch is \$12 and includes Dessert.
- Absentee ballots arrived last week. If you are a registered voter within the city limits of North Pole or the FNSB you can vote at City Hall. Just present a proper form of Identification and you can vote here.
- The Municipal election for the City of North Pole, City of Fairbanks, and the Fairbanks North Star Borough will be held on Tuesday, October 2, 2012.
- Reminder:

Registration forms for the 2012 Annual Local Government Conference which will be held in Anchorage November 12-16, 2012 are here. Registration forms must be returned by October 12 to receive the best rates. After October 12th a \$50 late fee will be added per person. Please let me know if you are interested in attending and for those newly elected officials I will tentatively register them. I have also left an application form for the 17th annual "Awards of Excellence" on

the dais. There are several categories of awards; People awards to recognize local government officials who have demonstrated a commitment to excellence in local government both within their own communities and on a statewide level; and Community Awards to showcase your area and let others know how you have solved a problem or improved local government. If you have any questions regarding the upcoming conference, please call me at 488-8583 or come in to City Hall.

ONGOING PROJECTS

- NPEDC – Kathy Fitzgerald

Ms. Fitzgerald spoke in favor of Resolution 2012-20 and encouraged the council to support it.

- Finance Committee

Mr. Jones gave a summary of the presentation that Chief Dutra gave on his projected budget and department for the Finance Committee meeting held on Monday, September 10th.

CITIZENS COMMENTS – 5 Minutes

- None

OLD BUSINESS

- None

NEW BUSINESS

ORDINANCE 12-19, AN ORDINANCE REPEALING CHAPTER 4, SECTION 4.23, MOTOR VEHICLE IMPOUNDMENT AND STATE FORFEITURE

Chief Dutra explained why we were repealing this portion of the code. He stated that it was basically brought forth from the City of Fairbanks code and had language that was not pertinent to the City of North Pole.

Public Comment

None

Mr. McGhee *moved to* Introduce and Advance Ordinance 12-19, An Ordinance Repealing Chapter 4, Section 4.23, Motor Vehicle Impoundment And State Forfeiture

Seconded *by* Mr. Ward

Discussion

None

PASSED

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

NO – 0

Absent – 0

ORDINANCE 12-20, AN ORDINANCE INTRODUCING CHAPTER 10, SECTION 10.02, MOTOR VEHICLE IMPOUNDMENT AND STATE FORFEITURE

Chief Dutra stated that the NPPD needed to rewrite this portion of the repealed code so that it would come in line with what the department could and couldn't do.

Public Comment

None

Mr. Holm *moved to* Introduce and Advance Ordinance 12-20, An Ordinance Introducing Chapter 10, Section 10.02, Motor Vehicle Impoundment And State Forfeiture

Seconded *by* Mr. Jones

Discussion

Mr. Jones needed clarification on the ordinance.

Ms. Hunter asked how long from the time of impoundment until they would get their vehicle back.

Chief Dutra said that the court system does not get involved with getting the vehicle back. He explained the fees and process.

PASSED

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

NO – 0

Absent – 0

ORDINANCE 12-21, AN ORDINANCE INTRODUCING CHAPTER 2, SECTION 2.27, OFFICE OF ADMINISTRATIVE HEARINGS

Chief Dutra explained what a hearing officer would do and the process that the city would follow. The process is outlined in state law and is simple to follow. He didn't foresee the city having to use this a lot.

Public Comment

None

Mr. Ward *moved to* Introduce and Advance Ordinance 12-21, An Ordinance Introducing Chapter 2, Section 2.27, Office Of Administrative Hearings

Seconded *by* Mr. Holm

Discussion

None

PASSED

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

NO – 0

Absent – 0

RESOLUTION 12-21, A RESOLUTION REQUESTING THE GOVERNOR AND LEGISLATURE TO PURSUE ALL POSSIBLE MEANS TO PROVIDE IMMEDIATE ENERGY COST STABILIZATION AND EQUALIZATION, INCLUDING THE USE OF ROYALTY OIL DISCOUNT PRICING, IN ORDER TO PREVENT FURTHER DESTABILIZATION OF ALASKAN COMMUNITIES AND TO DECREASE PRESSURE ON STATE BUDGET EXPENSES

Mayor Isaacson gave a presentation to the City Council and the public. He stated that Mr. Holm and himself had agreed to draft a resolution to submit to AML and other entities for support in providing immediate energy costs.

Public Comment

Michael Welch, 934 Les Rogers Turnaround, North Pole, AK

Mr. Welch asked for clarification to the point of time when residents would convert from electric to natural gas and if there would be some sort of assistance.

Mr. Holm *moved to* Introduce and Adopt Resolution 12-21, A Resolution Requesting The Governor And Legislature To Pursue All Possible Means To Provide Immediate Energy Cost Stabilization And Equalization, Including The Use Of Royalty Oil Discount Pricing, In Order To Prevent Further Destabilization Of Alaskan Communities And To Decrease Pressure On State Budget Expenses

Seconded by Mr. Jones

Discussion

Mr. Jones said that he was confused over this and wanted to know where the mayor was going with this especially with the LNG issue and the FNSB. He felt there were a lot of political undertones.

Mayor Isaacson said this was a separate issue and that this has been talked about for a lot longer than the FNSB LNG.

Mr. Ward said he had concerns with this ordinance and that this has been talked about a lot in the community and the Mayor had also campaigned with this. He is hesitate to move forward and is not as informed as the mayor. Mr. Ward felt that it could have harmful effects on a community when subsidies are taken back. He applauded the Mayor for his efforts but didn't think he could go forward with this.

Ms. Hunter said it seemed like the mayor had brought this resolution forward in the past but in a different form but with not as much information.

Mayor Isaacson said that he hadn't but had brought it to AML.

Ms. Hunter said that Crowley delivers to a lot to rural villages by water. She asked if Petro Star would be able to lower prices and have a distribution system to the rural villages.

Mayor Isaacson said that Common Wealth North has a lot of info on this. He stated that the governor will bring all the players in to discuss that. He also stated that this would enhance the position of our local refineries, not detract from it.

Ms. Hunter asked if the rural areas were not able to take advantage of the gas, would they be able to continue with subsidized heating fuel.

Mayor Isaacson stated that they would be able to under this plan.

Mr. McGhee said that this was the mayor's political platform and no defining outline stating how this would benefit. He believed that if the latest two governors felt that this was the way to go then they would have done this instead of putting money in the PFD. He stated that he would not support this ordinance.

Mr. Nelson said it was a well thought out plan and a great presentation by the Mayor. He said his expertise on this subject is limited and has a meeting set up this week with FEDC to discuss the LNG. He stated that he is hesitant to support this until he gets more knowledge.

Mr. McGhee called the question.

Failed for the lack of a second.

Mr. Jones asked for clarification about the upgrading of conversion in homes from heating fuel to LNG.

Mayor Isaacson said there have been models put up and up to \$14,000 to convert and so forth. That's all separate from this resolution. He said that this resolution is just urging to pursue all possible means to provide a immediate energy cost stabilization and equalization.

Ms. Hunter said she understood Mr. McGhee's feelings on the Mayor using this as a political platform but remembers it being brought forward to AML and it is something that benefits North Pole and the region. She said that he has taken an issue that concerns North Pole and is using it for the benefit of North Pole. She stated that the mayor has been trying to get this in place for a long time and will vote for it.

Mr. Holm said he felt there was some confusion going on and that this resolution deals with relief for the area/region. He said that people can't keep paying the high costs of energy in the interior and the long term solutions are not going to happen in 1 or 2 years but more like 5 or 10. He stated that people are leaving, there is a rise in crime, and we need to do something and don't have a lot of options for relief. He said he would vote yes on the resolution.

Mr. Ward said he applauds the mayor's efforts but looking at the resolution he didn't feel the council had the knowledge or education to move it forward. He encouraged the mayor to stay positive and continue to move forward with the energy issue.

Mayor Isaacson said this is not a campaign issue to get something passed by the council to win an election. He said this was a need for energy relief and to keep jobs in the Interior. He stated that government is the only thing that is stabilizing the economy. He said that he included state royalty oil because it's what the state owns. If the experts with the transparent process conclude that there isn't enough royalty oil or we can't get the price down then the public will know that the North Pole city council did everything they could to get energy relief for their residents. He said the foreclosure rate in the FNSB has increased over 205% YTD from 2011 and people are scared about winter time. He said he needed the councils voice to be taken legitimately and move forward with the State administration and that it takes a unified voice to take this forward and asked council members to reconsider and vote yes and give it the full vetting and not afford to discount any effort.

Mr. McGhee said he felt this was a political platform and that he has spent hundreds of hours of city time working on this and studying it in the office to look for a way to find money. He said this very council killed, after two meetings, the FNSB trying to step up and begin bringing the area cost relief because council didn't know anymore about it and needed more questions answered. He said this was incomplete and nothing is free and is asking the governor to reduce the cost of what belongs to us so it can reduce the burden of our cost of living. He said it would take away revenues that we don't have because we've reduced the cost and #2, there is no guarantee that the oil refiners will stay within the cost because they cannot force them to a retail price. He said if the council wants immediate relief they need to go back two weeks to the meeting with the FNSB and the comments made at that meeting.

Mr. Jones said that Mr. Holm makes a compelling charge and does see political undertones. He said he will apologized to every member on the council and to the mayor, but the council should have passed the Ordinance. He said thi is two different issues and this is one way of working towards offsetting the other before we get the other onboard.

Mr. Jones called the question.

Seconded by Mr. Holm

No objection

PASSED

YES – 4 – Jones, Hunter, Holm, Isaacson

NO – 3 – Ward, Nelson, McGhee

Absent – 0

COUNCIL COMMENTS

Ms. Hunter – No comment

Mr. Nelson – No comment

Mr. McGhee – No comment

Mr. Ward – thanked everyone for coming tonight.

Mr. Holm – wished everyone a good evening.

Mr. Jones – will not miss all of this when his term is up but appreciates all the effort that goes into this. He said it was a day late and a dollar short on the FNSB issue and apologized to the council. He stated that we have a great community and need to work hard for our citizens and employees to reduce costs because people aren't ready for this next winter. He is going out hunting tomorrow and thanked everyone for staying.

Mayor Isaacson – said it was a pleasure to work with the council for these past several years and is a good example of why this is a good council as they take their issues seriously.

ADJOURNMENT

Mr. Jones adjourned the meeting at 9:10 p.m.

Seconded by Mr. McGhee

The regular meeting of September 17, 2012 adjourned at 9:10 p.m.

These minutes passed and approved by a duly constituted quorum of the North Pole City Council on Monday, October 1, 2012.

Douglas W. Isaacson, Mayor

ATTEST:

Kathryn M. Weber, MMC
North Pole City Clerk