

**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, April 15, 2013 in the Council Chambers of City Hall, 125 Snowman Lane, North Pole, Alaska.

CALL TO ORDER/ROLL CALL

Mayor Ward called the regular City Council meeting of Monday, April 15, 2013 to order at 7:00 p.m.

There were present:

**Mr. Holm
Ms. Hunter
Mr. McGhee
Mr. Nelson
Ms. Sikma
Mr. Smith
Mayor Ward**

Absent/Excused

PLEDGE OF ALLEGIANCE TO THE U.S. FLAG

Pledge of Allegiance led by Mayor Ward

National Anthem sung by NPMS – Angie Allen, Shahiba Bhattarai, Taylor Hendricks, Lindsey Hilliard, Mikiah Jackson, Ashley Roberts

INVOCATION

Invocation was given by Mayor Ward

APPROVAL OF AGENDA

Mr. McGhee moved to Approve the Agenda of April 15, 2013

Seconded by Mr. Holm

Discussion

None

PASSED

YES – 7 – Hunter, Sikma, Holm, Smith, Nelson, McGhee, Ward

NO – 0

Absent – 0

APPROVAL OF MINUTES

Mr. Holm moved to Approve the minutes of April 1, 2013

Seconded by Mr. McGhee

Discussion

None

PASSED

YES:

NO:

Absent:

COMMUNICATIONS FROM THE MAYOR

Friday April 19th Will be the next Muffins with the Mayor. The public is encouraged to attend every third Friday of the month from 7am-9am in City Chambers!

The 4th of July Festivities planning has begun. The meeting dates are as follows:

April 22nd, May 13th, May 28th, June 10th, June 24th and July 2nd. All meetings will be in the Council Chambers at 6PM. Please come if you want to be involved we only have 6 meetings to plan this event.

April 18th Friday at 6 PM at Hotel North Pole will be the members meeting for the Chamber, please come if you are interested in becoming a member or just discovering what the North Pole Community Chamber is.

May 1st at 6PM in the Chambers is a Census data Workshop. It will be at 6PM. Come discover all of the data available from the Census bureau.

Gas Trucking passed the house and senate and is on its way to the Governor. The proposal was gas in two years!

General Mark Welsh III will be at Eielson on May 1st. General Welsh is the Chief of Staff of the Air Force. I will be meeting with him along with the other Mayors about Eielson.

Proclamation – Student of the Month

Kayla Heindrichs - NPE

COUNCIL MEMBER QUESTIONS OF THE MAYOR

None

COMMUNICATIONS FROM DEPARTMENT HEADS, BOROUGH REPRESENTATIVE AND THE CITY CLERK

Police Department, Chief Dutra

- Chief Dutra presented Officer Jed Smith with his Police I certificate.

- Chief Dutra was nominated for the Family Friendly Work Place.
- Drug take back event will be on April 27th. The public is welcome to come to the NPPD to drop off unused prescription drugs.
- May 9th is the graduation date for new officers.
- Sold both snow machines and the money is in the account, \$16,000.
- Ms. Sikma has asked for statistics from the Dept. and he will have them for the next meeting.
- Chief Dutra attended all three services in Anchorage for the officers who were killed in the line of duty.

Mr. McGhee stated that it would be nice to have ammunition and guns that are no longer in use to have a day where the police department could take them in.

Fire Department, Chief Lane

- Chief Lane stated that on Friday at 6pm they are having their 6th annual chili feed to raise money at hotel north pole
- May 3rd is NPPD appreciation dinner at 6pm at Hotel North Pole.
- State budget has the ladder truck in their budget and it is going to the governor along with the ambulance and an air pack upgrade.
- Homeland security training was attended well and key members of the staff need to take these courses.
- All council members need to have their courses up to date and we need to have our EOC ready for operation.
- Chief Dutra and Chief Lane attended the state EOC in Anchorage. Chief Lane also toured EMOC and was impressed with it.
- City of Fairbanks has received money and has graciously said that if bids come back low enough they will include the City of North Pole in their mitigation plan.
- NPPD just finished a firefighter one class and is in the process of doing a firefighter 2 class. UAF is doing a RIF class and will finish on Sunday.
- New hires are Justin Williams, Jesse Stern, and Jayson Russell.

Director of City Services, Bill Butler

Building Department

- No new building permits issued since last Council meeting
- Indications for a stronger than average construction; currently all commercial/institutional/industrial projects
 - North Pole Library (bid date extended to April 26)
 - Middle School roof replacement (not yet released for bids)
 - Westcott Pool fire alarm replacement (not yet released for bids)
 - Flint Hills maintenance building siding upgrade (permit application pending)
 - Eagle Wings Assisted Living addition (project under plan review)
 - Moose Lodge roof replacement (permit application submitted)

Public Works

- Had a late season snow plowing last week
- Hard pack removal started week of April 1 before weather turned cold
 - If forecasted warm temperatures arrive this week will restart hard pack removal later this week
 - Sample bench and planter built by Public Works staff on display at entrance to City Hall
 - Saint Nicholas Pedestrian Path project appears to be on track for 2014 construction
 - Money for the project must be obligated by September 30 or the project will be canceled
 - DOT in negotiations with property owners for right of way acquisition
 - Construction bid documents being drafted
 - DOT working with City to arrange a variance to permit around-the-clock work to replace Beaver Springs culvert on Saint Nicholas Drive.
 - Proposing to introduce an ordinance to amend Municipal Code that will permit mayor the authority to grant variances of the noise ordinance for special projects like the planned construction on Saint Nicholas Drive
 - City of North Pole's storm water permit renewal is open for public comment until May 13, 2013
 - Permit available for review and comment on ADEC's website at <http://www.dec.state.ak.us/water/wwdp/PublicNotice.htm>
 - North Pole is a co-permittee with the City of Fairbanks, DOT and the University of Alaska Fairbanks
 - Will be recruiting Public Works summer hire positions starting this Saturday
 - Planned start date for summer hires is Mid-May.

City Accountant, Lisa Vaughn

- Ms. Vaughn reported that the March financials have not been reconciled. She is still working on audit and awaiting the adjusted journal entries. The City is also waiting for the draft financial statements from Mikunda, Cottrell and when they are received they will send them out to the council members.

Mr. McGhee asked Ms. Vaughn to put together a report to show what the events from this past winter brought in for sales tax.

Borough Representative

- None

City Clerk

- The City of North Pole will be conducting our own election this year due to the wording in our code. Currently our code reads that the election will be held on the 1st Tuesday after the 1st Monday in October. However, this is in conflict with the FNSB and The City

of Fairbanks. The City of Fairbanks was able to fix their code so they would be able to conduct their election with FNSB but our code reads that it would need to be changed a year prior to the election. With that said, the FNSB will hold their election on October 1st and we will hold our election on October 8th. I will be going through our election code again and bringing forth some important changes. Any changes we make to the election code must have pre clearance with the Department of Justice under Section 5, Voting Rights Act.

ONGOING PROJECTS

None

CITIZENS COMMENTS

None

OLD BUSINESS

None

NEW BUSINESS

COOPERATIVE AGREEMENT BETWEEN THE U.S. ARMY CORPS OF ENGINEERS AND THE CITY OF NORTH POLE, ALASKA FOR THE PROVISION OF LAW ENFORCEMENT SERVICES

Chief Dutra explained the contract and went over it with the council. This contract gives the Chena Lakes Recreation area an officer for the season. This agreement has been in force since the 1990's and he encouraged the council to approve it.

Mr. McGhee asked if the vehicle received overtime.

Chief Dutra said that they would receive overtime for the vehicle and the officer.

Public Comment

None

Mr. McGhee *moved to Approve Cooperative Agreement between the U.S. Army Corps of Engineers and the City of North Pole, Alaska for the Provision of Law Enforcement Services*

Seconded by Ms. Sikma

Discussion

Mr. McGhee asked if these funds went into the general fund.

Mayor Ward stated that they did.

PASSED

YES: 7 – Sikma, Hunter, Holm, Nelson, Smith, McGhee, Ward

NO: 0

Absent: 0

ORDINANCE 13-04, AN ORDINANCE AMENDING TITLE 4, CHAPTER 4.08, SALES TAX

Mayor Ward stated that the City of North Pole has approximately 2,200 residents, 4 schools and 2 refineries and is slightly over 4 square miles. Surrounding North Pole is the North Pole area consisting of approximately 25,000 residents and is around 90 square miles.

North Pole is unique because many more people traverse the city each day than live in the City limits. This puts additional stress on the infrastructure and service departments of the City of North Pole over that of a typical 2,200 resident city.

Mayor Ward stated that the City has many troublesome trends in North Pole. During May of 2010 and 2011 they had less than \$400,000 in General Fund Cash and in May of 2012 they had slightly over \$400,000 in General Fund cash.

Ordinance 13-04 serves two purposes. The first aspect of this ordinance increases the City alcohol tax from 5% to 8%, the increase recognized by 6 months of revenue from this source is purposed to join with cuts from departments to balance the 2013 budget.

The 1% sales tax portion of the ordinance is purposed to set monies aside for Reserves, a Fleet Fund, and a Capital Projects Fund. It is not my intention to use these monies for increased staffing or other operational expenses of that type. These taxes are to be used to plan and save for our future.

The exemptions removed by this ordinance have no monetary value associated with the physical note of this ordinance and are meant to increase the fairness of the sales tax.

The sales tax ordinance in front of council tonight is meant to be coupled with a resolution to lower property tax 1.001 mills in 2014. This is meant to incentivize land owners and ownership. If the ordinance at hand continues to its second reading, the resolution will accompany it on May 6th.

Public Comment

Rudy Gavora, 2810 Misty Fjords Ct.

Mr. Gavora stated that North Pole is a large market between ¼ and 1/3 of the total shoppers of the FNSB. He said the joke in Fairbanks is that North Pole is a speed trap and that North Pole wants to work as a toll bridge for taxes. He spoke against the increase in the sales tax and said that speaking as a landlord for Safeway that there lease wouldn't be here forever. He stated that the grocery store has been and will be the largest contributor to sales tax and that money will go where it is treated well.

Ms. Hunter asked if he thought Safeway would leave if they raised the sales tax.

Mr. Gavora said that North Pole is ripe for development right outside of the City limits. He said that North Pole doesn't have the variety of business that Fairbanks has.

Mr. Smith said that years ago the mall was full. What made them go?

Mr. Gavora said the sales tax made them go. A sales tax penalizes the shopper.

Carey Spohn, 1911 Endicott Ave

Ms. Spohn said that she sees our business go to Fairbanks. She spoke against the sales tax.

Hank Bartos, 3514 Hoonah Lane

Mr. Bartos spoke against the sales tax. He said the council needs to look at what's happening in the community. Mr. Bartos also spoke against purchasing a backhoe for the Public Works Dept.

Ron Therriault, 2578 Noatak Street

Mr. Therriault spoke against the sales tax. He concurred with Mr. Gavora that sales tax is like getting kicked and he would rather have a property tax.

Ron Jones, 2410 San Augustin

Mr. Jones said this was talked about at Rotary and Mr. Gavora made a good point. At this point they don't know if the F16's are moving. The exercises were halted because of finances. The sales tax and gas prices are driving people to Fairbanks. He would like to patronize Safeway but can't see it. The tax to 4% was supposed to be temporary. California has highest tax base in the nation and they are broke and their government has gone to china. He wished the council luck.

Mr. McGhee asked if Mr. Jones knew that Safeway was 9% higher than Fairbanks.

Ross Atkins, 667 St. Nicholas Drive

Mr. Atkins said he was on council in 1966 and since he has developed a business, He said the City has chosen the wrong time to raise the sales tax. He has talked with the Mayor and wants to raise taxes and reserve funds because there weren't good bookkeeping practices in the past. He said a lot of the expenses go outside the city limits. That's the boroughs job. Mr. Atkins said that the City of North Pole is headed to the same place the City of Fairbanks is headed and they can't afford Ponzi scheme retirement system. The City needs to look at what your spending is.

Buzz Otis, 605 St. Nicholas Drive

Mr. Otis is the owner of Forbes Storage. He spoke against the sales tax and said he can't pass this on to the consumer. He spoke against the exemptions and would rather see an increase in property tax. He agreed that North Pole is viewed as a speed trap and council has a tough job ahead of them.

Paul Brown, 1807 Christine Drive

Mr. Brown said he doesn't envy the position the council is in but raising a sales tax is a temporary fix to a bigger problem. He stated that people are not shopping in North Pole and the military will shop on base. Red flag and northern edge has been cancelled and North Pole is going to feel it along with the bed tax. If we lose any retail or restaurants we will be hurting. If EAFB goes away and sales tax rises we will lose businesses. He stated that the smartest way to fix this is to raise the property tax and then drop it in 4 years.

Phil Zastrow, 2555 Peridot

Mr. Zastrow spoke against the sales tax. He agrees with the property tax increase and not the sales tax. The City of North Pole needs to cut their spending and they have too many cop cars. He told council to consider not replacing the people who retire.

Renee Webb Otis, 605 St. Nicholas Drive

Ms. Otis spoke against the sales tax. She stated that she only buys certain things in North Pole and buys the majority of her purchases in Fairbanks. Many customers would not be able to afford the storage units if the sales tax were put in. They also own a 10 plex that is not full and would not like to see the exemption go away. She is a CPA and understands finances and would prefer to increase the property tax.

Mr. McGhee moved to Introduce and Advance Ordinance 13-04, An Ordinance Amending Title 4, Chapter 4.08, Sales Tax

Seconded by Ms. Sikma

Discussion

Mr. McGhee commended the mayor for his efforts and that he has worried the past two nights on the agenda. He has brought a proposal to help cover some of the losses in revenue and try to regenerate or cut. He is for raising the mill rate and has to be convinced to raise the sales tax. Most of our services are burdened by the people outside the limits. The Safeway store has been a mainstay but agrees with testimony that now is not the time to raise the tax. He is not happy with a lot of things that are coming up in the agenda. He is not pleased with removing real property exemptions. He can't support the rest of them. With losing \$80,000 in revenue he can't support this ordinance. This is the first time we've had to cut. Not an equitable move. Things are tight right now and he is considering cuts in his own business.

Mr. Nelson said he was uncomfortable with the budget. He said this is robbing Peter to pay Paul as this is a short term problem and we need to take measures to bring it back down.

Mr. Smith said this is a very trying time. He said with the input from all the businesses he agrees it is not the right time to raise the sales tax. He appreciates all the time he has put into this but it is not the right time.

Mr. Holm said he is opposed to any increase in sales tax. He thanked everyone who testified. Everyone spoke against it. For years we have stifled business and need to find new ways to control the budget. Reduce the city services and get back to reality and run this city in a way we can go forward. Raising sales tax is not the way to go. He wants to see the payroll reduced.

Ms. Sikma – Ms. Sikma read this into the minutes:

Before anything else is said, I am compelled to acknowledge the horror in Boston today. Families, homes and communities have been shaken. It is at times like this that communities begin bonding and gathering closer together. I love my North Pole. I shudder to think of any tragedy happening here. And would rather have our strength in place, than to try to piece it together after the fact.

I believe, at least for myself, that *Perspective* seems to be the new word for the year. Couple that with *Perception*, and the story changes. I debated once with my employer about perception and truth. Her argument was that perception is truth. I argued that truth is perception, or at least it should be. From a limited perspective, we form a perception. But does that make it true? Not

always. And I have been on the receiving end of feeling foolish when the whole story was revealed. When we jump to conclusions without all the facts. That is the main reason the Mayor, myself and all here on the Council encourage every citizen, property owner, business owner, employer, employee to share with us the kind of community you want to raise your families in.

And now, to acknowledge the first elephant in the room. Taxes. The perception of taxes are that they are evil. But the result of them is not. Clean streets, exceptional fire and police service, and a staff full of long invested people that love working for, and in, this community. I love North Pole. There, I said it. I confess for some insane reason that I would rather live here than on the white beaches of Florida. Which I have tried and failed. The second elephant, is the current state and possible future for our national and international economies. We are in uncharted waters. There are too many unknowns. And a lot of fears. My feelings? Alaska will survive and can survive anything. We are surrounded by resources. Ripe and ready. But ensuring that the foundation and structures in place can sustain and maintain these resources is and should be our first goal. Mayor Ward has only just begun to scratch the surface in ensuring that these two pivotal pieces align with the heart of the city as a community.

When you I a plumber to fix the sink, I am paying for a service. I understand the work is not free. There was a service fee that I asked for in requesting the service itself. This is what our taxes pay for. When I shop and pay tax, I am paying a 'service fee' because I like enjoying the clean streets. I like the sense and beauty of my community when I see the parks, and flowers, and thematic North Pole lights. And if the two dollars and fifty cents that I just paid in taxes on a \$50 dollar purchase helps me invest in what I want and enjoy in my living environment, then I will willingly pay.

On the flip side, if the community decides that it doesn't want these services, then they need to let us know. In providing a foundation and structure of services that new businesses can develop in, taxes (or fees) are requested from those who use these services. Again, taxes are not evil. Money is not evil. It is a tool. To be invested and made to work and increase on its own. I don't work for money. Money works for me. I reap what I sow. If I plant corn, I don't get potatoes. If I don't plant, I don't get anything, and what I have is eaten up quickly.

When I first approached the Mayor with my objections about a sales tax, I was met with openness and sincere consideration. And having to consider increasing taxes to the city was the last thing anyone of us wanted. However, with the revenue shortfalls we were faced with some hard choices. Not to mention the deferred maintenance of city property providing services, and absolutely no savings to cover fleet vehicle replacements. Solutions were raised and thoughtfully considered. But, in my opinion, there were only two viable options. One, we can direct the city to cut services by a third or more, most of which are already strained. Or, we increase the sales tax. Sales tax being by far the most fair to those who strain the system. And as an investment back into our city property owners, a decrease in the property tax mil rate, we hope will bring some relief in these unknown economic times.

North Pole is a great place to live and work. Employment in North Pole is at a premium for the 30,000 people who live within a 10 mile radius of our city center. Myself, I have saved more money on gas by shopping and working in the North Pole area than driving to the other side of

Fairbanks every day. This is my home. This is my community. I enjoy the high quality of life we experience here.

I encourage everyone to be open to a change in perspective. Allow as many perspectives in so that the whole perspective might be seen. North Pole has so much to offer. And I would say that it is the epi-center of potential development and growth in business and exceptional community living. And that it can become the paradigm model of success.

With all that being said, I stand behind the proposed plan by Mayor Ward. With the exception of the proposed amendments and retaining certain exemptions.

Ms. Hunter thanked the people who came and testified tonight. She had a change of direction that she wasn't anticipating. She is glad to be paying the tax for the return she gets. Paying the sales tax is worth it. Initially it seemed better to stretch it out over more people with sales tax. After hearing testimony she feels that she would more entertain a mill rate increase. She is cautious of cutting city services and still wants to maintain the same level as we have now.

Mayor Ward said he found the whole process very encouraging and moving forward. Sounds as though they don't have a plan that the public and council likes. There are three goals; reserves establish vehicle fleet fund; and build general fund cash to a minimum of 25% of operating budget by end of 2017. Part of that was to increase the sales tax and decrease the mill rate. He appreciates the opportunity would like to see it go through but again he is encouraged by the community you live in.

Mr. McGhee said there are some other areas and can maintained the mill rate and financial responsibility and some of the projects that we are doing and redirect those funds. The utility department is the one to come up with the most saving and. He said the city is spending over \$35,000 a year at producing events. He stated that they are good at it but asking a very simple question; what plan have you put forward to redirect cost and financial needs. Fire and police need to regroup. There is potential and he encouraged the mayor to keep the workshops going.

FAILED

YES: 2 – Sikma, Ward

NO: 5 – Nelson, McGhee, Holm Smith Hunter

Absent: 0

ORDINANCE 13-05, AND ORDINANCE AMENDING TITLE 4, REVENUE AND FINANCE, CHAPTER 4.04, FISCAL YEAR, AND INTRODUCING SECTION 4.04.030 GENERAL FUND CAPITAL PROJECT FUND, 4.04.040 GENERAL FUND VEHICLE AND HEAVY EQUIPMENT FLEET FUND, AND 4.04.050 UTILITY DEPARTMENT VEHICLE AND HEAVY EQUIPMENT FLEET FUND

Mr. McGhee *moved to Postpone Ordinance 13-05, And Ordinance Amending Title 4, Revenue And Finance, Chapter 4.04, Fiscal Year, And Introducing Section 4.04.030 General Fund Capital Project Fund, 4.04.040 General Fund Vehicle And Heavy*

Equipment Fleet Fund, And 4.04.050 Utility Department Vehicle And Heavy Equipment Fleet Fund until July 1, 2013

Public Comment

None

Mr. McGhee *moved to* Introduce and Advance Ordinance 13-05, And Ordinance Amending Title 4, Revenue And Finance, Chapter 4.04, Fiscal Year, And Introducing Section 4.04.030 General Fund Capital Project Fund, 4.04.040 General Fund Vehicle And Heavy Equipment Fleet Fund, And 4.04.050 Utility Department Vehicle And Heavy Equipment Fleet Fund

Seconded by Mr. Nelson

Discussion

Ms. Sikma asked if they could bring it up before that date.

Mr. McGhee said he doesn't want to see this die but would like to be able to discuss it at a later date and set up more workshops to find funding so the residents could agree with it.

Ms. Hunter wanted clarification on how this was going to be funded. She asked if it could be postponed.

Mayor Ward said this was tied to the sales tax and with the mill rate. He said this could be amended and then brought back at a later date.

PASSED

YES: 7 – Sikma, Hunter, Holm, Nelson, Smith, McGhee, Ward

NO: 0

Absent: 0

ORDINANCE 13-06, AN ORDINANCE AMENDING TITLE 2, CHAPTER 2.36 PAY, OF THE PERSONNEL CODE

Mayor Ward stated that this ordinance includes changing some designations, housekeeping, and an area of change in code in relation to line items 56, 57, and 60; and removing the word council. He said they had been hiring above the lowest range and it is against code. This would also allow one of the employees to continue their education to attain her CMC.

Public Comment

None

Mr. McGhee *moved to* Introduce and Advance Ordinance 13-06, An Ordinance Amending Title 2, Chapter 2.36 Pay, Of the Personnel Code

Seconded by Ms. Sikma

Discussion

Mr. McGhee said this is a perfect example of the growth in City when the times are tight. The City has not needed a Deputy Clerk and only needed someone when the Clerk has been at training or vacation and then need someone to sit in to only take minutes and record meetings. He didn't feel that now is not the time to do this. He also does not agree to take away the councils power to decide on pay or the over hire on this ordinance.

Mr. Holm said that he agrees with everything that Mr. McGhee said and reminded council who they work for; the citizens of the city, not the employees. The Council is being asked to tow the line and that's what they should do.

Ms. Sikma asked what the Deputy Clerk does.

Mrs. Weber stated that Mrs. Fogarty has already started to get credits to become a Certified Municipal Clerk on her own and through the City. Without having the designation from the City, the IIMC does not want to grant those credits. She has not asked for any monetary increase and is a great asset with her knowledge of the area.

Ms. Sikma said this ordinance was basically to allow the mayor to hire someone at a higher rate as long as it was already budgeted for.

Ms. Hunter asked if we were adding an additional position by adding a Deputy Clerk.

Mayor Ward stated that the city was not adding another position but only adding a designation to an existing position.

Mr. Smith asked if the City has a mechanism where employees would be able to take classes and be reimbursed for them through the City.

Mrs. Weber said that there is a mechanism through code where employees could take classes that benefit their job and would be reimbursed once approved by their supervisor.

Mr. Ward encouraged the council to move this forward to the next meeting.

Mayor Ward *moved to Amend at line 58 after "above the minimum" Any proposed changes in wages, salaries, and benefits not provided for in the adopted annual budget must first be approved by the council.*

Seconded by Ms. Sikma

Discussion

Mr. McGhee said he didn't see any need to amend it and that it was already stated in this ordinance.

Mayor Ward said he took this from the City of Fairbanks code and gave an explanation of how that would be and that he would not have to come before council every time as long as it was budgeted for.

Ms. Hunter said this would take away the ability of the council to not fill a position if the budget required that. This takes away some of the fiduciary duties that the council may wish to. She said she was leery to approve that.

Mr. Holm said he is not in favor of the ordinance and needs to start looking at attrition and not keep replacing everyone that leaves our employment. He doesn't want to see anything pass that would take from this council affectively letting attrition take its place.

Mayor Ward said this would basically be allowing the Mayor to make the decision instead of bringing it before the council every time as long as it was budgeted.

Mr. McGhee is not for the amendment. In the case where we can't fill a position then the council needs to have that power. He doesn't want to take that authority away. This is why this is already in place in code. He disagrees with ordinance. He challenged whether Ms. Sikma and Ms. Hunter could even vote on this subject. He said the council was uninformed.

Ms. Hunter raised a point of objection.

Mr. McGhee said that this is the time to cut and not increase.

Ms. Sikma said she received the information last Friday. She said that this had nothing to do with the increase in pay for a Deputy Clerk designation but to add it. She saw nothing wrong with the amendment or ordinance.

PASSED

YES: 3 – Sikma, Smith, Ward

NO: 4 – Hunter, Holm, Nelson, McGhee,

Absent: 0

On the Main Motion

PASSED

YES: 3 – Sikma, Smith, Ward

NO: 4 – Hunter, Holm, Nelson, McGhee,

Absent: 0

COUNCIL COMMENTS

Ms. Sikma – tough process and echoed the mayor's words that this has been an encouraging process. She said it is really difficult as a newly elected official in a small town with a large burden to make the right decision without input and solutions being presented by those that we serve; our employees, residents, and business owners. She said to continue giving input and

telling us what you want so we all the facts to sustain and raise our families.

Mr. Holm – publicly thank all the people that came and testified and he feels personally a little justified in the position that he is taking on the council and that is that the city needs to reduce spending until we can get additional sources of income.

Mr. Smith – appreciates all the people who came out tonight and the mayor for putting this together and the input from the community. He appreciates the Mayor for bringing forth options and giving us ideas.

Mr. Nelson – thanked everyone for coming out. There was hard deliberation.

Mr. McGhee – loves an audience and thanked the employees for coming out for whatever reason. He has been in the City for 20 years and has made a lot of people mad on the council including the mayors and clerk from time to time and said it is never personal and offered an apology to anyone who took it personal. He said we have to say the things we say to be understood. It's the hardest thing for the departments to bring back to the mayor and the council a way to maintain services and maintain moral at a steady level and it won't be easy. He doesn't envy the new employees to hear the council say things like what we've said like the NPEDC and cutting them. Those are hard thing to say and council has to say it. Whether he is right or wrong he will be voted down by council or voted out of the seat. We have to say it and need public support. Mr. McGhee said it was nice to see Francie Cork here tonight. He asked the public to help council understand what to do to make it better. He thanked the mayor for what he brought forward tonight and Ms. Weber and Ms. Hunter for putting up with him and apologized because he didn't mean it personal. It wasn't anyone's fault that email went down but it's our responsibility to follow up and we have to. He hopes that department heads and employees can get together and come back to council with a proposal to maintain stability and keep everyone proud and happy to live and work here.

Ms. Hunter – not going to take Mr. McGhee's remarks personal but is going to comment on them. She does not think it is in the best interest of city council and a collegial atmosphere to accuse someone of not being prepared based on the questions that they ask during the meeting. She said that Mr. McGhee may have formed that opinion but that is something that you should come and talk to a council member about after, and she would have respectfully have listened. Ms. Hunter said she did pick up her agenda before the meeting this afternoon and did read it and did have some questions. The comments that Mr. McGhee made may have had the unintended consequences of saying to City Council members, 'if you asked questions of clarification maybe that puts you in a bad light'. She said that asking questions is very important for people because they have to be clear as to what they are voting on, how two pieces fit together. She thanked everyone for testifying and said it makes the city operate better and they welcome it and need it and to makes us a team.

Mayor Ward –thanked the public and staff for coming out tonight. He said this is part of the public process and you may not always like the way it turns out, it might not always go in your favor, but it is a part of the process. If there is a question on any of the agenda's that we have coming up or need an agenda, they are posted on the website www.northpolealaska.com. He encouraged the public to come in and ask questions and that his door is always open.

ADJOURNMENT

Mr. McGhee adjourned the meeting at 9:52 p.m.

Seconded by Ms. Sikma

The regular meeting of April 1, 2013 adjourned at 9:52 p.m.

These minutes passed and approved by a duly constituted quorum of the North Pole City Council on Monday, April 15, 2013.





Bryce J. Ward, Mayor

ATTEST:



Kathryn M. Weber, MMC
North Pole City Clerk