

**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 6, 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, May 6, 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***

**Excused**

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

Pledge of Allegiance led by Mayor Ward  
National Anthem sung by Ice House Gang-Barber Shop Quartet  
Richard Holm, Jo Knox, Stephen Harmon, Steve Caskey

**INVOCATION**

Invocation was given by Ice House Gang – Barber Shop Quartet

**APPROVAL OF AGENDA**

**Mr. McGhee *moved to Approve the Agenda of May 6, 2013***

**Seconded by Mr. Holm**

**Discussion**

None

**Mr. McGhee *moved to amend the agenda to put Executive Session as #11 on the agenda and move each item to the next number.***

**Seconded by Mr. Nelson**

**Discussion**

Mr. Holm asked if the council could meet in another room so the audience could stay in the council chambers.

**PASSED**

**YES – 6 –Sikma, Holm, Smith, Nelson, McGhee, Ward**

NO – 0  
Absent – 1 Hunter

**On the main motion as amended**

**PASSED**

YES – 6 –Sikma, Holm, Smith, Nelson, McGhee, Ward  
NO – 0  
Absent – 1 Hunter

**APPROVAL OF MINUTES**

**Ms. Sikma moved to Approve the minutes of April 15, 2013**

**Seconded by Mr. McGhee**

**Discussion**

None

**PASSED**

YES – 6 –Sikma, Holm, Smith, Nelson, McGhee, Ward  
NO – 0  
Absent – 1 - Hunter

**COMMUNICATIONS FROM THE MAYOR**

May 9<sup>th</sup> is the Senior Citizen appreciation lunch at Carlson Center

The Fairbanks chapter of the Alaska Travel Industry Association would like to invite you to the start of the 2013 Visitor Industry Walk For Charity.

The visitor industry is Alaska's second largest industry, employing more than 60,000 people. The ATIA - Fairbanks chapter represents the members of the visitor industry located in Interior Alaska from Delta around to Healy and up to Coldfoot...and of course North Pole and Fairbanks in between.

Friday, 10 May 2013 6:00 PM Start Golden Heart Bridge on the Immaculate Conception Church side of the river

Saturday May 11<sup>th</sup> is the rescheduled Clean Up Day for the Interior. Please take all bags to the transfer stations or the FNSB Landfill, do not leave them on the side of the road.

Monday May 13<sup>th</sup> at 7pm is the North Pole High School Graduation at the Carlson Center

**Several of the major events attended by Mayor Ward**

Proclamation for Day of the Young Child at Head Start

Proclamation for Earth Day with Mayors Hopkins, Cleworth at Fort Wainwrights AK  
Attended the Listening session at FTWW AK and spoke on the importance of FTWW to the interior

Attended my 1<sup>st</sup> meeting of the Economic Development Commission (FNSB)

Attended General Garrets Community Advisory Meeting (FTWW)

Attended the Community Advisory Board Meeting with Flint Hills

Met with General Hoog at Eielson AFB about sequestrations and the f-16 move

Attended the National Day of Prayer Breakfast at New Jerusalem Church of God and read proclamation

Testified about our EMS contract and the need for additional funding at the FNSB budget meeting

Attended the Mayors Art Show at Pioneer Park

Attended the NPFDP dinner with special guest Lt. Governor Mead Treadwell

### **Presentation of the 2012**

Michelle Drew presented the 2012 Audit by Mikunda Cottrell, Inc. -

### **COUNCIL MEMBER QUESTIONS OF THE MAYOR**

None

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

#### **Police Department, Chief Dutra**

- I want to thank Terri Nelson for nominating the department for Family Friendly workplace. I may not have one any prize but I am humbled that I was even nominated. Thank you Terri.
- Drug Take Back last Saturday was a success. We brought in over 15 lbs of medication.
- We started Chena Lakes on the 2<sup>nd</sup>. Officer Fisher is assigned to park until further notice.
  - Ofc. McBroom is not going to return to full duty for some time due to injury in academy.
- Ofc. McBroom and Officer Bean graduate the 9<sup>th</sup> at 1pm – 3pm Pioneer park. Invite you to attend.
- Vehicle unit #13 is back from Chaz sustained over \$8k in damage. Sent back for some small repairs.
- AHSO Traffic Grant closes on 12<sup>th</sup> our grant should be in by 8<sup>th</sup>. Lt. Rathbun is working hard on completing this.
- Officer Milne is officially off FTO and starts on Thursday on his own until August when he is off to academy.
- Please drive slow on the roads and wear your seatbelt.

- I have given you statistics. Still working with Dispatch to find a better report with less extraneous details.
- We will start to seek estimates for roof to do a hot mop to help get roof to last another year till money can be found to fix or repair.

**Fire Department, Chief Lane**

- Smart 911 is a national organization that the local 911 service provides. You can go to Smart911.com and build a profile so when you dial 911 from any of your phones your profile will pop up. All your medical information can be put into that along with any information that can help emergency crews to serve you better.

**Director of City Services, Bill Butler**  
**Building Department**

<b>Project</b>	<b>Type</b>	<b>Cost</b>	<b>Status</b>
Eagles Wings Assisted Living, addition	Com/Inst/Ind*	\$190,320	Pending
Safeway Pharmacy, remodel	Com/Inst/Ind	\$25,000	Awarded
Garage/shop building, new	Residential	\$183,779	Pending
Flint Hills Maintenance Building, blast upgrades, remodel	Com/Inst/Ind	\$900,000	Pending
Westcott Pool Fire Alarm Upgrades, remodel	Com/Inst/Ind	\$110,000	Not submitted
North Pole Library, new	Com/Inst/Ind	Est. \$8,000,000	Not submitted
Moose Lodge, roof replacement, remodel	Com/Inst/Ind	\$15,331	Awarded

\* Com/Inst/Ind: Commercial/Institutional/Industrial

**Public Works**

- Busy construction season for Public Works-related projects this summer.
  - Pedestrian/Bike Path Connections
  - 5<sup>th</sup> & 7<sup>th</sup> Avenue Repaving
  - 8<sup>th</sup> Avenue Repaving
  - Surface repaving: Parts of Parkway & 2<sup>nd</sup> Ave., Lewis Street, 1<sup>st</sup> Ave., and Yukon
  - LED Streetlights
  - Santa Claus Lane bus stop
- Still recruiting Public Works summer hire positions
  - Planned start date for summer hires is Mid-May
- GVEA appears to have been overcharging the City for unmetered streetlights
  - Overcharge could have exceeded \$7,000 per year
  - Working with GVEA to reduce current charges and request reimbursement for past overcharges

### **Utility Department**

- Request for Bids for the sewer lining project will close of May 9
  - Expect to make a recommendation to Council on May 20<sup>th</sup> meeting
  - Expensive project estimated at \$3 million
  - Seeking a short-term line of credit to protect City's cash flow should it be necessary
  - Sulfolane groundwater contamination has potential to affect project

Mr. McGhee asked Mr. Butler to look into the permit for parking at the Moose Lodge.

Mr. Smith asked about re-paving and when streets would be swept.

### **Natural Gas Utility Board**

- Utility board has submitted a request to the Alaska Regulatory Commission for a service area
- Moving toward contracting for professional manager

### **City Accountant, Lisa Vaughn**

- Finishing up audit work.
- Will be out of the office attending AGFOA in Talkeetna

### **Borough Representative**

- Mayor testified on EMS contract at the borough to request additional monies and is working on a solution to that.

### **City Clerk**

- Ms. Weber will not be at the next council meeting as I will be attending a conference out of state. I will give a presentation when I return.
- Sent election calendar off to the borough and will be meeting with them this week to discuss the October election and changing our election code to coincide with the borough.

### **ONGOING PROJECTS**

Christmas In Ice – Ron Jones

Mr. Jones stated that Christmas in Ice was nominated as one of the best events in the Interior. They are drawing more people each year.

### **CITIZENS COMMENTS**

FCVB – Amy Geiger

Ms. Deiger spoke on the marketing of the different seasons and thanked North Pole for offering

rich programs and she enjoys including North Pole n advertising for different magazines. She spoke in favor of Christmas in Ice stated that it was a Segway to the International ice events. She applauded the city for the International Sled dog races. Dog mushing events are a big hit in the Interior. The aurora borealis is also something that visitors come for. The Interior was chosen as one of the top 10 destinations in America.

FCVB - Ed Malen-

Mr. Malen spoke on FCVB and is the overseas promoter for the Interior.

**Executive Session**

**Mr. McGhee moved to adjourn into Executive Session at 8:07 p.m.**

**Seconded by Mr. Nelson**

*Mayor Ward brought the meeting back to order at 8:25 p.m.*

**Mr. Holm moved to approve the personnel issue that was discussed in Executive Session**

**Seconded by Mr. McGhee**

**PASSED**

YES – 6 –Sikma, Holm, Smith, Nelson, McGhee, Ward

NO – 0

Absent – 1 - Hunter

**OLD BUSINESS**

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

Mayor Ward stated Ms. Hunter had requested that this ordinance be reconsidered. However, Ms. Hunter was unable to attend the meeting tonight.

**Seconded by Ms. Sikma**

**Discussion**

Mr. Holm stated that he was not in favor of this reconsideration.

Mr. McGhee stated that he did not agree with it and would not vote for it.

Mayor Ward felt that this was a good item to reconsider as there are issues in the ordinance pertaining to the Personnel Code that would be beneficial to address and asked the council to reconsider it and that it could be postponed to a later date.

**FAILED**

YES: 2 – Sikma, Ward

NO: 4 – Nelson, McGhee, Holm, Smith

Absent: 1 - Hunter

**NEW BUSINESS**

**RECOMMENDATION TO PURCHASE FORENSIC EQUIPMENT FOR THE NPPD IN THE AMOUNT OF \$11,585 WITH STATE FORFEITURE FUNDS AND ICAC FUNDS FROM ANCHORAGE POLICE DEPARTMENT**

Chief Dutra gave a presentation on the device that the NPPD is wanting to purchase. There will be a \$3,000 support fee each year and they are funding this with state forfeiture funds.

Mr. Holm asked said he was concerned about the cost and asked if there were any concerns about privacy information that you can extract from these devices and how many times a month this would be needed.

Chief Dutra said that there would not be a problem with the privacy issue and that this would be use about 30 times a week.

Mr. Nelson said that this would help with efficiency. He asked how often will this be used.

Mr. Smith asked about the warranty and how durable this would be.

Ms. Sikma asked about how long it takes to drop off the phone to FPD and then get the info back.

Chief Dutra said that in a homicide it could take up to 5 hours to get the info.

Mr. McGhee asked what the liability would be if they had the wrong phone and if this device would be limited to certain personnel.

Chief Dutra stated that it would be in good faith and that it would be case by case as to who is privy to the information. He also said that only 2 officers would be able to have access to the device at this time.

**Public Comment**

None

**Mr. McGhee *moved to* Approve Recommendation to purchase forensic equipment for the NPPD in the amount of \$11,585 with state forfeiture funds and ICAC funds from Anchorage Police Department**

**Seconded by Mr. Smith**

**Discussion**

Mr. Holm recommended to council and the mayor that if the purchase is approved that they look into marketing it to turn it into some revenue for the city.

Mr. McGhee said he is concerned about abuse and if only 2 officers are able to use it and that we wouldn't be able to market it because of legal liability.

Mr. Holm said he didn't think this was a place to discuss whether it was a good or bad thing. He also said that we trust these officer's in our employ and that he didn't think they would do anything wrong with that information.

Mr. Ward said that he believes there is probably a current policy by the other entities that we could use.

**PASSED**

YES – 6 –Sikma, Holm, Smith, Nelson, McGhee, Ward

NO – 0

Absent – 0

**RECOMMENDATION TO PURCHASE A POLICE MOTORCYCLE FOR NPPD IN THE AMOUNT OF \$18,150 WITH FEDERAL FORFEITURE FUNDS**

Chief Dutra stated that they had sold the snow machines that were given to them by the DEA. He said that this is an exchange and they are looking to purchase a motorcycle. He stated that \$16,000 is from the sale of the snow machines and that the other \$2,000 is coming from federal forfeiture funds. He will be taking a car off the insurance and that this will also be saving on fuel. It is an opportunity to work with the public and is a PR tool. They hope to send someone to training, and use it on patrol. He stated that this should last the department for 25 years. Chief Dutra stated that this would be a good thing for the community.

Mr. McGhee asked if they had done an analysis on the cost of the bike and how many certified riders they have and if they still had all the equipment from the last bike.

Chief Dutra stated that he had not done an analysis and that there were 2 certified riders in the department. He also stated that they had all the equipment from the last bike.

Mr. Holm asked whether or not they could find something better to spend the money on. He was concerned about the upkeep of the bike and training of additional individuals.

Mr. Smith asked how the Harley program worked in the past. He also asked if this money could be used to repair the roof.

Chief Dutra stated that they leased it to the city for a \$1 and that the DEA money was to be used for likewise equipment and for law enforcements.

Mr. Smith asked if there were other bikes like crotch rockets that the force could use.

Chief Dutra stated that there would be no pursuits on this Harley.

Mr. Holm asked what other departments in the state use motorcycles.



Mr. Ward asked if this money was only used for police duties.

Chief Dutra stated that all monies had to be spent on police duties.

Mr. Smith asked if these funds could be used for a rainy day fund or if it could be used for other things in the department.

### **Public Comment**

Mike Welch, 937 Les Rogers Turnaround

Mr. Welch wondered how much use the department would get out of the bike. He said that he didn't think it would show much of a savings and that the concerns of the council are legitimate. He also stated that the City of Fairbanks put twice the miles on their bike. He spoke against the purchase of the Harley.

Tammy Randolph, 653 Blanket Blvd

Ms. Randolph said that the purchase of the bike is a waste of money and time. She felt there was a much better use for the \$18,000 and that there is no real saving and no real benefit for the city. The insurance on the bike is expensive. She said that Harley targets high class customers and represents affluence and that is not the picture that we want to paint in North Pole when you're asking to raise the sales tax or mill rate and then turn around and spend money on a toy that is not a necessity. She said it was dangerous and they needed more equipment for the bike and training. She spoke against the NPPD buying a motor bike. She said they need to save money and not spend.

Chris Brenner, 2593 Perimeter Dr.

Mr. Brenner spoke in favor of the purchase of the Harley as an educational tool. He said it would connect the teenagers to the police department. He said it wasn't coming out of the city budget and out of the federal funds. He felt this was a positive thing.

Ron Jones, 2410 San Augustin Dr.

Mr. Jones said that this is something that could benefit the city and that unfortunately this money can only be used for specific things. He said that the storage fees, warranty, and other expenditures should be in front of the council. He hopes they can reconsider where the funds can go.

Ron Therriault, 2578 Noatak St.

Mr. Therriault cautioned the council on the safety of the motorcycle and the expense and that the city is opening itself up to inherent costs and the liability. He spoke against the motorcycle and said that if the department was bigger that this could be something they could use.

Chief Dutra, 2368 Shelia Way

Chief Dutra said that there were 2 snow machines that sat outside that did nothing for the department. The plan was to turn these items into something that would be good for the community that is a benefit to the department and to decrease the wear and tear on the equipment they currently use. He said this was something to help with PR. Whether people agree or

disagree he turned two things that would be sitting in the police yard year after year doing nothing for the community and turn it into something that was more valuable to the department on a daily basis during the nice summer months. He stated that back in the day when the Harley Outpost donated the bikes for the summer there was only one person certified to ride and now there are two and they plan on expanding that. Previous Chiefs did not allow officers do patrol on these but things are going to change and they will start doing that. He said this is a positive thing for the community and a good asset.

Mr. Smith asked if they have talked with Harley about giving the city a bike.

Dave Stevenson, 1607 Tamarac

Mr. Stevenson did the motor squad at Fairbanks Police Department. He spoke to the issues on upkeep of the motor bike, oil changes, tires and replacement of tires on a ten year rotation. He stated that as far as liability was concerned, every time a light is turned on, whether it is a motor bike or police car it becomes a liability to the officer. A motor bike can beat the other officers to calls and it is also useful on foot pursuit as they can go onto the bike path to chase them down. He stated that he did the motor squad from 1999 through 2010. The reason that the police departments are no longer a part of the previous program is that Harley Davidson met financial difficulties and couldn't continue the program.

Mr. Holm asked if Fairbanks Police Department had a motor patrol and if not why.

Mr. Stevenson said Fairbanks Police Department didn't have a motor patrol because they couldn't afford to buy one after the discontinuation of the Harley program.

**Mr. McGhee *moved to Approve Recommendation To Purchase A Police Motorcycle For Nppd In The Amount Of \$18,150 With Federal Forfeiture Funds***

**Seconded by Mr. Nelson**

**Discussion**

Mr. McGhee gave a history of Harley Davidson and why NPPD would profit from having a motorcycle and the PR that it would provide for the department. He gave a cost breakdown of the Harley and spoke about how the motorcycle handles on the road. He said that the department already has the radios and equipment. He pays little insurance on the bike and there are already license skilled motorcycle drivers. He said that it was possible that if they contacted Harley Davidson they may pay for something like decals or other equipment. He spoke in favor of the purchase.

Mr. Holm said he is very concerned about the additional cost of the maintenance and training. He said it's the perception of the community he doesn't want to be a marketer for Harley Davidson or anyone else. He commented that our police officers already have a bad reputation from the public who jokingly call them ticket capital of Alaska and that our officers are out doing nothing but handing out tickets. He stated that people are going to see the bike and say that's what they spent their ticket money on. The council has been asked to raise the mill rate and to raise the sales tax and now they've been asked to do something irresponsible as to buy a motorcycle. He thought there were better things to use the money for and that the City just sold

the snow machines and there is not a time limit on these funds. He asked council to be responsible rather than spend it on a three month toy.

Ms. Sikmas spoke in favor of it saying it was a good investment. She felt it was a great message to send to the community and obvious to the cost between a car and motorcycle. She talked with the Police Chief about this and believed this was a good idea.

Mr. Ward said it is important to understand the intent and that the money has derived from money from the DEA. These funds have to be used to further police activities and it cannot be used for budgeted items. This is a good PR tool and we could put it away for a rainy day and that he felt this was not an irresponsible action. He said it was an acceptable use of the funds at this time.

Mr. McGhee said he owns over \$100,000 in “toys” and doesn’t look at this as a toy but as a law enforcement PR tool. He said the motor bike has a resale value greater than anything the city owns. As an employee at Harley Davidson when the former bikes were returned, they were the first bikes that re-sold and they maintain their value.

**PASSED**

YES – 4 –Sikma, Nelson, McGhee, Ward

NO – 2 – Holm, Smith

Absent – 1 - Hunter

**RECOMMENDATION TO PURCHASE A BACKHOE FOR THE UTILITY AND PUBLIC WORKS DEPARTMENTS**

Mr. Butler informed council on the bid for the backhoe and a list of the past 5 years of rental for the city and projects.

Mr. Smith asked if the Bobcat can do the snow removal instead of the backhoe.

Mr. Butler gave reasons for the use of the Bobcat and the Backhoe.

Mr. Smith asked how many time the city has had to break into lines for residents.

Mr. Butler said that they usually only do one or two a year but they do have to dig the fire hydrant. Over time they want to replace those hydrants.

Mr. Smith asked about the frost teeth.

Mr. Butler said that they did have that as an added alternative.

Mr. Holm said he questioned the expense and the maintenance from year to year.

Mr. Butler said that if they needed to do a large project they would need to rent something bigger.

Mr. Holm said that with the numbers that the Mr. Butler gave him, he didn't see where we needed to invest that kind of money.

Mr. Butler said that the money for the backhoe was taken out of the roads budget. He asked them to consider the fact that this is not only from Public Works but from Utilities also.

**Public Comment**

Ron Jones, 2410 San Augustus

Mr. Jones said that the council needs to be prudent about how they spend their money. He said this looks bad for the city but the Harley is nothing compared to this. He said the money could be spent better. He asked them to go forth and do what is best for the city.

Tammy Randolph, 653

Ms. Randolph stated that the draw down in 2012 on the general fund was \$91,000 and she reminded the Mayor that he campaigned on fiscal responsibility in getting our financial house in order. She said the council has already asked to increase the sales tax to citizens and now they're asking for a mill rate increase on top of what the borough will increase this year. She stated that what the City really needed was an officer on a 4-wheeler to get all the 4-wheelers in town that are illegally riding in the City limits which as been ignored by this entire city. Ms. Randolph said that there are a lot of contractors in this town that would rent the City a backhoe and that in 5 years they have only spent \$10,200 on a backhoe which is less than \$2,000 a year. She spoke against the purchase of the backhoe

Ron Therriault

Mr. Therriault said he has a vested interest because he has a rental equipment business. He stated that everything that the backhoe can do, there is something else that will do the job better. Mr. Therriault stated that he has the only equipment rental business in town and that if he rents at the rental rates he charges that the City has a 10 year account. He couldn't envision the City putting enough hours on a piece of equipment. He stated that he has all the equipment that the City can use. He spoke against the city purchasing a backhoe.

Paul Trissel,

Mr. Trissel said that this is a multi use tool and the City cannot find heated equipment all winter long. He said there are a lot of things they can do in house for the maintenance activities. In the summer there are contractors who are using their equipment and therefore cannot and move pipes stored and parts and pieces to fix hydrants. It's an all-around piece of equipment and have been putting money aside in hopes of getting one.

Mr. Smith asked how they use the Bobcat.

Mr. Trissel said they can use the bobcat to jump chemicals into the water plant because it can't lift a pallet of soda ash. They use it also for some dirt removal and for cleanup.

**Mr. McGhee *move to* extend the rules until midnight.**

**Seconded by Ms. Sikma**

**Approved unanimously**

**Mr. McGhee moved to suspend the rules to break for 5 minutes**

**Seconded by Mr. Nelson**

**Approved Unanimously**

**Mayor Ward brought the meeting back to order at 10:09 p.m.**

Paul Brown, Santa Claus House

Mr. Brown spoke against the backhoe and agreed with Mr. Therriault that the backhoe was not the best tool. He said the benefit of leasing equipment is that you get the best tool for the job. He also said that Santa Claus House has a lot of property and that if they need a piece of equipment they can rent it from Mr. Therriault. He respectfully disagreed with Mr. Trissel because he has called Mr. Therriault in the middle of the night and other equipment lessors in the middle of the night and has been able to get the piece of equipment for the job. Mr. Brown stated that there are people out there who have equipment and are available anytime day or night. He stated that he would love to spend \$100,000 on a backhoe but right now they need to be leasing the equipment.

**Mr. McGhee moved to Approve Recommendation To Purchase A Backhoe For The Utility And Public Works Departments**

**Seconded by Mr. Nelson**

**Discussion**

Mr. McGhee reminded council that they had already approved this in the budget and now all they are doing is approving the purchase. He stated that the Public Works department has been working towards this piece of equipment for quite a while. A backhoe is a utilitarian piece of equipment. He said Mr. Butler has done his homework and that in 5 years we spent \$142,988 on equipment rentals. You can't build a house without a framing hammer but this equipment will do a number of things. The auditors were already here tonight and said utilities is self-sufficient.

Mr. Nelson said that under new circumstances, this is not a good time for this purchase. He wanted to backtrack and take a second look.

Mr. McGhee said that council could reconsider the purchase of the backhoe for \$89,950, they could remove the \$89,950 from Public Works and put into general fund and have general fund balance come up and possibly use it for another department that could be losing a employee.

Mayor Ward stated that the portion out of Public Works is part of the general fund and could be used which is approximately \$33,000. The other \$66,000 is part of the Utility department and could not be transferred into general fund because it is an Enterprise Fund.

**FAILED**

YES – 2 – McGhee, Ward

NO – 4 – Holm, Nelson, Smith, Sikma

Absent – 1 - Hunter

**ORDINANCE 13-07, AN ORDINANCE AMENDING TITLE 8, HEALTH & SAFETY, SECTION 8.04.160, NOISE**

Mr. Butler explained why he is putting this ordinance forward. He said this was modeled after the city of Fairbanks and gives the mayor the authority for a variance on noise. He gave an example of the sewer project and that it would cost less if the contractors had to shut down and get a variance.

Mr. Smith asked if they worked at night.

Mr. McGhee asked if there have been any noise complaints.

Mr. Butler said that they have had complaints from residents but only periodic.

Mr. Smith asked if this was something that would affect the library.

Mr. Butler said that a contractor would now have the option to be able to do this with a call from the mayor.

**Public Comment**

Mr. Brown, 1807 Christine Drive

Mr. Brown said that this he is concerned about this noise ordinance and that this would replace two paragraphs with a whole lot of other stuff. This is GU zoning.

Francie Cork 401 Holiday

Ms. Cork stated that she likes the variance for construction but her concern is with the two pages of changes and she hopes to avoid some of these things. She doesn't want to become a tattle tale town. The police have too many other things to do.

Ron Therriault,

He spoke against this ordinance and said that he takes measures to be quiet at night and removes his back up alarms on his equipment. He said there is no way around plowing snow at night and the noise it makes. He said the city is not allowing for carnival, fireworks, and other noises and wishes there were a way to limit commercial noise but this is what we have to deal with.

Mayor Ward said that line 58 and 59 addresses construction.

**Mr. McGhee *moved to* Introduce and Advance Ordinance 13-07, An Ordinance Amending Title 8, Health & Safety, Section 8.04.160, Noise**

**Seconded by Mr. Sikma**

**Discussion**

Mr. McGhee said he was not for this at first as he has a motor cycle that he starts up at 5:00 a.m. to go riding and his neighbors can hear it. Since then he understands the purpose of this ordinance and the need by what Mr. Butler said which is construction in the summer months and is aware that since our construction is limited to the summer time he has no problem with a variance issued by the Mayor. He likes the old ordinance and would like to see what the other council members have to say.

Ms. Sikma said she was not for this ordinance and has talked with Chief Dutra and there aren't any noise issues and no reason to add more. There is a complaint system in place and it takes care of the issue.

**Ms. Sikma moved to Amend Ordinance 13-07 by Reinserting lines 15-24; strike lines 25-57 and lines 66-67.**

**Seconded by Mr. McGhee**

**Discussion**

Mayor Ward said that the issue behind this was being able to give the variance so contractors could construct the project.

**PASSED**

YES – 6 –Holm, Smith, Sikma, Nelson, McGhee, Ward  
NO – 0 -  
Absent – 1 – Hunter

*On the main motion as amended*

**Discussion**

None

**PASSED**

YES – 6 –Holm, Smith, Sikma, Nelson, McGhee, Ward  
NO – 0 -  
Absent – 1 – Hunter

**ORDINANCE 13-08, AN ORDINANCE AMENDING THE 2013 BUDGET AND LEVYING THE MILL RATE**

Mayor Ward gave the introduction to the ordinance. This is the first reading and he has made a few recommendations as were talked about in the budget workshop. He went over the projected changes for council.

**Public Comment**

Ron Therriault asked what the shortfall in the budget was.

Dawn Murphy, FCVB

Ms. Murphy said she gave the council a packet and there was information on marketing and the economic impact statement on tourism. It is based on data they received from May 2011 through May 2012. She gave a report on the ups and downs of tourism in the area. She said there has been growth in the winter tourism and is working with Paul Brown and North Pole Chamber and will be having a North Pole section in the summer guide.

Ms. Murphy also spoke on the bed tax and gave a history of it. She said that the hotel was worried that the monies wouldn't be used as they were proposed to.

Paul Brown, NPEDC

Mr. Brown said that balancing the budget off of the bed tax is dangerous. The tax was imposed as a way to market the tourism industry. He said that these monies could make or break some of these entities. He said that Christmas in Ice does have an impact on the community and that bed tax is an investment back into the community.

Mike Welch,

Mr. Welch said that he didn't know what Fairbanks Convention & Visitor's Bureau could do with \$1,700 in bed tax. He stated that it wouldn't be wise to cut North Pole Economic Development and Christmas in Ice funding. He spoke in favor of the mill rate increase and that we will need to rely on property tax. He said we are hurting ourselves by cutting the bed tax for these organizations.

Ron Therriault,

Mr. Therriault spoke in favor of keeping the bed tax. He is involved with Christmas in Ice and said they have brought in a lot of money for the city. By pulling the money, Christmas in Ice would be upside down.

**Mr. McGhee *moved to* Introduce and Advance Ordinance 13-08, An Ordinance Amending The 2013 Budget And Levying The Mill Rate**

**Seconded by Ms. Sikma**

### **Discussion**

**Mr. McGhee *moved to* Amend Ordinance 13-08 as follows:**

**Professional Services-**

**Line item 7201- NPCCC from \$10,583 to \$21,165**

**Line item 7203- Christmas in Ice from \$5,292 to \$10,583**

**Line item 7204- NPEDC from \$17,637 to \$35,274**

**Line item 7205- FCVB from \$1,764 to \$3,528**

**Seconded by Mr. Nelson**

### **Discussion**

Mr. McGhee said he looked at this from a different perspective and having been on council for many years he remembers very heated discussion on the gaming funds and where they were



spent. He feels the bed tax is the same way and it has dedicated purpose which helps to advertise, entice and encourage people to come to North Pole for activities. He wants to see the bed tax stay where it is.

Mayor Ward said that all he has heard lately is cut, cut, cut. He has a problem when they are trying to lay off positions and trying to provide essential services and is the City not able to fund essential services because they are funding other things.

Mr. Smith asked if our code clarified what the bed tax monies would be.

**PASSED**

YES – 3 – Nelson, McGhee, Smith

NO – 1 - Holm

Absent – 1 – Hunter

Abstained- 2 – Sikma, Ward

**Ms. Sikma moved to Amend Ordinance 13-08 as follows:**

**Public Works- Line item 7035 and reduce by \$33,000**

**Professional Services – Line item 7xxx and move to fund balance and decrease by \$2,275 for a new total of \$169,129**

**Seconded by Mr. McGhee**

**Discussion**

Ms. Sikma said these funds basically cover the amount of the bed tax being put back into the budget.

Mr. Smith asked what this does to the budget.

Ms. Sikma said that it balanced the budget.

Mayor Ward said his concern is that they are not filling a position at the police department which is about \$30,000 and he has a concern with that which is providing essential services, police & fire. Public Works is another service. When the budget was presented in December 2012, the monies that were taken out for the backhoe were taken out of the road budget. This will further hamper the ability of the public works to take care of the streets because of the loss of monies. In the previous discussion of the backhoe, council said to rent equipment, but a portion of those monies would have been used for rentals and now they aren't able to. The Mayor said he had an issue with this.

Mr. Smith said he liked the concept of balancing to 0 but the City is losing a police officer and Public Works is losing something that they had been saving for.

Mayor Ward reminded council that they are asking the Public Works department, which is the smaller of all the departments, to cut \$58,000 which is almost 10% of their budget.

Mr. McGhee said he is not in 100% concurrence with removing the \$32,000 from the Public Works that was put aside for other matters that council voted against and then using it to balance the difference in the bed tax. The mill levy increases the fund by \$146,000 and out of that the mayor is wanting to put \$171,000 out of the cuts plus the increases, into the fund balance. He felt that the council was trying to put away too much too fast. He was not in favor of this amendment.

Mayor Ward reminded council that this was the 1<sup>st</sup> reading of the ordinance.

**FAILED**

YES – 1- Sikma

NO – 4 - Nelson, McGhee, Holm, Smith, Ward

Absent- 1 – Hunter

**Mr. McGhee moved to Amend Ordinance 13-08 as follows:**

**Fire Dept. – Line item 7050 –reducing by \$11,000 / \$60,000 to \$49,000**

**Admin – Line item 7004 – reducing by \$3,000 /\$12,500 to \$9,500**

**Professional Services – Line item 7xxx – reducing by \$30,500**

**Seconded by Mr. Nelson**

**Discussion**

Mr. McGhee said that he wanted to make sure that things were distributed evenly.

**PASSED**

YES – 5 – Smith, Sikma, Nelson, McGhee, Ward

NO – 1 – Holm

Absent – 1 – Hunter

***On the main motion as amended***

**PASSED**

YES – 5 – Smith, Sikma, Nelson, McGhee, Ward

NO – 1 – Holm

Absent – 1 – Hunter

**RESOLUTION 13-08, A RESOLUTION GRANTING THE MAYOR AUTHORITY TO SIGN A SHORT-TERM LINE OF CREDIT TO FACILITATE CASH FLOW DURING THE SUMMER 2013 CONSTRUCTION SEASON.**

Mr. Butler explained to council why the city needs to have a short term line of credit. There are projects going on this summer with the utility department and he is also working closely with DEC.

Mr. Smith asked what the turnaround is on a payment.

Mr. Butler said that DEC has worked with them and that they were able to do a turnaround in 2 weeks.

Mr. Smith asked what the interest rate would be.

Mr. Butler stated that it is a variable rate.

**Public Comment**

None

**Mr. McGhee *moved to Approve Resolution 13-08, A Resolution Granting The Mayor Authority To Sign A Short-Term Line Of Credit To Facilitate Cash Flow During The Summer 2013 Construction Season***

**Seconded by Ms. Sikma**

**Discussion**

None

**PASSED**

YES – 6 –Sikma, Smith, Nelson, Holm, McGhee, Ward

NO – 0

Absent – 1 – Hunter

**RESOLUTION 13-09, A RESOLUTION ACCEPTING A PUBLIC USE EASEMENT ON THE NORTH POLE MIDDLE SCHOOL, TRACT D, ASLA 84-16, FOR A FITNESS RECREATIONAL TRAIL.**

Mr. Butler said the Public Works Dept is working on starting a Pedestrian Fitness Trail. This is a resource to the schools and also people in the community. There has already been \$10,000 donated by a volunteer for the city.

Mr. McGhee asked what sort of thing they would have at these stations.

Mr. Butler said he would be working with Julie from the Physical Fitness clinic.

**Public Comment**

Paul Brown

Mr. Brown encouraged the council to pass this and he would invest in this project.

**Mr. McGhee *moved to Approve Resolution 13-09, A Resolution Accepting A Public Use Easement On The North Pole Middle School, Tract D, Asla 84-16, For A Fitness Recreational Trail***

**Seconded by Ms. Sikma**

**Discussion**

Mr. Smith asked about dedication plaques.

Mr. Nelson said he had been on one of these trails in North Carolina and they are great for the community and families. He thinks this would be an excellent contribution to the city.

**PASSED**

YES – 6 –Sikma, Smith, Nelson, Holm, McGhee, Ward

NO – 0

Absent – 1 – Hunter

**COUNCIL COMMENTS**

None

**ADJOURNMENT**

**Mr. McGhee adjourned the meeting at 11:51 p.m.**

**Seconded by Mr. Holm**

The regular meeting of May 6, 2013 adjourned at 11:51 p.m.

**These minutes passed and approved** by a duly constituted quorum of the North Pole City Council on Monday, May 20, 2013.

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**Bryce J. Ward, Mayor**

**ATTEST:**

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**Kathryn M. Weber, MMC**  
**North Pole City Clerk**