

**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, June 17, 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, June 17, 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**

Led by Mayor Ward

**INVOCATION**

Invocation was given by Councilman McGhee

**APPROVAL OF AGENDA**

**Mr. McGhee moved to Approve the Agenda of June 17, 2013**

**Seconded by Mr. Smith**

**Discussion**

None

**Mr. McGhee moved to Amend the agenda by consenting the following item:**

Old Business

- a. Ordinance 13-09, An Ordinance Amending Title 15, Building and Construction, Chapter 15.05, Administrative Code, Concerning Valuation of Building Improvements for the Determination of Permit Fees

**Seconded by Mr. Holm**

**Discussion**

None

On the amendment

**PASSED**

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

NO – 0

Absent – 0

On the main motion as amended

**PASSED**

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

NO – 0

Absent – 0

**APPROVAL OF MINUTES**

**Mr. Nelson *moved to Approve the minutes of June 3, 2013***

**Seconded *by Ms. Sikma***

**Discussion**

Ms. Hunter requested that the minutes reflect the fact that Mayor Ward did not vote on the NPCCC request for donation of the property at the last meeting.

**PASSED**

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

NO – 0

Absent – 0

**COMMUNICATIONS FROM THE MAYOR**

**Mayors Remarks          6-17-13**

AK DEC will be hosting an Sulfolane open house Tuesday June 25<sup>th</sup> at the North Pole Council Chambers from 11am- 2pm and 4pm-7pm. and 4 p.m. – 7 p.m. This is an opportunity to speak with representatives of these state agencies and their team of experts who work directly with the investigation

4<sup>th</sup> of July Committee meeting will be June 19<sup>th</sup> at 6 pm in council chambers. Parade, booth, bike and Citizen of the Year applications are available in the front office. We are in desperate need of volunteers.

Applications for the 4<sup>th</sup> of July Parade are available at City Hall and also at the City website Northpolealaska.com. Nominations for Citizen of the Year are also available, the North Pole Council will be selecting the recipient at the next council meeting July 1st.

The Draft EIS (DEIS) has been released and public comments are being accepted through their website [www.alaskaf-16eis.com](http://www.alaskaf-16eis.com) Community public hearing dates for the Eielson F-16 EIS are as follows.

**July 12, 2013** Alaska State Fairground 2075 Glenn highway Palmer, AK **Start Time 6 pm**

**July 16, 2013** Mountain View community Center Boys and Girls Club 315 Price Street Anchorage, AK **Start Time 6 PM**

**July 17, 2013** Westmark Hotel Gold Ballroom 813 Noble Street Fairbanks, AK **Start Time 6pm**

**July 18, 2013 North Pole Worship Center 3340 Badger Road, North Pole, AK Start Time 6pm**

It is important that we get out and let the Air Force and our Congressional delegation know that we support the no-action alternative (do not move the F-16's) Please write to our Congress and comment on the DEIS. The goal is 10,000 comments in support of the no-action alternative.

Three bills were signed in North Pole last week by Governor Sean Parnell, Bills that were signed were the Flint Hills Oil Contract, Con and Nellie Miller Bridge bill and Senator Coghills investment bill.

Tomorrow July 18<sup>th</sup> at 10am there will be a celebration for the groundbreaking of the new library in North Pole. The celebration will take place at the ice skating rink at North Pole High School. Thank you to the Friends of The Library for your help in making this project come to fruition and for your help organizing the groundbreaking.

The State Rail plan committee is taking comments on their webpage, please offer your comments at <http://dot.alaska.gov/railplan>

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

Councilman Smith had some questions on grant money for the North Pole Fire Department.

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

#### **Fire Department, Chief Lane**

- None

**Director of City Services, Bill Butler**

**Build-out Commitment**

- Utilities agree to a defined six-year construction build out for the high and medium density areas to obtain an 80% market penetration for heated residential and commercial structures in the high and medium density areas to provide economic relief and mitigate the PM2.5 discharges.
- Utilities agree to financially commit to this six-year build-out schedule and to seek regulatory approval of it from the RCA.

**Service at Lowest Possible Cost**

- Utilities agree to offer a postage stamp rate on services for each rate class that strives to meet the community's goal of natural gas delivered to the point of usage at or below \$15.00/mcf in 2016 dollars.
- Utilities agree to commit to the RCA economic regulation of rates, and to transparency in establishing cost-of-service during the six-year build-out period.
- Utilities agree that grants for the distribution and storage system will not be allowed in the rate base either directly or indirectly through sale or other disposal.
- Utilities agree not to profit from AIDEA financing in any future asset or ownership equity transfer, and, further, will not employ public benefit financing as a means to enhance the sale value of the company in an ownership buy out.

**Target Air Quality Improvement**

- The broad conversion to clean natural gas will help achieve the national air quality standards for PM 2.5 and other compounds. Utilities acknowledge the need to build adequate distribution facilities and promote fuel-source conversions within the high and medium density areas to promote reductions of PM2.5 discharges.

**Security of Supply**

- Each portion of the gas supply system will be designed to utility standards and sized to ensure a firm supply of gas from source to the point of usage under all plausible event scenarios.
- Economic consideration will be made by AIDEA for any utility that makes investments that increase the utilization factor and/or reduce the capital cost of the North Slope Liquefaction facility.

**Ownership**

- All commitments for construction, financing, and performance transfer upon sale.
- Utilities will include these criteria as a part of any application to the RCA for an asset or ownership transfer.

**Meaningful Enforcement of Terms**

- To ensure timely build out, the allowable return on equity, as determined by the RCA, will be reduced by 10% for each year the construction milestones are missed. This reduction will be removed for each year of slippage, when the gas distribution system build-out is brought into compliance with the original construction schedule.
- Utilities agree to proactively comply with their RCA certificate obligations, which include a duty to provide service to all residential and commercial customers within their respective service areas where it is economically possible to provide service.
- Utilities agree that this established criteria shall be included in the terms and conditions of all documents providing public funds, whether through loan, grant, equity partnership, or some other mechanism to support utility infrastructure or operations.

Ms. Hunter asked about the roof at the middle school. She also commented on how nice the roundabouts are looking this year.

**Police Department, Chief Dutra**

- Swear in Kylie Gore
- Promotion for Sgt Binkley
- Stuff
- Working on new JAG Grant
- Chena Lakes contract going smooth
- Sgt. Bellant conducted two classes one for GVEA(Drugs) (1<sup>st</sup> Calvary DUI)
- We had a meth lab taken down.
- Convicted sex offender apprehended
- ICAC served search warrant on residence child porn distribution and possession
- Hosting FTO at city hall – Krav Maga DT course

**Accountant, Lisa Vaughn**

- Ms. Vaughn introduced the new Accounts Payable Clerk, Renee Beckman.
- Council has the May financials tonight. She is working on the May Reconciliations.

**Borough Representative**

- Nothing to report on the City of North Pole.

**City Clerk**

- Set up interviews for the Accounts Payable position, Review Board, and questions for the week of June 4 – 7. There were 16 applicants and it was unanimous that the position be offered to Renee Beckman. She started with the City on Monday, June 10<sup>th</sup>.
- Election calendar has been updated and sent to the FNSB. We will be able to conduct our election with the FNSB and City of Fairbanks. The election will be held on Tuesday, October 1<sup>st</sup>.
- We will be starting the task of looking into archiving programs over the next couple of months. So far we have looked at eDocs out of Anchorage and hope to work with the NPPD to share the cost of the programs.
- **Reminder** – There will be a potluck for Marilyn Zrucky on Friday, June 28<sup>th</sup> at City Hall from 11:30 – 1:30. Everyone is encouraged to come and participate.

**ONGOING PROJECTS**

None

**CITIZENS COMMENTS**

Neal Brown 1569 LaRue Lane, Fairbanks

Mr. Brown invited the City to visit the Fairbanks area amateur radio operators at the Chena Lakes campground between noon and 9 pm on Saturday, June 22 from 9am to noon Sunday, June 23 as the compete in Field Day 2013, a nationwide simulated emergency communications exercise sponsored by the American Radio Relay League.

Brenda Sadler, 3831 Kensington

Ms. Sadler wanted to mentioned that she wanted to get a booth together for Mothers Against Drunk Drivers. She said our children are victimized by adults who drive under the influence. She would like to start a petition to have this issue considered and sent to the legislature.

**OLD BUSINESS**

None

**NEW BUSINESS**

**AUTHORIZE PURCHASE OF A 20-STATION EXERCISE TRAIL EQUIPMENT PACKAGE FROM FITTRAIL COSTING \$8,995 PLUS SHIPPING FUNDED WITH PRIVATE DONATIONS**

Mr. Butler explained that Public Works has proposed creation of an exercise trail within the City to promote fitness, attract visitors to the City and as a resource for schools and sports teams. He has reviewed a variety of vendors versus Public Works constructing the equipment. Public Works has a work schedule and plans that exceed the staffing needed to complete an additional project without dropping some scheduled work. Public Works' contribution to the project will be site preparation and equipment installation, significant tasks in themselves. The exercise equipment is not highly technical or precision equipment, but there are some design standards that should be met to protect the health and safety of users. In addition, there is a concern about liability if we installed City-constructed equipment that did not meet expected design standards. The equipment includes not just exercise equipment but requires informational signage tailored to the equipment. It is illegal to copy a vendor's copyrighted signage for our use. My assessment is that purchasing a packaged set of outdoor fitness equipment that has years of field-testing behind it is the preferred approach. Mr. Butler also inserted a map of the proposed exercise trail.

Mr. Nelson asked if the City would be utilizing all 20 pieces of equipment.

Mr. Butler said that they would be putting that complete package together that was provided in the packet.

**Public Comment**

Francie Cork, 401 Holiday

Ms. Cork said this is long overdue and that she is very much for this project. She challenged the council to make the council meetings on their own steam and encouraged them to approve this project.

**Mr. McGhee moved to Authorize purchase of a 20-station exercise trail equipment package from FitTrail costing \$8,995, plus shipping, funded with private donations**

**Seconded by Mr. Nelson**

**Discussion**

Mr. Holm asked where the money was coming from.

Mr. Butler said that to date, \$11,000 has been donated from private citizens.

Ms. Hunter said it was fantastic and has heard positive things about projects like this.

**PASSED**

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

NO – 1 - Holm

Absent – 0

**REQUEST FOR REFUND FROM GREATER FAIRBANKS HABITAT FOR HUMANITY**

Mr. Butler stated that in May of 2011, the City placed a lien on the property at 2451 Tanana Dr. due to a delinquent water and sewer billing. At the time the home was owned by Dawn & Jami Franklin. In December of 2011, a Notice of Default and Sale was filed, Greater Fairbanks Habitat for Humanity was in the process of foreclosure on the property. By placing a lien on the property it insures the City of North Pole will receive payment before the sale of real property. In this case, that is what happened. Mr. Butler talked with the City Attorney, Zane Wilson, concerning the court case in Kodiak Island Borough. Mr. Wilson said that we are a Home Rule City and therefore we can file liens for unpaid utility services.

This is the City's standard practice to collect debt. See attached code 13.28. Mr. Butler recommended not to grant this request for a refund. Had a title search been done at the time of foreclosure, the lien would have been discovered.

Mr. McGhee asked for clarification.

Ms. Hunter asked about the ownership of the property now.

Mr. Butler said he didn't have that information on the ownership.

Mr. Nelson asked about the lien on the property and if the City could go back on the previous owner to collect.

Mr. Smith asked about the Kodiak case.

Mr. Butler gave some background on it and the opinion from the City Attorney.

**Public Comment**

None

**Mr. McGhee *moved to Deny the request for refund from Greater Fairbanks Habitat for Humanity***

**Seconded *by Mr. Holm***

**Discussion**

Mr. Smith asked how this would affect our relationship with Habitat for Humanity.

Ms. Hunter says she regrets not being able to support Habitat for Humanity but that we do need to follow our code.

**PASSED**

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

NO – 0

Absent – 0

**EXECUTIVE SESSION**

**Mr. McGhee *moved to adjourn into Executive Session to discuss employee wage issue in the NPPD.***

**Seconded *by Mr. Smith***

**Mr. McGhee *moved to reconvene the meeting at 8:05 p.m.***

**Seconded *by Ms. Hunter***

**Mr. McGhee *moved to Approve Officer Gore's starting wage at Range 4.***

**Seconded *by Ms. Hunter***

**PASSED *by Unanimous Consent***

**COUNCIL COMMENTS**

No Comments

**ADJOURNMENT**

**Mr. McGhee *adjourned the meeting at 8:10 p.m.***

**Seconded *by Mr. Holm***



The regular meeting of June 17, 2013 adjourned at 8:10 p.m.

**These minutes passed and approved** by a duly constituted quorum of the North Pole City Council on Monday, July 1, 2013.



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Bryce J. Ward, Mayor

ATTEST:

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Kathryn M. Weber, MMC  
North Pole City Clerk