

**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, December 2, 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, December 2, 2013 to order at 7:00 p.m.

There were present:

**Ms. Holm
Ms. Hunter
Mr. McCarthy
Mr. McGhee
Mr. Smith
Mr. Welch
Mayor Ward**

Absent/Excused

PLEDGE OF ALLEGIANCE TO THE U.S. FLAG

Led by Mayor Ward

National Anthem sung by NPMS student, Lindsay Moisan

INVOCATION

Invocation was given by Councilwoman Holm

APPROVAL OF AGENDA

Mr. McGhee *moved to Approve the Agenda of November 4, 2013*

Seconded by Mr. Welch

Discussion

None

Mr. McGhee *moved to consent the following items under New Business as follows:*

- a. Request from North Pole Community Chamber of Commerce for 2nd and 3rd quarter bed tax monies
- b. Recommendation to accept a professional services proposal from NTL for wastewater monitoring and sampling

Seconded by Ms. Holm

Discussion

None

On the Amendment

PASSED

YES – 7 –Hunter, Smith, Holm, McGhee, Welch, McCarthy, Ward

NO – 0

Absent – 0

On the main motion as amended

PASSED

YES – 7 –Hunter, Smith, Holm, McGhee, Welch, McCarthy, Ward

NO – 0

Absent – 0

APPROVAL OF MINUTES

Mr. McGhee moved to Approve the minutes of November 25, 2013

Seconded by Mr. Welch

Discussion

None

PASSED

YES – 7 –Hunter, Smith, Holm, McGhee, Welch, McCarthy, Ward

NO – 0

Absent – 0

COMMUNICATIONS FROM THE MAYOR

The proposed North Pole City budget was made public on the 29th of October. The Approved Budget will be made available on or before January 1st online at our website, www.northpolealaska.com and at City Hall.

December 2nd 2013 the 2013 amended budget has been made public, copies are available online at our website, www.northpolealaska.com and at City Hall.

I will be out of the office from December 17th to the 25th to spend time with my family, which means Muffins with the Mayor for the month of December will be cancelled.

I was able to give a proclamation at the community Thanksgiving service held this year at the Bradway Rd., Methodist Presbyterian Church. It was a wonderful service and there was lots of pie afterwards.

Christmas in Ice opened this past weekend and the slides are very fast. I did get the opportunity to Race the Previous Mayor Doug Isaacson, I lost but I am told he cheated. If you have the opportunity to go to the park it is a real treat for families of all ages, while you are there make sure and ask about "adopting" purchasing an Ice baby, they are great door attendants to homes and businesses.

COUNCIL MEMBER QUESTIONS OF THE MAYOR

Mr. Smith asked about the PM2.5 readings

Mayor Ward stated that the borough has a link on their website concerning that.

COMMUNICATIONS FROM DEPARTMENT HEADS, BOROUGH REPRESENTATIVE AND THE CITY CLERK

Accountant, Lisa Vaughn

FINANCIAL STATEMENTS

COMBINED CASH ACCOUNTS

The top part of the page is what I refer to as our "pie". This is the cash that the city

owns. Central Treasury

The city utilizes a sweep account in which we keep \$100,000 in our checking account. Every night money "sweeps" into or out of that account to maintain the \$100,000. This is all of the cash the city has available for operations.

The city does have one other bank account, for Gaming. This account is in fund 7 and holds a minimal amount.

Xpress Bill Pay ACH

Credit card payments come into this account, then are reconciled to Xpress Bill Pay and moved to Central Treasury.

CD-(Bonds) Time Value Investment

August 2012, the City set up a one-year CD with Time Value Investments. This CD holds the required Bond reserves.

Cash Clearing Accounts

These accounts are for the sub-systems: Improvement Districts Accounts Receivable Sales Tax
Utilities Business Licenses

During the month, monies that are taken in for these accounts go to Central Treasury but are not updated to the various general ledger revenue accounts. Therefore, the negative amounts are shown as a deduction from Central Treasury to equal the Combined Cash account. This gives you your total Combined Cash which should equal account 99-00-00-1000 - Cash Combined. At month end, each sub-system is updated to the general ledger - the Cash Clearing accounts should go to zero and the revenue is now reflected on the financial statements.

CASH ALLOCATION RECONCILIATION

This shows the "pieces of the pie" or which fund owns the cash. In fund accounting, each fund must balance ie debits equal credits. The cash allocation account xx-xx-xx-1000 is the balancing account. The grant funded funds, ie Jag/AHSO and the capital projects funds receive the bulk of their money from grants. The expenses must be booked and paid for in order to get the grant reimbursements. Therefore, there is always a lag between when the expense is incurred and then reimbursed. At year end, we accrue revenue based on the year end expenses that will balance these funds.

Zero Proof if Allocations Balance

This should always be zero to show that all cash has been correctly allocated.

CITY OF NORTH POLE COMBINED CASH INVESTMENT DECEMBER 31, 2013

COMBINED CASH ACCOUNTS		
99-0000-1 009	MT. MCKINLEY-CENTRAL TREASURY	3,314,923.75
99-0000-1011	XPRESSBILLPAY ACH	74,073.69
99-0000-1070	CD - (BONDS) TIME VALUE INVEST	162,000.00
99-0000-117 5	CASH CLEARING - UTILITIES	134,906.93)
99-0000-1176	CASH CLEARING - ACCTS REC	5,001.25)
99-0000-1177	CASH CLEARING - IMPRV DIST	4,155.38)
99-0000-1178	CASH CLEARING BUSINESS LICENSE	250.00)
99-0000-1179	CASH CLEARING SALES TAX	203,131.33)
	TOTAL COMBINED CASH	3,203,552.55
99-0000-1 000	CASH COMBINED	3,203,552.55)
	TOTAL UNALLOCATED CASH	.00

ALLOCATION TO GENERAL FUND	1,735, 970.26
2 ALLOCATION TO UTILITY FUND	712, 360.
3 ALLOCATION TO CAPITAL PROJECTS FUND	336, 792.
4 ALLOCATION TO ASSESSMENT FUND	192,
5 ALLOCATION TO BUILDING DEPARTMENT	112,
16 ALLOCATION TO FIRE DEPARTMENT FUND	3,
17 ALLOCATION TO BUCK NYSTROM MEMORIAL FUND	
18 ALLOCATION TO NORTH POLE COMMUNITY ICE RINK	10,
20 ALLOCATION TO NORTH POLE FESTIVAL	8, 25
21 ALLOCATION TO ABADE - DEPT OF JUSTICE	20,
22 ALLOCATION TO AHSO PROJECT AL2009-09-01-03	56,2
23 ALLOCATION TO BYRNE GRANT JAG 13-023-D	7,0
24 ALLOCATION TO ABADE - STATE FORFEITURES	22,
25 ALLOCATION TO WATER RESERVES	255,
27 ALLOCATION TO SEWER RESERVES	513, 195,
31 ALLOCATION TO CAPITAL PJTS - GENERAL FUND	7,9
32 ALLOCATION TO SISTER CITY	
33 ALLOCATION TO IRS FORFEITURES	6, 41
36 ALLOCATION TO IMPOUND LOT	17, 654
TOTAL ALLOCATIONS TO OTHER FUNDS	3,203, 552.55
ALLOCATION FROM COMBINED CASH FUND - 99-0000-1000	3,203, 552.55
ZERO PROOF IF ALLOCATIONS BALANCE	.00

Director of City Services, Bill Butler

Building Department

- Permit fess submitted to renovate fire damaged residential property on West 7th Avenue
 - Building permit pending plan review
 - This project brings year-to-date value of projects to \$11.7 million

Public Works

- Snow plowing
 - Approximately \$7,800 was remaining in 2013 Snow Plowing budget line prior to plowing conducted November 30th; requires a \$1,200 budget transfer
 - Additional plowings in 2013 will require additional budget transfers
 - Street Maintenance and FMATS budget lines most likely sources of transfers
 - Planning to do a hardpack removal effort, later this month on most heavily traveled roads (5th, 8th, North Pole High School Boulevard, Homestead and Perimeter) to combat deep ruts. Funding, road conditions and temperature will affect decision whether to proceed or not

Utility Department

- Loss of flow to discharge channel in Tanana River

- Had a meeting with ADEC and DNR representatives December 2.
- No simple, quick or inexpensive solutions
- Likely to be a three to five year project
- Most promising options appear to be: (1) allowed to use dry channel of Tanana River as a discharge channel, or (2) construct a discharge pond similar to process used at Eielson AFB
- No options are off the table
- Engineering , analysis, planning and permitting for any option are likely to be significant upfront costs for the City prior to any construction
- Sulfolane contamination is going to be a problem/cost regardless of the final solution implemented

Natural Gas Utility Board

- Nothing new to report since last meeting

Police Department, Chief Dutra

- Stats in front of you. Nothing alarming other than previously mentioned issues.
- Lt. Rathbun is attending the Executive Development conference this week. Several officers attending class on search and seizure and legal issue.
- Looks like AHSO is offering some HVE hours for Dec through January. We are looking to participate.
- Still down 3 officers, one injured in training. Unprecedented number of officers this year.

Mr. Welch asked how North Pole compared with other communities with crime and asked for stats at the end of the year.

Fire Department, Chief Lane

- No report

Mr. Welch asked about the vehicles in the Fire Department riding around on summer tires and if this was something that was being fixed.

Chief Lane said that they are going to buy the tires and use them on the current ambulance and change it over once the new ambulance arrives.

Borough Representative, Mayor Ward

- No Report

City Clerk

- Bobby Weaver of Younker-Keyes & Associates, who is a registered representative of Lincoln Financial, has set meeting times to come and give presentations to all departments and to meet with employees 1 on 1. I have a schedule and employees can email me or call my office to set up an appointment with Mr. Weaver.
- 23 days until Christmas!

ONGOING PROJECTS

North Pole Community Chamber of Commerce

Santa Claus gave a report on the NPCCC. Included in the council packet was a cover letter from the Chamber and the things that they had done in the past year. He thanked the Christmas in Ice program for helping to get the Winter Festival off the ground.

He read the following letter into the minutes:

As the brand new President of the North Pole Community Chamber of Commerce (NPCCC), I hereby request the outstanding 2013 City of North Pole quarterly grants to NPCCC.

I have attached our financial statements and accounting spreadsheets for your review and will be pleased to answer any questions you may have regarding them at the appropriate Council meeting. I have not been in office long enough to have prepared a 2014 budget, although I am prepared to discuss my and the Board's future plans for the NPCCC. We are considering hosting/producing Taste of North Pole in April, Visitors Center through the summer, Christmas in July, and WinterFest (bazaar, fireworks display, candle lighting, and coronation), community holiday street, home, and business lighting, as well as a variety of business seminars (perhaps, in conjunction with the Fairbanks Chamber) and open gatherings for local businesses during 2014. We will continue to maintain and update our NPCCC website and Facebook page.

The NPCCC completed 2013 with a slight positive financial balance; however, it appears it resulted at the expense of NPCCC's involvement in historic community events, namely: the coronation of the Regents King and Queen and a minor delay in this year's candle lighting ceremony, as well as publication of its Newsletter, and adequate support of its members' needs.

I am happy to report that it appears the Visitors Center will be located again near Santa Claus House this coming summer. And, NPCCC's WinterFest already has attracted more than 40 vendors for its Bazaar on November 30, 2013, in North Pole Mall and is presenting its annual fireworks display near Hotel North Pole at 5pm on November 30, 2013, thanks to Gorilla Fireworks' and Budget Fireworks' generous donations of their fireworks and manpower. NPCCC is presenting its Candle Lighting ceremony with KJNP at Christmas in Ice at 2pm on December 7, 2013, in the Ice Park. There is free admission to all NPCCC events. I also am aware that NPCCC has begun prompting, at this late date, local businesses and homeowners to participate again in the community holiday lighting/decorating event.

I recognize that the NPCCC has neglected its relationships with other non-profit organizations in the community, despite having the word, "community," in its name. I intend to remedy that

immediately. For instance, NPCCC plans to restore its relationships with Santa's Senior Center, North Pole Regents, local schools, KJNP, Friends of the Library, Christmas in Ice, the Grange, etc. Having just examined what transpired at NPCCC during 2013, I believe that that Board's decision not to continue retaining a part-time Administrator resulted in a variety of deficiencies. Had NPCCC taken the same path and not retained the Visitor Center Manager, I doubt the Visitor Center would have fared as well as it did this past summer.

So, I am here to pledge that I will focus on improving NPCCC's relationship to and within our community and provide a value to local business that has been lacking in the recent past. I've administered non-profit organizations and served on several non-profits' boards and realize the importance of accomplishing what each non-profit's mission statement and vision statement express. The NPCCC already is restoring relationships for the better.

I am requesting NPCCC's allotted portion of the Bed Tax, because I believe it will help enable NPCCC to get back on track and support the community as it should. I expect that the NPCCC will manage to secure new sponsors during 2014 that may enable it to become self-supporting by the end of 2014. And, we are actively exploring options for the rental or sale of our previous NPCCC building. Accomplishing those goals would enable the City of North Pole to allocate NPCCC's grant fund allocations to a variety of other deserving community non-profits and/or to municipal projects and personnel.

I respectfully request your continued understanding and support. You are welcome to contact me on my cell number: 907-388-3836. Our Board Members' direct contact information will be posted on our website shortly.

Best regards,

Santa Claus

CITIZENS COMMENTS

Ino Welch, 934 Les Rogers Turnaround

Ms. Welch asked for help from the North Pole Council to sign a resolution to make Alaska a right to mush state.

She read the following resolution into the minutes:

Affirm Alaska as "Right to Mush" State Resolution:

Title: A resolution supporting the protection of sled dog mushing in Alaska and to affirm Alaska as a "Right to Mush" state and to protect the customary and traditional activity of sled dog mushing for the spiritual, mental and physical health of Alaskans.

WHEREAS: the State sport of Alaska is mushing. It is embraced by naïve and non-Native persons alike, who continue to live with dogs, travel by dog team and perpetuate the culture and traditional of dog mushing that the been exercised for thousands of years in Alaska by Native Alaskans.

WHEREAS: Alaska is historically home to sled dogs and dog mushers. It is an important thread in the fabric of Alaskan life, an important aspect of the spiritual wellbeing and cultural identity.

WHEREAS: Sled Dog mushing is more than a sport. It is a way of life that has roots in ancient times when man first bonded with animals. This relationship helped Native Alaskans to live, hunt, thrive, and populate this state prior to the arrival of mechanized means of transportation.

WHEREAS: Musing is under attack in Alaska. Sled dog mushers around the state are experiencing harassment through frivolous lawsuits, the hampering of kennel operations, sled dog training runs and obstruction of trails.

WHEREAS: Mushers all over the state are being bullied, intentionally disturbed and bothered by individuals who have no respect for the art of dog mushing, dog husbandry and the traditional Alaska way of life.

WHEREAS: Dog mushers contribute to the image of Alaska as the last frontier state; they contribute to state and local economies by providing popular tourist attractions; they contribute to the Alaskan sport scene by holding sled dog races that attract millions of fans worldwide and provide excitement and purpose locally; they contribute to the pride, spiritual and physical wellbeing and cultural identity of fans and mushers alike, whether be it through racing or recreationally mushing.

Therefore be it resolved that: the City of North Pole, Alaska support the creation of the Code of the North, which establishes Alaska as a "Right to Mush" state. The Code of the North entails that people who chose to live in Alaska should embrace the fact that sled dog mushing is still alive and practiced. The Code of the North is based on the honor that sled dog mushing brings, and the grit and tenacity learned from mushing miles through open wild country in harsh weather conditions. Mushers- provided that they honorably maintain their kennel and humanely treat the dogs – need the support of Alaskans so that they are able to perpetuate the tradition and culture of sled dog keeping in Alaska for future generations.

OLD BUSINESS

ORDINANCE 13-14, AN ORDINANCE ESTABLISHING THE 2014 BUDGET AND LEVYING THE MILL RATE, THIRD READING

Mayor Ward stated that this was the third and final reading of the 2014 budget.

Public Comment

Dawn Murphy, FCVB

Ms. Murphy was concerned about the ordinance and if it passed the organizations that have been receiving the bed tax would suffer as they have already passed their budgets and are depending on those funds.

Mr. McGhee moved to Approve Ordinance 13-14, An Ordinance Establishing The 2014 Budget And Levying The Mill Rate

Seconded by Ms. Hunter

Discussion

Ms. Holm said that with the information that Mr. Butler had supplied to council that it would take over 10 – 15 years to pay for that equipment.

Mr. Welch asked if they would have a chance to discuss the backhoe with Mr. Butler. He referred back to the handout and stated that with the \$90,000 if they could push it off for another year.

Mr. Butler stated that this is a multi-use piece of equipment and that it is vital to both the Utility Dept. and Public Works. He spoke about different projects within the city that would be done in-house instead of bringing in someone from the outside. Currently the city does not disconnect anyone who doesn't pay their utility bill.

Mr. Welch asked if there was anything that the departments could be doing better or more aggressively if they had a backhoe and how much more it would cost the city to have a contractor do it.

Mr. Butler said that it costs the City \$40,000 to do certain jobs and that it would not always be able to do the work themselves or could take longer because they do not have the appropriate equipment. He said that the City holds the liability when they rent equipment and that if something happened to it, it may cost the City. Mr. Butler said that without the equipment they would not be able to do the ditching and utility replacements. He said the backhoe is a loader and an excavator.

Mr. Welch asked about the extra work for snow removal that the City is doing.

Mr. Butler said that we currently do the sidewalks, bike trail and cut back the snow berms. One of the skid steer loaders was bought back in 1995. He felt that the backhoe was something that was needed.

Mr. McGhee asked Mr. Butler if he realized that the council only borrowed the \$33,000 from the Public Works budget and that it would be put back in. He asked if it would save time to have their own backhoe and that every piece of equipment that they have bought that Mr. Butler has gotten improved the services of the City. He asked if it would be cost effective to own that piece of equipment.

Mr. Butler said that it definitely would and that usually when they need to rent something so does everyone else in town.

Mr. McGhee said that during the last budget session that the only people who talked about the backhoe was the one that the City rented it from.

Ms. Holm asked if this backhoe would zero out all the other purchases.

Mr. Butler said that it would not. If they needed larger equipment that they would need to rent something.

Ms. Holm asked how long the backhoe would last.

Mr. Butler said that he figured it would last approximately 10 years. He didn't think that the use of the backhoe would be as hard as that of a contractor. There would also be routine maintenance on the backhoe as has happened with our other equipment.

Ms. Holm said that he should start with the information provided next time.

Mr. Butler said they would have insurance and maintenance expenses with the equipment and they also have that with rental equipment.

Mr. Smith asked about the moral of the utility and public works department.

Mr. Butler said their attitude has always been that it would be nice to have it but they will do the job no matter what. They work here because they like working with the public. They have people come out of their houses and thank the workers for what they are doing.

Mr. McGhee asked Ms. Vaughn to have a new copy of the changes and not the whole budget and just the pages that we changed.

Ms. Vaughn stated that she did not have the capability to do a pdf file and that she and the Mayor have updated her computer.

Mr. McGhee said that this is the 5th budget that we have had to cut, cut, cut. The Mayor and departments have done a great job but it is hurting moral and performance. He will bring pass it tonight but they need to raise the revenues by raising the sales tax.

Mr. Smith said they have already come close to the plowing line item.

Mayor Ward said that one of the concerns he had was that it came out of the Maintenance and Road budget. He has concerns with that and that there could be additional costs and have dramatic effects on maintenance. The council has made cuts in the past that has been detrimental to the personnel. He would like to see that money goes back into street maintenance.

Mr. Smith asked about the remaining shortfall with the Fire Department.

Chief Lane stated that the shortfall is \$13,000 will be made up from overtime or just pay

overtime to the fulltime employees.

Mr. McGhee said they didn't fully fund that line item and would help to put the money back in the line item for the backhoe. He said we can't keep robbing Peter to pay Paul. In the near future the council is going to have to raise the revenue.

PASSED

YES – 7 –Hunter, Smith, McGhee, Welch, Holm, McCarthy, Ward

NO – 0 –

Absent – 0

ORDINANCE 13-16, AN ORDINANCE OF THE CITY OF NORTH POLE, ALASKA TO AMEND TITLE 13, PUBLIC SERVICES

Mr. Butler spoke to this ordinance which is raising the utility rates. He said that the City needs to have reserves in case of a water or sewer break. They need to build up their Capital reserves for Capital projects.

Mr. Smith clarified that it would raise the average water bill \$6.00.

Public Comment

None

Mr. Welch *moved to Approve Ordinance 13-16, An Ordinance Of The City Of North Pole, Alaska To Amend Title 13, Public Services*

Seconded by Mr. McGhee

Discussion

Mr. McGhee thanked the Mayor and Mr. Butler for bringing this forward. He said that you have to pay for what you get and that this is a great way to do it. He thanked Mr. Butler for all the grants his department has been able to get.

Mayor Ward thanked Mr. Butler for bringing the utility back up to speed. The City has received approximately \$20 million dollars in grants due to Mr. Butler. He said the City has decent rates and that our utility bills are easy to read. He doesn't like the idea of raising costs but it is something that we need to do.

Ms. Holm said that EPA has the national rates which are around \$2 for 1000 gallons of water. The City of North Pole is at \$2.50 and that she is not going to support this and that \$8 is too much.

PASSED

YES – 6 –Hunter, Smith, McGhee, Welch, McCarthy, Ward

NO – 1 – Holm

Absent – 0

NEW BUSINESS

ORDINANCE 13-15, AN ORDINANCE AMENDING TITLE 4, CHAPTER 4.09, SECTION 4.09.020, TAX LEVY

Ms. Hunter introduced this ordinance. She said that groups would be able to apply for grants from the City Council. The total amount that will be given out is \$15,000 and the city will use the remaining amount. The disbursement will be given in a lump sum with 10% being withheld until the end of the fiscal year. She stated that the City of North Pole will use the City of Fairbanks template.

Public Comment

Keith Fye, Christmas in Ice

Mr. Fye stated that they are recipients of the bed tax. He said that the City of Fairbanks module is not always the best thing to do. He said that Christmas in Ice has brought in money to the community.

Mr. Welch asked Mr. Fye if he was happy with getting his fair share from the City of North Pole.

Mr. Fye said that he didn't think so. He said there hasn't been much work done in the other organizations that receive bed tax monies. They had 40 Japanese visitors today that also went to Santa Claus House who does pay sales tax to the City.

Mayor Ward asked if they had applied for bed tax from Fairbanks or FNSB.

Mr. Fye said that they started to but it was too lengthy a process.

Santa Claus, NPCCC

Mr. Claus said he would be happy to participate in a workshop and that there are a lot of positive aspects to it. He does agree with Keith Fye.

Mr. McGhee asked what this would do to the Chamber.

Santa Claus said that he thought the Chamber should be able to stand alone.

Dawn Murphy, FCVB

Ms. Murphy spoke about a self-imposed tax for tourism. She said since its inception it has grown and given to NPEDC but the original committee wanted it used for economic growth.

Mr. McGhee moved to Advance Ordinance 13-15, An Ordinance Amending Title 4, Chapter 4.09, Section 4.09.020, Tax Levy

Seconded by Mr. Welch

Discussion

None

Mr. McGhee *moved to Amend the dates on the Ordinance to Introduce on December 2 and Possible Adoption on December 16, 2013.*

Seconded by Ms. Holm

Discussion

Mr. McGhee said he didn't like the ordinance. He wants to stand up for the Chamber and funding the Chamber. He gave a brief history on the City supporting the chamber. He doesn't think the \$15,000 is enough to give out. He can't recall anyone coming before council to bring in a sustainable business for tourism or economic development. To cut everything off, he can't support it as written. He said there is nowhere in the ordinance that says the council approves it and it is brought forward by the committee to the council. It is the Mayor controlling the monies to be given out. He said he can't support it the way it is written.

Ms. Holm asked if there could be a workshop before the next meeting.

Mr. Welch said that the City didn't have a bed tax before 2008. He believes that the City wants to have a bed tax like the City of Fairbanks and the FNSB. He echoed some of Councilman McGhee that some entities are not using it as they should. He felt that FCVB would have given us more bang for the buck than what we are getting. He wanted clarification on the distribution of \$15,000 and felt it was not enough. He asked about the remaining \$52,000. He said he wasn't clear on it.

Ms. Hunter said the intent was for a discretionary grant of \$15,000. She asked for them to vote for it this time and to have an opportunity to see the ordinance that the Mayor will present at the next meeting so they can see how the money will be spent for use of economic development. Then if they are dissatisfied and the amount increased then they can raise the \$15,000 if they desire.

Mayor Ward said that this is one part of the equation. They would like to have a workshop. The other funds would go to creating a part time position in marketing which is a 1 or 2 year position. He would be in favor of a workshop and that this is the life blood for some of these organizations. He explained that they took the format from Fairbanks and it is a very involved program and provided the intent for transparency. He wanted to make sure that all that is being spent as it should be. The intent is to make a good decision.

Mr. Smith agreed with Mr. McGhee and that we need to be good stewards of the community and that some of these organizations look forward to some of the monies. He likes the fireworks and

likes to see people in the malls and didn't like how the ordinance is written. Some of the application processes look hard and it needs to be simplified.

Mr. McCarthy said he was on council when they passed the bed tax. Using it for a money maker for the city was not the reason it was done. It was for keeping the organizations afloat. To only put \$15,000 out he is against that. Christmas in Ice is the best organization out there and getting the people from EAFB and he won't support anything that cuts out Christmas in Ice. He would like to see a workshop.

Mr. McGhee appreciate that this has come forward. He said there are a number of things with the dates and by then we have only budgeted \$15,000. By January any entity would have already put their budget together. FNSB works on a different FY. Council is putting the cart before the horse. He would like to see a committee put together and have discussion and bring it back to council. There are still a whole lot of questions and he will vote it down.

Mr. Welch said that knowing some of the people who would like to be on this committee, they are very busy and that we should wait until February to put this together. He would like to target this to first week of February.

Ms. Hunter said she wrote up a proposed amendment that would address the dates on the ordinance for 2014 and 2015.

Ms. Hunter *moved to Amend Ordinance 13-15 by deleting line 18 and add: Whereas for the first year deadlines will be set at the Mayors discretion to allow for implementation during Fiscal year 2014*

Seconded by Ms. Holm

Discussion

Ms. Hunter said that without moving this forward we would be going one year without making any changes and that with this small amount we could do a trial run and have one year to do it.

Ms. Holm asked for clarification on the motion.

Ms. Hunter said that in 2014 instead of putting information out in August, they would be doing it in February and receiving their money in March.

Ms. Holm asked when organizations start budgeting.

On the amendment

PASSED

YES – 1 –Hunter

NO – 6 – Smith, McGhee, Welch, Holm, McCarthy, Ward

Absent – 0

Mr. Welch *moved to suspend the rules for 3 minutes.*

Seconded by Mr. McGhee

Mayor Ward *brought the meeting back to order*

Ms. Hunter *moved to Postpone to gather further information until the meeting of January 6, 2014.*

Failed for lack of a second

Discussion

Mr. McGhee said that he would vote it down and that they should form a committee.

Mr. McCarthy said he is also with Mr. McGhee but is not voting it down because he doesn't agree but because it isn't the right time now.

On the main motion as amended

Yes: 0

No: 7 – Smith, Holm, Hunter, Welch, McGhee, McCarthy, Ward

Absent: 0

**ORDINANCE 13-17, AN ORDINANCE OF THE NORTH POLE CITY COUNCIL
AMENDING THE 2013 BUDGET AND LEVYING THE MIL RATE**

Mayor Ward introduced the ordinance.

Public Comment

None

Mr. McGhee *moved to Introduce and Advance Ordinance 13-17, An Ordinance Of The North Pole City Council Amending The 2013 Budget And Levying The Mil Rate*

Seconded by Mr. Welch

Discussion

None

PASSED

YES – 7 – Hunter, Smith, McGhee, Welch, Holm, McCarthy, Ward

NO – 0 –

Absent – 0

16

Absent – 0

COUNCIL COMMENTS

Ms. Hunter – Congratulated Thomas McGhee on his article in the Newsminer and his business in the Spotlight. She looks forward to getting more input on the ordinance for the bed tax. Hopefully they will have a good ordinance to bring forward.

Mr. Smith – thanked everyone for coming out tonight. There are a lot of good things happening in the City.

Mr. McCarthy – glad that the council is going to do a workshop on the ordinance.

Mr. McGhee – thanked Ms. Hunter for her compliments. He is humbled by the article and is grateful for the opportunity to be able to do it. He is grateful to the employees and thanked Chief Lane for his help and understands about all the apparatus that comes before council. It won't change the way he votes on the budget though. His insurance agent told him that he would be saving money when he bought his house because of the fire department located within the City. What he enjoys most is the debating of the council. He thanked everyone for coming out tonight.

Mr. Welch – He complimented Mr. McGhee on the article and how many miles he has gotten out of his vehicles. He learned a lot from AML this last month by learning how we can save money with grants or buying equipment. He gave an example of a pellet stove and the savings it brought a senior center in Haines.

Ms. Holm – went to fire department for a birthday party. They children felt they were surrounded by super hero's with the firefighters. She thanked all the staff and insights into the budget and that she was met with various answers and take the correct gossip and rumors and correct it in her mind. She stated that this is a really great team, great staff and council members. Ms. Holm said that she is happy to be here and that it is going so well.

Mayor Ward – appreciates the discussion and how professional it is. He said it speaks to the character of the council and folks coming forward and giving testimony. He appreciates all the dedication to this, and we are here to help.

ADJOURNMENT


Mr. McGhee adjourned the meeting at

Seconded by Mr. Welch

The regular meeting of December 2, 2013 adjourned at 9:56 p.m.

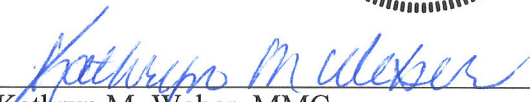
These minutes passed and approved by a duly constituted quorum of the North Pole City Council on Monday, December 16, 2013.





Bryce J. Ward, Mayor

ATTEST:



Kathryn M. Weber, MMC
North Pole City Clerk