

**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 5, 2014 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 5, 2014 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***

**Excused  
Excused**

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

Led by Mayor Ward

**INVOCATION**

Invocation was given by Councilman Smith

A moment of silence was given for Officer Gabe Rich & Sgt. Scott Johnson

National Anthem sung by Lindsey Moison

**APPROVAL OF AGENDA**

**Mr. McGhee moved to Approve the Agenda of April 21, 2014**

**Seconded by Mr. Welch**

**Discussion**

None

**Mr. McGhee moved to consent items a under:**

**Old Business:**

- a. Ordinance 14-05, An Ordinance of the City of North Pole, Alaska to engage USKH, Inc for \$19,710 to conduct a feasibility assessment of extension of the North Pole

Municipal Water System to areas of the City above the groundwater contaminated sulfolane plume that do not have access to the municipal water system

**New Business**

- c. Cooperative agreement between the U.S. Army Corps of Engineers and the City Of North Pole, Alaska for the provision of law enforcement services
- d. Ordinance 14-06, An ordinance amending Title 1, Section 1.12.010, Altering Code
- e. Resolution 14-09, A Resolution supporting FMATS consideration of the North Pole intersection safety project

**Seconded by Mr. Welch**

**Discussion**

None

On the amendment

**PASSED**

YES – 5 – Smith, McGhee, Welch, McCarthy, Ward

NO – 0 –

Absent – 2 – Holm, Hunter

On the main motion as amended

**PASSED**

YES – 5 – Smith, McGhee, Welch, McCarthy, Ward

NO – 0 –

Absent – 2 – Holm Hunter

**APPROVAL OF MINUTES**

**Mr. Welch moved to Approve the minutes of April 21, 2014**

**Seconded by Mr. McGhee**

**Discussion**

None

**PASSED**

YES – 5 – Smith, McGhee, Welch, McCarthy, Ward

NO – 0 –

Absent – 2 – Holm Hunter

## **COMMUNICATIONS FROM THE MAYOR**

### **Proclamations**

National Day of Prayer

Municipal Clerks Week, May 4 - 10

### **Mayor's Comments**

The City is in need of volunteers for the annual 4<sup>th</sup> of July parade and picnic. If you are interested please call City hall and sign up! The meetings are set for the following dates at 6pm here at city hall.

Monday May 12<sup>th</sup>

Wednesday May 28<sup>th</sup>

Monday June 9<sup>th</sup>

Monday June 23<sup>rd</sup>

Monday June 30<sup>th</sup>

The North Pole Lions have agreed to partner with the City of North Pole to host the 4<sup>th</sup> of July Parade this year. We look forward to partnership with the North Pole Lions. Parade entry information will be available through the lions.

The City of North Pole has sent out almost 800 surveys asking residents inside the sulfolane plume but outside of city boundaries if they are interested in a piped water system. Data collected will help determine the interest in a piped water system. If residents are interested in a piped water system we are asking if they would prefer a private system or a municipal system, which would require annexation to the City of North Pole. We have a public hearing for May 6<sup>th</sup> at 6pm. All written comments must be submitted by May 12<sup>th</sup>.

As part of the efforts to bring awareness to the potential for F-35 aircraft to be based here at Eielson AFB I am helping build a mock F-35. This (roughly 1/3<sup>rd</sup>) model will be towed behind a vehicle and be at many of the events around town. The cockpit will be designed to sit in and we even have a line on a helmet for people to dawn. Construction is taking place at the Pipeline Training Center next Saturday from 10-2pm. For more information contact Bryce Ward at 888-4444.

Senior Citizen recognition day is this Thursday May 8<sup>th</sup> at the Carlson Center.

Last week the City of North Pole had its 2<sup>nd</sup> application for Made In North Pole. I warmly welcome Patty Brown with Heartstrings Embroidery to the MINP family.

May 2<sup>nd</sup> was the Fairbanks Chamber of Commerce Military Appreciation banquet. I was unable to attend however Mayor Pro-Tem Michael Welch and his wife were able to go and represent North Pole.

The memorial service for Sgt. Patrick "Scott" Johnson and Gabriel "Gabe" Rich will take place this Saturday at 4pm at the Carlson Center. The general public is encouraged to attend. As many of you know Gabe started his career in law enforcement here at North Pole and holds a special place in many of our hearts. Our thoughts and prayers go out to his friends and family and his fiancée who has been a regular volunteer at the Fire department for many years.

During the last FMATS Policy meeting we re-scoped several projects that were in danger of falling off the list, Peridot was one of them. FMATS passed a new policy last year that states that all projects must have an identified maintenance agreement before a project can be funded. This has always been the case for federal monies however not the case for state monies. This new policy created an issue with Peridot because part of the project fell outside of City limits and had no responsible party for maintenance. We were able to re-scope the project to only include the portion inside North Pole City Limits.

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

Mr. McGhee asked if the Mayor had started working on a budget for next year in light of the Flint Hill Resources closure.

Mayor Ward stated that he has started discussions with department heads and are already making plans for next year.

Mr. McGhee said he would like council to be a part of discussions and to possibly have a budget for next year before the election in October.

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

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

- Chief Lane echoed the sentiments of Chief Dutra to the loss of Officer Gabe Rich and Sgt. Scott Johnson. Officer Gabe Rich's fiancé is a volunteer firefighter at the NPFD.
- Spoke on live-in program at NPFD to help alleviate costs of over hire.
- Seasonal maintenance will take place and testing fire hydrants shortly.

Mr. Welch asked when burn permits will available.

Chief Lane said that burning was allowed as of today but you must still get a burn permit.

Mr. McGhee asked what the cost would be to have live-ins and if it would be a coed facility.

Chief Lane said that it would cost about \$5,000 to install a shower in the facility and that it would come from the old forestry account. He also said that it could be a coed program, with rules.

Friday, May 9<sup>th</sup> is the appreciation dinner at 6:30 p.m.

Mr. Smith asked about the ladder truck.

Chief Lane said that it could be as soon on July 1<sup>st</sup>. The Open House will be held on June 14<sup>th</sup>.

**Police Department, Chief Dutra**

- I want to express my condolences to the families of Trooper Gabe Rich and Sgt. Scott Johnson. Our department lost two good friends on May 1, 2014. Our hearts go out to all of those affected. Our department has taken an active role in support of these two families and we will continue to do so from this day forward. Trooper Gabe Rich worked with the North Pole Police Department between October 27, 2008 through October, 2012. Trooper Rich will always be part of the North Pole Police family. Both Gabe and Scott will be truly missed.

I would encourage anyone who is willing to show their support to donate to the families. This can be done at Wells Fargo Bank.

- North Pole Police Officers participated in the precession and are standing vigil over both our fallen officers. We are offering grief counselling to those who may need it.
- Statistics are attached

**Accountant, Lisa Vaughn**

- Ms. Vaughn is attending the AGFOA conference in Sitka, Alaska.

**Director of City Services, Bill Butler**

**Building Department**

- No new permits issued since last council meeting

- North Pole Veterinary Clinic is planning a renovation

### **Public Works**

- Saint Nicholas Drive pedestrian path
  - Clearing brush and surveying began last week
  - Contractor submitted a request to detour traffic to Cary Street during replacement of culverts
- 2014 FMATS paving project will not occur in 2014 due to environmental restrictions
  - Issues are not in North Pole but in Fairbanks
- Street sweeping on city streets scheduled to begin later this week
- Site of Santa Claus Lane bus shelter has been surveyed, no report yet on construction date.

### **Utility Department**

- Capital Budget \$500,000 to address “Mixing Zone Compliance”
  - Award appears to have been placed in Alaska Clean Water Fund loan
  - Hopefully this is a mistake
  - Mayor has contacted legislative delegation to get this corrected
- Land purchase adjacent to wastewater treatment plant approved, waiting for transfer of title

### **Natural Gas Utility Board**

- Interior Gas Utility has not met since the last council meeting

Mr. Welch asked if the City had heard back from the attorney on delinquent accounts.

Mr. Butler stated as of today he had not heard back from the attorney.

Mr. McGhee asked about striping this year stating that it is important to have that done.

Mr. Butler said that they will stripe the streets this year and will contact DOT again.

Mr. Smith asked about the fitness trail, dog park, and benches.

Mr. Butler gave an update on the trail, dog park and said the benches would go out after the sweeping had been done.

**Borough Representative, Mayor Ward**

- Borough is going over their budget and mil rate increase that is for education.

**City Clerk**

- Re-schedule for the i-pad class
- New file cabinets for the Clerk's office and the archive room have arrived. Many thanks go out to our Public Works department for painting my office and repairing the wall that was water damaged and molded.
- Clean up day will be held on Saturday, May 10<sup>th</sup>. Contact Kristen at United Way to receive your garbage bags and reserve an area to clean up. The number is 452-7211 ext. 102.
- Lisa Vaughn is out until the end of the week and I have picked up the payroll function while she is out.
- Equipment for laserfiche has been ordered and they are working with our IT (TekMate) and installing the program. We should be up and running by the end of the month.

**ONGOING PROJECTS**

**NPEDC – Nadine Winters**

- Ms. Winters gave council an update on the F35's and are trying to get 10,000 supporters and getting information out to the public.
- A model of an F35 is currently being made for the parades and to help register support.
- Business retention program is underway. They currently have UAF & Fairbanks Chamber. They are still trying to get volunteers to help with going out and interviewing businesses.

Mr. Welch asked about the draft radius study and is awaiting the final product.

Ms. Winters said that she is almost ready with the final draft.

Mr. Welch asked when the next NPEDC meeting was going to be.

Ms. Winters said that the next meeting is June 7<sup>th</sup>. However, they do not have a meeting place yet.

**CITIZENS COMMENTS**

- None

## **NEW BUSINESS**

### **RENEWAL OF THE AW REHN HEALTH INSURANCE FOR THE CITY OF NORTH POLE EMPLOYEES**

Craig Kestran gave an overview of the policy and stated that there was only a 3.5% increase from last year. (Renewal paperwork is included in the packet) There was a work session that took place at 6:00 p.m.

#### **Public Comment**

None

**Mr. McGhee *moved to Approve the Renewal Of The AW Rehn Health Insurance For The City Of North Pole Employees***

**Seconded *by Mr. Welch***

#### **Discussion**

Mr. McGhee asked what the deadline on when this has to be approved.

Ms. Weber stated that the new policy would take affect on July 1, 2014.

**Mr. McGhee *moved to postpone the renewal of the AW Rehn health Insurance for the City of North Pole employees until the meeting of May 19, 2014 so council can hear from Ms. Hunter and Ms. Holm and to also hear from employees.***

**Seconded *by Mr. Welch***

#### **Discussion**

Mr. Welch asked if Mr. Kestran from Alaska USA would be available by phone or if he would be able to come back to the meeting of May 19<sup>th</sup>.

Mr. Kestran said that he would be able to attend.

Mayor Ward said that if there were any questions that the council members had that this was a great opportunity to get that information.

Mr. McGhee said that he would like to meet with the Mayor to get some questions answered about the budgeting and that there is another council member that wasn't present tonight that would like to ask some questions.

Mayor Ward said that he had talked earlier in the day about some of the issues in regards to the healthcare plan and one thing that Mr. Kestran had mentioned was that it was important to



maintain the City grandfather status. He asked what type of changes could be made and still allow the City to maintain grandfather status.

Mr. Kestran said that the areas that can be changed to maintain grandfather status is employee contribution but there is a ceiling which can not be more than 5%. Co-pays can be increased \$5.00. Deductibles can be increased from \$300 to \$360 and on the family deductible \$180. He said that all the information that was given to the City was based on keeping the grandfather status.

*On the motion*

**PASSED**

YES – 5 –Smith, McGhee, Welch, McCarthy, Ward

NO – 0 –

Absent – 2 – Holm, Hunter

*On the main motion as amended*

**PASSED**

YES – 5 –Smith, McGhee, Welch, McCarthy, Ward

NO – 0 –

Absent – 2 – Holm, Hunter

**REQUEST FROM NORTH POLE COMMUNITY CHAMBER OF COMMERCE OF  
BED TAX FROM CITY OF NORTH POLE FOR 4<sup>TH</sup> QUARTER 2013 AND 1<sup>ST</sup>  
QUARTER 2014**

As President of the North Pole Community Chamber of Commerce (NPCCC), I hereby request the approved 2013 fourth quarter 2013 and 2014 first quarter City of North Pole Bed Tax grants be distributed 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 City Council meeting.

Since my last report to City Council, the North Pole Community Chamber of Commerce has presented its Winter Festival, including the community bazaar, candle lighting (in association with Christmas in Ice), and fireworks display, and already is planning to host its 2014 Winter Festival, including the bazaar, fireworks, candle lighting, Regents coronation, and community celebration (music, pageant, etc.).

Our Chamber is producing, publishing and distributing its Annual Visitor Guide and has updated its website that also will include a viewable Visitor Guide. We now have more than 1,400 followers on our new Facebook page (NorthPoleChamber), a seven-fold increase from last year;

and, our membership list is growing. Marlene has returned and is our quarter-time Executive Director. Also, Sharon will be managing our Visitor Center full-time again from Memorial Day to Labor Day in our cabin at 2550 Mistletoe.

So far, this year our efforts have secured visits by television production companies that have taped segments in North Pole for “Christmastown” and “Only in Alaska.” Other TV producers are being invited to film/tape in North Pole as well. In addition, I am expecting to talk about North Pole on several national TV shows.

We are working with The Greater Fairbanks Chamber of Commerce, Explore Fairbanks, Alaska Tourism Industry Association, News-Miner, and several magazines to increase coverage of North Pole. And, our Chamber has renewed its affiliations with Santa’s Senior Center, North Pole Friends of the Library, North Pole Grange, KJNP, North Pole Regents, March of Dimes, and Christmas in Ice, among others.

The NPCCC completed 2013 with a slight positive financial balance, just enough to initially hire a part-time Executive Director and full-time summer Visitor Center Manager and produce our Visitor Guide. Those are ongoing expenses, as are website maintenance, publications, supplies, advertising, telecommunications, utilities, insurance, etc. If sufficient funds are available, we may host Christmas in July again. We have applied and are applying for grants from several industry leaders and organizations for funding to potentially help meet expenses for ongoing operations and projects.

I am requesting the North Pole Community Chamber's allotted portion of the Bed Tax for the last quarter of 2013 and the first quarter of 2014 and trust that our Chamber will manage to secure new sponsors and grants during 2014 that may enable it to become self-supporting by the end of 2014. And, we are actively exploring options for the sale of our cabin on Mistletoe, so that we may move closer into town.

We are striving to achieve our ultimate goal of serving our community well and becoming self-supporting. Eventually, we hope to enable the City of North Pole to allocate NPCCC's grant funding to a variety of other deserving community non-profits and/or to municipal projects and personnel. Lastly, our Chamber fully endorses the City of North Pole’s new “Shop North Pole” initiative.

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 is posted on our website: [www.NorthPoleChamber.us](http://www.NorthPoleChamber.us). My email address is [santaclaus@usa.net](mailto:santaclaus@usa.net), and my cell number is 907-388-3836.

Mr. Smith asked if the NPCCC had looked into renting the old Stage Stop.

Santa Claus said that they have looked at various properties in North Pole.

Mr. Welch asked if Santa hadn't come before council in December 2013 stating they would not be requesting 4<sup>th</sup> quarter bed tax.

Santa stated that it was true but they need the funding now because some of the large funders are not as giving this year.

Mr. McGhee said that his problem with North Pole is that it only has three attractions, our name, some candy cane streetlights, and Santa Claus House which is a private business. He asked what do the businesses think about growing into a theme city or not.

Santa said not many have signed on to the Theme City thing. He said they need to create their alliance with GFCC and spoke on the business feeling in North Pole.

Mr. McGhee said that for over 50 years the NPCCC has been going after the visitor theme when we have nothing but Santa Claus House. He said it is a bedroom community and asked why isn't the chamber focusing on needs of bedroom community instead of on entertainment and a visitor center. He asked what the focus was for the chamber.

Santa said he didn't know if there was a solution to that and that the only strength the chamber has is when it is involved in community activities as it would be in a bedroom community and not in the tourism end of things. He felt that initiatives like "Shop North Pole" are good to a certain degree. He said what chamber has done in the past is duplicating efforts that has been made by other entities. He would like to see it go back to being a good community organization and not being called a chamber.

Mr. McGhee commented that the sales tax has nothing to do with the cost of things in North Pole. He buys the same coffee in Fairbanks as he does out here and it's 75 cents more out in North Pole and the tax is less than that.

Santa said you should get a discount if you can show that you have a North Pole address. He said the NPCCC has tried bringing out the Small Business Administration to help with businesses but the businesses out here don't want the help. He would like to spend the rest of this year to point the chamber in the direction that's going to benefit the community and not just the business community.

Mr. Smith said that the closure of the Key Bank may be another spot to look at for the NPCCC.

Santa said that the bank isn't interested in renting the space and that it was about \$4,000 a month. Santa Claus House was going to rent their space for \$2,500 per month.

**Public Comment**

None

**Mr. McGhee moved to Approve Request From North Pole Community Chamber of Commerce the Bed Tax From City Of North Pole For 4<sup>th</sup> Quarter 2013 And 1<sup>st</sup> Quarter 2014**

**Seconded by Mr. McCarthy**

**Discussion**

Mayor Ward said that with budget cuts they may want to withhold 25% of the 1<sup>st</sup> quarter bed tax for 2014.

**Mr. Welch moved to withhold up to 25% of 2014 bed tax distributions to keep in our general fund**

**Seconded by Mr. McCarthy**

**Discussion**

Mr. McGhee said he did not agree with it and that council has already voted on this issue. They tried to amend this before and form a committee. He said that throwing this out to preserve for the general fund - he doesn't agree with it. This is bed tax money already designated by ordinance, by percentage, to four entities and if they want to change the ordinance then bring it back but voting on it now to withhold it he doesn't agree with.

Mr. McCarthy said that the idea behind it is to go to community organizations and doesn't want to divert a single penny of it.

Mr. Welch said that the city currently withholds 15% of the bed tax and he would like to retain 25% and ups the ante by what they already withhold.

Mayor Ward said the city retains 15% of all the bed tax and distributes the other 85%. He gave percentages of what the entities receive. He said that he felt that the City should be able to withhold 25% of the bed tax until they can see where they stand. The borough retains 10% until project is completed and same with City of Fairbanks. All tax monies that come in are general fund monies. Council decides how these monies are distributed. Not a specific designation unless described by code.

***Mr. Welch withdrew his motion to amend.***

***Mr. McCarthy withdrew his second.***

**PASSED**

YES – 4 – Smith, McGhee, Welch, McCarthy

NO – 1 – Ward

Absent – 2 – Holm Hunter

**RESOLUTION 14-10, A RESOLUTION SUPPORTING FMATS CONSIDERATION OF THE STREETLIGHT STANDARDIZATION AND IMPROVEMENT PROJECT IN THE CITY OF NORTH POLE**

Mayor Ward said that they are recommending the subdivisions within the resolution for streetlights and to bring it before the FMAT's policy committee.

**Public Comment**

None

**Mr. Welch moved to Resolution 14-10, A Resolution Supporting FMATS Consideration of the Streetlight Standardization and Improvement Project in the City Of North Pole**

**Seconded by Mr. McGhee**

**Discussion**

None

**PASSED**

YES – 5 – Smith, McGhee, Welch, McCarthy, Ward

NO – 0 –

Absent – 2 – Holm Hunter



**COUNCIL COMMENTS**

Mr. McGhee – thanked Santa for his vision. He gave his condolences to family and friends of the officers. Also for 3 motorcyclist that lost their lives in Palmer this past weekend. He stresses every day watching adult drivers on phones. The emergency personnel see the results and consequences of these actions. An accident can change lives in a fraction of a moment. He appreciates the council and thanked the Mayor for postponing the healthcare until the next meeting. He asked everyone to be careful with their outdoor fires.

Mr. Welch - he and his wife represented the City at the Military Appreciation dinner and hosted Staff Sgt. Jedidiah Smith and his wife. He said that Officer Rich was a member of St. Nicholas church and he and his fiancé were going to take marriage classes within the next two weeks. He warned everyone to watch for fire hazard.

Mr. Smith – thanked everyone for coming out and to watch for kids outside playing and walking around on the streets. He encouraged everyone to enjoy the great weather.

Mr. McCarthy – commented that the public hearing is set for tomorrow and hasn't heard anything on the radio or seen anything in the Newsminer. He wants to hear from everyone and is interested in what the local guys in the trenches are thinking about this.

Mayor Ward – said the state capital budget was approved and the City has a lot in there. He stated that the City got everything they asked for. He encouraged everyone to spend time with family.

**ADJOURNMENT**


**Mr. McGhee adjourned the meeting at 8:06 p.m.**

**Seconded by Mr. Welch**

The regular meeting of May 5, 2014 adjourned at 8:35 p.m.

**These minutes passed and approved** by a duly constituted quorum of the North Pole City Council on Monday, May 19, 2014.



  
\_\_\_\_\_  
Bryce J. Ward, Mayor

**ATTEST:**

  
\_\_\_\_\_  
Kathryn M. Weber, MMC  
North Pole City Clerk