

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 16, 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, June 16, 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

PLEDGE OF ALLEGIANCE TO THE U.S. FLAG

Led by Mayor Ward

National Anthem sung by Lindsey Moisan

INVOCATION

Invocation was given by Councilman McGhee

APPROVAL OF AGENDA

Mr. McGhee moved to Approve the Agenda of June 16, 2014

Seconded by Mr. Welch

Discussion

None

Mr. McGhee moved to consent the following items:

- a. Annual review and appointment of 2014 committee members

- b. Approve Annual Operating Plan between the State of Alaska, Department of Natural Resources, Division of Forestry (State), and the City of North Pole Fire Department (Cooperator)
- c. Approve Emergency Medical Services/Ambulance Contract between Fairbanks North Star Borough and City of North Pole – Renewal and Amendment No.4.

Seconded by Mr. Welch

Discussion

None

On the amendment

PASSED

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

NO – 0 –

Absent – 0 –

On the main motion as amended

PASSED

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

NO – 0 –

Absent – 0 –

APPROVAL OF MINUTES

Mr. Welch moved to Approve the minutes of June 2, 2014

Seconded by Mr. McGhee

Discussion

None

PASSED

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

NO – 0 –

Absent – 0 –

COMMUNICATIONS FROM THE MAYOR

- Presentation of the 2013 City of North Pole audit by Gary Hutchison
- The City is in need of volunteers for the annual 4th 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. The Festival is slated to start at 10am and run till 5pm. For vending information please contact North Pole City Hall. Meetings are as follows: Monday June 23rd, Monday June 30th
- The North Pole Lions have agreed to partner with the City of North Pole to host the 4th of July Parade this year. We look forward to partnership with the North Pole Lions. Parade entry information will be available through the lions. Applications are also available at North Pole City Hall.
- I will be on Clear Channel radio stations this Wednesday in regards to the 4th of July Festival. I will also be recording several commercials to help bring awareness to the event.
- This Sunday I will be having dinner with General Carlie and Red Flag participants. There will be at least 3 Red Flag events this year.
- I am working on a rewrite of the Bed Tax ordinance; I will be calling a workshop on the next council meeting of July 7th. Please come early for this meeting.
- Next Wednesday the 25th of June we will have a budget workshop, where departments will be able to present the current budget and any changes that need to be made. The meeting will start at 5:30. Please advise the clerk if you will not be here.
- I will be taking some time off this summer (Thursdays and Fridays). If you would like to stop in please call and make an appointment to ensure I am here at City Hall. I do always carry my phone if there is a need to immediately reach me.

Mr. McGhee asked the Mayor to look into why one business was on the delinquent list when they are not in the City limits of North Pole.

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

City Accountant, Lisa Vaughn

AUDIT ISSUES

Closing of the Books

Normally, everything is ready for audit by the second week of March. This year, we were clearing up some issues that went back a few years. After the auditors began their work, a problem with an utility account was discovered; I talked to the auditors as to whether or not we should fix it in 2013 (when the problem popped up) or in 2014 (since they had already begun the audit, they asked that we correct it in 2013).

Required Schedules

In the past, having worked with Mikunda Cottrell/BDO for 14 years, I had gotten used to knowing if I had questions, during the closing of the books, I could wait and discuss those questions during the audit. In addition, they had always done the final adjustments to the fixed asset schedules, for the capitalization of the grant projects and recording of the depreciation. I did mention this to KHS, when we met in December, and wrongly assumed this would be okay. They will be finalized for next year.

Fund 03 Grant Receivables were reconciled to the general ledger (in fact I went back several years to make sure I had dollar amounts tied to the correct projects); however, I had a couple of questions about some prior year audit entries. I left those questions to talk to our current auditors about when they arrived. They assisted me in finalizing a couple of dollar amounts.

There was a problem with the fixed asset schedules. I used the final schedules from last year's audit, (note the auditors had completed them after looking at the grants. I made the mistake of not "proofing" the schedules to the general ledger and did not realize that they had sent me incomplete schedules. I did contact BDO and had them send me correct schedules which I then completed with everything except the grant amounts to be capitalized. I will go ahead and capitalize any project expenses for the 2014 audit.

Chart of Accounts

Our Chart of Accounts does include some discrepancies in that we have some accounts that are tied to one type of expense in some departments and another type of expense in other departments. These discrepancies have been part of the Chart of Account for many years. I have made it a practice, to keep all new accounts the same across all departments.

Caselle does have the ability to change accounts and "migrate the history in one account number to another account number". Trying to overhaul the complete Chart of Accounts and possible

change account structure will be extremely time consuming and possible expensive, depending on what reconfigurations Caselle would have to do.

Xpress Bill Pay

That has been completely reconciled, going back several years; I found a few transfers, in prior years, that were not made on a monthly basis. The proper amount has been transferred and will continue to be transferred every month.

Audit Journal Entries

There were a totally of five audit journal entries:

Book the amortization of the general obligation bond

Capitalize the proper expenses from the projects

Book Depreciation Expense (once the proper amounts have been capitalized)

These three items are ones that I mentioned to the auditors, when we met in December, that I would ask them for help. These three items are ones that BDO had always done in the past.

Book the Loan Payable for the Techite project.

I overlooked booking this – it isn't something I've done for several years.

Correct expense of \$4500 between principal and interest. This was the only correcting entry.

Fire Department, Deputy Chief Coon

- June 14th was the Open House for the Fire Dept.
- Chief Lane and Dep. Chief Coon were at the factory to see the new ladder truck in Nebraska.
- Working on live-in dorm and doing it in-house while on duty.
- Hose testing is being completed.
- They will move on the hydrant testing within the next two weeks.
- Engine testing will take place in July to make sure that the water is flowing at the correct pressure.
- Driver training will also be taking place this summer so they can become certified.
- Have had cooperation with other departments within the City.
- Deputy Coon will be getting married in August.

Police Department, Chief Dutra

- Lt. Rathbun and I attended the Alaska Shield after action report in Anchorage. We briefed the SOA on our efforts during the event. Our efforts were well received and it became very apparent that we need to do a lot more work on our preparations and planning for city wide emergencies.

- We executed a search warrant on a residence in North Pole and seized a large amount of drugs and other items used for drug distribution.
- Officer Fisher has completed his boating and ATV certifications for his work in the park.
- Officer Bean and Durny completed patrol rifle course and we are hosting next month an FTO course so we can send two officers.
- We have estimates to repair our garage doors. New trim and replacing damaged panels. \$4000.
- stats

Director of City Services, Bill Butler

Building Department

- New commercial permit application—North Pole Veterinary Clinic Renovation
- New residential permit issued for utility building

Public Works

- Landscaping
 - Flowers planted in roundabouts
 - Landscaping at City Hall
 - Begun preparing sites for exercise trail, “groundbreaking” ceremony planned for July 4th for the first/start station
- Landscape watering
 - Installed a watering system on dump truck
 - Purpose is to use staff time more efficiently—less hand watering of landscaping
 - Can also use for pavement cleaning
 - Purchased with grant from FNSB
- FNSB loaned City a 2000 flatbed truck that was scheduled to be auctioned; pending donation to City
- Detour started on Saint Nicholas Drive for approximately one week while culverts are replaced

Utility Department

- Sewer outfall
 - Flow has not yet returned to the sewer outfall channel
- Notice to Proceed issued for sewer lift station project
 - Held pre-construction meeting with contractor last week to initiate construction

- Contractor, Ghemm, has an aggressive construction schedule with plans for completion of work by end of October 2014

Natural Gas Utility Board

- IGU has released a RFP for an engineering firm to begin design of gas distribution system
 - Goal to award contract July 1

Borough Representative

- The borough has lent the City a truck to use and at the next borough meeting they will donate it to us.

City Clerk, Kathy Weber

- Michelle Myhill was hired as the new Records Preparation Clerk for the City of North Pole. She will be scanning all of our Minutes, Ordinances, Resolutions, employee files, and property files. As of today, we have scanned Ordinances from 1953 – 2007.
- eDocs was here on June 10th & 11th and we had two full days of training on Laserfiche. We invited other departments over at lunchtime on Wednesday to give them an update and peek at how the program works.
- Contacted Pro Music on the sound system for the council chambers. They will be out on Thursday to look at our equipment. We talked about putting in the same system that the borough and the City of Fairbanks have. If all goes well we'll have a new system installed by August 1.
- We ran into some problems with the installation of Myviewpoint and Laserfiche. It has come to our attention that we need to have two servers for administration. Security is of the utmost importance with our financial software and other records. The cost of an additional server is \$5,794.97. The City will pay for ½ of that cost and the Archival Grant will pay the other 1/2 of it. It will take at least 4 weeks to order and have installed. We hope that we can then start the training for everyone.

Human Resources

- Tricia Fogarty is out of the office until after July 1st due to health issues. If you need assistance with your water bill or assessment you can contact Renee or myself.
- Dave Daniell is retiring on July 11th. He has been with the North Pole Fire Department for 25 years. We will recognize him with a proclamation and 25 year pin at the July 7th meeting.

ONGOING PROJECTS

- None

CITIZENS COMMENTS

Nancy Uptgraft – 2695 Beech Drive, North Pole, AK 99705

Ms. Uptgraft stated that she was very disappointed that the Senior Luncheon has been canceled and would like the council to think about re-instating it. She didn't see where it cost the City very much money as most everything was donated. She said that she would even be willing to sponsor a part of this event.

OLD BUSINESS

None

NEW BUSINESS

RESOLUTION 14-13, A RESOLUTION NAMING THE NORTH POLE EXERCISE TRAIL IN RECOGNITION OF FIRST SERGEANT THOMAS UPTGRAFT SENIOR AND RECOGNIZING THE DONORS WHO HELPED TO MAKE THE EXERCISE TRAIL POSSIBLE

Mr. Butler informed council on how the idea for the exercise trail came about. Donations were given by businesses and individuals in the community; The Uptgraft Family, Julie Ament of North Pole Physical Therapy, Willie & Francie Cork, and Glen & Kathy Weber of Weber, Inc.

Public Comment

Francie Cork – 401 Holiday Rd

Ms. Cork encouraged the council to pass this resolution. She sees more and more people running and walking around North Pole in addition to how clean our City has become with streets that are swept and the flowers that are planted every year. She gave kudo's to the Utility Department along with the Public Works Dept. She hopes that everyone will help to keep the streets clean with the extra work that this will make.

Mr. Welch *moved to* Adopt Resolution 14-13, a Resolution naming the North Pole exercise trail in recognition of First Sergeant Thomas Uptgraft Senior and recognizing the donors who helped to make the exercise trail possible

Seconded *by* Mr. McCarthy

Discussion

Mr. McGhee asked how much of the project will take up the Beaver Springs Trail. He also wanted to know how this would affect the Memorial that already exists on the trail.

Mr. Butler said that they are using the Beaver Springs Trail as a pathway to get to the other exercise sites.

Mr. Welch said that he will be happy to have that trail.

Ms. Holm is also happy to have the trail and promote a healthy lifestyle. She would like to have a committee formed to name the new exercise trail.

Mayor Ward said this is a wonderful thing and that this wouldn't be possible without their donations and would like to see other council members co-sponsor this resolution.

Mr. McGhee said that he knows Nancy Uptgraft. He recognizes that she is a big volunteer in the community. He doesn't like all the memorials that are out there. He changed his mind on this resolution because this is based on the volunteerism of this family. The Corks epitomize good health and exercise and the Uptgrafts have helped to make this possible.

PASSED

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

NO – 1 – Holm

Absent – 0 –

COUNCIL COMMENTS

Ms. Hunter – will be visiting family over the next two weeks and will miss the meeting of July 7th.

Ms. Holm – expressed gratitude for the flat bed truck the FNSB is donating to us.

Mr. Welch – celebrated 28 years of Fathers Days along with his son who is a father for the 1st time. He informed council that he will need a 4th back surgery and he may be out for a while. He felt that the council had a good briefing with Mr. Hutchison on the 2013 audit.

Mr. McGhee – have a wonderful summer

Mr. McCarthy- no comment

Mr. Smith – be careful because there are a lot of young children riding bikes and walking on our streets.

Mayor Ward – have a wonderful evening and if you have questions come and talk with staff.

ADJOURNMENT

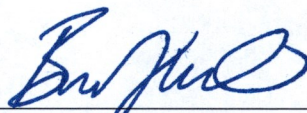
Mr. McGhee adjourned the meeting at 9:21 p.m.

Seconded by Mr. Welch

The regular meeting of June 16, 2014 adjourned at 9:21 p.m.

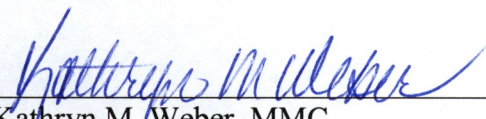
These minutes passed and approved by a duly constituted quorum of the North Pole City Council on Monday, July 7, 2014.





Bryce J. Ward, Mayor

ATTEST:



Kathryn M. Weber, MMC
North Pole City Clerk