

**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, January 5, 2015 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, January 5, 2015 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*

**CALL TO ORDER/ROLL CALL**

Mayor Ward called the regularly scheduled meeting of the North Pole City Council to order on Monday, January 5, 2015 at 7:00 p.m.

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

Led by Mayor Ward

**INVOCATION**

Invocation was given by Mr. McGhee

**APPROVAL OF AGENDA**

**Mr. McGhee moved to Approve the Agenda of January 5, 2015**

**Seconded by Mr. Smith**

**Discussion**

None

**Mr. McGhee moved to consent the following items:**

**Old Business**

- a. Ordinance 14-29, An ordinance amending Title 8 – Health & Safety, Section 04.160 – Disturbing the Peace

**New Business**

- a. Resolution 15-01, A Resolution supporting the reinstatement of a full \$60 million into the revenue sharing fund on a yearly basis with a one year appropriation of \$8 million to the fund with an effective date prior to June 30, 2015.
- b. Resolution 15-02, A Resolution supporting the State of Alaska’s continued commitment to keep PERS contributions at 22% of salary for municipalities.
- c. Resolution 15-03, A resolution in support of the Fairbanks Metropolitan Area Transportation System (FMATS) request for transportation funding for fiscal year 2016
- e. Resolution 15-05, A Resolution establishing the City of North Pole legislative priorities for the 29<sup>th</sup> legislature, 2015 spring session

**Seconded by Mr. Welch**

**Discussion**

None

**On the Amendment**

Yes: 7 - Holm, McGhee, Welch, McCarthy, Smith, Hunter, Ward

No: 0-

Absent: 0

**On the main motion as amended**

PASSED

Yes: 7- McGhee, Holm, Welch, McCarthy, Smith, Hunter, Ward

No: 0

Absent: 0

**APPROVAL OF MINUTES**

**Mr. Welch moved to Approve the minutes of December 15, 2014.**

**Seconded by Mr. McGhee**

**Discussion**

None

**PASSED**

Yes: 7 – McGhee, Welch, Holm, Smith, Hunter, McCarthy, Ward

No: 0

Absent: 0

**COMMUNICATIONS FROM THE MAYOR**

The Mayors Report for the January 5<sup>th</sup>, 2015 City Council Meeting, Happy New Year!

I attended the City of Fairbanks Finance meeting on December 30<sup>th</sup>. The committee discussed the dispatch contract and how they wished to move forward. We received a draft contract in late November and had it reviewed by the attorney and submitted back to Fairbanks with our desired changes. As soon as we receive a finalized copy it will come before the council for approval.

Christmas in Ice closes tomorrow. It sounds like visits were up this year due to the great weather we had. I was also informed over 1,000 people came through the gate on Christmas Day. Special thanks to Christmas in Ice for donating the ticket fees for Christmas and New year's Eve. If you have questions about upcoming events please go to their website [Christmasinice.org](http://Christmasinice.org)

I will be meeting with the Borough and City of Fairbanks on Wednesday January 7<sup>th</sup> to discuss any upcoming marijuana regulations and how the three local governments can work together to create seamless rules for the implementation of the citizens' initiative.

January 7<sup>th</sup> there will be another Fire-EMS meeting with the Fairbanks North Star Borough. They are not taking public comment but are asking for Fire Service Area Commissioners to come and testify. They are not directly addressing EMS however almost all fire service areas engage in some sort of EMS contract with the Borough.

January 13<sup>th</sup> I will be on the radio show "Problem Corner" on KFAR. I will be going on every 2<sup>nd</sup> Tuesday of the month to help answer people's questions about North Pole. I also speak on KJNP every Saturday morning about upcoming events in North Pole and City business. If you know of a show that would be helpful for me to be on please let me know so that I can reach out to let the community know about North Pole.

Friday January 16<sup>th</sup> is Muffins with the Mayor from 8-10 am here at City Hall. Come and let's talk about North Pole and what your concerns-praises are.

I will be traveling to Juneau with the Fairbanks Chamber's annual legislative fly-in. The trip will be from February 3<sup>rd</sup> to the 5<sup>th</sup> and will be action packed. I look forward to speaking to our delegation and other legislators. If council is interested in traveling to Juneau for the winter

session please let the City Clerk know as soon as possible.

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

Sharron Hunter asked if there were going to be any meetings on the marijuana issue. Mayor said 2pm in FNSB Mayor's office.

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

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

- All fireworks vendors were open for the week and there were no complaints filed.
- Interviewing for the Admin position and should know something by the end of the week.
- Mr. Smith asked how far the ladder truck reached. Chief Lane said that it reached 100ft.

#### **Finance, Tricia Fogarty**

- Ms. Fogarty had financials for the Council with YTD up to November.

#### **Police Department, Lt. Dutra**

- None

#### **Director of City Services, Bill Butler**

##### **Building Department**

- No new building permits issued since November 3
- Website project
  - Postponed going live with updated website to mid-January
  - Results of picture contest (in support of website project)  
Adult: Northern Source Images 1<sup>st</sup> & 2<sup>nd</sup>; Pamela Lipari 3<sup>rd</sup>  
Youth: Joshua Carrasco 1<sup>st</sup>

##### **Public Works**

- Building and equipment maintenance and sidewalk plowing are Public Works' routine activities during this time of year
- Public Works vehicle fleet continues to be a challenge
  - Small red pickup truck could consume 100% of the department's vehicle maintenance budget; becoming a health risk with carbon monoxide leaking into the cab, transmission is on verge of failure; estimated maintenance costs of up to \$10,000 or more.

- Need to replace the tires on the large dump truck—tires are over 20 years old and mechanic has recommended they be replaced every five years.

### **Utility Department**

- Wastewater treatment plant rehabilitation project;
  - Last thing to be completed is installation of emergency generator.
  - Generator expected to be delivered Tuesday or Wednesday.
- Utility's routine winter work is focusing on keeping system operating as the frost penetrates deeper.

### **Natural Gas Utility Board**

- Gas trucking project threatened by State's problems with developing a liquefaction plant on the North Slope.
- IGU will be looking for alternative sources of gas.

### **Borough Representative**

- No borough meetings in December.

### **City Clerk, Kathy Weber**

- 2014 ordinances have been sent to Code Book Publishing with Ord. 14-29 being uploaded tomorrow.
- Things have been very busy this past month. We were very short handed and worked long hours keeping things done up and bills paid.
- On January 21<sup>st</sup> I will be attending the luncheon at Santa's Senior Center and swearing in their new officers.

## **ONGOING PROJECTS**

### **Christmas in Ice, Ron Jones**

Mr. Jones gave an update on attendance at Christmas in Ice.

- On Christmas Day 1,038 people;
- BP day there were 730 people that attended;
- Military Appreciation Day, 1,940 attendees;
- 562 people on New Year's Day;
- 14,010 to date have come into the park;
- Ice park will close on Tuesday, January 6<sup>th</sup>.

## **CITIZENS COMMENTS**

None

## **NEW BUSINESS**

### **RESOLUTION 15-04, A RESOLUTION SUGGESTING THE ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES (AKDOT&PF) INCREASE THE SPEED LIMIT ON THE RICHARDSON HIGHWAY TO 65 MILES AN HOUR FROM MILE POST 341 TO 361**

Mayor Ward updated council on the resolution stating DOT consider increasing the speed limit from 55-65 miles an hour from the single lane unseparated part of highway outside of Eielson into Fairbanks.

#### **Public Comment**

Ron Jones, 2410 San Augustin Drive, North Pole, Ak

Mr. Jones spoke against the Resolution stating that he felt it would be dangerous to increase the speed and tourist would bypass North Pole.

Phil Zastrow, 2265 Peridot, North Pole, Ak

Mr. Zastrow spoke against the increase in the speed limit stating that he felt it was dangerous.

Buddy Lane, 110 Lewis, North Pole, Ak

Mr. Lane spoke in favor of raising the speed limit to 65 mph. He said the majority of the people are driving the highway at that speed anyway. He didn't feel they would zip by North Pole any more than they do now.

**Mr. McGhee *moved to* Introduce and Adopt Resolution 15-04, A Resolution Suggesting The Alaska Department Of Transportation And Public Facilities (AKDOT&PF) Increase The Speed Limit On The Richardson Highway To 65 Miles An Hour From Mile Post 341 To 361**

**Seconded by Mr. McCarthy**

#### **Discussion**

Mr. McGhee gave his opinion on the Resolution and spoke in favor of raising the speed limit on the Richardson Highway to 65 mph. He gave statistics and background on the reasoning for the lowering of the speed limit since the 1980's. He doesn't think that this will deter any tourist from coming to North Pole. He supports this resolution.

Mr. Welch said he does not support this resolution. He feels people are already having a hard time getting across the Richardson Highway and wants to see the limit lower going through the City limits. He stated that when the Mitchell Expressway was built that Airport Way saw a decrease in tourism and business.

Ms. Hunter said that there are a lot of days with the weather and road conditions that would mandate people slowing down. She needs to be further convinced that increasing the speed limit controls their speed. She felt that increasing to 65 mph would encourage people to drive even faster. She is not in favor of this resolution.

Mr. McCarthy said he is in favor of increasing the speed limit. He said that 65 mph is a recommended speed and you don't need to drive that fast if you don't want to. He felt there was no logical reason for not increasing it.

Mr. Smith said that you don't have to go that fast and need to drive for the conditions. He is in favor of the resolution. His concern is when patrols pull them over there are still those that are speeding by at 65 mph and is concerned for their safety.

Ms. Holm said that she uses her phone for everything and people will stop in North Pole if they want to. Everyone uses their GPS these days, especially in unfamiliar places. She said people are already going 65 mph. She said she will support this resolution.

Mayor Ward said this started with a discussion from people who drove from Eielson to Fairbanks when they had to slow down to 55 mph. He said the City would feel comfortable with the State increasing the speed limit, if it's safe and that there are statistics that show a double lane divided is safer than a single lane undivided.

Mr. McGhee added that the speed limit sign is a suggested speed for perfect daytime weather and according to the road conditions. He said that there is a misconception that it is legal to go 5 miles over the speed limit before you will be ticketed and that you can be ticketed for going 2 mph over the speed limit. The Mayor and council can instruct the police department to ticket people at a certain limit over the posted speed limit. He said speed and safety is based on education, personal responsibility and conditions of the road.

**PASSED**

Yes: 4 – McGhee, Holm, McCarthy, Ward

No: 3 - Welch, Hunter, Smith

Absent: 0

**RESOLUTION 15-06, A RESOLUTION OF THE CITY OF NORTH POLE, ALASKA  
DISTRIBUTING THE 2015 CITY OF NORTH POLE BED TAX GRANT FUNDS AND  
RESCINDING RESOLUTION 14-21**

Mayor Ward stated that the Resolution that was passed was not in line with our code and that this should be rescinded and the new Resolution adopted. It is a simple swap and if the council wants to do something different they would need to amend the code by ordinance.

**Public Comment**

Ron Jones, Co-President of Christmas in Ice, 125 Santa Claus Lane

He thanked the Council for time and effort given to the City of North Pole and its Citizens. He encouraged the council to pass Resolution 15-06 with current numbers presented and follow city code. Christmas in Ice feels that city code should be followed as outlined. Christmas in Ice reviewed city code and gave information to the bed tax committee for consideration and they felt all was well. They are not sure where the process broke down or why the council chose not to follow code or the advice of Mayor Ward. They would like the mistake corrected and for resolution 15-06 to be accepted and passed.

Dawn Murphy, Explore Fairbanks, 2644 Diamond Street

She thanked the Council for the continued support of destination marketing. She stated that the city of North Pole currently utilizes 25% of hotel/motel tax towards city services and they asked that they fund tourism and economic growth with the other 75%. Explore Fairbanks will continue to support North Pole, but a reduction in revenues to their budget can mean a decrease in services.

Stephanie Brown – Co-President of Christmas in Ice, 125 St. Nicholas Drive

Ms. Brown said there was a lot of discussion about fairness from the council at the last meeting. She said there was also discussion about why the code was not followed. She read from the applicants' evaluation as to how the bed tax is distributed. She said every applicant had the same opportunity to present to the council. She said everyone followed the process and what they brought to the City of North Pole and she respectfully added that the council follow the code. She stated that the whole point of the bed tax is to boost the economy of the city and asked council to approved Res 15-06.

Keith Fye, Executive Chair for Christmas in Ice, 125 St. Nicholas Ave.

Mr. Fye spoke on Christmas in Ice's understanding of the process used. The mayor had developed a committee made up by city council members, presentations would be reviewed and a point system would be developed, a percentage or dollar amount would be used to distribute the money. A percentage was given to all organizations, including one entity that later withdrew. At no point has the committee reconvened to re-develop a point system, and it was determined by the city council that when that entity withdrew that each organization would receive equal quantities. He felt that their presentation was then null and void. He stated that the cities own legal advice stated that monies should be divided by percentages which had already been determined.



**Mr. McGhee *moved to Introduce and Adopt Resolution 15-06, A Resolution of the City of North Pole, Alaska Distributing the 2015 City of North Pole Bed Tax Grant funds and rescinding Resolution 14-21***

**Seconded by Mr. Welch**

**Discussion**

Mr. McGhee said that he doesn't believe that the council broke the law and did not receive how the formula was broken down. He felt that because they were not given the formula with a resolution and how specifically they came together that left the council wide open as not being done as a committee. He said this would have extremely helped at the last meeting. As a council they had a lot of debate and stated that Mr. Butler did not formally withdraw his application. Ms. Hunter didn't understand that if they couldn't have it all he didn't want any. Based on that info the council went back and re-divided the amount. The council voted on it, the mayor was asked repeatedly, "are we doing this right?", and the Mayor answered yes, to the best of his ability. To his understanding the mayor said they were doing it right. Mr. McGee felt that they were completing the committee's job. There were no percentages at the last meeting and therefore the council didn't feel that they broke the law. The council didn't have all the facts provided to them. He felt that they did the best they could. All organizations had great presentations and that's what they based their information on. Mr. McGee stated that once reviewed, he would then agree to distribute by using the original percentages and figures, less the one for city services.

Mayor Ward said the percentages were given to the council at the last meeting. He said that was based on the dollar amount and based on the audited amount from the previous year;

NPEC 6.239%  
North Pole Chamber of Commerce 14.069%  
Explore Fairbanks 21.426%  
Christmas in Ice 35.97%  
Director of City Services 22.295%

With that amount that was given to the council at that time, there was no withdrawal application from North Pole City Services. Moving forward, it was with a clear understanding, that Mr. Butler formally withdrew his application. At that point there was a discussion with the attorney, Mr. Wilson, and that they then gave everyone 25% instead of using the allocations that were determined by the committee. He then explained how they came up with the initial score. Mayor Ward stated that with director of city services no longer being in the equation, the fairest way to calculate by percentages was to take the dollar amount allocated and to total those up. This amount came to \$193,272.99. In order to keep percentages fair, they then added up the amount each person gave to each organization, those numbers were then divided by the total all members had given out. That is what gave them the remaining percentages of 8% to NPEC,

18% to NPCC, 28 % to Explore Fairbanks and 46% to Christmas in Ice. Those percentages are multiplied by the amount they have to give out (\$41,455). He realizes this is a learning process and everyone trying to do their best and move forward and it isn't meant to be a bad thing, it's a good opportunity to make sure they're aligning with code and in the future if they want to change that section of code they can.

Mr. McGhee was concerned that on the chart, Ms. Hunter and Mr. McCarthy had no numbers. Mayor Ward stated Ms. Hunter was at the meeting and that her number was all given to Director of City Services and was scratched out because it was disqualified. He stated that Mr. McCarthy was the only the only member not at the original committee meeting.

Mr. Welch said the night of Dec 15<sup>th</sup> they had already turned in their scoring sheets. He felt Mr. McCarthy had made the statement of being left out. He wouldn't want to be left out and that this is a learning thing and it would have behooved them to have given Mr. McCarthy the opportunity to fill out his score sheet so it could have been included. Mr. McCarthy said previously that he couldn't be there on Nov. 12 or Dec. 3. He could have called the entities and completed his score sheet to be factored in. They've learned something wasn't done right so let's go back and try to equalize. They were trying to be fair. They didn't see that is was wrong. Mr. Welch stated that he wasn't there in August for the passing of the ordinance. It was an unusual circumstance and it came into a snowball effect. They were hoping to be fair and to get on with business and to finish out the year with a determination as to where the money was going to go.

Ms. Hunter spoke at the last meeting to say that council was out of compliance with the ordinance. She said that she did try to tell the council with that belief and felt she was ignored. In the future, if someone feels they are out of compliance give it thought and discuss it more. If the question is raised they need to give it serious consideration.

Ms. Holm said that Mr. McCarthy had previously said this process was going to be a trial and error. She felt they were in line with code. She stated that as elected officials they are held accountable for allocating the funds properly and that as a council they can re-amend numbers and resolutions that come before them. Ms. Holm said things were confusing so she was asking where they went wrong. Mayor Ward stated that the process used was going to be codified and that a committee would be appointed by the Mayor, approved by the council and they are trusting that whoever is placed in that position will be trusted to make the right decision. He went on to explain that the way the code is written is that the process is codified. Ms. Holm stated that there were many different opinions and interpretations of the code because of the way it was written.

Mr. McGhee said that if they were to step back and do what is right, accepting that Mr. Butler provided the letter of withdrawal after the fact, even though they had already voted based on his testimony. The original award amount of \$9,242.50, based on the percentages, would be going back into the pot. Let it go back into the pot and let it be divided between the other four entities

based on the original percentage that was determined at the original committee meeting.

Mayor Ward said he had already done that and that it still left the 22% that was given to city services and it would still need to go to someone. He explained how the percentages were divided out and how the money would be allocated and that it was complicated.

Ms. Hunter commented regarding Mr. McCarthy's absence, that it's really important in the process, (going back to an equality issue) that if a committee member cannot make it, that they are not included, because they did not get the same presentation and information. All members need to be present and not have another method in place to inform that member. She felt that it would take away from the process. She sympathized with Mr. McCarthy. She felt that it was important for the integrity of the process that if someone can't be there that they can't complete a scoring.

Mr. Welch disagreed because they were urged to contact these agencies to ask for info if wanted and were not required to be at a workshop and didn't see that as a requirement to fill out a score sheet.

Mr. Smith said that in Resolution 14-21 they thought they were doing the right thing and did not know they were not following code. They made a mistake and need to make it right for the groups. They passed the ordinance last year.

Mr. McGhee said they asked whether there was conflict of interest that had helped or worked with the group.

Ms. Holm brought up the letter sent to the attorney. The attorney did write back and it said if you broke the law go and fix it. The letter was short. She didn't feel that the attorney had really analyzed what had happened and she will disregard it. She also stated that they are setting the tone for future committees and that if it's passed and rescinded, they are saying that a committee doesn't have to discuss and has no accountability because this council did not discuss and act as a committee. A committee is supposed to evaluate and make educated decisions. They just wrote down some numbers. It wasn't till the next council meeting that they were able to explore why they voted that way. She is not supporting this resolution because it's not giving the power to the elected the officials.

**PASSED**

Yes: 4 –McCarthy, Smith, Hunter, Ward

No: 3 - Holm, Welch, McGhee

Absent: 0

**Executive Session**

**Mr. Welch moved to adjourn into Executive Session to discuss issues of personnel, City Clerk evaluation**

**Seconded by Mr. McGhee**

**COUNCIL COMMENTS**

No Comments

**ADJOURNMENT**

**Mr. McGhee adjourned the meeting at 9:57 p.m.**

**Seconded by Mr. Welch**

The regular meeting of January 5, 2015 adjourned at 9:57 p.m.

**These minutes passed and approved** by a duly constituted quorum of the North Pole City Council on Tuesday, January 20, 2015.

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Bryce J. Ward, Mayor

**ATTEST:**

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Kathryn M. Weber, MMC  
North Pole City Clerk