



**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 1, 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, June 1, 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, June 1, 2015 at 7:00 p.m.

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

Led by Mayor Ward

**INVOCATION**

Invocation was given by Councilman McGhee

**APPROVAL OF AGENDA**

**Mr. McGhee moved to Approve the Agenda of June 1, 2015**

**Seconded by Mr. Welch**

**Discussion**

None

**Mr. McGhee moved to amend the agenda to consent as follows:**

***Old Business***

- a. *Ordinance 15-06, An Ordinance Of The City Of North Pole, Alaska To Amend Title 4, Revenue And Finance, Section 20.010, Sale Of City Property*

***New Business***

- b. Ordinance 15-07, An Ordinance Of The City Of North Pole, Alaska To Amend Title 2, Personnel System, Chapter 36, Section.480 Insurance And Disability Benefits*
  
- d. Ordinance 15-09, an Ordinance of the City of North Pole, Alaska to amend the 2015 budget to authorize purchase of a replacement pickup truck for the public works department*

**Seconded by Mr. McCarthy**

**On the amendment**

**PASSED**

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

No: 0

Absent: 0

**On the Agenda as Amended**

**PASSED**

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

No: 0

Absent: 0

**APPROVAL OF MINUTES**

**Mr. Welch *moved to* Approve the minutes of May 18, 2015.**

**Seconded by Mr. McGhee**

**Discussion**

None

**PASSED**

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

No: 0

Absent: 0

**COMMUNICATIONS FROM THE MAYOR**

The Mayors Report for the June 1st, 2015 City Council Meeting

We are seeking donations for the Trooper Park, if you are interested in donating your time or resources please talk to me or Chief Dutra with the Police Dept. We had a great contractor meeting today and look forward to starting work when the road weight restrictions are lifted.

The 4<sup>th</sup> of July festival “A Patriots Christmas” is only 5 short weeks away. If you are interested please contact me or Katy Englund for details. Flint Hills Resources has graciously agreed to come on as title sponsor again this year, Thank YOU! The next meeting will be here at City Hall tomorrow evening at 6:15pm.

I was pleased to see 4 of our council members at the multi-jurisdictional meeting last Wednesday at Pioneer Park in regards to the cannabis zoning ordinance that will eventually be submitted to the assembly by Mayor Luke Hopkins.

Wednesday June 3<sup>rd</sup> is a FNSB workshop on fire service areas and the issues in regards to service areas and their contacting with the local INC’s to provide the fire service. I plan on attending and participating in the discussion.

This Friday from 12-1pm is the IGU ground breaking ceremony. The ceremony will be held between the Mall and the Hotel North Pole. Governor Walker will be in attendance along with the local mayors. Please come celebrate the ground breaking of the IGU distribution system!

Starting Friday, June 5<sup>th</sup>, the Governors transition team will be meeting at UAF. The meeting is scheduled to take place over the weekend and discuss issues such as; the right size of government, revenue options, and where we want the state to look like in the future. The three mayors are going to be present and we are looking forward to a productive meeting.

The FNSB is also considering in Committee of the Whole, a vote in mailing ordinance for the Borough. Ordinance 2015-25 is sponsored by Assemblymen Lance Roberts and Karl Kassel. I would encourage the council to look into the ordinance for possible consideration.

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

None

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

#### **Police Department, Chief Dutra**

- Attended the annual Chena Lakes opening luncheon.
- Officer Bruce Milne was selected to replace Officer Kvittem in drug unit.

- The position that is vacated in July-August will be held open for Captain Phillip McBroom who is due to end his military commitment in November.
- Stats are in front of you, no major issues

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

- None

### **Finance, Tricia Fogarty**

- KSH is done with the field work for the audit. They will have preliminary reports ready for the Mayor late this week or early next week.
- The City handled the audit process differently this year; we opened up our records to the field auditors in addition to that I set them up in MyViewPoint so they could access our General Ledger from their office. Our department heads made themselves available to answer any questions from KSH. I thank my staff and all the department heads and the Mayor for their participation in the audit. KSH will present the audit to the council on the meeting of June 15<sup>th</sup>.

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

#### **Building Department**

- Preliminary discussion with Petro Star Refinery about the construction of an asphalt plant

#### **Public Works**

- All three summer staff on-board
- Landscaping work beginning in earnest—grass cutting, flowers, planters, etc.
- FMATS 2014 repaving project scheduled to begin this week:
  - 3<sup>rd</sup> and 4<sup>th</sup> Avenues by the Elementary School;
  - West 6<sup>th</sup> Avenue
  - Manley Street
  - Owens Street
  - Blanket Boulevard

#### **Utility Department**

- Complaints about odor from wastewater plant
  - Permitted treatment process relies on natural processes—microbes consume the waste
  - Possible contributing factors:

- \* Rapid temperature increase—record temperatures in May
- \* Flow into the plant is half what it was two years ago—loss of discharge from Flint Hills and significant reduction in groundwater inflow from sewer lining project
- Utility’s responses
  - \* Increasing aeration in lagoon 1
  - \* Diluting concentration of wastewater in lagoon 1 with treated wastewater from lagoon 4
  - \* Flushing sewer force main from industrial park
  - \* Postponing annual lift stations cleanings
- Flow in the Tanana River at the sewer discharge site is increasing.
- Submitted grant application for \$1.9 million Sewer Lift Station Rehabilitation Project
  - Funds for the grant are still in the 2016 Capital Budget
  - ADEC wanted the Utility’s application in-hand
- Utility 2014 Annual Report mailed last week

#### **Natural Gas Utility Board**

- Gas pipeline installation is approximately 1000 to 1,500 feet/day (Baker & North Star Subdivisions)
- The linear feet installed per day are likely to slow as begin installations in vicinity of buried utilities

Mr. Smith asked about the amount of trees that are being taken down for the gas line.

Mr. Butler stated that IGU didn’t know where the lines would be going and where they would be actually trenching. The City has asked to not tear up asphalt and driveways.

#### **Borough Representative**

- Mail in voting will be on the agenda this Thursday.
- Meeting on Wednesday at 5:30 in FNSB regarding fire service areas.

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

- PERS Counselors were here on May 21<sup>st</sup> to meet with employees on their retirement and benefits from Tier 1 – Tier 4.
- The FNSB is considering an ordinance for the conduction of elections through voting by mail. This could possibly save the borough and the cities thousands of dollars and have a larger voter turnout. I have made copies of the ordinance for you to look at and we will be putting something forward in the near future for council to consider.
- Reminder that there will be a work session on Monday, June 15<sup>th</sup> at 5:30 p.m. to go over the healthcare renewal before the meeting.

## **ONGOING PROJECTS**

ABC Board was petitioned by Tammy Wilson for a liquor license for Pagoda. The only thing holding them back now is the easement from GVEA.

## **CITIZENS COMMENTS**

### **Chief Steve Dutra –**

Chief Dutra spoke on Ordinance 15-07, An Ordinance of The City of North Pole, Alaska to Amend Title 2, Personnel System, Chapter 36, Section.480 Insurance and Disability Benefits. He gave a power point presentation and spoke on various topics concerning the Healthcare Renewal.

### **Sgt. Bill Bellant –**

Sgt. Bellant continued with the power point. See attached.

Mr. McGhee asked if the council was being asked to raise the sales tax.

Mr. Welch asked if the employees always felt as if they felt they were being squeezed.

Ms. Holm asked if Mr. Dutra had faith that with the strategic planning that the City can raise revenue without raising taxes if the program is successful.

Mr. Smith asked if the fire department had the same kind of questions.

Lance Roberts,

Mr. Roberts said that a city resident made a complaint about the basements that flooded last year because of the beavers.

## **NEW BUSINESS**

### **APPROVAL OF STRATEGIC PLANNING CONTRACT WITH AGNEW:BECK**

Shelly Wade with Agnew;Beck consulting, introduced herself as the people who will be working with the City of North Pole over the next 18 months. Ms. Wade gave an overview of what they will be working on and reporting to council to come up with a draft plan/stakeholder plan.

### **Public Comment**

None

**Mr. McGhee *moved to* approve the Strategic Planning Contract with Agnew;Beck Consulting**

**Seconded by Mr. McCarthy**

**Discussion**

None

**PASSED**

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

No: 0

Absent: 0

*Ms. Holm moved to suspend the rules for 2 minutes*

*Seconded by Mr. Welch*

*Passed Unanimously*

*Mayor Ward brought the meeting back to order at 8:17 p.m.*

**ORDINANCE 15-08, AN ORDINANCE OF THE NORTH POLE CITY COUNCIL INTRODUCING CHAPTER 5.10 MARIJUANA, SECTION .010 PROHIBITING RETAIL SALES**

Ms. Hunter introduced the ordinance. She stated that the North Pole area defeated Ballot Measure 2. Another consideration was that the City of North Pole's motto is "Where the spirit of Christmas lives year 'round" along with the fact that this could severely reduce or exceed the revenue from the marijuana sales tax. She asked the council to let this ordinance stand until they could see what the State put in place and that there are a lot of things still up in the air.

**Public Comment**

Jeff Spohn - 3417 Baker Rd.

Mr. Spohn spoke against the ordinance and stated that this could help to raise revenue for the City.

**Lance Roberts, PO Box 83449 Fairbanks, AK**

Mr. Roberts stated that he lived here when he was younger and spoke in favor of the Ordinance. He spoke on the zoning issues and regulating the type of businesses. He agrees with the statements of the image of North Pole and everything the City does is based on that fact. He asked if the City of North Pole wants to be known as the City that sells marijuana. He asked the council to go further and ban all of it and make it a safe place.

Mr. McGhee asked Mr. Roberts many questions regarding the use of marijuana and selling of marijuana.

Ms. Holm said that there is a stigma in North Pole about being the meth center of the Interior.

Mr. Welch asked if North Pole would ever overcome the stigma when it encompasses the 99705 zip code.

Mr. Roberts said that the stigma is around the name North Pole not around the zip code and that the City could change that stigma if they are proactive

Mr. McGhee said that this is a FNSB issue and that not all the meth houses are inside the City limits.

**Santa Claus, 350 S Santa Claus Lane**

Mr. Claus said that meth is different from marijuana and as the former Special Assistant to the Deputy Police Commissioner of New York City and has some experience and educated about law enforcement and marijuana in particular. He doesn't see that having a dispensary in North Pole would be much different than using alcohol. As far as image, Santa Claus is jolly, and is a medical marijuana patient and would like to be able to have it located in North Pole. He spoke against the ordinance.

**Ms. Holm *moved to* Introduce and Advance Ordinance 15-08, An Ordinance of the North Pole City Council introducing Chapter 5.10 Marijuana, Section .010 Prohibiting Retail Sales**

**Seconded by Ms. Hunter**

**Discussion**

Ms. Holm stated that children are a huge concern of hers and what we are setting up for ourselves for future generations. She said that there was a quote by Ronald Reagan; We are never more than one generation away from losing our freedoms. She said we are living in a generation that is fighting for its freedom, a freedom that makes drugs more accessible, that makes for more drug addicts that makes them look lazy, unmotivated, unambitious, forgetful, and unable to think clearly, unable to communicate properly and makes its users lose track of time. Ms. Holm said that doesn't apply to all drug users as some are high functioning alcoholics and high functioning marijuana users. She wants to create a future for North Pole that is not going to last 5 years to g. keep us stable but keep us stable for 500 years and a future generation who we want to be mayors. She is asking for everyone to vote no to retail marijuana and vote in favor of this ordinance. If you want marijuana there are other places to buy it. Personal use is still legal and something we can do is say no retail stores.

Ms. Hunter said that we do have our budget problems and an example today of the dissatisfaction we are looking at for health care. She said it was important to look at the issue from beyond the money that it can bring the City. If we are going to rely on easy money it seems similar to communities that have gambling and looks temping and quantity of money that you



can make but it is a false promise and the message of what we are willing to do is not a good message to give our citizens. Many people have said that they would be willing to pay the ½ cent to have a city that does not have retail stores within its city limits.

Mr. McCarthy stated that in a workshop back in December he brought up this issue of having a ban in North Pole was going to depend on how we were going to finance the police end of things. The North Pole Police Department is going to need additional costs and resources. If we ban marijuana in North Pole they will go out and buy it somewhere else and we will not have that money to use in the City for education and training. It is OK, we sell alcohol and cigarettes, guns, ammo, and where do you draw the line on what you will or will not have. He is shocked that this is coming back and he will not support it. Marijuana is coming into the state. We can't raise taxes here and he is against it.

Mr. McGhee is surprised it came up again. There are a number of reasons he can't support this. He is amazed by a hand full of people who are afraid of marijuana coming to our community. Sales are here and is insulted by the attitude of some council members who have degraded individual users when he knows hundreds of law abiding business owners who have been using during the majority of their adult lives. There are people out there that use alcohol and there are community programs out there to help them. He said it is going to be more difficult to identify a retail marijuana store than a liquor store advertising Corona and Tequila body shots. As Mr. McCarthy said, the City of North Pole has liquor, drugs, legal drug stores, alcohol stores, gun stores and now you're worried about the image of North Pole. We barely have one third of the registered voters come out and vote – 239 voted yes on Ballot Measure 2 and 288 voted no and all of a sudden that 288 say they didn't vote for it and therefore they don't have to abide by it. The yes vote people have spoken.

The tax dollars and study the zoning, he is impressed and pleased with it, there are already guns and alcohol within it. It's still going to cost your police department and you have chosen to get an imaginary image. The new law will not allow anyone under 21 years old and should focus on not banning but educating their children and parents to be more responsible. When this was voted in there were more kids showing up to school with marijuana. He said we are being fiscally irresponsible if we ban marijuana and if being truly responsible in this ordinance, are you sure you don't want to expand it because if you saw the zoning plan, testing and cultivating are within the city limits. He doesn't understand it. He asked what we are waiting for. To see that Fairbanks brought in \$2.4 million in tax dollars based on retail sales because they're going to add it in the same line item as alcohol and tobacco tax. The state voters have voted and would love to see the City of North Pole Council respect that vote and honor it and be fiscally responsible. If they want to support the FNSB with the zoning then that is what we should do. He cannot support this ordinance.

Mr. Smith said he has been an athlete his entire life. He sees both sides of the story. He stated that the voters have said yes to marijuana and he said we have guns, alcohol. He asked if the owners of buildings are going to let vendors in their area smoke inside the hotel rooms. He felt the ordinance needed a little more work on it.

Mr. Welch said there are so many aspects to this ordinance. He looks at it from an education that they got from the FNSB meeting and we do not know where the FNSB or the state is going and he could not support it at this time. It is nebulous at this time but for most people it is an idea of not knowing what the outcome will be.

Mayor Ward said he appreciated Ms. Hunter for bringing this forward. He is not in favor of marijuana use and the commercialization of it. There are certain amounts that are legal by law and people have the right of freedom and choice. If you don't want to use it, don't use it. If it is something that people don't want in a community then they won't shop there. He is not in favor of the ordinance. He said that by letting the market dictate where that goes is by far a more appropriate setting in the country that we live in versus us as a government trying to regulate morality.

Mr. McCarthy said he was 26 years in the Coast Guard and was dealing with drugs and doing anti-drug operations. What changed his mind on marijuana was when his mother was diagnosed with cancer and they had to go out on the street and get marijuana for her so she would be able to have an appetite. He doesn't see a ban working in North Pole and it being extremely detrimental more people on the road who will be getting marijuana from somewhere else. We could use the additional income.

Mr. Smith said he like how it's written but would like to see it better written.

Ms. Hunter said in response to a comment made to guns, alcohol, and ammo; they are items found in any community in the U.S. The sale of marijuana in general, is one of three states, it is still a new thing and still something that people are going to notice as something distinguishing the community. People that voted against it, they don't know what the reasons were. However, what did pass was this Ballot Measure gave us the right to ban marijuana. We are not creating that, it was what everyone voted for.

Ms. Holm said that Mr. McCarthy is concerned about not having enough revenues to cover the costs. She realized that it costs for the departments is going to increase with marijuana whether or not we allow it in the City limits. She asked what we stand to gain; \$20,000 - \$50,000 maybe, and that isn't going to cover an officer. We are risking the youth of this community to send a message out to all the residents because this will make national news, someone will pick it up, "North Pole Alaska, with the Santa Claus House has Santa's special bake shop". She didn't feel it was worth it for the possible return revenue. Being a dispensary free city isn't an attack on user but sending a message that drugs do lead to a life of hardship. She stated that she grew up with hundreds of foster kids. It's unbelievable that councilmembers think that there are parents out there that think that it's just awesome to smoke pot and teach responsible use for your children. You should never smoke pot with your kids. Do you know how many children are up for adoption in Alaska; the last number she heard was 253. She doesn't know how many are pot users but guaranteed that if they grew up like she did and met and knew these kids, they are drop

outs and struggle through life. Santa Claus made a comment that marijuana was not a gateway drug but she in her experience it does go on to harder things. She is concerned that we are going to be sellouts as a community and that we're going to say it's okay to go over on Santa Claus Lane and open up a marijuana dispensary and letting kids know that drugs are safe. Not the message. Do we really want to be a doped up community or do we want to be vibrant. Sign up with Agnew;Beck to bring us resources and revenues to prohibit the use of retail stores. There is no shutting the barn door and we need to put a stop and postpone it to the best of our ability.

Mr. Welch commented on someone who had bought marijuana for his ailing wife from an undercover agent and lost his career. He doesn't feel anyone knows what it would bring the city if we legalized it here but as he mentioned earlier it has so many aspects to it. While we are waiting for was the FNSB and State will do, he can't support it.

Mr. McGhee thanked the mayor for bringing up the freedom to choose. When the state passed medical marijuana, what they failed to do was to provide any avenue for those people to access marijuana other than what was under raven law. People that are ill don't have the ability to start growing their own. This is an avenue for all people that want to indulge in that recreational drug to be able to access it legally. The provision was put there for the municipalities. He grew up in the 60's. He's seen it all, and its society not the people. This is better than alcohol and people are standing up and accessing it. Many other countries are coming on board. When the law passed the sky didn't fall, illegal use has gone down, and because law enforcement isn't going after them like they were. As far as closing the alcohol establishments, the City of Fairbanks shut them down and it's not something that can't be done. We've shut down the Boys and Girls Club for fighting and drugs. We should be advocating for a Boys & Girls Club. He said this is being responsible and by having a responsible retail store. Unlike a bar, on today's ruling, there are not any smoke easy establishments. 90% of people who go into bars come out under the influence. There are a lot of sad stories when it comes to drugs and dysfunctional families but blaming it on a plant isn't the answer, its society. He feels that being responsible to the voters who want legal access to a retail store are who he is supporting. People who are kind enough to share with him their needs are.

FAILED

Yes: 2 – Hunter, Holm

No: 5 – Welch, McGhee, McCarthy, Smith, Ward

Absent: 0

**ORDINANCE 15-10, AN ORDINANCE OF THE CITY OF NORTH POLE, ALASKA TO AMEND TITLE 13, PUBLIC SERVICES, AND ADDING CHAPTER 32 – GENERAL PROVISIONS FOR DRILLING WATER WELLS, TO UPDATE ORDINANCE, AND ESTABLISH PROCESS FOR PERMITTING THE INSTALLATION OF WATER WELLS**

Mr. Butler introduced the Ordinance along with comments from Mayor Ward.

**Public Comment**

None

**Mr. McGhee moved to Introduce and Advance Ordinance 15-10, An Ordinance of the City of North Pole, Alaska to Amend Title 13, Public Services, and Adding Chapter 32 – General Provisions for Drilling Water Wells, To Update Ordinance, and Establish Process for Permitting the Installation of Water Wells**

**Seconded by Mr. Welch**

**Discussion**

None

**Mr. McGhee moved to Amend Ordinance 15-10, an Ordinance of the City of North Pole, Alaska to amend Title 13, Public Services, and adding Chapter 32 – General Provisions for drilling water wells, to update ordinance, and establish process for permitting the installation of water wells as follows:**

*WHEREAS, the EPA has determined that the regional screening level for sulfolane should be 16 PPB; and*

*WHEREAS, the EPA is the environmental agency tasked with regulating safe exposure levels of contaminants on the federal level; and*

*WHEREAS, the State of Alaska's cleanup level was remanded on April 4<sup>th</sup> 2014 by the DEC commissioner and therefore, the state has no effective cleanup standard at this time; and*

*WHEREAS, the North Pole City Council wishes to aid in the implementation of institutional controls to help create an effective and responsible offsite cleanup plan for the North Pole sulfolane plume; and*

*WHEREAS, the North Pole City Council is dedicated to the health and wellbeing of all of our residents and believes in reasonable regulation to aid in achieving this goal.*

**Seconded by Mr. Welch**

**Discussion**

Mr. McGhee thanked the Mayor for giving it more clarification.

Mr. Smith thanked the Mayor for being proactive with the clean drinking water.

*On the amendment*

**PASSED**

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

No: 0

Absent: 0

*On the main motion as amended*

**Discussion**

Ms. Holm wanted clarification on the ordinance.

**PASSED**

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

No: 0

Absent: 0

**COUNCIL COMMENTS**

Ms. Hunter – wished everyone a good week and to enjoy the summer.

Ms. Holm – have a great night.

Mr. Welch – congratulated the North Pole Racing Lions and said they had over 80 cars that entered. It was a good thing to see and he would like to see more things like that.

Mr. McGhee – thanked the constituents who came out and thanked Santa Claus for his candidness. He thanked the council for their diverseness. It's a beautiful summer and lots of frustration with drivers and asked everyone to be patient. Be grateful for what the construction is doing and be safe.

Mr. McCarthy – surprised the work they are doing on the railroad tracks.

Mr. Smith – thanked everyone for a great evening and for constituents coming in and speaking. He appreciates the council's diversity. Be careful BBQ'ing and have a great evening.

Mayor Ward – over Memorial Day weekend we lost Mr. Woster. There will be a funeral mass on Tuesday. He is looking forward to a productive summer.

**ADJOURNMENT**

**Mr. Welch adjourned the meeting at 9:35 p.m.**

**Seconded by Mr. McGhee**

The regular meeting of June 1, 2015 adjourned at 9:35 p.m.

**These minutes passed and approved** by a duly constituted quorum of the North Pole City Council on Monday, June 15, 2015.

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Bryce J. Ward, Mayor

**ATTEST:**

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Kathryn M. Weber, MMC  
North Pole City Clerk