



**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, November 2, 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, November 2, 2015 to order at 7:00 p.m.

***There were present:***

**Ms. Holm  
Ms. Dawson  
Mr. McCarthy  
Mr. McGhee  
Mr. Smith  
Mr. Claus  
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, November 2, 2015 at 7:00 p.m.

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

Led by Troop 49  
National Anthem sung by NPMS Choir

**INVOCATION**

Invocation was given by Councilman McGhee

**APPROVAL OF AGENDA**

**Mr. McGhee *moved to* approve the Agenda of November 2, 2015**

**Seconded by Mr. Smith**

**Discussion**

None

**Mr. McGhee *moved to* amend by consenting the following items under New Business:**

- a. Recommendation to accept Fairbanks Fuel Distributors' proposal to provide heating fuel to the City of North Pole.

- b. Recommendation to approve a contract for engineering services with North Star Engineering and Inspections, Inc. to perform plan review and inspections at the Petro Star Asphalt Plant Project.
- c. Ordinance 15-17, An Ordinance amending Title 2, Chapter 2.36 Personnel Code, Section .470 Pay.
- f. Ordinance 15-20, an Ordinance of the City of North Pole, Alaska to amend Chapter 4.25, Designated Funds
- g. Ordinance 15-21, an Ordinance of the City of North Pole, Alaska amending Title 2, Administration and Personnel, Section 2.12.350 Council Compensation
- h. Resolution 15-18, A Resolution of the North Pole City Council rescheduling the November 16, 2015 council meeting to November 9, 2015 due to the AML conference in Anchorage, Alaska.
- i. Resolution 15-19, A Resolution of the North Pole City Council designating City official's authorization to sign on City of North Pole accounts.

**Seconded by Mr. McCarthy**

**Discussion**

None

**On the Amendment**

**PASSED**

Yes: 7 –Holm, Smith, McCarthy, Claus, McGhee, Dawson, Ward

No: 0

Absent: 0

**On the agenda as amended**

**PASSED**

Yes: 7 –Holm, Smith, McCarthy, Claus, McGhee, Dawson, Ward

No: 0

Absent: 0

## **APPROVAL OF MINUTES**

**Mr. Smith** *moved to* approve the minutes of October 19, 2015

**Seconded** by Mr. McGhee

### **Discussion**

None

### **PASSED**

Yes: 7 –Holm, Smith, McCarthy, Claus, McGhee, Dawson, Ward

No: 0

Absent: 0

## **COMMUNICATIONS FROM THE MAYOR**

### **Proclamations**

Connor Zelrick – NPMS

Tim Markie – NPHS

### **Reorganization of Council**

Mayor Pro Tem – Kevin McCarthy

Deputy Mayor Pro Tem – Preston Smith

Alternate Deputy Mayor Pro Tem – Elizabeth Holm

Borough Assembly Representative – Mayor Ward

Mr. Smith asked if he (Mayor Ward) had met with the new Borough Mayor.

Mayor Ward stated that he has met with the Mayor and keeping open channel of communications.

### **Office of the Mayor**

Every third Friday of the month is Muffins with the Mayor, Please mark your calendars for this special event, all are welcome from 8-10 am here at City Hall in the Council Chambers.

The Festival Committee is having success meeting with local groups and coordinating activities and calendars. We are still in need of more participation and help. The committee will meet every first and third Tuesday of the month until the end of the year; all of the next meetings will be at City Hall and start at 6pm.

Budget Season is upon us and we have released the 2016 budget. We have copies available in the front office or they are available for download on the City Website. Northpolealaska.com

I am meeting with the City of Fairbanks Finance committee tomorrow morning at 7am to go over the FECC proposed business plan. We have recently developed a new cost allocation that better represents the cost to provide dispatch to each member agency. I am proposing that FECC be designated to its own fund in a manner that is in alignment with GASB rules, for example a proprietary fund such as our enterprise funds for water and sewer.

Wednesday Nov 4<sup>th</sup> is a busy night; starting at 5pm I will be walking with community members to support the homeless and at risk youth in the interior. We will start at the SOAP building on 7<sup>th</sup> avenue and walk to the First Presbyterian Church 7<sup>th</sup> and Cushman where the Mayors will read a proclamation for the at risk youth in our community.

Starting at 5:30 AIDEA will begin presentations at the Pioneer Park Centennial Building. All proposers will be able to give a presentation to the community and there will be question and answer sessions. Please come educate yourself on the future of energy for the interior.

FYI: Christmas is 53 days away!

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

None

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

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

- We received an additional 5,175 In PFD Garnishments last week.
- Now that we have our Improvement district program back, we were able to send out Assessment Billing. We also loaded an updated file to Xpress Bill Pay, so customers can pay online if they choose to.
- I am continuing to work on the new chart of accounts. I have emailed Caselle the General Fund for review. As I mentioned during our budget session, once this new chart of accounts is finalized we will have to do a budget amendment to show the budget with the new account numbers.
- We met with AlasConnect last week to Identify our main programs, and to give them help desk contact numbers for the programs we have tech support agreements with. We are setup to switch over on Friday the 13<sup>th</sup> at some point on Saturday they will give a few of us a call to come in and test our programs to see if they are working properly.

- This week I will be doing payroll to familiarize myself with the payroll process because our City Clerk is threatening to go on a vacation.
- November 16<sup>th</sup> to the 18<sup>th</sup> I will be attending the GFOA conference in Anchorage.

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

- Recognition of Special Agent Stone, Lambert, and Goeden
- Fisher Employee of the year
- Glow Stick was a success we handed out 600 sticks in 45 minutes

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

- Engineer has taken position with DOD and have hired new employee.
- ISO rating came in at Class II.

### **Borough Representative**

- Borough approved zoning ordinance for marijuana and changed some set back requirements. Worked on issues with GU1. Mayor Ward encouraged council to read the ordinance to see what the changes are in the ordinance.
- Borough swore in the new Borough Mayor

Mr. Smith asked about changing the air quality monitor on Hurst Rd.

Mayor Ward said that it would be very expensive to change it and the borough didn't have the budget for it. The City did offer up some properties to put the monitoring site.

### **Director of City Services**

#### **Building Department**

- Building Permit with Petro Star Refinery for asphalt plant.
  - Total plan review and permit fees: \$175,545.56
  - 11 separate structures are part of the project.
  - The blanket permit approach makes managing the permitting, construction and inspection process easier for the City and Petro Star to manage.
  - Plan review and inspection before the Council for consideration.

#### **Public Works**

- To begin installing Christmas decorations beginning this week.
  - News Miner spotlighted the Public Works Department and Christmas decorations.
- Hawks is preparing a quote for special plowing of Santa Claus Lane.
- Begun snowplowing of the pedestrian paths.

- Extension of heating fuel contract with Fairbanks Fuel Distributors is before the Council this evening.

### **Utility Department**

- Sewer outfall and Notice of Violation.
  - ADEC responded to City's NOV submission and was expecting the Utility to have a solution constructed and operational by October 2016.
  - Made the case that this was not a realistic deadline.
  - December 11 to submit City's final proposed option with a timeline for installation.

### **Natural Gas Utility Board**

- Candidate for General Manager of IGU withdrew
  - IGU to re-open the position

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

- Worked on budget and putting documents together so we could have the 2016 Annual Budget Book out to council members by October 23<sup>rd</sup>.
- Will be putting out information to employees on the Flex System. This is a volunteer program which uses pre-tax dollars to pay for medical co-pays, prescriptions, and/or daycare fees, thereby reducing taxable income and increasing take-home pay. This is offered through the City of North Pole and is administered by TASC. When employees choose to enroll in a FlexSystem Healthcare and/or Dependent Care FSA they determine the dollar amount they want to contribute to each account based on their estimated expenses for the upcoming plan year. For more information please contact my office.
- Working with the City Attorney to set up laserfiche in his office which will give him the ability to see our legal documents. We have received the first 70,000 pages that will be scanned and categorized.
- We will be converting to Alasconnect on November 14<sup>th</sup> and will hold off on get the City Attorney and our template up and running until the middle of December.
- Bed Tax presentation will take place on Monday, November 23, 2015 according to the code. This will need to be changed next year to the 4<sup>th</sup> Tuesday of the month.
- AML will be held from November 16 – 20<sup>th</sup>. Santa Claus, Elyse Dawson, and Mayor Ward will be attending this year.
- The State Records Manager for the State of Alaska will be coming to North Pole for a Professional Records Management Consultation to provide advice and assistance regarding our records management program. After surveying our record holdings, she will prepare a report summarizing her findings and make recommendations for action. The report and recommendations will ensure that our records are administered according to State procedures, standards and best practices. This will be covered by the archive grant.

- Thursday, November 19<sup>th</sup> from 3:00 – 6:00 the Public Health Nursing will hold a Child Immunization Clinic at the North Pole Fire Department, 110 Lewis St.
  - Parents Must be present
  - All childhood immunizations will be available including vaccines to protect against chickenpox, whooping cough and the flu.
  - Whooping Cough and flu vaccine for adults will also be available
  - Fees will be assessed for services. No one will be refused service due to inability to pay.
  - No TB tests will be offered at this clinic.
- For more information, call the Fairbanks Regional Public Health Center at 452-1776

### **ONGOING PROJECTS**

- None

### **CITIZENS COMMENTS**

- None

### **OLD BUSINESS**

- None

### **NEW BUSINESS**

#### **ORDINANCE 15-18, AN ORDINANCE OF THE NORTH POLE CITY COUNCIL AMENDING TITLE 2.36.470, PERSONNEL CODE TO ADD RECORDS MANAGER/ARCHIVIST POSITION**

Ms. Weber stated this position is basically for the litigation and scanning of the documents that are going to be coming in in regards to the sulfolane plume. She also stated that this would be the most cost effective way for the city to get these item archived.

Mr. Smith asked if we have a big enough database to support the millions of pages we will be scanning in.

Ms. Weber answered yes.

#### **Public Comment**

None

**Mr. McGhee *moved to* introduce and advance Ordinance 15-18, an Ordinance of the North Pole City Council amending Title 2.36.470, Personnel Code to add Records Manager/Archivist position**

**Seconded by Mr. McCarthy**

**Discussion**

Ms. Holm referred council to page 28 of the budget binder and said that the council could go based off the numbers that were given by the Mayor. On the assumption that we will continue to grow our sales tax base by 3.5% per year, and employees continue to grow at that rate also, their salaries at 3%, those cost won't be covered and we will actually be going into the red by 2020 by over \$65,000.00. She said if tobacco, bed taxes, alcohol, sales tax, and property tax increase at 3% across the board in 2020 we will only have \$40,000.00. She knows that things look positive for the city right now but taking on a new full time position still is fiscally irresponsible. As far as the litigation is concerned which is the pressing matter on why we're trying to hire an archiving position so quickly, she felt the City may be wanting to reconsidering that for looking so positive in the building aspect and not scaring off businesses but businesses are looking at us like we are a good place to settle and felt the City needed to reconsider our relationship with Zane Wilson. She wanted to point out that we do already have 2 employees, Stephanie DeCristo and Michelle Myhill, who works at the Fire Department who is capable and trained on laserfiche. She said last year when we went over this position and we were going to hire this position full time, the Fire Chief did express that when that position over the fire department is not working that he is willing to have her come over if she doesn't have anything to do. If there are two staff members who are totally capable of using laserfiche then the City should utilize that and not create another permanent position that comes with overtime, holiday pay, Medicare, social security, PERS and if it wasn't for PERS everybody would be fully staffed. She said she would vote no for now and will have to see what happens with the building in the future and see if they can get more than 3% growth for the City.

Mr. Smith asked if this new employee would be able to multi-task and do other things around the office as well as just the archiving.

Mayor Ward stated that yes certainly anytime we have a full time position that is not restrained by a grant that they would be able to do other duties. He said that last year that position processed 58,000 records within the last year and the estimates for this case are in excess of 1,000,000 pages and so the City is looking at a significant amount of work that is involved. He understands that there are limitations and ramifications that we have to look at within our budget and we have provided for that. With the transfer from the fund balance, which is not an ideal situation, however, it is something that when we signed up for the action that we have taken it is something that is going to cost resources and time to make sure we're doing that properly. He said it's not an easy or simple thing but we need to have the expertise to be able to perform our duties and responsibilities in an efficient manner and this is the best way to do it. He stated that he will disagree with Ms. Holm on the fact that this is not something that can be done on a part time basis.

Ms. Holm said if we reconsider the litigation that will relieve us from the millions of documents that need to be filed. This fund for the fleet vehicles is not be coming back at this point and we



are going to spend over \$55,000 a year and buying an employee and spending the money on an employee but we are not going to be funding our vehicle fleet in exchange for that. She said it is not looking so good for 2017. In exchange for vehicles we will be archiving. She said she just wanted to point that out in case anyone had any comments.

**PASSED**

Yes: 6 – Claus, Dawson, McGhee, McCarthy, Smith, Ward

No: 1 - Holm

Absent: 0

**ORDINANCE 15-19, AN ORDINANCE OF THE NORTH POLE CITY COUNCIL ESTABLISHING THE 2016 OPERATING AND CAPITAL BUDGET AND LEVYING THE MILL RATE**

Mayor Ward gave the introduction to the 2016 budget.

**Public Comment**

None

**Mr. McGhee *moved to introduce and advance Ordinance 15-19, an Ordinance of the North Pole City Council establishing the 2016 operating and capital budget and levying the mill rate***

**Seconded by Mr. McCarthy**

**Discussion**

Mr. McGhee said there was a discrepancy with the operating budget total.

Mayor Ward said he will look into the discrepancy and get it fixed.

Ms. Holm said she wanted to reiterate on some of the points that she had just made on the last item. During the budget workshop process the departments cannot squeeze anymore from the non-personnel. Council has also consented to not fund our vehicles. In four years we'll be in the red even at the best growth possible and not be able to expand on the line items that are being shorted and we need to do better. She would like to remove those costs associated with hiring another employee but council has already gone over that so she wouldn't make a motion. She said she was curious to see if anyone else saw anything different in this budget that was sustainable. She asked if the council thought this budget was sustainable for 4 years.

Mayor Ward said that for a number of years the City had a difficult time with the cash basis, cash allocation to the general fund. He said there was a time when we spent more than we brought in. The last few years the council has been looking at the revenue stream watching our revenues. Over the last 3 years the City has been able to correct that through a number of different means

looking at revenue streams, making sure that we are actually accounting for tax revenues that should be accounted for and that we are making sure that businesses in the City are paying those sales taxes etc. We have also been watching our expenditures. Departments have been under budget the last 3 years consistently. Taking those things into consideration and losing approximately \$200,000 in property tax revenue which was difficult for a City our size. We do have to look at our obligations and needs to provide the services that we are here to do and do it to the best of our ability. The budget does account for a \$40,000 transfer from fund balance in a \$5.3 million dollar budget that we are looking at which is pretty small. He would love to be in a situation where we could put money back in the fund balance and that is, of course, a goal. Our strategic planning is a big part where we go in the future. If you were to look at this budget and multiply it 4 times, to the future, that would be a pretty bleak future. However, a budget is something that needs to take into consideration all the things that are going on at the current time. If someone asked him 4 years ago if he would be sitting here, He'd probably say, probably not. The point he was trying to make is that things can change. Investing in our future and a lot of hard work on the council's part and a lot of hard work from the citizens in our community, to look at North Pole as a positive investment.

Mr. McGhee said he has a lot of years of experience sitting up here on this council and listening to a lot of budgets and he didn't get to listen to Chief Lane's as he wasn't feeling well. He did review the Fire Departments budget and gave him kudo's for having done the most cuts of all the departments. Even though he doesn't agree with removing fleet funds, it is an important fund and was a hard push to get it on here and start doing it and was supported by every department head, but he also heard every department head support the removal of it for this year. It was emphasize at the budget hearings that it was only going to be this year and he will see it come back next year and if it mean cuts to help protect ourselves as far as equipment then they will need to do that. At the same time he is the advocate for taxes and doesn't think the people that are burning up our resources are paying their fair share. The property owners are being the ones being burdened with the improvements and maintaining the status quo as far as what our departments can provide for us and he felt our department heads are doing the best they can with the limited resources that they have. Too many years he has sat and heard arguments and discussions from both the police and fire departments and is pleased with City of North Pole and the budget as brought forward and is happy with how the administration office is working on it. He is supporting it as he supported the last vote for the new personnel because as his experience has learned when he needs information from that office, he needs to get accurate information. He said the budget is a tight one and they had to pull from the general fund but at the same time they have a year to get together with a new council, new members, and council hopefully coming back for re-election next year that they help make sure they don't have to burden themselves. He understands Ms. Holm and appreciates what she as offered, but he will support the budget as brought forward.

**PASSED**

Yes: 6 – Claus, Dawson, McGhee, McCarthy, Smith, Ward

No: 1 - Holm

Absent: 0

### **COUNCIL COMMENTS**

Mr. McCarthy – No comment but thank you for voting for me.

Mr. Smith – Thanks for all the great budget presentations. He looks forward to another great year of city council actions and all the positive things that are going to come out of budgets and Agnew:Beck with their plan to energize North Pole. Have a safe ride home.

Mr. Claus – Stay safe on the roads.

Ms. Holm – The round-abouts look good. She thanked the public works as the Christmas lights look amazing. Good night.

Ms. Dawson – said she was excited to be here and thankful for this opportunity to serve my community. It was really cool to meet all the department heads. It was awesome to see it from this viewpoint and appreciates everything they do. She appreciated them and appreciates Mr. Butler and everything that they do because they wouldn't even be functioning as a City without them.

Mr. McGhee – Looking at the pictures on the back wall and realized that he has been in the City for 6 Mayors and served with 3 Mayors in the time he's been here and grateful for the last 3 years. He said that because he did a survey recently and was asked what would really help to bring in new business and new economic development and he had to say that it was an administration that wasn't making the news for all the wrong reasons. We made news for all the right decisions. He is grateful and gives congratulations for doing it for another 3 years. Be careful on the roads.

Mayor Ward – it's been a pleasure to work with councils and the ability to put our own desires aside and to work with great people. He is really excited and feels that there are great things in store for North Pole and is encouraged with strategic planning. It's a great way to engage with ourselves and the community and find out what drives us in the community, take the survey.

### **ADJOURNMENT**

**Mr. McGhee moved to adjourn the meeting at 8:27 p.m.**

**Seconded by Ms. Holm**

The regular meeting of November 2, 2015 adjourned at 8:27 p.m.

**These minutes passed and approved** by a duly constituted quorum of the North Pole City Council on Monday, November 9, 2015.

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Bryce J. Ward, Mayor

**ATTEST:**

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Kathryn M. Weber, MMC  
North Pole City Clerk