



**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, April 18, 2016 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, April 18, 2016 to order at 7:00 p.m.

There were present:

**Mr. McCarthy – Mayor Pro Tem
Mr. Smith – Deputy Mayor Pro Tem
Ms. Holm – Alt. Deputy Mayor Pro Tem
Ms. Dawson
Mr. McGhee
Mr. Claus
Mayor Ward**

***Absent/Excused
Excused***

CALL TO ORDER/ROLL CALL

Mayor Ward called the regularly scheduled meeting of the North Pole City Council to order on Monday, April 18, 2016 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 April 18, 2016

Seconded by Mr. Smith

Discussion

None

Mr. McGhee moved to Consent under Old Business:

- a. Ordinance 16-06, An Ordinance of the North Pole City Council to amend Title 5, Chapter 5.08.030 (A), Council review of license issuance, renewal, transfer, relocation, or continued operation.
- b. Ordinance 16-07, An Ordinance of the North Pole City Council amending North Pole Municipal Code Title 2, Chapter 2.36.231, Tuition Reimbursements

New Business

- b. Recommendation to approve Professional Services Agreement with North Star Engineering and Inspection, Inc. to provide the City of North Pole with plan review and inspections services for the Petro Star Naphtha Splitter Unit Project.

Seconded by Mr. Claus

Discussion

None

On the amendment

PASSED

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

No: 0

Absent: 1 - McCarthy

On the motion as amended

PASSED

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

No: 0

Absent: 1 - McCarthy

APPROVAL OF MINUTES

Mr. Smith *moved to* approve the minutes of April 4, 2016

Seconded by Mr. McGhee

Discussion

None

PASSED

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

No: 0

Absent: 1 - McCarthy

COMMUNICATIONS FROM THE MAYOR

Since the last council meeting the three mayors recognized the local VISTA serving our community, I was fortunate to also host them at City hall and talk about the opportunities for the VISTA program to engage in North Pole.

It is also my pleasure to announce that the USO is opening an office here in Fairbanks on FTWW, the USO is for active duty military and is also known for soldier support overseas and in active warzones. The USO is excited to serve FTWW, Eielson AFB, Clear AFB, and FT Greely.

As I am sure everyone now knows it was announced that the record of decision or ROD was announced that the F-35's will be based at Eielson AFB. The impacts of this decision will be broad based through the interior but North Pole will feel the majority of the impact from additional soldiers and their families.

I am continuing to participate in Mayor Kassel's air quality working group and feel like we are making progress towards better solutions for the community and developing ways to educate and inform the public about the PM 2.5 issue and how we can combat it.

Tomorrow, April 19th, 6pm here at City Hall is the first 4th of July committee meeting and I encourage all who would like to be a part to please participate, it takes a lot of work to ensure this event occurs. Meetings are posted on the City webpage.

Mayoral Engagements (attended)
Governor Walker Town Hall at FNSB
FNSB Military Civilian Meeting
USO Meeting with Kim Stickler
FNSB Tiger Team
Meeting with Fairbanks VISTAS
KFAR 660
AM 970
AQ task meeting

COUNCIL MEMBER QUESTIONS OF THE MAYOR

- Ms. Holm asked if the Mayor could contact the council in the event that the Mayor couldn't attend certain meeting in town.

COMMUNICATIONS FROM DEPARTMENT HEADS, BOROUGH REPRESENTATIVE AND THE CITY CLERK

Fire Dept., Chief Lane

- None

Finance, Tricia Fogarty

- Delinquent reports on the dais.
- Continue to work on the audit. It is going smoothly.

- Kathy will be on vacation and Tricia will be doing payroll.
- The conversion with the Chart of Accounts has been going very well.

Police Department, Chief Dutra

- None

Director of City Services, Bill Butler

Building Department

- With payment of fees, prepared to issue Petro Star a Blanket Permit for their Naphtha Unit.
 - Contract to hire consulting engineer to conduct plan review and inspections for the project is before the Council this evening.
- Pending feedback from one of our contract engineers, prepared to issue building permits in the Stillmeyer Subdivision.

Public Works

- Public Works has begun construction of our wayfinding signs.
- City of Fairbanks Engineering Department conducted a preliminary survey of the site of a planned pedestrian path on Homestead Road.
 - Fairbanks will be doing the engineering because DOT does not have sufficient staff to perform the work.
- Public Works has replaced the front counter at City Hall.

Utility Department

- Released Invitation to Bid for the Lift Station Rehabilitation Project: Phase 3
 - Construction bids due May 10.
 - If a responsive bid is received, will present recommendation to Council at the May 16 meeting.
- Water main leak repaired on Holiday Road.
 - Leak increased to 300 gallons/minute.
 - Separation of a water main at a junction caused the leak.
 - We consider the repair temporary.
 - Plan to make a permanent repair in late summer.

Natural Gas Utility Board

- IGU hired Jomo Stewart as the General Manager—will be before the Board on April 5.

- Discussions are becoming more focused with AIDEA related the potential combination of IGU and Fairbanks Natural Gas.

Borough Representative

Ordinance 2016-17: This ordinance, which would restrict the ability for a FNSB employee to be on a commission or board drew considerable oppositions and was defeated.

Ordinance 2016-18: This ordinance changed the language for senior citizen property tax exemptions. It did not change the concept; however the language that was used in borough code was not allowed by state statute. The code read that a person had to live here for 185 days a year, statute says that it can be either based on residency or PFD status, the ordinance changed code to say PFD status could be used to determine eligibility

Ordinance 2016-09; This ordinance allowed for amnesty for code violations for properties that have violations that predate the existing owner. Due to the Dodd-Frank lending institutions have begun to not lend on a property if it is in violation of zoning. This meant that if you have a house that is 9 feet from a property line and your zoning required a 10ft side yard you would be in violation of zoning, even if your house was built in the 80's and has been sold 10 times since it was constructed. This does not address grandfathering, where zoning has changed.

Ordinance 2016-21: this ordinance never made it to discussion and the meeting was extended to 1am so they could get all testimony. The ordinance will be heard at the next meeting under old business and consist of a prohibition on outdoor solid fuel boilers and appropriates 2,700,000 of General fund monies to 'buy out' old boilers. It would also eliminate the woodstove exchange program and divert funds to boiler buy outs.

Resolution 2016-18; is a resolution sponsored by the three mayors supporting an energy tax exemption for new construction. See agenda

Consideration of calendar Ordinance 2016-24 is in relation to the boroughs alcohol tax and has ramifications on the way the city does it alcohol taxation

City Clerk, Kathy Weber

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ONGOING PROJECTS

- None

CITIZENS COMMENTS

Mike Carpenter, 401 Beaver Blvd

Mr. Carpenter asked if building permits were required in the city. He also asked if there was a destruction permit needed. He said the building on 5th Ave is an eyesore and needed to be torn down. He also asked about two piles of rubbish that needed to be taken away and that there was a squatter that had taken up there. He has called the police.

Mr. Carpenter's wife of 46 years died recently and he brought a stack of water bills with him and suggested that the City email the bills out.

Buddy Lane, 110 Lewis

Mr. Lane is disappointed that the council consented Ordinance 16-07. He said the council cut off any ability for any employee to come and testify on an ordinance that affects them. In the minutes of 4-4-16, there were two council members that agreed with him to advance it. He felt that this should be managed by department heads. He said that this falls into that category. He asked for Kevin Haywood's memo to be entered into the minutes.

Mr. Claus stated that he was under the impression that Mr. Lane was going to bring forward an amendment.

Mr. Lane said that he can't do that but he hopes that someone will reconsider.

Mr. McGhee said that the paper given was April 15th and that all employees were given notice by the clerk well in advance. He asked if college students were notified in advance.

Mr. Lane said that there are classes that open at 8:00 am and closes at 10:00 am. He said that this is a budget issue and dept. head responsibility.

Mr. McGhee stated that this is the dept. heads responsibility to budget additional funds in case there are employees that want to take classes. He asked if 4 weeks notice was enough for employees to speak to this ordinance.

Mr. Lane said that he has seen amendment come at the 11th hour and that prevents employees to be able to testify to it. He said there wasn't an opportunity to speak to this because it was consented by council. He felt the timeline of the ordinance would affect some people.

Mr. McGhee asked how long Mr. Haywood has been an employee.

Mr. Lane said that Mr. Haywood has just gone back to get his Masters degree.

Mayor Ward said that none of the actions that council has taken precludes them from taking classes.

OLD BUSINESS

None

NEW BUSINESS

RECOMMENDATION TO ACCEPT DESIGN ALASKA'S PROPOSAL TO ASSIST CITY OF NORTH POLE WITH PRELIMINARY REDESIGN OF THE CITY HALL AND POLICE DEPARTMENT COMPLEX

Mr. Butler spoke to the proposal. He stated that the City had received a legislative grant to do the design. Four different firms gave proposals and he recommended Design Alaska. The City does not have the technical expertise to conduct a thorough analysis of the current facilities, generate conceptual drawings, or write a technical RFP to identify an architect.

Public Comment

Mr. McGhee moved to Approve recommendation to accept Design Alaska's proposal to assist City of North Pole with preliminary redesign of the City Hall and Police Department complex

Seconded by Ms. Holm

Discussion

Ms. Holm said she is against this because it comes from the State. This is our chance to give back to the State and help our budget. She said this is not a priority and will vote against it. She said this is an opportunity to do the right thing and give the money back.

Mr. Ward said that there was a discussion last year about turning money back and there was a reason that the legislature gave that money. He appreciated her thoughts on it.

Ms. Holm said the legislature did give this money two years ago and the State didn't project that we would be in the financial situation we are in and we now have an opportunity to pull back.

Mr. Smith asked what this can be used for.

Mayor Ward said that this can only be used for the redesign of City Hall and the Police Department. There is a process for re-appropriation but it is a long process.

Mr. Claus **said that if it goes back to the legislature** that this is help give tax breaks to oil. And if this has already been given to the City it should stay.

Ms. Holm said she didn't believe that was true and that this is money that is in the computer and money that the State doesn't have to distribute.

PASSED

Yes: 4 – McGhee, Claus, Holm, Smith, Ward

No: 2 - Dawson, Holm

Absent: 1 - McCarthy

Mr. Smith moved to suspend the rules for 5 minutes at 8:39 p.m.

Seconded by Mr. Claus

Mayor Ward brought the meeting back to order at 8:44 pm.

ORDINANCE 16-05, AN ORDINANCE AMENDING THE 2016 BUDGET AND LEVYING THE MILL RATE

Mayor Ward introduces the ordinance and gave an overview of the amended budget and the new Chart of Accounts.

Tricia Fogarty identified problems with the Benefits Account and that these issues will be resolved.

Ms. Holm asked under 'Fire Expenditure' (Fund 54) Ms. Fogarty about the changes in this fund.

Ms. Fogarty explained that these changes were made by Chief Lane to buy 'bunker gear' and this money was taken out of the 'Uniform' category.

Mayor Ward explained how this process occurred and that the Fire Department was within its budget limit.

Ms. Holm mentioned that she would prefer that changes of this type would be brought presented to the Council before the actual Council meeting.

Ms. Holm asked about other changes in line-items in the Budget and added that Ms. Fogarty should be ready to give expenses for separate categories.

Mr. McGhee asked the Mayor to introduce the Ordinance in order to allow public testimony and questioning by City Council members.

Public Comment

None

Mr. McGhee moved to Introduce and Advance Ordinance 16-05, An Ordinance Amending the 2016 Budget and Levying the Mill Rate

Seconded by Mr. Claus

Discussion

Mr. McGhee asked how many changes have been made to the budget and suggested that 50 minutes was

not sufficient to discuss the these issues and the other items on the agenda.

Ms. Fogarty identified the changes that have been made to the Budget. She also mentioned that the money used to heat City Hall in the first four months of the current year exceeded the entire heating budget from last year. She also explained that all departments will now have the same Fund numbers making the Chart of Accounts uniform throughout the City.

Mayor Ward encouraged Council members to look over Budget categories and let Ms. Fogarty know their opinions about the new categories.

Ms. Holm said that she finds the new Chart of Accounts to be 'beautiful' and congratulated those who worked on the Chart of Accounts for doing a wonderful job.

Ms. Holm moved to separate all Line Items relating to Workman's Comp, FICA, Medicare, Healthcare and Disabilities to be represented to their own items.

Mr. McGhee seconded the motion.

Mayor Ward gave his opinion that separating Healthcare from the Chart of Accounts was not necessary.

Mayor Ward called Point of Information.

Ms. Weber explained that these items can be put in a separate report.

Ms. Holm withdrew her amendment.

Mr. McGhee seconded the motion.

Ms. Holm moved to separate two line items into two categories, 1) Workman's comp, FICA and Medicare; 2) Healthcare and Disabilities.

Mr. McGhee seconded the motion.

Ms. Holm explained that she thought it was better for Council members' and the public's understanding of the costs regarding these areas to have these line items separate.

Mayor Ward gave his opinion that he does not see the necessity of making this separation in the Chart of Accounts.

Ms. Holm suggested that it is an issue of transparency and that she does not understand the Mayor's opinion on this matter.

Mayor Ward objected to the idea that his efforts on the Chart of Accounts was not transparent and that the Chart of Accounts the way it is allows individuals to know the information needed.

Mr. Claus agreed with Mayor Ward.

Ms. Holm said that she disagreed with Mr. Claus and the Mayor.

Mr. McGhee said that he still agrees with Ms. Holm's idea to separate Healthcare and Disability. Mr. McGhee also expressed his displeasure that MiViewpoint is not always accessible.

PASSED

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

No: 0

Absent: 1 – McCarthy

Mr. McGhee moved to extend the meeting to 10:15pm.

Ms. Holm seconded the motion.

Mr. McGhee expressed his gratitude for the new Chart of Accounts and that compared to Budgets in the past, this new system is easier to understand.

Vote on main motion as amended, Ordinance 16-05.

Mr. ??? seconded

ORDINANCE 16-08, AN ORDINANCE AMENDING TITLE 4, SALES TAX, CHAPTER 4.08.080, RECORDKEEPING

Public Comment

Ms. Holm *moved to* Introduce and Advance Ordinance 16-08, An Ordinance amending Title 4, Sales Tax, Chapter 4.08.080, Recordkeeping

Seconded by Mr. McGhee

Discussion

None

PASSED

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

No: 0

Absent: 1 – McCarthy

RESOLUTION 16-04, A RESOLUTION SUPPORTING A STATE LAW ADOPTING AN OPTIONAL PROPERTY TAX EXEMPTION ENABLING MUNICIPALITIES TO EXEMPT FOR A LIMITED TIME NEWLY CONSTRUCTED SINGLE FAMILY HOMES THAT MEET PRESCRIBED EFFICIENCY STANDARDS.

Mayor Ward explained the background of Resolution 16-04.

Public Comment

Mr. Mike Carpenter testified that it was better to be able to pay property taxes separately.

Mr. McGhee *moved to adopt and approve Resolution 16-04, A Resolution supporting a State law adopting an optional property tax exemption enabling municipalities to exempt for a limited time newly constructed single family homes that meet prescribed efficiency standards*

Seconded by Ms. Holm

Discussion

Ms. Holm explained that she saw this resolution as potentially hurting the City regarding property taxes collected.

Mayor Ward said that it would be better to defer for a few years the property taxes collected in order to encourage higher quality housing being built in North Pole.

Mr. Claus said that he liked that since this is a resolution it is an option; no action is required.

Mr. Claus said that he would like to co-sponsor Resolution 16-04.

Mr. McGhee moved to adopt the resolution.

Mr. Holm seconded the motion.

PASSED

Yes: 5 – Dawson, Claus, Smith, Holm, Ward

No: 1 - McGhee

Absent: 1 – McCarthy

COUNCIL COMMENTS

Mr. McGhee – Thanked Mr. Carpenter for coming out to the meeting tonight. He would like to comment about ‘consenting’ an item on the agenda. He does not feel that the Council cheated anyone from discussing

Ms. Dawson – Drive safely and good night.

Ms. Holm – said that she appreciated the Council and all the work that they do.

Mr. Claus – Good night.

Mr. Smith – Thanked everyone for coming to tonight’s meeting. He likes seeing people using public bike paths.

Mayor Ward – He appreciated the Council members’ willingness to work together, despite differences of opinion. He echoed Mr. Smith’s comments about how much he enjoys using public paths and parks and seeing others use them.

ADJOURNMENT

Mr. McGhee *moved to adjourn the meeting at 9:16 p.m.*

Seconded by Mr. Claus

The regular meeting of April 18, 2016 adjourned at 9:16 p.m.

These minutes passed and approved by a duly constituted quorum of the North Pole City Council on Monday, May 2, 2016.

Bryce J. Ward, Mayor

ATTEST:

Kathryn M. Weber, MMC
North Pole City Clerk