



**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, March 6, 2017 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, March 6, 2017 to order at 7:00 p.m.

There were present:

Mr. McCarthy – Alt Dep Mayor Pro Tem
Mr. Isaacson - Deputy Mayor Pro Tem
Mr. Thompson
Mr. McGhee - Mayor Pro Tem
Mr. Claus
Mr. Skipps
Mayor Ward – Borough Rep

Absent/Excused

Excused

PLEDGE OF ALLEGIANCE TO THE U.S. FLAG

Led by Mayor Ward

INVOCATION

Invocation was given by Mayor Pro Tem McGhee

APPROVAL OF AGENDA

Mr. McGhee moved to approve the agenda of March 6, 2017

Seconded by Mr. McCarthy

DISCUSSION

None

Mr. McGhee moved to consent the following items under New Business

- a. Request from Otis Elevator Company to change sales tax filing from monthly to annually.
- c. Approval of the 2017 cooperative agreement between the U.S. Army Corps of Engineers and the City of North Pole, Alaska for the provision of law enforcement services

d. Resolution 17-03, A Resolution for incentive program to assist new water system customers who connect to the water system extension being constructed in response to sulfolane groundwater contamination funded by Flint Hills Resources and administered by the North Pole Utility

Seconded by Mr. Claus

On the amendment

Discussion

None

PASSED

Yes: 6– McGhee, Claus, Thompson, Skipps, McCarthy, Ward

No: 0

Absent: 1– Isaacson

On the Agenda as amended

Discussion

None

PASSED

Yes: 6– McGhee, Claus, Thompson, Skipps, McCarthy, Ward

No: 0

Absent: 1– Isaacson

APPROVAL OF MINUTES

Mr. McGhee moved to approve the Minutes of February 21, 2017

Seconded by Mr. McCarthy

Discussion

None

PASSED

Yes: 6– McGhee, Claus, Thompson, Skipps, McCarthy, Ward

No: 0

Absent: 1– Isaacson

COMMUNICATIONS FROM THE MAYOR

The Alaska DEC has concluded the saturation study of the North Pole area to determine if the North Star Fire Station Air Quality Monitor on Hurst is representative of the area. The DEC expects the results to come out sometime in the fall of 2017. For more information please contact Barbara Trost with DEC at Barbara.trost@alaska.gov

I will begin working on establishing a schedule of violations for the City code and would like to form either a committee or workgroup of the council to develop the framework. Up to three council member (including myself) would be able to work together if there is insufficient interest in forming a committee. Please let me know if you are interested.

FEDC and Eielson AFB are working to put together a housing summit on March 9th, from 2:30 pm to 4:30 pm at the Pipeline Training Center in Fairbanks that will go over the estimated need and demand for housing units and the approximate area those houses would need to be built in order to serve the incoming units at Eielson AFB. There are also tentative plans to have a session at the IABA Home Show at the end of March and a follow up meeting in April. These meetings would be targeted toward realtors, contractors, developers and entrepreneurs looking at this opportunity.

I traveled to Juneau on February 21st with Councilman Isaacson for the Juneau AML and the City was well received by legislators. Our legislative packets were passed out to legislators and staff as well as our trifold. The information is also available on the website for download. The major concern in Juneau is the State of Alaska Budget.

February 25th the City, State and Flint Hills Resources had an open house meeting at the North Pole Mall in regards to the settlement agreement and the expansion of the City's water system. Bill Butler, Zane Wilson and the Mayor were present to answer questions and explain what this means for property owners.

I was privileged to participate in scoring science fair projects with Chief Dutra at Badger Road Elementary last week, there were lots of great projects and we look forward to seeing who goes to district.

COUNCIL MEMBER QUESTIONS OF THE MAYOR

None

COMMUNICATIONS FROM DEPARTMENT HEADS, BOROUGH REPRESENTATIVE AND THE CITY CLERK

Police Dept., Chief Dutra

- Fisher Intermediate Certificate

- NPPD involved in NPMS McHenry Ball tournament
- JEROMEY retirement. Sad to see him go.
- Places our patrol staff at 23% down. We are in major shortage for summer.
- Tibbets is in academy and doing well. We have factored a possible \$10,000 cost to overtime budget we will be forwarding an adjustment for these costs once we get an accurate account.
- City clerk and I are working on a fix to the costs associated with recruit hiring and OT academy costs.
- We will be hitting a serious shortage in personnel this summer. We are one injury or vacation away from pulling our Detective and Lieutenant from normal duties to cover shift coverage. The lack of experience in the hiring pool causes serious delays in hiring.
- Stats – Nothing extraordinary to report. Stats are down. So far quiet.
- I meet with Long Building Technologies to move the City Access Control Project along.
- Document have been signed by all parties. Engineering and planning will start.
- HB54 – SB91 Fix Particular interest. I do like the changes but they do not go far enough.
- HB112- Seems over the top
- Memorial Park –
 - Working with Weber Inc to get flagpole in by May 1.
 - Corvette is heading to Lithia on the 15th.
 - Forbes Storage – Buzz Otis has offered up a stall to store the Corvette.
 - Ticket Sales are moving.
 - May 1st ceremony is moving forward. We have QR codes figured out and are starting to craft the memorial park website links.

Fire Dept., Chief Coon

- None

Director of City Services, Bill Butler

Building Department

- No new projects have submitted permit applications to the Building Department.
- “Early” start of the project on 5th Avenue resulted from a miscommunication between consultant, builder and City.

Public Works

- Snowplow contractor, Black Hawk Works, has generated the fewest resident complaints since I have been with City.
- DOT has required the City to submit a beautification permit for the welcome signs on Santa Claus Lane/Badger Road.
 - Submitted today.

Utility Department

- Lawsuit settlement agreement
 - Community meeting held on February 25 at the North Pole Plaza Mall was overall a positive event.
 - There is a resolution before Council to provide “bridge” funding for new utility customers that will be part of the water system extension funded by Flint Hills:
 1. *On January 1, 2018 FHRA will provide an initial deposit of \$400,000 for the City to draw against as new customers on the water line extension (hereinafter extension) open a water account with the City.*
 2. *Each new extension customer will receive a \$2000.00 credit, to be drawn on by the City as water charges are incurred by the customer, and a 75\$ security deposit drawn from the initial FHRA deposit. The credit is in favor of the served property and is nontransferable. The deposit will be renewed as needed to stay 30 days ahead of new extension customer accounts. The maximum deposit from FHRA over time would be \$1,361,200.00 (656 x 2002=\$1,312,000.00 + \$49,200 for security deposits).*
 3. *The City would waive FRR and base charges through 2022.*
- Utility is working to schedule a meeting with DEC and Alaska Rural Water Association representatives about development of a Source Water Protection Plan for the Utility’s wells.
 - Purpose is to ensure City’s water supply is protect.
 - ARWA helped the Utility to develop its last Source Water Protection Plan.

Natural Gas Utility Board

- Nothing new to report on IGU—negotiations still pending with gas supplier.

Finance, Tricia Fogarty

- None

Borough Representative

- Mayor Ward had nothing to report from the Borough as he was out of town for the last meeting.

City Clerk’s Office, Kathy Weber

- Interior Clerks Luncheon tomorrow. Clerks meet quarterly to discuss things that are going on in our community, elections, and anything that we can help each other with. It’s a great way to keep good relations with the borough and City of Fairbanks.
- Chad Heineken, Deputy Fire Chief, was this month’s employee spotlight. He is very qualified for the position and a great asset to the City.

- Make a Wish Foundation hosted a young man and his family from Georgia. Justin Reigal had a wish to come to Alaska and to see North Pole. We welcomed his family and showered them with North Pole hospitality.
- March 9th, I will be at the library from 2 – 4 pm to score scholarship recipients from North Pole High School.
- Spring Break is March 11 – March 19.
- March 12 is Daylight Saving. Spring forward one hour.
- General Liability audit on the 17th.
- Explore Fairbanks has a great destination video that everyone should see. Send it to all your family and friends. They have done an awesome job. Go to YouTube and search Explore Fairbanks Destination video.
- Remember to file your APOC for by March 15th. File online and be sure
- Next meeting is March 20th. There is also a Work Session: Strategic Planning Final Document and will start at 5:00 p.m.

ONGOING PROJECTS

- None

CITIZENS COMMENTS – (Limited to Five (5) minutes per Citizen)

- None

NEW BUSINESS

REQUEST BY SOMMERS & ASSOCIATES TO APPEAL THE JANUARY BILLING FROM NORTH POLE UTILITIES IN THE AMOUNT OF \$6,047.36 FOR 831 MINUTEMAN LOOP

Bill Butler explains the position of the City and how the meter works. He states that the water did go through the meters. He states that they offered to forgive the sewer charge as some small water loss may have been from an outside spigot. He also stated that they could replace the meter and test it but if it was found to be in good working order that they would be responsible for also paying for the newly installed meter.

Mr. McCarthy asked if they were given one of the digital remote meters.

Mr. Butler stated that he is not sure as those meters were given out 5 years ago and the tenant is new to the property.

Mayor Ward asked: if in the City's experience, what has the Utility Dept. seen in similar water

loss causes.

Mr. Butler stated that it's not unheard of to have a leaky toilet or if a flap does not close properly. There could be a boiler issue too. It's hard to get into that two weeks after this particular situation occurred. The City can't forensically go in there and tell what has happened. The tenant did say that they were out of town while this happened.

Mayor Ward asked if it was possible that all that water just went down the drain.

Mr. Butler stated yes and that this is not the largest occurrence of water loss that's gone down the drain.

Mayor Ward asked if that was the reasoning for the hose bib.

Mr. Butler stated that this was the only place that the Utility Dept. could see some water that did not go down the sewer.

Mr. McCarthy asked what kind of heating system they have.

Mr. Butler stated that it's not their role forensically to figure all that out. The Utility Dept. looks for water and possible water leaks.

Mr. McGhee asked if the tenants were on vacation and asked if he had any specific dates.

Mr. Butler said he would have to check with Jaime about exact dates.

Mr. McGhee stated that it's very curious how the water was turned on and turned off and that there was no delay, just instant on and instant off.

Mr. Butler stated yes, this was something that went on and then went off eighteen days later.

Mr. McGhee asked if this is a rental being managed by Somers & Associates and did both the tenant and Somers decline to have the meter replaced to verify if it's the meter.

Mr. Butler stated that he made the offer in an email to the property manager and gave her the process if she wanted to appeal the bill. Mr. Butler stated that the property manager was advising the tenant not to pay the bill.

Jeremy Laughlin, of Somers & Associates, stated that on December 1, 2016 the metered started going at 413 gallons and it stayed that way until December 18, 2016. The tenant didn't report any noises or water flow and as he understands it. The tenant was gone for a portion of that time and was out of town. The tenant is a single occupant, 3 bedrooms, 2 bathrooms, radiant floor heat & boiler. He stated that they had a contractor perform an inspection and that they could not determine

the problem.

Mr. Thompson asked how long the tenant had been at this particular property and when was the tenant was out of town.

Mr. Laughlin stated that the tenant moved into the house on October 27, 2016 and he does not know exact dates when she was out of town.

Mr. McCarthy asked if they had a professional look at the boiler.

Mr. Laughlin stated that RT Interiors go out and inspect the property.

Mr. McGhee asked Mr. Laughlin that with this kind of a bill, why have they not opted to have the meter replaced and tested.

Mr. Laughlin stated that from his understanding, because of the magnitude of the bill, that it was best to dispute it with the facts they have right now.

Mr. McGhee asked if he understood that the reasonable doubt is on them, not the City. As far as the City is concerned it went through the meter and through the sewer. That is cut and dry.

Mr. Thompson asked about fixtures in the home.

Mayor Ward asked about what type of toilets are in the home and asked if Somers & Associates is disputing the water went through the meter.

Mr. Laughlin stated that they are in a sense disputing that the water went through the meter and they are stumped as to where the water went and that the tenant didn't report any noises of pumps kicking in. He also stated that the tenant was first alerted by the large bill she received.

Mayor Ward asked if he understand that there were three separate tests on the meter itself which included the standard monthly read, the daily hourly read and also compared those numbers with the digital dial that's on the meter and all of those were correct. It's the City's assumption that the water went through the meter and after that point it is just a guess as to where it went. If it went out on the ground which was the assumption of the utility staffers at the beginning then the sewer fee can be waived but otherwise the assumption is that it did go down the sewer.

Mr. Laughlin stated that he was aware of that.

Mr. Thompson asked if there were ever any problems with the tenant.

Mr. Laughlin stated there were no problems.

Public Comment

None

Mr. McGhee moved to approve the relief of utility bill.

Seconded by Mr. McCarthy

Discussion

Mr. McGhee said he had a concern that the meter needed to be tested and that the water went through the meter. No specific date as to when tenant left and returned. Without other proof, there is no other option but to disapprove the appeal.

Mr. McCarthy was on the same wave length as Mr. McGhee and stated that they need proof to wave this.

Mr. Thompson said he was stuck between two decisions. He didn't understand where the water went and the usage was outrageous and we needed to test the meter.

Mayor Ward said the water went through the meter and they tried to make a call on the judgment of the sewer. He doesn't know if there is something wrong with the meter. The fault is in favor of the user and not the City. There is a case of 400 gallons an hour and as Mr. Butler said it is unusual and it could be a leaky toilet. Being a contractor and on some toilets, it can be a real mess. The council could make a call and we could wave the sewer but not the water.

Mr. McGhee said that after reviewing the water and the meter there are utilities in the house that could have a quick flow of water. The way the meter was monitoring those, he does not think the monitor is at fault either.

Mr. McCarthy moved to postpone the meeting of March 20th.

Seconded by Mr. Thompson

Discussion

Mr. McGhee saw no reason to carry it forward.

Mayor Ward said that it was not whether the customer was there but that water went through it.

Mr. McCarthy moved to withdraw his motion and move forward.

Mr. Thompson withdrew his second.

Mayor Ward asked if the Council was going to amend to forgive the sewer fees as was the initial

assessment by the Utility staff.

Mr. McGhee said no.

FAILED

Yes: 1–Thompson

No: 5 - McGhee, Claus, McCarthy, Ward, Skipps

RESOLUTION 17-03, A RESOLUTION FOR INCENTIVE PROGRAM TO ASSIST NEW WATER SYSTEM CUSTOMERS WHO CONNECT TO THE WATER SYSTEM EXTENSION BEING CONSTRUCTED IN RESPONSE TO SULFOLANE GROUNDWATER CONTAMINATION FUNDED BY FLINT HILLS RESOURCES AND ADMINISTERED BY THE NORTH POLE UTILITY

Mr. Butler gave a brief update to the resolution and explained how it would work.

Public Comment

None

Mr. McGhee *moved to* Introduce and Approve Resolution 17-03, A Resolution For Incentive Program To Assist New Water System Customers Who Connect To The Water System Extension Being Constructed In Response To Sulfolane Groundwater Contamination Funded By Flint Hills Resources And Administered By The North Pole Utility

Seconded by Mr. Thompson

Discussion

None

PASSED

Yes: 6– McGhee, Claus, Thompson, Skipps, McCarthy, Ward

No: 0

COUNCIL COMMENTS

Mr. Claus –Goodnight

Mr. Skipps – No comment

Mr. McGhee – appreciates the basket from the City and appreciates that everything else went well. He is amazed at the mad rush from North Pole to Fairbanks and vice versa. Especially be the military. It is alarming with lack

Mr. McCarthy – Eielson 500, between 6 – 7 am.

Mr. Thompson – No comment

Mayor Ward – No comment

Mr. McGhee *moved to adjourn the meeting at*

Seconded by Mr. Thompson

The regular meeting of Monday, March 6, 2017 adjourned at 8:07 p.m.

These minutes passed and approved by a duly constituted quorum of the North Pole City Council on Monday, March 20, 2017.

Bryce J. Ward, Mayor

ATTEST:

Kathryn M. Weber, MMC
North Pole City Clerk