



**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 20, 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, April 3, 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

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 April 3, 2017

Seconded by Mr. Isaacson

DISCUSSION

None

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

- a. Ordinance 17-07, An Ordinance of the City of North Pole, Alaska to amend Title 4, Revenue and Finance, Chapter 08, Sales Tax, 4.08.020

New Business

- a. Ordinance 17-08, An Ordinance amending Title 2, Personnel Code, section 2.36.230 training.
- c. Ordinance 17-10, An Ordinance of the City of North Pole, Alaska to amend 2017 Police Department Budget.
- g. Resolution 17-09, A Resolution supporting SB 34 and HB 74 to create a voluntary compliance mechanism for Alaska residents to receive state identification and Driver's licenses that comply with the REAL ID Act of 2005.
- h. Resolution 17-10, A Resolution supporting SB48 creating a fund to provide payment for major medical insurance premiums for surviving dependents of certain Peace Officers or Firefighter's who die in the line of duty.

Seconded by Mr. Isaacson

Discussion

None

On the amendment

PASSED

Yes: 7 – McGhee, Isaacson, Skipps, Ward, Claus, Thompson, McCarthy

No: 0

Absent: 0

On the Agenda as amended

Discussion

None

PASSED

Yes: 7 – McGhee, Isaacson, Skipps, Ward, Claus, Thompson, McCarthy

No: 0

Absent: 0

APPROVAL OF MINUTES

Mr. McGhee moved to approve the Minutes of March 20, 2017

Seconded by Mr. Isaacson

Discussion

Mr. Isaacson clarified his comments from the Minutes of March 20, 2017, stating that his comments should read: Appreciates the email links, and wants to recognize the over 130 volunteers who helped with the dog mushing events in NP over the past several weeks. It's notable that the NP Sled Dog Championships are internationally recognized in the top 5 categories.

PASSED

Yes: 7 – McGhee, Isaacson, Skippis, Ward, Claus, Thompson, McCarthy

No: 0

Absent: 0

COMMUNICATIONS FROM THE MAYOR

The Violations Committee will be meeting before the first meeting of every month in the Council Chambers starting at 530pm. The public is welcome to attend, we are hoping to have things wrapped up by August.

4th of July Meetings are scheduled for the following dates until the event: March 27th, April 10th, April 24th, May 8th, May 22nd, June 12th, and June 26th. All meetings will be at City Hall at 6pm and go till 7pm. The public is welcome to attend.

Fairbanks North Star Borough Air Quality Control Commission will be having a meeting tomorrow at the City of North Pole in our Council Chambers from 6-9pm on the new air quality control regulations. It may behoove the council to be present at one of these meetings.

Last week Eielson AFB had a groundbreaking ceremony for the F-35 simulator building, this project is the first of many in preparation for the F-35 mission at Eielson AFB.

The City will be meeting with the Borough this week to review development standards and to ensure that the City is offering a streamlined process for development to occur within the City. Areas of concern revolve around road development and standards and platting approval through the Planning and Zoning Dept. of the Borough.

I will be presenting at the AGC meeting on the 13th of April on City of North Pole Building Permits and Regulations and the Utility.

The Housing Summit Presentation by the City of North Pole is available online at <https://www.youtube.com/watch?v=sGpLNFBSuTY&feature=youtu.be>

Proclamation

Sgt. Doug Hanson

COUNCIL MEMBER QUESTIONS OF THE MAYOR

None

COMMUNICATIONS FROM DEPARTMENT HEADS, BOROUGH REPRESENTATIVE AND THE CITY CLERK

Fire Dept., Chief Coon

None

Police Dept., Chief Dutra

- Lt. Rathbun is off to Anchorage for Spring Preparedness conference paid for the DHS
- Attended Jeromey Lindhags retirement party – honorary reserve officer status
- HB42B – new version on Forfeiture – still assessing, although better
- Received \$6,907 from Asset Forfeiture
- Demobilizing 2 vehicles and sending to auction soon
- Drug Take back is April 29th from 10-2 pm

Memorial Park

- Weber Inc flag poles around 18th
- Expect plaques to come in 3rd week of April
- Lithia is advertising Corvette on show room. Bought 100 tickets.
- APOA has agreed to allow us to have Corvette at APOA concert.
- May 1st ceremony 11:00 am please find time to attend.

Finance, Tricia Fogarty

Switched to the new credit card processing. We will have an idea of what our savings will be towards the end of the month.

Director of City Services, Bill Butler

- Bill talked to the Council about the possibility of having a workshop to look into changing the building codes.

Mr. Claus asked once the code is set or reset, will violations be handled by his department.

Mr. Butler gave an explanation.

Mr. Isaacson asked about Reps from Alaska Housing & Cold climate.

Mr. Butler referenced a standing committee appointed by the Mayor of Fairbanks for particular categories.

Mr. Isaacson asked if he knew how much those, especially Alaska Housing requirements were surveyed.

Mr. Butler stated if you have building codes in place then you are adopted.

Mayor Ward stated if you are a municipality that regulates they accept that as basically the per102 equivalent.

Mr. Thompson asked when the last time building codes were updated.

Mr. Butler stated 2012.

Mayor Ward asked if there was a desire of the Council to have a workshop set up.

Borough Representative

The Fairbanks North Star Borough is working on their budget for 2017-2018.

ORDINANCE 2017-24 amends the Fireworks section of Code by requiring stricter regulations on public fireworks displays. The ordinance has no effect on city code but will affect public presentation of fireworks displays.

ORDINANCE 2017-28 would remove the nonsectarian invocation from the order of business and was moved to committee from the consideration of calendar.

City Clerk's Office, Kathy Weber

None

ONGOING PROJECTS

- none

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

Jerry Koerner with Jeriko Real Estate - 2883 Buzby Road

Spoke about The Ainley International Memorial Fund, LLC and the estate of Mr. Ainley. Jerry spoke about the land available to be developed and he hopes that everyone can become more familiarized with the fund and plans for development.

OLD BUSINESS

None

NEW BUSINESS

**ORDINANCE 17-09, AN ORDINANCE OF THE NORTH POLE CITY COUNCIL
AMENDING TITLE 2, CHAPTER 2.36 PERSONNEL CODE, SECTION .470 PAY.**

Chief Dutra gave an introduction to this ordinance.

Citizens Comments

None

Mr. Isaacson *moved to* introduce and advance Ordinance 17-09 revised personal code unified pay scale

Seconded by Mr. McGhee

Mr. McGhee *moved to* amend the attached unified pay scale spreadsheet by adding “Sitka” before Academy to read, “Police officer recruit wage at Sitka Academy” \$11.75 and add a new row in Police that reads, “Police officer recruit wage at Fairbanks Academy” \$16.11.

Seconded by Mr. Isaacson

PASSED

Yes: 7 – McGhee, Isaacson, Skippis, Ward, Claus, Thompson, McCarthy

No: 0

Absent: 0

Discussion

Mr. McGhee asked under the training, does the training fall under our Ordinance that indicates if the person fails to complete with the training, are they required to reimburse the City. Or is this a different category of training that required by the City so they are not held by the Ordinance.

Mr. Dutra stated that if they leave on their own after they have completed the training they could be required to pay that back. It does fall under the training Ordinance. If they fail while training than it would be hard to recoup those costs.

On the amendment

PASSED

Yes: 7 – McGhee, Isaacson, Skippis, Ward, Claus, Thompson, McCarthy

No: 0

Absent: 0

SUBSTITUTE RESOLUTION 17-05, A RESOLUTION OF THE CITY OF NORTH POLE SUPPORTING THE 2017 FAIRBANKS METROPOLITAN AREA TRANSPORTATION SYSTEM SIDEWALK IMPROVEMENT PROGRAM FOR THE CONSTRUCTION OF PEDESTRIAN PATHS ON NPHS BLVD, PATRIOT DRIVE AND SNOWMAN LANE.

Mayor Ward introduced the Substitute Resolution 17-05.

Mr. McGhee asked why this postponed last meeting to this meeting.

Mayor Ward explained concerns about being able to provide the funding. The concern was, where will we find the money and making the commitment to it this year but fund it in future years.

Public Comment

None

Mr. Isaacson *moved to* approve Resolution 17-05 and move the substitute as the main motion.

Seconded by Mr. McGhee

Discussion

Mr. Isaacson thanked Mayor Ward for discussion from the last Council meeting and putting a fiscally constrained and constructive approach to the project.

Mayor Ward stated he had a conversation with Ms. Gardino and we will put Patriot back in for the 2019 sidewalk project.

PASSED

Yes: 7 – McGhee, Isaacson, Skippis, Ward, Claus, Thompson, McCarthy

No: 0

Absent: 0

RESOLUTION 17-07, A RESOLUTION SUPPORTING LEGISLATION TO LABEL GENETICALLY MODIFIED FOODS, AND SUPPORTING LABELING OF ALL FOOD PRODUCTS, INGREDIENTS, AND SEEDS AS TO THEIR GENETICALLY MODIFIED ORGANISM CONTENT.

Mayor Ward introduced Resolution 17-07

Citizens Comments

None

Mr. McGhee *moved to introduce and adopt Resolution 17-07, A Resolution supports legislation to label genetically modified foods, and supporting labeling of all food products, ingredients, and seeds as to their genetically modified organism content.*

Seconded by Mr. McCarthy

Discussion

Mr. Isaacson stated he commends the intent of this, you can buy non-GMO foods already. Alaska is too small of a state to restrict what foods come up here. He doesn't think Alaska could enact a rule that would have much gravity with the labelers. He would like to propose an amendment.

Mr. Isaacson *moved to amend by adding, now therefore be it resolved that the North Pole City Council requests members of Congress including Alaska Congressional delegation, to support responsible labeling of foods, food ingredients, and seeds that are genetically modified or which contain GMO's.*

Seconded by Mr. McGhee

Mr. Isaacson explains the proposed amendment.

Mr. McGhee stated that he would like his name added as sponsor. He appreciates that this is being brought forward and would like to see this move forward.

Mr. McCarthy stated when you go to Barrow or other cities off the transportation line, you cannot find any store or off name brand in the stores. They don't have inexpensive things up there so they always have better food.

Mr. Claus stated with Salmon being a big issue in Alaska, he would like to see it separated out so people know whether it's GMO or fresh.

Mr. Ward explains why he wrote the Resolution the way he did and appreciates the maker of the amendment.

Mr. Isaacson thanked Mayor Ward for his comments. Mr. Isaacson speaks about the unintended consequence of the State of Alaska passing a bill specifically that says, if it isn't labeled as GMO, that it will prohibit certain items from coming into Alaska and therefore products that are not easily

accessible to us in the big cities and are restricted in villages that will create hardship. If congress does it, it goes nationwide.

Mr. Thompson stated that he supports the original Resolution.

Mr. Claus stated that he wants to make sure Alaska has the option throughout the U.S. including Alaska that people who want to label their products Non-GMO, label them as Non-GMO.

On the amendment

PASSED

Yes: 5 – McGhee, Isaacson, Skipps, Claus, McCarthy

No: 2 - Thompson, Ward

Absent: 0

Resolution 17-07 as amended

PASSED

Yes: 7 – McGhee, McCarthy, Isaacson, Thompson, Skipps, Claus, Ward

No: 0

Absent: 0

RESOLUTION 17-08, A RESOLUTION SUPPORTING SB 25 AND HB 60 TO RAISE THE MOTOR FUEL TAX IN THE STATE OF ALASKA.

Mayor Ward introduced Resolution 17-08.

Mr. Thompson *moved to suspend the rules for 5 mins at 8:21 pm*

Seconded by Mr. Isaacson

Mayor Ward called the meeting back to order at 8:25 pm

Citizens Comment

None

Mr. McGhee *moved to introduce Resolutions 17-08, a Resolution supporting SB 25 and HB 60 to raise the motor fuel tax in the State of Alaska.*

Seconded by Mr. Isaacson

Discussion

Mr. Isaacson stated that motor fuel tax really hasn't changed since it was first initiated pre-statehood. The State really hasn't put significant funds into transportation so 90% of monies are federal monies right now. Mr. Isaacson states his concern on the resolution that the resolve is not incorporating the whereas on the resolution. His fear is that when they read the resolve they won't create the transportation maintenance fund. He proposes an amendment to line 22 on the resolution to delete and make changes permanent.

Mr. Isaacson *moved to Amend, to raise the motor fuel tax to 24 cents per gallon and to use the revenues to fund a transportation maintenance fund.*

Seconded by McGhee

PASSED

Yes: 7 – McGhee, McCarthy, Isaacson, Thompson, Skipps, Claus, Mayor Ward

No: 0

Absent: 0

Discussion

Mr. Thompson states that he does not believe that tripling the taxes is going to provide the state with the budget that they need.

Mr. McGhee stated that he tends to agree with Mr. Thompson and gives an explanation.

Mayor Ward stated that residents of Alaska have had oil money to pay for the cost of operating the state. 90% of the state transportation budget is federal dollars. If the state had additional funding to use on maintenance and projects, they can then do projects that meet state standards.

Mr. McGhee stated that he believes in a user fee system and the users will be paying the tax, the more it's used, the more taxes are paid.

Mr. Isaacson stated that he is reluctant to do this because he does not like to raise taxes for the sake of raising taxes. The fear is that the idea that the money raised from the fuel tax goes directly to maintenance which then could release the same amount of money back into the unrestricted funds.

Mr. Claus stated that we have members of congress who have a difficult time approaching other members of congress to try and get some consensus on what might be good for Alaska, what they are willing to go along with. He believes that our good faith effort to go along with this particular measure will go a long way to helping our members of congress in the future.

Mr. Thompson stated that he is concerned that there is no end in sight. Oil is not going to stay at the prices it's currently at. At some point it will rebound. If we support this to say it can never go back, it may be then in three years we have prices of oil that are up, including income tax and fuel tax. He believes it is unwise to support things until we actually know what is going to occur.

Resolution 17-08 as Amended

PASSED

Yes: 6 – McGhee, McCarthy, Isaacson, Skippy, Claus, Mayor Ward

No: 1 - Thompson,

Absent: 0

RESOLUTION 17-11, A RESOLUTION OF THE CITY OF NORTH POLE PERTAINING TO THE BUILDOUT OF THE NORTH POLE UTILITY WATER SYSTEM IN THE SULFOLANE PLUME PER THE SETTLEMENT AGREEMENT BETWEEN FLINT HILLS RESOURCES ALASKA, FLINT HILLS RESOURCES, THE STATE OF ALASKA AND THE CITY OF NORTH POLE.

Mayor Ward introduced Resolution 17-11

Mr. Thompson asked if there was any material that had been tested against sulfolane.

Mr. Butler stated to his knowledge ductile iron has not been specifically tested as permeable to sulfolane but ductile iron is used to transport hydro carbons. The construction committee is mapping out the ground water table to where to put the pipes to keep the pipes out of the ground water as much as possible. They are looking at methods to bring up the pipes. There are some areas around that they know they will have to put in ductile iron because there are other kinds of contamination.

Mr. Isaacson stated that if sulfolane was used to extract water molecules from hydro carbons and that's why they used it, otherwise it would be uneconomic. He asked Mr. Butler if that was correct.

Mr. Butler stated his understanding is, that it brings out the volatile compounds for production of gasoline not for the removal of water.

Mr. Isaacson stated there was a misunderstanding, that this was used to extract water, that's why it bonds with water and travels with water and that's why it has a half-life in your body. His understanding was if you use ductile pipe, you have more opportunity for it to have a seam failure and sulfolane to get into the water system than you would with HDPE which is seamless. He asked what the likelihood of a seam failure with HDPE would be.

Mr. Butler stated that there will be fewer places where there are seams. There will be gaskets where

the HDPE pipe will join to existing mains but the rest of it will be fused joints except for a few places like fire hydrants.

Mr. Isaacson asks if ductile iron is potentially more of a liability because of the possibility of seam failure and asked why the other parties should be released from liability if HDPE is used.

Mr. Butler stated that he does not think it's an issue related to joints or seams it's a liability for the City, where things would need repair. So the liability would be more construction/repair problems.

Mayor Ward stated that the concern with those doing the design work is if you take HDPE and Ductile iron put together what is the transmissivity of sulfolane through that membrane. With HDPE being relatively new that was the concern.

Mr. Butler stated that there is no data on sulfolane and they requested that they specifically look into that concern. Sulfolane is not a chemical that is used that much. There is not an economic incentive to test for that.

Mr. Isaacson asked if a suitable ordinance change for the use of HDPE within the City, if this resolution is passed and he asked how soon it will be addressed.

Mr. Butler stated that there is a caveat where the engineer would bring that forward and explain why they want to use it and ask if it would be an acceptable or useful method. He stated that they do want to revise the entire set of standards but that the engineer can always propose an alternative.

Mr. Isaacson asked if Petro Star was allowed to use HDPE.

Mr. Butler stated yes, especially since it was on their service line.

Mr. McCarthy asked if they ran HDPE for the gas through the town.

Mr. Butler stated that we did and there is 70 miles of HDPE pipe through the town.

Mr. Thompson asked if we are going to run more pipe, wouldn't there be some financial incentive to look into this to make a determination if there was a risk of transmitting sulfolane.

Mr. Butler stated that it's not something where you can do a laboratory test and have a quick turn-around time. To have a true, scientifically sound test takes several months of tests. With the testing that Golden Heart Utilities has done, the DEC is satisfied providing they made the effort to keep it out of the ground water.

Mr. McCarthy asked if the pipe is under 70-100 pounds of pressure, wont the sulfolane molecules be more like salmon coming up stream toward it.

Mr. Butler stated that's the other issue, you're going to have a positive pressure outward because the pressure in that pipe is going to decline over time.

Mr. Thompson asked what potential long term liability to the City if we build out to residents outside of the City, does that mean we are potentially exposing liability because we are providing them City water.

Mayor Ward stated the City has committed to expanding the water system within and out of the City. We have agreed that it would be either HDPE or ductile iron pipe and we have ductile iron in the plume right now with no issues. The question is, are we willing to take the risk and use this new product which could potentially have less maintenance cost and be a better product. It has not been tested specifically for that. We are not really the ones that make this decision at this point, from his understanding it's the engineers. The preference is HDPE and in order to encourage that preference we are saying we are willing to take that risk on.

Mr. Thompson asked if the City had any insurance that would cover incident long term.

Mr. Butler stated that to his understanding, the City does not have that kind of insurance. Potential risk over time is declining.

Mr. Isaacson asked if the City could take out insurance in case of corrosion.

Mr. Butler stated that you could buy insurance for nearly anything but the more unknown it is the higher you will be paying.

Mayor Ward stated that it is something they can look into.

Mr. Butler stated mid-May the engineers have to come to a decision.

Public Comment

Jerri Koerner, Buzby Road
Be careful.

Discussion

Mr. Isaacson stated for the record, bringing back into the discussion the reasons Mr. Butler made releasing the other parties from liability and as a public testimony however brief it was said to be careful. He appreciates the fact that the Mayor will be looking into what sort of warranty or insurance we could pick up if its cost affordable and could mitigate some of the risk. He believes ductile iron pipe with the risk of corrosion has more opportunity for failure than the HDPE pipe. He supports this.

Mayor Ward stated he understands all the concerns and he appreciated the support in this and the reason we have brought this forward is that in our opinion we believe there is less liability with

the HDPE pipe than the ductile iron pipe.

Mr. McGhee *moved to* **Introduce and adopt** a Resolution of the City of North Pole pertaining to the buildout of the North Pole utility water system in the sulfolane plume per the settlement agreement between Flint Hills Resources Alaska, Flint Hills Resources, the State of Alaska and the City of North Pole.

Seconded by Mr. McCarthy

PASSED

Yes: 7 – Skipps, Claus, McGhee, McCarthy, Isaacson, Ward, Thompson

No: 0

Absent: 0

COUNCIL COMMENTS

Mr. Thompson – None

Mr. McCarthy – None

Mr. Isaacson - His heart goes out to the family who lost their small child and encourages people with metal roofs this time of year to clear the heavy load of their roofs.

Mr. Skipps – None

Mr. Claus – hopes the mosquitos are not coming out any time soon.

Mayor Ward – Appreciates everyone’s hard work and looks forward to the next meeting.

Mr. McGhee – His heart goes out to the child’s family. Be cautious around your home, clear your roofs.

Mr. McGhee *moved to adjourn the meeting*

Seconded *by Mr. Isaacson*

The regular meeting of Monday, April 3, 2017 adjourned at 9:18 p.m.

These minutes passed and approved by a duly constituted quorum of the North Pole City Council on Monday, April 3, 2017.

Bryce J. Ward, Mayor

ATTEST:

Kathryn M. Weber, MMC
North Pole City Clerk