



NORTH POLE CITY COUNCIL  
REGULAR MEETING MINUTES, MAY 18, 2020  
NORTH POLE CITY COUNCIL CHAMBERS  
125 SNOWMAN LANE, NORTH POLE, ALASKA

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Mayor Welch called the regular City Council meeting of Monday, May 18, 2020 to order at 7:02 p.m. with the following Council Members in attendance:

Council Members Present: Santa Claus  
Thomas McGhee  
David Skipps  
Aino Welch  
DeJohn Cromer  
Mayor Welch

Absent: Perry Walley

Excused:

Also Present: William Butler, Director of City Services  
Tricia Fogarty, Chief Financial Officer  
Steve Dutra, Police Chief  
Kim Kiehl, City Clerk/HR Manager  
Geoff Coon, Fire Chief

**PLEDGE OF ALLEGIANCE TO THE FLAG**

Mayor Welch asked everyone to join him in the Pledge of Allegiance.

**INVOCATION**

The Invocation was given by City Council Member Mrs. Welch.

**APPROVAL OF AGENDA**

**Mr. McGhee moved to approve the agenda of May 18, 2020.**

**Seconded by Mrs. Welch.**

**Discussion**

**Mr. McGhee moved to consent the following items:**

**Old Business:**

- a. Ordinance 20-08, An Ordinance of the City of North Pole, Alaska to Sell Foreclosed Property.

- b. Ordinance 20-09, An Ordinance Amending the Effective Date of Ordinance 20-01 from July 1, 2020 to February 1, 2021.
- c. Ordinance 20-10, An Ordinance of the City of North Pole, Alaska to Amend Title 13, Public Services, Chapter 13-08 Administrative Provisions to Protect the Operations and Financial Solvency of the Utility by Adopting a Force Majeure Provision.
- d. Ordinance 20-11, An Ordinance of the City of North Pole, Alaska Amending Title 2, Administration and Personnel, Section 2.12.350, Council Compensation.

**New Business:**

- b. Request to Approve Shannon & Wilson, Inc. Proposed Scope of Services, Site Assessment, First Phase, North Pole Fire Department, North Pole, Alaska.
- c. Request to Approve the Purchase of an All-Terrain Vehicle for the Utility Department for Off-Road Inspection and Maintenance of Utility Infrastructure.
- d. Request to Purchase a Vehicle Using Asset Forfeiture Funds in the Amount of \$24,344.00.
- e. Request to Purchase ClearGov Budget Software.

**Seconded by Mrs. Welch**

**Discussion**

Remove Old Business Agenda Item “e.” as No Contest – Request to pay Councilmembers for April Regular Council Meetings cancelled due to COVID-19. Postponed May 4, 2020.

***On the amendment.***

**PASSED**

YES: 6 – Mr. McGhee, Mr. Skipps, Mr. Claus, Mrs. Welch, Mr. Cromer, Mayor Welch

NO: 0

ABSTAIN:

**Mayor Welch** declared the MOTION CARRIED

***On the Agenda as amended.***

**Discussion**

None

**PASSED**

YES: 6 – Mr. McGhee, Mr. Skipps, Mr. Claus, Mrs. Welch, Mr. Cromer, Mayor Welch

NO: 0

ABSTAIN:

**Mayor Welch** declared the MOTION CARRIED

**APPROVAL OF MINUTES**

**Mr. McGhee** moved to approve the Minutes of May 4, 2020

**Seconded by Mrs. Welch.**

**Discussion**

None

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPROVE THE MINUTES OF MAY 4, 2020 AS FOLLOWS:

YES: 6 – Mr. McGhee, Mr. Skippis, Mr. Claus, Mrs. Welch, Mr. Cromer, Mayor Welch

NO: 0

ABSTAIN:

**Mayor Welch** declared the MOTION CARRIED

**COMMUNICATIONS FROM THE MAYOR**

- a. Economic Development Commission meets every Tuesday from 2:30 – 4:30. Need someone to fill in. Councilman Claus will share his experience.
  - a. Councilman Claus – Commission members were allowed to have a lot of input into the plan being developed. The City of North Pole does not have an Assembly approved representative, there was no opportunity for input. Not inclined to attend any further meetings. The plan is now out, so it is now in an implementation stage.
  - b. Mayor Welch – When I was a new Mayor the Special Assistant let me know in November I was a commissioner and I was to attend. Meetings were being cancelled. I have emails thanking me for my attendance the year prior. When I got ill I asked to have Pro Tem Mayor Walley to be recognized. He was not recognized and the Special Assistant indicated that Mayor Welch is also not on the commission due to a lack of signed papers. Discussed the matter with Mayor Ward.
  - c. Councilman McGhee – Cannot participate due to a conflict with work schedule.
- b. May 20<sup>th</sup> the Clerk will fill in for Mayor Welch at the AML meeting.
- c. Cancellation of 4<sup>th</sup> of July parade.
- d. Fallen Hero's Real Experience July 27<sup>th</sup> is cancelled, but there will be a virtual event.
- e. AML Summer Session will be in Fairbanks August 13-15, 2020 if it is held.
- f. Military Appreciation Banquet that would have been May 8<sup>th</sup> will now be September 25<sup>th</sup>.
- g. The Association of Defense Communities that was going to be held September 23-24 has now been put off.
- h. Compelled to be here until the July 20<sup>th</sup> meeting, then will be taking some vacation time.
- i. Revised Program Legislative Process Overview.
  - a. Legislature reconvenes at 5pm this afternoon.
  - b. They need to come to an agreement on how to distribute the monies to the political subdivisions in the State.
  - c. Possible to see monies by June 1<sup>st</sup>.
- j. CARES Act Funding Grant Agreement.
  - a. We have to accept the grant application.
  - b. First payment \$1,861,966.28
  - c. Second and third payments are \$1,101,006.75
  - d. Second and third payments will likely be July 1<sup>st</sup> and October 1<sup>st</sup>.
  - e. Any funds not utilized must be returned to the State.

- f. Have to comply with all instructions in the grant agreement.
- g. Can use funds for future public health emergencies.
- h. No support for our government for lost revenues.
- k. FNSB Centralized Grant Concept
  - a. BIG – Business Inter Grant, 25% loss or greater than \$15,000.
  - b. HIG – Health Care Inter Grant, i.e. to FMH and/or FHP.
  - c. PPE – In addition to any shortfall, \$15,000 - \$17,500.
  - d. Only eligible if they have not received a PPP loan.
  - e. 3000 grants disbursed over two months by a staff of 3.
  - f. Could be administered in person or online.
  - g. Wants North Pole to contribute \$2,000,000 of our CARES funds to the pool.
  - h. \$32,500,000 total to be disbursed
  - i. \$19.25 million to BIG
  - j. \$9.00 million to HIG
  - k. \$4.25 million to PPE
  - l. Do not believe we can aggregate this duty. It is our responsibility to serve the citizens who elected us.
  - m. We will need to hire a qualified special assistant who can oversee grant writing, qualifications, disbursements, and tracking of the funds.
  - n. Up to 75% of this salary is directly reimbursable to the City.
  - o. The Borough is running this through their legal department.
  - p. Three Mayors Meeting will occur May 26<sup>th</sup>.
- l. Jim Dodson with FEDCO sent a shirt to me for the KC46 Super Tanker. It shows both Eielson AFB and North Pole. If you would like a shirt tell me your size and I will see about ordering one.

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

**Mr. McGhee** – Will you provide the Council with breakdown of what businesses will be asking for grants, what residents may be asking for utility assistance. Ensure any debts prior to March 1<sup>st</sup> would not be considered. I agree, we cannot pass this on to the Borough. Most interested to see how many will apply. So far everything offered to businesses by the Federal has been a joke. The numbers, calculations, what they say you're entitled to based on your business payroll, losses, income and what they actually offer is two different things. There have been a lot of Federal and State promises. Concerned monies will not make it down to the little people that are losing their businesses. Not in favor of relinquishing any of our rights to administer the monies to the Borough.

**Mayor Welch** – I get the sense of the Council is to hole our own purse strings, that this is ours to deal with. That is what we were elected to do. I am providing this information to the Council so we can pay attention to detail and give the proper direction.

**Mr. McGhee** – Concerned with communication, for example hazard pay for essential employees who had to stay on duty. Is this part of the CARES Act, or is this something new that will come down?

**Mayor Welch** – AML is trying to get something separate. Department Heads have been asked and have not reported any reasons their folks need hazard pay. They do have PPE money. They do have outlays.

**Mr. McGhee** – We did get an email from Chief Dutra. The stress level of the idea of coming into contact. When are people going to be tested based on contact? If public contact was made based on the job, when will they be invited or told to be tested?

**Mayor Welch** – The HIG, what costs do you think we should be reimbursing to the hospital, Fairbanks Health Partners, TCC or anyone who provided that care? If we have money left over, should we find a way to disburse that to those entities? It won't make them whole, but it would help. We have dentists and a vet here, we can ask them how they have been affected.

**Mr. McGhee** – My biggest concern is people that the fire department, EMT, or police department that had to make physical public contact. Have any been or requested to be tested? We should immediately look into this and make it available.

**Mayor Welch** – There are currently on any day up to 9 plates with 30 tests per plate for a total of 270 rapid tests that can be performed daily. Clint Brooks with the Unified Command stated that Fairbanks only receives approximately 150 – 160 kits per month. 10 are to calibrate the Abbott machine, and then 2 per day more, so using 60 – 70 kits per month. This only leaves 90 rapid tests per month. You can get the other testing that takes longer.

**Mr. McGhee** – My question to the Mayor is to find out what EMT, fire department, police department, public works, and utility that have had to make contact with the public and provide them with testing.

**Mr. Claus** – If there is contact and it comes back, those people are on quarantine for two weeks. So if all the sudden we have three officers, three firefighters, three EMT's all of the sudden who can't work for two weeks, then what?

**Mr. McGhee** – That is a very good addition to the question. What do we do? That falls from the tree top and scatters all the way down.

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

### **Building Department, Bill Butler**

- Building Department has issued five residential building permits since the last Council meeting.
- Have a permit application for a triplex.
- Rick Watson, approved to develop the Striker Loop, plans to get roads and water systems in to start putting in foundations so he can work through the winter.

### **Public Works**

- Three temporary summer hires have begun working.
  - Christmas decorations have come down.
  - Benches and trash cans are out and they're getting ready to plant flowers.
- Homestead Road pedestrian path is happening.

- There will be a complete link down the Old Richardson Highway to the high school.

### **Utility Department**

- Field Inspector begins May 19<sup>th</sup>.
  - There are 15 pre-con meetings that developers want to move rapidly to get going.
- Two new pickup trucks have been delivered and staff are using them.
  - Utility Inspector will use an old truck.
- Thank the Council for approving the off-road vehicle for the department.
- Working with Stantec Engineering to develop a proposal for the Yukon Lift Station.
  - Lift station is already hitting its peak moving wastewater out of a 4" force main.

### **North Pole Expansion Project**

- Preconstruction meetings are starting.
- There are a possible 479 connections in zones 3 & 4.
  - We have 51 connections before stopping in October, with 324 applications for new installations.
- \$500 early sign-up bonuses are available to be accepted through June 1<sup>st</sup>.

### **Moose Creek Water System Expansion Project**

- Work has begun on the Pump House site.
- Pipe is being laid on the surface to go over the dam, as we're not allowed to excavate in the dam.
- HC is stockpiling pipe along the Richardson Highway.

### **City Services Office Space**

- Looking at the potential of moving the Utility Department to its own office space.
- Contracted with one of our building inspection engineers to do an initial analysis.
- The foundation is sound. The rafters are undersized for the snow load.
- The Mayor has approved looking at phase two.
- Over \$2 million dollars of reserve funds.

### **Finance, Tricia Fogarty**

- Thank the Council for approving the request to purchase the ClearGov budget program.
- Gary Hutchinson and Charles Nixon will be here Wednesday to work on the audit.
  - Going to meet the second meeting of June, June 15<sup>th</sup>.

### **Fire Department, Chief Coon**

- The burn suspension is still in effect.



- Have started sending an ambulance out to motocross again.
- To date we have had 497 emergency calls, an average of 3.6 calls per day.
  - Still seeing a decline on our emergencies.
- Alaska has reported a total of 399 COVID-19 cases, 85 in the FNSB.
- Ask the Council to continue to work on the ICS classes.
- The command truck is still on hold.
- FNSB ambulance contract has been reviewed by the secondary attorney.
  - No objections to the contract.
- Beg the Council to look at the pay scale.
- Tuesday night training has resumed.
- Firefighter II testing will test out on May 30<sup>th</sup>.
  - We have one staff member that is finishing that up.
- No EMS classes on the calendar.
- Engine went to town to get drive tires replaced.
- All hose testing has been completed.
  - Lots of failures. Will need to buy some the end of the year.
- Fire hydrant testing beginning next week.

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

- Sent email out about trend across the country regarding hazard pay.
- Chief Dutra and Mrs. Welch discussed a virtual wall, as we are not putting anybody on the wall this year due to COVID-19.

#### **Borough Representative**

- Mrs. Welch – Special Borough Meeting, I was not able to attend. There was no expectation of the Borough Representative to give a report. I will go over the stuff and give a report next meeting.

#### **City Clerk**

- On-boarded three Public Works summer hires.
  - Two returning from previous seasons, one new this year.
- HR trainings scheduled in lieu of cancelled clerk training.
- Attending a Robert's Rules virtual training.

#### **ONGOING PROJECTS**

- Mayor Welch discussed the Economic Development Commission.
  - Asking if anybody will serve on this Commission, Tuesday's beginning at 2:30 p.m.
  - Mrs. Welch can cover during the summer, for the next three months.

#### **CITIZEN'S COMMENTS – (Limited to Five (5) minutes per Citizen)**

None

**OLD BUSINESS**

None

**NEW BUISNESS**

- Ordinance 20-12, An Ordinance of the North Pole City Council to Establish the Rate of Tax Levy of 2020 Real Property Taxes of the City of North Pole.
- CFO Fogarty reported we were contacted by the FNSB requesting our approved Ordinance regarding the mill rate.
  - Increasing one mill in this ordinance.
  - Did not do a Fiscal Note, as we will move money from sales tax to property tax.

**MOTION TO INTRODUCE ORDINANCE 20-12, AN ORDINANCE OF THE NORTH POLE CITY COUNCIL TO ESTABLISH THE RATE OF TAX LEVY OF 2020 REAL PROPERTY TAXES OF THE CITY OF NORTH POLE**

**Mr. McGhee *moved to Introduce Ordinance 20-12, An Ordinance of the City of North Pole City Council to Establish the Rate of Tax Levy of 2020 Real Property Taxes of the City of North Pole.***

**Seconded by Mrs. Welch.**

**Discussion**

- Mayor Welch – We know we will never come near our sales tax. We are not able to replace our lost revenue with CARES Act funds. We will lose at least ¼ of our sales tax. We will fall short and have to trim back. \$127,500.00 was already budgeted, we need to take this one step further. We are #12 in the State for our sales tax. We are not doing on-line sales tax. We need to look at this, as the State will take this if we do not.
- Mr. McGhee – Does not take long to remember the circumstances why this was dropped. It was due to discussions with our lawyer in regards to questions from Santa Claus House regarding our property moved forward our property and sales tax. It was a compromise on the tax cap as well as adding the .5 on to the mill levy. If it hadn't been for the situation we're in, I can't argue the fact that we're going to have a shortfall. The question I have for the CFO is since we are now adding this additional mill, will it be retroactive from our original budget.
  - CFO Forgary – We will do an Administrative Budget Amendment.

**A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO INTRODUCE ORDINANCE 20-12, AN ORDINANCE OF THE NORTH POLE CITY COUNCIL TO ESTABLISH THE RATE OF TAX LEVY OF 2020 REAL PROPERTY TAXES OF THE CITY OF NORTH POLE:**

**YES: 6 – Mr. McGhee, Mr. Skippis, Mr. Claus, Mrs. Welch, Mr. Cromer, Mayor Welch**  
**NO: 0**



ABSTAIN:  
Mayor Welch declared the MOTION CARRIED

Mr. McGhee moved to adjourn the meeting at 8:24 p.m.

Seconded by Mr Skipps.

The regular meeting of Monday, May 18, 2020 adjourned at 8:24 p.m.



Michael W. Welch, Mayor

ATTEST:

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Kim Kiehl, City Clerk