



**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 1, 2021 via Zoom.

CALL TO ORDER/ROLL CALL

Mayor Welch called the regular City Council meeting of Monday, November 1, 2021 to order at 7:00 p.m.

Present:

Michael Welch – Mayor
Santa Claus - Mayor Pro Tem
DeJohn Cromer - Deputy Mayor Pro Tem
Aino Welch – Alternate Deputy Mayor Pro Tem
Thomas McGhee
Anton Keller
David Skipps

Absent/Excused:

PLEDGE OF ALLEGIANCE TO THE U.S. FLAG

Led by Mayor Welch

INVOCATION

Given by Ms. Welch

APPROVAL OF AGENDA

Mr. McGhee *moved to* approve the agenda of November 1, 2021

Seconded *by* Ms. Welch

Mr. McGhee *moved to* amend the agenda of November 1, 2021 to consent the following items:

- b. Ordinance 21-18, An Ordinance of the City of North Pole, Alaska Amending the 2021, Operating Budget for the Fire Department.
- c. Ordinance 21-10, A Resolution of the City of North Pole Designating City Officials Authorization to Sign on City of North Pole Accounts.
- d. Request To Approve Client Agreement with Steese Immediate Care.

And to move to the November 15, 2021 meeting:

- a. Ordinance 21-16, An Ordinance of the City of North Pole, Alaska, To Modify

The Developer Agreement For The Brookside Park Subdivision.

Seconded *by* Ms. Welch

Mr. McGhee - the updates that were supposed to be made to the Ordinance 21-16 were not made. Will need to move this ordinance to old business on the next meeting, November 15, 2021.

On the amendments

DISCUSSION

None

PASSED

Yes: 7 – A.Welch, Claus, Keller, Cromer, McGhee, Skipps, Mayor Welch

No: 0

Absent: 0

On the agenda as amended

DISCUSSION

None

PASSED

Yes: 7 – A.Welch, Claus, Keller, Cromer, McGhee, Skipps, Mayor Welch

No: 0

Absent: 0

APPROVAL OF MINUTES

Not available due to staffing issues.

COMMUNICATIONS FROM THE MAYOR

- Oath of Office of Melisa Dionne, City Clerk.
- Reorganization of the council: Santa Claus to Mayor Pro Tem, DeJohn Cromer to Deputy Mayor Pro Tem, Aino Welch to Alternate Deputy Mayor.
- Explore Fairbanks, Bill Wright, gave the Council an update on tourism. The numbers are up over the 2020 numbers and just shy of the pre pandemic numbers. The Mayor asked Mr. Wright about partnering with Explore Fairbanks for future projects and extended an invite to play tour guide on his next trip to North Pole.
- The mayor recapped the recent computer assault on the City of North Pole computer system. He is working with Alasconnect and Ampersand to prevent future cyber attacks.

- He reminded the Council members of the upcoming training opportunities with the Alaska Municipal League.
- The Mayor also brought up that we will be organizing the committees soon, including bed tax committee, this will be addressed in the next meeting.

COUNCIL MEMBER QUESTIONS OF THE MAYOR

- Mr. McGhee wanted to know why the Council was still conducting meetings via Zoom. The Mayor said that her would have a better update on the heat and air filtration system next meeting. McGhee asked if we could consider a hybrid of the meeting, allowing Council members via and in person for future meetings. The Mayor agreed that this was an option was being looked into.

COMMUNICATIONS FROM DEPARTMENT HEADS, BOROUGH REPRESENTATIVE AND THE CITY CLERK

Police Dept., Chief Dutra

- Chief Dutra gave the Council a recap of the Halloween food drive and trick or treating event that took place on Sunday. They handed out over 600 glow sticks and lots of candy and collected around 500 pounds of food. The APOA food drive continues until November 21, 2021, and the food/money collected goes to the Food Bank. People can donate in person or via their FB page.

Mr. Skipp asked Chief Dutra for a final report on the accident that took place a few months ago with the **fire vehicle**.

Fire Dept., Chief Heineken

- Chief Heineken would like to thank the Police Dept for their efforts with the Trick or Treat event. Fire Department staff reported back that once again the Police Department put together a great event and they enjoyed participating.
- NPFDD responded to 2 structure fire just outside of City limits this last Friday. One fire was located on VFW St and the second on Keeney Rd. Both fires caused significant property damage, thankfully no one was injured in either fire. As temperature drops, we experience a rise in house fire numbers, many of these fires are from using heating devices that have set idle all summer. NPFDD reminds everyone to have heating devices services annually.
- Retired Lt. Dave Nelson underwent heart surgery today, his wife Monique reported that the surgery went well, and he is now resting in recover. Lt. Nelson provided 24 years of service to the City of North Pole, and we wish him a speedy recovery.

Director of City Services, Bill Butler

- **Building Department**
 - One permit issued—Blanket Building permit for Petro Star filtration unit.
- **Public Works**
 - Stormwater catchment basin update:
 - Catchment basin on 1st Avenue completed. Plan to fence the basin in spring/summer 2022.
 - COVID air handling equipment update:
 - Three mobile units for air filtration in Council Chamber, reception area and City Hall office delivered and operating.
 - Public Works is seeking estimates to install baseboard heat in Council Chambers.
 - Received only one quote to date.
 - One of our Public Works employees was hospitalized with COVID but has since been released.
- **Utility Department**
 - Experiencing a pressure loss across the distribution system in Highway Park.
 - The pressure loss has the characteristics of a leak or a partially closed valve, but both issues have been investigated and ruled out.
 - Investigation if malfunctioning equipment.
 - Engaged in routine activities preparing utility system for upcoming winter. •
 - Sought and received from Mayor authorization for the sole source of critical flow meters and value modification under section 4.16.060 Innovative and special procurement. The cost is \$56,437 and will be paid from existing funding in the Utility budget. (See attached quote and summary explanation.)
- **Moose Creek Water System Expansion Project.**
 - Remaining significant construction activity is installation of new well pumps and controls. This work is scheduled to be substantially complete in November.
 - Construction will enter a winter shutdown with the completion of the installation of the new well pumps.
 - Remaining work is a projected 10 service line installation and completion of road surfacing work in late spring 2022.
 - Moose Creek Project is scheduled to be closed out end of August 2022.
- **Sole Source: Flow Meters**
 - I have been discussing with Paul a modest but important project for management of the water system for Zones 1, 2, 3 and 4 of the North Pole Expansion. The project

has been elevated in Paul's and my priorities seeing the benefits that the Moose Creek Project having flow meters and Cla-Valves providing the means to better manage and diagnose flow and pressures issues in that system extension. There is also an issue with diagnosing a problem in the Highway Park distribution system to an unexplainable pressure drop. I asked Paul to work with the contractor that did much of the mechanical work for the North Pole Expansion and Moose Creek Expansion to provide a cost proposal for flow meters and Cla-Valve rebuild. The flow meters will enable Utility staff to better monitor and diagnose flows in in the North Pole Expansion. The Cla-Valve rebuild will permit the valve to allow flow in both directions where it now can only manage water flow in one direction. Converting the valve to permit controlling water flows in two directions at the Peridot Pump House will give the Utility the ability to flow water in two directions for emergency make-up water. Because of the critical nature of this project, I would like to sole source this project to Patrick Mechanical who has done most of the mechanical work for the North Pole Expansion and Moose Creek Project. They are also the firm that mobilized quickly several years ago when there was the freeze-up at the emergency generator room and they were able to help prevent a shutdown of that section of the water system. Patrick Mechanical has provided the attached quote that totals \$56,437. The Utility would pay for the project with \$49,900 from Deferred Maintenance (41-10- 9-900) and \$6,537 Equipment Outlay (41-10-7-705). I would like to sole source the project under the authority of the Municipal Code 4.16.060 Innovative and special procurements that states: Notwithstanding any other provision of this code, the Mayor or his designee may initiate a procurement above the small purchase amount specified in NPMC 4.16.030, Purchase limits, when the Mayor or his designee determines that an unusual or unique circumstance exists that makes the application of all requirements of competitive sealed bidding or competitive sealed proposals contrary to the public interest, including, but not limited to, the need to meet new or unique State requirements, new technologies, or to achieve best value. Any special procurement under this section shall be made with such competition as is practicable under the circumstances. The Mayor or his designee in the contract file shall include a written determination of the basis for the procurement and for the selection of the particular contractor, and a report shall be made publicly available at least annually describing all such determinations. The section of the code that makes this a unique situation is it is critical to the operation of the Utility the would

achieve “best value.” Paul has reached out to the primary supplier of the equipment—Alaska Pump—to get feedback on equipment costs and delivery times. Supply chain issues are not only affecting Alaska but are also an international restraint. Delaying the purchase of this equipment could add months to its delivery. In addition, much of the equipment is made of brass. There has been an approximate 15% increase in brass equipment cost this year and there is expected to be an additional 15% increase in cost of brass equipment costs in 2022. Purchasing the equipment now will be a cost saving to the Utility and ensure quicker delivery of the equipment. The inflationary effect on equipment costs is reflected in Patrick Mechanical’s quote that is only good for 30 days.

Finance, Tricia Fogarty

- She has been working on the software conversion between Caselle and Tyler last week and this week. They are doing a parallel payroll to make sure that everything lines up the same as it did in Caselle. Tyler also took data for utility billing this time. After the utility billing is completed by Melanie, they will line up the reports and make sure that they are the same in both systems. That is starting to become more time consuming, but it is going to be rewarding as well. Her time the last week has been divided between working on the budget and working with the new City Clerk.

The Mayor asked when the onboarding/training for Tyler would be finished.

- Tricia said that she and Michelle have been spending more than 20 hours a week on the project and that the last few weeks have been more than that. There has been a lot of back and forth, so some weeks aren’t so time consuming. The last to go live with the new Tyler program will be the utility billing and that is scheduled for March of 2022. The plan is to finish the year out in both programs for payroll so that they can send out W-2’s and be able to compare both of them. Starting January 1, payroll and such will be done completely in Tyler.

Borough Representative

- None

City Clerk’s Office, Melissa Dionne

- Will be attending the AMC conference November 17-20 in Anchorage.
- Registered herself and new council member, Anton Keller, up for the new council officials training from the Alaska Municipal League that will be held November 9-10 via Zoom.

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

- None

Motion to Suspend the Rules

Mr. McGhee *moved* to suspend the rules to take a break until 8:15.

Back in Session

OLD BUSINESS

Motion to Suspend the Rules

Mr. McGhee *moved to* suspend the rules on the amended agenda.

Seconded *by* Mr. Claus.

DISCUSSION

Mr. McGhee - Regarding Ordinance 21-16, the updates, that were thought to be missing, were included in the council packet. He would like to add one (1) amendment to change the date on the document to the amended date and then add Ordinance 21-16 back to the agenda to be consented.

The motion to suspend was seconded *by* Mr Claus.

On the amendment

DISCUSSION

None

PASSED

Yes: 7 – A.Welch, Claus, Keller, Cromer, McGhee, Skipps, Mayor Welch

No: 0

Absent: 0

NEW BUSINESS

Mr. McGhee *moved* to Introduce Ordinance 21-17, an Ordinance of the City of North Pole, Alaska. Establishing the 2022 Operating and Capital Budget and Levying the Mill Rate.

Seconded by Ms. Welch

DISCUSSION

This is the first reading of three (3) of this Ordinance.

Tricia - Was asked to speak about the budget. She said that the sales tax stayed at 5.5%, the Mill rate and that the \$11 maximum sales tax cap also stayed the same. There were minimal changes to the individual revenues and things are pretty much staying the same unless we choose to change things through this process. In Clear.gov some of the smaller budgets weren't balanced, but she made some changes based on last year's and they are now. This reading did not include any of the spreadsheets because the council and departments all have access to them, but she will attach them for the next reading on November 15.

The Mayor - Wanted to take a closer look at the tax profits that were based on previous years. The numbers for this year went as far as September 30, as October numbers were not available until today. He said it was one of the reasons that he wanted the city to move from the calendar year, to the fiscal year. The mayor said that the property tax numbers may not be very accurate because we do not know how much new property tax that we will receive. The second property tax payment was due just today and that money won't be to us till December. We only have data for about 6 months from the online sales taxes, but we could have an additional \$30,000 - \$40,000 from online sales tax. We are keeping the numbers for this on the conservative side for now. The Mayor asked about the transfer of \$25,000 from Other Funds on the budget. Tricia responded that it was the 25% of the \$100,000 bed tax that we anticipate getting in 2022. The expenditures were based on what the department heads had shared. The Mayor and Bill shared some background and history on the utilities/enterprise fund for new council member Keller and Bill invited him to come into the office to learn about the utility/building/public works program any time.

Mr. McGhee - Asked why the budget has been increased by \$51,0000 in the Wages Full Time of Administration & Salary benefits section. Tricia responded that it was the 3% increase for the administrative staff and the 2% increase for the mayor, as well as for the new admin position. The Mayor talked about the new position that will be part time HR and part time admin support for the Office of the Mayor. He said that he would start advertising for the position soon. He is also looking into HR training opportunities for the position. McGhee said that HR is a very important position and that we haven't had an HR person for a while and agreed we need one in house, but believes that the HR person should only be HR so that there is no conflict of interest. He pointed out that the budget line for the HR position should not be on the Admin line, but on the HR line of the budget. McGhee would also like to know what the budget break down for the HR person is separate from the Admin rate increase.

On the amendment

To move 21-16 to it's second reading on November 15, 2021.

PASSED

Yes: 7 – A.Welch, Claus, Keller, Cromer, McGhee, Skippis, Mayor Welch

No: 0

Absent: 0

COUNCIL COMMENTS

Mr. McGhee *moved* to adjourn.

Seconded *by* Mr Skippis.

The regular meeting of Monday, November 1, 2021 adjourned at 8:52 p.m.

These minutes passed and approved by a duly constituted quorum of the North Pole City Council on Monday, November 1, 2021.

Michael Welch, Mayor

ATTEST:

Melissa Dionne
North Pole City Clerk