



# CITY OF NORTH POLE *Alaska*

## REGULAR CITY COUNCIL MEETING Monday, November 21, 2011

**Committee of the Whole – 6:30 p.m.  
Regular City Council Meeting – 7:00 p.m.**

### **COUNCIL MEMBERS**

Richard Holm	488-1776
Sharron Hunter	488-4282
Ronald Jones	488-3579
Thomas McGhee - <i>Mayor Pro Tem</i>	455-0010
Derrick Nelson	490-2446
Bryce Ward	488-7314

### **MAYOR**

Douglas Isaacson 488-8584

### **CITY CLERK**

Kathy Weber, MMC 488-8583

1. **Call to Order/Roll Call**
2. **Pledge of Allegiance to the US Flag**
3. **Invocation**
4. **Approval of the Agenda**
5. **Approval of the Minutes**
6. **Communications from the Mayor**  
United Way Presentation by Bob Groseclose and Barbara Schumann

#### **\*Proclamations**

*Isaac Gripper – NPE*

*Katie Carstensen – NPHS*

*Eastlyn Fell – NPHS - October*

*\*Reorganization of Council*

7. **Council Member Questions of the Mayor**
8. **Communications from Department Heads, Borough Representative and the City Clerk**

**9. Ongoing Projects Report**

**10. Citizens Comments (Limited to Five (5) minutes per Citizen)**

**11. Old Business**

- a. Ordinance 11-06, An Ordinance of the City of North Pole, Alaska Amending Title 4, Chapter 4.10.010, User Fees

**12. New Business**

- a. Approval of Liquor License for Sourdough Fuel
- b. Request from Christmas In Ice, Inc. for 2011 3<sup>rd</sup> Quarter Bed Tax
- c. Approval Of Grant From The Department Of Public Safety For The Continuation Of The Byrne JAG Funding Of The ABADE Investigator In The Amount Of \$75,984
- d. Ordinance 11-09, An Ordinance Establishing the City of North Pole 2012 Budget and Levying the Mil Rate
- e. Ordinance 11-10, An Ordinance Of The City Of North Pole, Alaska Amending Title 4, And Adding Section 4.10.030, Ambulance/EMS Services
- f. Resolution 11-27, A Resolution Of The North Pole City Council Designating City Officials Authorization To Sign On City Of North Pole Accounts
- g. Resolution 11-28, A Resolution Of The City Of North Pole Authorizing The Submission Of A Grant Application For An Alaska Department Of Commerce, Community And Economic Development Block Grant Not To Exceed \$100,000 For The Purpose Of Installing Food Preparation, Ventilation Systems And Ancillary Equipment At The Santa's Senior Center
- h. Resolution 11-29, A Resolution Of The City Council Of The City Of North Pole, Alaska, Supporting A Large Volume Gasline Which Would Significantly Reduce The Cost Of Energy In The Fairbanks/North Pole Area And Other Parts Of Alaska With Gas Via A Gasline From Prudhoe Bay To Fairbanks And Continuing South To Glennallen, Connecting To A Spur Line From Glennallen To The Existing South Central Gas Grid And Continuing To The Kenai Peninsula For Export, And Providing For Export From The Ice Free Deep Water Port At Valdez

**13. Council Comments**

**14. Adjournment**

*The City of North Pole will provide an interpreter at City Council meetings for hearing impaired individuals. The City does require at least 48 hours notice to arrange for this service. All such requests are subject to the availability of an interpreter. All City Council meetings are recorded on CD. These CD's are available for listening or duplication at the City Clerk's Office during regular business hours, Monday through Friday, 8:00 a.m. to 5:00 p.m. or can be purchased for \$5.00 per CD. The City Clerk's Office is located in City Hall, 125 Snowman Lane, North Pole, Alaska.*

**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, October 17, 2011 in the Council Chambers of City Hall, 125 Snowman Lane, North Pole, Alaska.

**CALL TO ORDER/ROLL CALL**

Mayor Doug Isaacson called the regular City Council meeting of Monday, October 17, 2011 was called to order at 7:00 p.m.

***There were present:***

**Ms. Arnold**

**Mr. McGhee**

**Ms. Hunter**

**Mr. Jones**

**Mr. Holm**

**Mr. McCarthy**

**Mayor Isaacson**

***Absent/Excused***

**Excused**

**PLEDGE OF ALLEGIANCE TO THE U.S. FLAG**

Led by Mayor Isaacson

**INVOCATION**

Invocation was given by Councilman Ron Jones

**APPROVAL OF AGENDA**

**Mr. McGhee moved to Approve the Agenda of October 17, 2011**

**Seconded by Mr. Jones**

**Discussion**

None

**Mr. McGhee moved to Postpone until the meeting of November 21, 2011:**

- a. Ordinance 11-06, An Ordinance of the City of North Pole, Alaska Amending Title 4, Chapter 4.10.010, User Fees

**and move to consent the following items:**

**New Business**

- b. North Pole Economic Development Request for 3<sup>rd</sup> Quarter Bed Tax
- c. Recommendation for Skid Steer Loader Equipment Purchase Bid Award
- d. Recommendation for Heating Fuel Bid Award for 2012
- e. Surplus Sale of Public Works Boom Truck Bid
- g. Mayor Isaacson Request for Partial Reimbursement for Travel To Anchorage, October 20-23, 2011
- h. Resolution 11-26, A Resolution of the City of North Pole Canceling the November 7, 2011 Council meeting due to the AML Conference

**Seconded by Mr. Jones**

**Discussion**

None

**On the Amendment**

**PASSED**

**YES –7– Arnold, Hunter, McGhee, McCarthy, Jones, Holm, Isaacson**

**NO – 0**

**Abstained- 0**

**On the main motion as amended**

**PASSED**

**YES –7–Arnold, Hunter, McGhee, McCarthy, Jones, Holm, Isaacson**

**NO – 0**

**Abstained- 0**

**APPROVAL OF MINUTES**

**Mr. McGhee *moved to* Approve the Minutes of October 6, 2011**

**Seconded by Mr. Jones**

**Discussion**

None

**PASSED**

**YES –7–Arnold, Hunter, McGhee, McCarthy, Jones, Holm, Isaacson**

**NO – 0**

**Abstained- 0**

**COMMUNICATIONS FROM THE MAYOR**

**Communication Highlights from the Mayor for the period ending October 17, 2011**

**ISSUES:**

• The Norwegian Model: Ira Perman, representing the Institute of the North spoke at the Oct 5<sup>th</sup> Alliance meeting about the visit State and business officials made to Norway last month. His topic was “How Norway Does Oil & Gas”. Interesting facts in simplistic terms:

- while Alaska’s economic future is uncertain, Norway’s star is rising.

- Norway is attracting private investment due in large part because they invested in ownership of the infrastructure and development sectors, which they then spun off as publicly traded corporations, while maintaining ownership of the intra-state pipeline systems. Globally, those businesses are now extremely successful and pay dividends to the State which retains shares in the spin-off companies. For example, Houston, TX is home to the second largest number of Norwegian oil related companies outside of Norway.
- Norway is the number one investor in in-state oil & gas development, using “SDFI” State Directed Financial Investment where Norway becomes a 25% partner and puts 75% up for licensing. Norway no longer uses the bonus/royalty system as it impaired investment.
- Their licensing takes less than 3 years, where it may take decades in Alaska.
- Norway’s Oil Fund, started in 1996, is over \$570 Billion from about 12 billion barrels of production, versus Alaska’s Permanent Fund, started in 1977, which is just over \$40 Billion from approximately \$60 billion barrels of production.
- No matter where the community is located, whether it’s the equivalent of Barrow to Juneau, hydro electricity is the main source of energy consumed in-country and all communities pay the same rate.

The questions that State officials will have to answer is: can the Norway model, or parts of it, be applied in Alaska?

At a separate meeting on October 8, Lt. Governor Mead Treadwell stated that for Alaska, the leases at Prudhoe Bay is still the easiest way to fill the Trans Alaska Oil Pipeline, the State needs to be more competitive. The North Pole community, and City revenues, is immediately impacted if the State does not become more competitive in oil and gas development being the home of 2 oil refineries and 180 megawatts of electrical generation.

• October is Domestic Violence & Sexual Assault Awareness Month. I participated in a press conference on October 7, on this topic, sponsored by the Interior Alaska Center for Non Violent Living; the State, Troopers, City of Fairbanks, and the Borough also participated. The discussion involved the recently released State and area statistics. The NPPD supplied me with numbers (our city numbers are thankfully low), but alarmingly, the studies show that 1 in four women sometime in their life experience such violence. The study did not ask about the occurrences where men may have been the victim. To view helpful information for victims of domestic violence: <http://www.dps.state.ak.us/ast/domesticviolence/docs/dvbooklet.pdf>. In an editorial in the News Miner ([http://www.newsminer.com/printer\\_friendly/15948651](http://www.newsminer.com/printer_friendly/15948651)) the question is asked and answered, “So what causes this? The misuse of alcohol and other drugs would be at the top of the list, followed by a host of character defects.”

- FMATS: the Fairbanks Metropolitan Area Transportation System (FMATS) Policy Committee will meet this Wednesday, 10 a.m. at the DOT&PF Conference Room on Peger. There is time for public comment at the beginning and the end (near noon) of the meeting.

- Budget Workshop meetings: Please place on your calendars the following budget workshop meeting times:

**Monday - 6pm**

Police Department

Administration, Professional Services

**Tuesday - 6pm**

Fire Department

**Wednesday - 6pm**

Public Works

Utility

Building Department

Please note, these are public workshops where department heads are able to present their vision and needs; while in-depth questions are encouraged, no formal action is being taken during the workshops. The 2012 budget will be formally introduced the meeting of November 21 and will have three readings.

- Other Meetings: included going weekly to NPMS and helping with announcements and giving “Words of Wisdom”; meeting with the other two mayors on issues pertaining to all three municipal governments; attended the monthly military-civilian leadership group; was honored with the other mayors, Dave Gardner of GVEA and Bill Brophy of Usibelli, as an Honorary Commander of the 354<sup>th</sup>; attended a welcoming function for the current Red Flag participants; met with Kathie Wassermen and Betty Svenson of AML discussing the November meetings, pending resolutions, and other issues affecting the City; attended an AWG 2014 Host Society Board meeting where I was reminded that North Pole is slated to contribute \$5000 in 2011 and 2012 (probably using a portion of retained Bed Tax funds); I’ve had several meetings with mayors, department heads, and State officials regarding our Dispatch Center fees. We’ll have detailed information available to the Council during our budget meetings; and attended a fund raiser for Hannah Monikan, whose parents have been active and invaluable helpful with our Itadori Sister City, and who at 7 years old is battling a brain tumor. Those wishing to help Hannah should contact Chief Buddy Lane, 488-0444.

- Memorial Service for 1-25: A Memorial Service in memory of: Sergeant Rodolfo Rodriguez Jr., Specialist Ryan J. Cook of 3rd Battalion, 21st Infantry Regiment; Sergeant Timothy D. Sayne of 5th Squadron, 1st Cavalry Regiment; and Private First Class Brett E. Wood of 1st Battalion, 5th Infantry Regiment, 1-25 Stryker Brigade Combat Team members fallen in action, was held on Thursday, October 6. Another memorial will be held for Pvt Danny Chen, 3<sup>rd</sup> Battalion, 21<sup>st</sup> Infantry, at 11 a.m. at the Southern Lights Chapel, Fort Wainwright. Our thoughts and prayers are with the families and with our troops!

- Public forum: What would help the Alaska gas pipeline? LIVE FEED @ arcticgas.gov, Tuesday, October 18, at 5:30 p.m.

You may begin viewing the live stream approximately five minutes before the event. If you'd like to view the presentations only, they are available by clicking on the "Presentations" link above approximately one day before the forum. Both video and audio versions of the forum will be available on the Arcticgas.gov site approximately one day after the event.

By: Jennifer Thompson  
Director of Communications and Policy Support  
jthompson@arcticgas.gov  
Release Date: 09/19/2011

The federal coordinator's office for an Alaska natural gas pipeline is sponsoring a public forum Oct. 18 on what could be done to help the economics of a large pipeline from the North Slope to the Lower 48 states, while also supporting a smaller in-state spur line to serve Alaska's needs. The forum will be held in Anchorage and streamed live on the Internet.

"Alaskans want a natural gas pipeline for the public revenues it will produce, for the oil and gas development it will promote, for the jobs it will create and for the affordable long-term gas supply it will provide to meet local needs. To get all of that will take a big line moving a lot of gas to make it affordable," said Federal Coordinator Larry Persily.

The forum is intended to start a discussion to get Alaskans thinking: What could the state do to help gas line economics? How much risk can or should the state take on? Are there benefits and cost savings from working the big pipeline and smaller in-state line together, forming one overall path to a prosperous future for Alaska?

The Office of the Federal Coordinator for Alaska Natural Gas Transportation Projects will bring together panelists knowledgeable about the state's economy and the economics of large energy projects to discuss the state's fiscal options for assisting in any gas line development. The panelists will discuss potential financing options and how the two projects could benefit by working together.

"The economics of any large-scale gas pipeline project are daunting. Shippers must commit years in advance by signing binding contracts worth more than \$100 billion to move their gas down the line, regardless of the market price in 2020, 2030 and beyond," Persily said. "The worry of construction cost overruns is real. The timing of production and property taxes is within the state's control and is a big factor in any investment decision on the pipeline, such as the billion-plus dollars in property taxes payable during pipeline construction. The forum will discuss these issues."

Panelists will include William Garner, senior counsel at Dewey & LeBoeuf in Houston, who has extensive experience in energy projects worldwide; Gregg Erickson, a longtime Alaska economist; and Dan Fauske, president of the state-run Alaska Gasline Development Corp.

The forum is set for 5:30 to 7 p.m. Tuesday, Oct. 18, at the University of Alaska Anchorage Fine Arts Building Recital Hall (Room 150). The forum is open to the public, and there will be time for questions. Seating will be limited, though overflow space will be available in a room down the hall.

The forum also will be available via live Internet streaming Oct. 18 and will be available online after the event, too. Streaming information and other forum details, including biographies of the speakers, supplemental materials and a link to electronically submit questions during the forum, can be found on the federal coordinator's website [www.arcticgas.gov](http://www.arcticgas.gov).

Congress established the Federal Coordinator's office in 2004 to expedite and coordinate federal permitting for a pipeline to deliver natural gas from Alaska's North Slope to U.S. markets.

### **FNSB ASSEMBLY MEETING:**

The FNSB Assembly met on October 13. Due to a mistake in the public noticing of the calendar, most issues were postponed so a Special Meeting this Thursday night, October 20. However, there are items directly affecting North Pole on the Agenda.

The next regular FNSB Assembly meeting is scheduled for October 27 at 6 pm. The Agenda has not yet been posted. For a list of meeting times and agendas, go to <http://co.fairbanks.ak.us/meetings/Assembly>.

### **MEDIA:**

**Oct 8 & 15:** Mayor Isaacson was on KJNP (1170 AM, 100.3 FM) 8 – 9 a.m. “Over the Coffee Cup.” Several other media contacts were made, including PARADE Magazine (the Sunday newspaper insert).

### **UPCOMING (see above for other events, dates, and times)**

- **October 18: Alaska Day, City Offices will be OPEN.**
- **October 18, 6:30 p.m.:** Mayors and community leaders will attend recognition dinner for retiring Lt Gen Dana Atkins, Commander of the Alaska Command and the 11<sup>th</sup> Air Force.
- **October 19, 3:30 pm:** Reception for 66 Defense Attaches representing 32 nations @ Santa Claus House
- **October 19, 6-9 pm:** ANWR Public Testimony being taken @ Carlson Center (see Action Alert, attached)
- **October 20, 6-7:30 pm:** EAFB Restoration Advisory Board meets @ NPCH
- **October 20-23:** Mayor Isaacson will be in Anchorage for meetings and AFN (action item on tonight's agenda)
- **October 23-31:** Red Ribbon Week (see attached Proclamation), activities to be held at various local schools.
- **October 24-26, 6-9 pm:** Budget Workshops @ NPCH



- **November 5-11: Alaska Municipal Meetings in Fairbanks**
- **November 14, 6 pm:** Beautification committee meets @ Wendy's
  - **Proclamations**
    - Lindsey Elgin – NPE
    - CCLC 4H Group
    - National Breast Cancer Awareness Month

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

Mr. Jones stated that Christmas In Ice will meet on October 28<sup>th</sup>.

Mr. McGhee commented on the beautification by Safeway and encouraged the city to work on the other side of the traffic circle.

Mr. Holm asked about the Public Works position and if it was true that the city is looking outside the city for that position.

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

#### **City Clerk, Kathy Weber**

Certification of October 4, 2011 Regular City Election

Attached for councils review and certification was the report of the Election Canvass Board for the Regular Municipal Election held on October 4, 2011.

**Mr. McGhee moved that the North Pole City Council accept the report of the Election Canvass Board and declare that the Regular City election of October 4, 2011 was validly held.**

**Seconded by Mr. Jones**

#### **Discussion**

None

#### **PASSED**

**YES –7–Arnold, Hunter, McGhee, McCarthy, Jones, Holm, Isaacson**

**NO–0**

**Abstained-0**

- *Oath of Office for Newly Elected Officials – Bryce Ward, Derrick Nelson*
- *Certificates of Appreciation for the City of North Pole Election Board*
- *Community Reception*

October 17, 2011

Council Report by Kathy Weber, City Clerk

Here are some of the things that are coming up in the city. If you have any questions on any items below, please feel free to contact me at 488-8583 or email at [Kathy@northpolealaska.com](mailto:Kathy@northpolealaska.com).

- The Alaska Municipal League Annual local government conference will take place from November 7 – 11, 2011 at the Westmark Hotel in Fairbanks, Alaska this year along with the American Planning Association, Government Finance Officers, Municipal Attorneys, Assessing, Municipal Management, and Alaska Conference of Mayors. Newly elected officials training will be held on Monday & Tuesday, November 7 & 8, and the conference from Wednesday, November 9 – Friday, November 11, 2011. The banquet will be on Thursday, November 10, 2011, so if you haven't gotten your tickets yet please let me know.
- The Alaska Association of Municipal Clerks (AAMC) will host their 46<sup>th</sup> Annual conference in November. This year's theme is "The Power Within" and we will have the dynamic speaker, Dr. Alan Zimmerman. Dr. Zimmerman is a motivational speaker who has won many awards. He will be our guest speaker at the academy and the topic will be "Take this job and love it!" The cost is \$125 which includes a buffet lunch. I am encouraging employees and anyone from the public to register for this exciting forum. CEU's will be available to those that need them. Please contact the city clerk for more information at 488-8583 or go to [www.alaskaclerks.org](http://www.alaskaclerks.org).
- I have been appointed by the International Institute of Municipal Clerks to serve on their Public Relations & Marketing Committee for 2012. I hope that I will be able to count on your continued support and have very much appreciated your encouragement and support over the past 3 years. I have had awesome opportunities and traveled throughout Region IV and represented my city, state, and association at the international level. Without your continued support and belief in me, this would not have been possible.
- Ms. Weber stated that she will make arrangements after the election to hold a training session with our newly elected officials to go over the workings of the city, code, parliamentary procedure, ordinances, resolutions, etc.
- Ms. Weber asked the public to keep their conversations down during council meetings or take them outside the council chambers. She asked everyone to remember to shut their cell phones off and that any information that the public wants given to council should go through her office first.

There are 69 days left until Christmas.

**Mr. McGhee moved to suspend the rules to have a community reception**

**Seconded by Mr. Jones**

**Discussion**

None

**PASSED**

**YES –7–Arnold, Hunter, McGhee, McCarthy, Jones, Holm, Isaacson**

**NO–0**

**Abstained-**

*Mayor Isaacson brought the meeting back to order at 8:00 p.m.*

*Councilman Holm left the meeting at 8:00 p.m.*

**Director of City Services, Bill Butler**

**October 17, 2011 Council Report**

Bill Butler

Director of City Services

**Building Department**

- Two new commercial permits issued since September 19
  - Safeway pharmacy remodel
  - Solar Panel Project, Tanana Apartments

**Public Works**

- Series of bid results before Council this evening:
  - Skid steer loader
  - Bucket truck
  - Heating fuel
- Interviewing will begin tomorrow for Public Works Supervisor Position
- City Hall heating system will need to be rehabilitated soon
  - Experiencing repeated failures
  - Controls are antiquated
  - At least one system component appears to have been purposely undersized—air handler is operating at about 20% of designed capacity
  - Atrol Heating contractor is making some “band aid” repairs until we can replace the system
  - Have request an estimate from Control Contractors to start process if need to move quickly to request for bids
  - Good news, energy inspectors for the City’s energy grant will be here October 20 and I will make the case for upgrading the City Hall heating plant as the most significant energy saving upgrade

### **Utility Department**

- Lift station renovation project inspection
    - Few electronic reporting problems remain
    - Odor at Holiday lift stations, second method being tried: Activated Carbon Filter
  - ADEC \$1.4 million loan initiative October 4 ballot will be presented for certification this evening
  - Request approval of professional services agreement with Jantz Associates for preparation of bid documents; assistance in review of bid submissions, and responses to bidders for Utility Garage Project
    - Have a state grant for 524,977 for garage project to be matched with \$300,000 from Water and Sewer Fund
- Request DEC to reallocate \$190,733 unexpended funds from Sludge Removal Project to Utility Garage Project

### **Fire Dept**

- Chief Lane said that the State Fire conference was very successful. He had personnel that were instructors at the conference and received state recognition. The conference was well attended.
- Chief Lane was in Anchorage last week attending a Homeland Security conference and will be encouraging council members to finish their NIMS training.
- Dan Kuhnert attended an Advancing Hose seminar. Two people from NPFD will be going to Texas with Flint Hills for fire training.
- Auto pulses are here and he will be demonstrating them during Committee of the Whole at the next meeting.
- Fire Fighters ball was last week and he was keynote speaker. Chief Lane is president of Fire Chief Association. The following awards were given out: Scott Learned – Computer work with fire dept., Line Officer of the year - Justin Boddy who is a Captain at Ft. Wainwright, Firefighter of the year - Ed Deal, Support Person of the Year - Sue Sandborn, and Prevention Program of the Year went to NPFD Kyle Green.
- Kyle Green gave a presentation to council on Fire Prevention Month (October).

### **Accountant**

- Lisa Vaughn stated that the most recent financials were given to council tonight. She is still reconciling the accounts.
- First check from PFD, \$49,000.
- Working on budget and each dept received their salary info for 2012.
- Putting in 2011 amended budget

### **Police Dept**

- None

### **FNSB Representative**

The FNSB Assembly met on October 13. Due to a mistake in the public noticing of the calendar, most issues were postponed so a Special Meeting this Thursday night, October 20. However, there are items directly affecting North Pole on the Agenda.

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### **ONGOING PROJECTS**

- North Pole Economic Development Corporation

Paul Brown stated that the landscaping at Safeway is about 95% complete. There will be seeding done and more planting of trees next summer. They have been working on that project for over a year with permitting and other issues before actual construction.

NPEDC are working with DOT and the City with beautification of the roundabouts and hope to have more going on by spring. Mr. Brown recognized area businesses and people for their donation of time and funding.

- Itadori Sister City

Ms. Lane spoke on the fundraiser for the Moniken family. Their daughter Hanna was diagnosed with a cancerous brain tumor and a spaghetti feed and auction was held on her behalf that raised over \$10,000 for the family. Firefighter shaved their heads in her honor and over 200 people came out for the event through social media. They are still taking \$5 donations.

The next meeting for Itadori Sister City will be in November for any of those people wishing to travel to Japan.

### **CITIZENS COMMENTS – 5 Minutes**

None

### **OLD BUSINESS**

None

### **NEW BUSINESS**

#### **FAIRBANKS CONVENTION AND VISITORS BUREAU REQUEST FOR 2<sup>ND</sup> QUARTER BED TAX**

Dawn Murphy from FCVB officially requested the 2<sup>nd</sup> Quarter Bed Tax from North Pole. At the Alaska Travel Industry Association Conference, Karen Lane received the Spirit of Alaska Award for her contributions.

Ed Malen, tourism sales manager from FCVB, spoke of his trip to Japan promoting Alaska as a tourist destination.

**Public Comment**

None

**Mr. McGhee *moved to* Approve The Fairbanks Convention And Visitors Bureau Request For 2<sup>nd</sup> Quarter Bed Tax**

**Seconded *by* Mr. Jones**

**Discussion**

None

**PASSED**

**YES – 6- Hunter, McGhee, Arnold, McCarthy, Jones, Isaacson**

**NO – 0 -**

**Abstained – 0**

**PROFESSIONAL SERVICE AGREEMENT WITH JANTZ & ASSOCIATES FOR BID DEVELOPMENT AND ASSOCIATED SUPPORT SERVICE FOR UTILITY GARAGE CONSTRUCTION PROJECT**

Bill Butler informed council during the Committee of the Whole.

**Public Comment**

None

**Mr. McCarthy *moved to* Approve Professional Service Agreement With Jantz & Associates For Bid Development And Associated Support Service For Utility Garage Construction Project**

**Seconded *by* Ms. Hunter**

**Discussion**

None

**PASSED**

**YES – 6- Hunter, McGhee, Arnold, McCarthy, Jones, Isaacson**

**NO – 0 -**

**Abstained – 0**

**COUNCIL COMMENTS**

**Mr. McCarthy** – his advise to council is to do what you think is good, take what you know, make a choice, and take a stand. Whatever you do is better than doing nothing. Kudo's to Bill Butler and it was great working with him.

**Mr. McGhee** – thanked Bonnie Arnold for her service. Thanked Kevin McCarthy for his input and value to the council. Good luck to the new council members and welcomed Bryce Ward to the council. It was a great council this past year and he thanked the mayor for not chastising him too much this year. He stated that sometimes he gets a bit zealous about what they do during the meetings. Mr. McGhee said this is our home and community and he wants make a difference with what our children have in years to come. He thanked the mayor for his past years of service and reflected on how well this council has worked together. He asked that the council review their packet prior to meeting and wants to hear from the public.

**Ms. Arnold** – stated that Ms. Hunter will be the only woman on the council this next year. She wished Bryce Ward luck and stated that the City has a wonderful clerk and accountant that will help him. She said has personal reasons for not running again for council this year. Ms. Arnold said her ipad is a godsend and a huge asset. She thanked department heads for all they've done in making North Pole a success and thanked mom for \$5 and wished everyone well.

**Mr. Jones** - thanked Kevin McCarthy and his wisdom on council. He thanked Bonnie Arnold for giving the City a well rounded council and looks forward to the future and what it holds for the City. Mr. Jones welcomed Bryce Ward to the council and serving the City of North Pole. He said there is a lot to do, visiting your constituents, and doing good things for the city. He commented that the budget is coming up and he hope to see good things for the police and fire department. He added that Mayor Isaacson has done a good job this year and thanked everyone for coming out.

**Ms. Hunter** – commented that the hiring process for the Public Works Department seems like a real creative way of getting the best person for the job and complimented Bill Butler on that. She is glad to hear about the story from Ed Malen on Itadori and has been to Itadori, Japan and stayed with homestay families. She plugged the Friends of North Pole Library and they are selling coffee with the logo on it. It will make a great present for Christmas.

**Mayor Isaacson** – stated that this the most philosophically diverse council and smoothest working council. He appreciates the effort each has made doing the work of the people. The mayor said he is in his countdown. He told council that each of them need to keep in mind that anything could happen and think carefully as you consider putting your name forward when the mayor isn't here. It is an important position and on the 21<sup>st</sup> of November we organize the council and it isn't just a glad hand position, it is a real position. He urged council to be on committees in the city and the community. He said the clerk attended the Writers Conference Luncheon with FCVB and was all jazzed saying there were great opportunities for North Pole. It takes people to be involved and brings people back to the city. He would like to see NPEDC have a buy North Pole campaign instead of buying in Fairbanks. He thanked everyone and encourage all council members to tour the City.

## **ADJOURNMENT**

**Mr. McGhee** *moved to adjourn the meeting of October 17, 2011*

**Seconded by Mr. Jones**

**No Objection**

The regular meeting of October 17, 2011 adjourned at 9:12 p.m.

**These minutes passed and approved by a duly constituted quorum of the North Pole City Council on Monday, November 21, 2011.**

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**DOUGLAS W. ISAACSON**, Mayor

**ATTEST:**

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**KATHRYN M. WEBER**, MMC, City Clerk





# CITY OF NORTH POLE

*"Where the Spirit of Christmas Lives Year Round"*

125 Snowman Lane • North Pole, Alaska 99705-7708  
E-mail: [mayor@northpolealaska.com](mailto:mayor@northpolealaska.com) • Website: [www.northpolealaska.com](http://www.northpolealaska.com)

November 15, 2011

City Hall  
907-488-2281  
Fax: 907-488-3002

Mayor  
907-488-8584

City Clerk  
907-488-8583

Police  
Department  
907-488-6902

Fire  
Department  
907-488-2232

Utilities  
907-488-6111

Director of  
City Services  
907-488-8593

Finance  
907-488-8594

**Board of Directors**  
**Alaska Federation of Natives**  
**1577 C Street, Suite 300**  
**Anchorage, AK 99501**

**Dear AFN Board of Directors:**

It was a great pleasure to be with you in Anchorage last month, to visit with many of you, to sit in the sessions, visit the caucuses, and enjoy the closing banquet. You know my heart and it reflects the many hearts within the great Interior of Alaska—we would love to have AFN in Fairbanks for your 2012 Convention. As you know, many individuals and the communities within the Fairbanks North Star Borough, the Interior Alaska Native community, and the Fairbanks Conventions and Visitors Bureau, worked tirelessly to host the 2005, 2007 and 2010 conventions. We would love to do so again in 2012.

We firmly believe that, after the tremendous successes of previous conventions held in Fairbanks, future events will be even better! Helen and I heard the suggestions, especially to have transportation to shopping areas and more food options available, and we will work to implement those and other suggestions. We look forward to extending a warm welcome to delegates, visitors, friends and family from around the state.

Let us once again share Interior Alaska's true spirit of hospitality and genuine warmth; I invite you to choose Fairbanks as the location for your 2012 Convention.

Sincerely,

Douglas W. Isaacson  
Mayor

 This message was sent with high importance.

## Kathy Weber

**From:** Doug Isaacson  
**To:** ArcticRefugeCCP@fws.gov  
**Cc:** Kathy Weber  
**Subject:** Arctic Refuge CCP

**Sent:** Tue 11/15/2011 4:47 PM

**Attachments:**

To Whom It May Concern:

I oppose any change to the current status of the Arctic National Wildlife Preserve.

The option of future energy development in the 1002 area should remain on the table, precluding any new Wilderness designation over the Coastal Plain. As you are aware, the 1002 area represents 1/10,000th the size of ANWR, which is approximately 19 million acres large--larger than ten of the lower 48 states, and roughly the size of the State of South Carolina.

Not only would new Wilderness and Wild and Scenic River designations violate the "no more" clauses of ANILCA, they would go against the original intent of Congress and the law.

There is no need for additional Wilderness designations in ANWR, given most of the refuge is already closed to development and managed to maintain its wilderness character. Alaska already contains 58 million acres of federal Wilderness and accounts for 53 percent of America's federal Wilderness areas.

- Given that Alaska already has 58 million acres of Wilderness--equating to roughly 1/2 the size of the richly diverse State of California; and
- Given that the Christensen report, June 2009 states that a very SMALL number of visitors actually visit the 19 million acre ANWR; "Visitor numbers are thought to have remained stable since 2001, with estimates ranging between 976 and 1,180 commercially guided and/or transported visitors each year, and a manager's estimate of 1,115 total visitors in 2007 (table 2). Each commercially guided or transported visitor spends, on average, between 7 and 12 days in the Refuge." (Report to the Aldo Leopold Wilderness Research Institute and the Arctic National Wildlife Refuge; page 7); and
- Given that NO OTHER STATE IN THE UNION is so adversely attacked, e.g. California isn't thought to be overcrowded because 1,115 visitors visit it in a year--the idea is laughable! South Carolina has not been declared a Wilderness in order to protect rural areas on the Eastern seaboard!; and
- Given that the area in question is only 2,000 acres and a federal Wilderness designation over the 1002 area would forever place off-limits North America's most promising onshore oil and gas prospect to development and destroy the agreements made when ANILCA became law. In contrast, oil and gas development in the 1002 area would not disturb a single acre of federal Wilderness; and
- Given that the people of the State most affected should be heard above the comments of those who do not live in the State and are not immediately affected by the consequences, positively or negatively, but Alaskans strongly oppose a Wilderness designation on ANWR's coastal plain. In fact, 78 percent of Alaskans support oil exploration in the 1002 area. Every Alaskan Governor and every legislature and elected congressional representative and senator from Alaska has supported responsible development. The North Slope Borough and the Alaska Federation of Natives also support responsible development, as well as a majority of residents in Kaktovik, a village within the Coastal Plain; and
- Given, the Service has unreasonably restricted the scope of alternatives and public comment by refusing to consider an oil and gas development alternative in the draft CCP. ANILCA required the Service to study 1002 area's petroleum resources and consider how oil and gas development could impact wildlife and the environment. It also directed the Secretary of Interior to provide Congress with

recommendations with respect to such development. In 1987, the Department of the Interior concluded oil development would have minimal impact on wildlife and recommended Congress open the coastal plain to development; and

- Given ANILCA mandated the Service to periodically revisit the issue of oil and gas activity within the 1002 area. This directive is as clear as the mandate the Service claims to have that requires it to revisit wilderness issues. There have been considerable advancements in oil and gas exploration and development in the nearly 25 years since the original study was completed; and
- Given there are compelling national economic and energy security reasons for opening the 1002 area to responsible oil and gas development, including a safe and secure source of energy to the nation, create hundreds of thousands of jobs throughout the country, and refill the Trans-Alaska Pipeline System, which is operating at one-third its original capacity and continually declining. Government estimates are that upwards of 16 billion barrels of oil and 18 trillion cubic feet of natural gas lie within the 1002 area of ANWR; and
- Given the advances in technology, it is possible to develop the coastal plain's energy reserves while directly utilizing very little (potentially only 2,000 acres) of the 1.5 million acres in the 1002 area. Such development would allow access to energy Americans need without any significant disturbance to wildlife.

I, therefore, oppose any change to the current status of the Arctic National Wildlife Preserve.

**Douglas W. Isaacson, Mayor**

**City of North Pole**  
125 Snowman Lane  
North Pole, Alaska 99705  
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Cell: 907-322-3133  
Fx: 907-488-3002  
[www.northpolealaska.com](http://www.northpolealaska.com)

**North Pole, Alaska: "Where the Spirit of Christmas Lives Year Round"**



# Sulfolane Investigation Update

October  
2011

*This update is provided by the Technical Project Team to inform the North Pole community of recent developments in the investigation and remediation of soil and groundwater contamination related to the North Pole refinery.*

## DEC establishes faster cleanup schedule

In September, the Alaska Department of Environmental Conservation (DEC) and Flint Hills Resources (FHR) reached an agreement on an accelerated timeline for investigating and remediating the North Pole sulfolane groundwater contamination.

DEC regulators established new dates for completion of the project's 19 main tasks – in many cases advancing them by as much as 1 1/2 years. The decision to advance the timetable came after careful review of FHR's proposed schedule. Overall completion of the project is now scheduled for late 2012, rather than the initial proposal of the summer of 2014.

According to Steve Bainbridge, manager of DEC's Contaminated Sites

Program, this contamination "... has impacted the City of North Pole drinking water wells, as well as at least 230 private drinking water wells and additional parcels of land that have yet to be developed ... making this site our highest priority to investigate."

FHR has accepted the revision and is actively revamping its cleanup activity timeline to ensure the new target dates are met. "FHR shares the state's sense of urgency and remains committed to aggressively protect the public and remediate the contamination," said Loren Garner, Flint Hills Resources' groundwater project manager.

Ann Farris, DEC's project manager said, "This is an aggressive schedule for the size and complexity of the

problem, but the entire technical project team is committed to understanding and cleaning up the contamination as quickly as possible. We have been bringing in outside experts and the university to assist us and we will continue to bring in whatever resources are needed to be certain we are being protective."

### In this Issue...

<i>FHR drinking water sampling and resampling efforts .....</i>	<i>2</i>
<i>TPT background .....</i>	<i>3</i>
<i>Spill drill tests FHR's emergency capabilities .....</i>	<i>3</i>
<i>TPT subgroups' update .....</i>	<i>4</i>

## Federal assistance requested for new sulfolane study

The Alaska Department of Environmental Conservation has formally requested the federal government to nominate sulfolane for further study of its potential effect on human health.

The study would fill a significant void in the scientific community's understanding of the human health hazards associated with the chemical currently affecting many North Pole residents' groundwater.

The request for nomination was submitted to the National Toxicology Program (NTP), an interagency effort of the National Institutes of Health, the Centers for Disease Control and Prevention, and the Food and Drug Administration.

According to its website, NTP's mission is "to evaluate agents of public health concern by developing and applying tools of modern toxicology and molecular biology."

Each year, NTP selects a limited number of chemicals for further study about which little or nothing is currently known of their effects on human health, and where further scientific understanding would have the broadest impact. NTP's review of this year's requests for nominations for further study is scheduled to be completed by December 2011.

If sulfolane is selected for further study, the process of designing scientific research and conducting experiments would then begin. These steps could be lengthy, with actual results of the toxicity study not published for several years. Nonetheless, DEC regulators see a nomination as an encouraging step in their effort to understand more about the toxicity of sulfolane.

"The NTP nomination is an important step in addressing community concerns about past contaminant expo-

sure and helping us gain a higher level of confidence that we understand what 'safe' means concerning sulfolane," said Ann Farris, an environmental engineer with DEC's Contaminated Sites Program and its Technical Project Team coordinator for the North Pole refinery cleanup.

"Rather than rehashing older studies, we want to add to the science with well-designed research conducted by one of the best independent agencies in the country whose primary mission is to specifically address these issues," Farris said.

The request for nomination received letters of support from Fairbanks North Star Borough Mayor Luke Hopkins, Alaska District F Sen. John Coghill, the Alaska Department of Health and Social Services, and the U.S. Agency for Toxic Substances and Disease Registry.

# FHR's drinking water sampling and resampling efforts

In March, Flint Hills Resources began providing long-term alternative water solutions for residents in the North Pole area who are outside City of North Pole water services and have detectable levels of sulfolane in their drinking water wells. To date 193 residents have received one of three options Flint Hills has offered.

These options include bottled-water service, a bulk-water-tank system, or a point-of-entry water treatment system. FHR is providing bottled-water service as an interim drinking water source to affected residents who are in the process of selecting an alternative long-term water solution.

With any of the three long-term options, FHR has also offered an above-ground garden water tank. Local contractors installing these systems

will continue to do so, weather permitting, until all residents with detectable levels of sulfolane have their solution of choice installed.

Beginning in July, Flint Hills contracted with Shannon & Wilson, a geotechnical and environmental consultant, to resample 165 wells within and along the plume boundary area that did not show a detectable level of sulfolane in the first round of sampling.

Flint Hills commissioned the re-sampling because of the development of a more sensitive laboratory test that detects sulfolane at much lower levels than was previously possible. The earlier tests were able to identify sulfolane at a level of about 10 parts per billion (ppb) or higher. The more sensitive test is able to detect sulfolane at a level of about 3.1 ppb or higher (de-

pending on the sample size). As the re-sampling continues, homeowners whose wells show detectable levels of sulfolane at the new lower detection level are offered the same three alternative water solutions mentioned earlier. In other words, everyone whose well shows a detectable level of sulfolane – under either the earlier tests or the new tests – will be offered an alternative water solution.

As a precaution, FHR will continue to provide bottled water delivery service to roughly 200 residents whose wells have no detectable levels of sulfolane because those homeowners are located in or adjacent to the plume. FHR will continue the bottled water deliveries as the plume and its movement are evaluated and better understood.

## Technical Project Team background

In March 2010, the Alaska Department of Environmental Conservation's Contaminated Sites Program established a Technical Project Team to provide comprehensive and coordinated oversight for the investigation into the release of sulfolane at the Flint Hills Resources refinery in North Pole. The team consists of experts in the fields of toxicology, engineering, hydrology, environmental chemistry and other relevant fields, and is working to ensure the protection of human health and the environment.

### TPT Priorities

- Eliminate the current exposure to sulfolane.
- Pursue aggressive on-site remediation.
- Establish a monitoring network that adequately measures the success of the remediation at eliminating off-site contaminant migration and removing the contamination on site.
- Achieve and maintain source control:
  - Determine an inspection process and operational policies that eliminate systemic releases or leaking issues and minimize the potential for new spills.
  - Aggressively respond to and clean up any new spills that do occur.
- Determine the extent of the contamination downgradient and potential for movement of the plume in order to develop a remedial strategy that will control exposure for the duration of time it takes to achieve final cleanup levels via engineered and/or natural mechanisms.
- Complete an evaluation of risk that accounts for all exposure pathways and cumulative risk.

### TPT Contacts

DEC, Spill Prevention and Response Division, Contaminated Sites Program:

Ann Farris, environmental engineer and TPT coordinator  
(907) 451-2104, [ann.farris@alaska.gov](mailto:ann.farris@alaska.gov).

Alaska Department of Health and Social Services, Division of Public Health, Epidemiology:

Nim Ha, Environmental Public Health Program manager  
(907) 269-8028, [nim.ha@alaska.gov](mailto:nim.ha@alaska.gov).

DEC, Division of Environmental Health, Drinking Water Program:

Cindy Christian, compliance program manager  
(907) 451-2138, [cindy.christian@alaska.gov](mailto:cindy.christian@alaska.gov).

Flint Hills Resources:

Marisa Sharrah, Koch Companies Public Affairs  
(907) 488-5103, [marisa.sharrah@kochps.com](mailto:marisa.sharrah@kochps.com).

Jeff Cook, Koch Companies External Affairs  
(907) 488-5104, [jeff.cook@kochps.com](mailto:jeff.cook@kochps.com).

*For more information, visit DEC's North Pole refinery sulfolane website at:  
[dec.alaska.gov/spar/csp/sites/north-pole-refinery/](http://dec.alaska.gov/spar/csp/sites/north-pole-refinery/)*



*Clockwise from right: A DEC exercise evaluator takes notes at an Incident Management Team briefing at the Aug. 11 North Pole refinery exercise.*

*The initial Flint Hills spill response team arrives on scene and begins unloading.*

*Responders work to control the simulated spill.*

*Response team members discuss the current status and next steps in the contingency plan procedure.*

*(DEC photos)*



## Spill drill tests FHR's emergency capabilities

### DEC verifies readiness for response to oil spill at North Pole refinery

The North Pole Refinery was the recent scene of an unannounced "spill drill" emergency response exercise called by the Alaska Department of Environmental Conservation.

The purpose of the Aug. 11 drill was to exercise and evaluate the Flint Hills Resources North Pole Refinery Oil Discharge Prevention and Contingency Plan (ODPCP). It also allowed on-scene DEC evaluators to verify the response readiness of both Flint Hills Resources personnel and its contractors.

ODPCPs are facility-specific documents, approved by DEC regulators, containing pre-established response procedures to be implemented in emergency situations. State law requires all petroleum-related facilities to have an approved ODPCP in place and ready for use. Additionally, each facility must ensure its staff is trained in ODPCP procedures and that its

response capabilities are exercised annually.

This DEC drill was designed to determine how refinery staff would respond to a major oil release onto and flowing outside of facility property. Specifically, the exercise tested how the organization would activate its incident management team (IMT), set up an information center, deploy resources, make notifications and public announcements, perform response tactics using appropriate safety precautions, control the source of the release, recover spilled hydrocarbon product and respond to unexpected developments in real-time.

The unannounced drill took the FHR personnel and contractors by surprise. Even so, they immediately activated the response team, set up an emergency response office, and went through the necessary procedures for source control and recovery, while

maintaining health and safety precautions.

DEC exercise evaluators found both FHR employees and contractors well prepared and well versed in spill response tactics.

"While there were a few lessons learned, the unannounced drill was quite useful in determining the capability of FHR personnel and their contractors to respond to a major spill, if ever required," according to Bob Tisserand, an environmental program specialist for DEC's Industry Preparedness Program.

He credited FHR's observed preparedness to its participation in response training programs. "Deploying response teams in realistic training and exercise scenarios is the most effective preparation for an actual emergency."



# TPT subgroups' status report

## Chemistry

### Recent activities:

- Continuing to develop methods with commercial and state laboratories that accurately detect sulfolane in water, soil and produce. There is no certified federal or state laboratory method for sulfolane and the subgroup is proceeding to develop consistent methods for all laboratories that analyze for sulfolane to ensure the results are accurate and comparable.
- Developed data quality objectives for the sulfolane analysis of plant tissue.
- Streamlined the data validation process to ensure all data are useable for site investigation and remediation efforts.

## Toxicology

### Recent activities:

- Released the Alaska Department of Health and Social Services garden sampling conclusions and recommendations fact sheet, available at [dec.alaska.gov/spar/csp/sites/north-pole-refinery/documents.htm](http://dec.alaska.gov/spar/csp/sites/north-pole-refinery/documents.htm) under "Fact Sheets." The subgroup discovered that edible garden plants can take up sulfolane present in water. Sulfolane was found in all parts of plants sampled (leaves, fruits, flowers, stems and roots). People can come in contact with sulfolane by eating affected produce.
- Released the Agency for Toxic Substances and Disease Registry (ATSDR) second health consultation, available at [dec.alaska.gov/spar/csp/sites/north-pole-refinery/documents.htm](http://dec.alaska.gov/spar/csp/sites/north-pole-refinery/documents.htm) under "Human Health." The report re-evaluated available sulfolane toxicity data and slightly lowered public health action levels for sulfolane in drinking water.
- Collaborating with the U.S. Environmental Protection Agency, ATSDR, National Toxicity Program (NTP),

and University of Alaska Fairbanks (UAF) to identify areas of uncertainty in evaluating sulfolane toxicity and determine additional study needs.

- Discussions with the NTP to pursue the nomination of sulfolane for additional toxicology research on the health effects of long-term exposure.

## Site Characterization and Remediation

### Recent activities:

- Completed a technical review of the Site Characterization and First Quarter Groundwater Monitoring Report. Also participated in a comment resolution meeting with the Alaska Department of Environmental Conservation and Flint Hills Resources to discuss and resolve concerns.
- Submitted technical review comments on the Site Characterization Work Plan Addendum.
- Participated in a groundwater modeling meeting with DEC, FHR and UAF experts to better understand the modeled components of the fate and transport of sulfolane migration in the aquifer.
- Continuing to review the on-site monitoring well network and off-site residential well database.
- Proposed a more aggressive time-frame for the completion of the site investigation and remediation, in order to reach a final cleanup action plan by December 2012.
- The subgroup continues to assess the technical findings of the 2011 field season.

## Drinking Water

### Recent activities:

- FHR constructed two new City of North Pole public drinking water production wells located outside of the contaminant plume. Approval to operate the wells is currently

undergoing review by Drinking Water Program engineers, with final operational approval expected in fall 2011. Samples taken from the new wells have shown levels of all regulated contaminants to be below allowable maximum levels.

- Collecting and analyzing monthly samples from the new wells with results being non-detect. Monthly monitoring will continue through the end of 2011. At that time, if results remain at non-detect, the monitoring requirement will be reduced to quarterly sampling for one year.
- The Church at North Pole, which manages a federally regulated public water system, is currently in the engineering plan review process for treatment to remove sulfolane from the facility's drinking water. DEC's Drinking Water Program engineers are expected to grant construction approval in fall 2011.

## Risk Communication

### Recent activities:

- Providing the North Pole community and interested stakeholders the most recent available project information.
- Organized a community workshop that included inviting national experts to North Pole to provide the most current information, and answer community questions, regarding the toxicity of sulfolane.
- Developed and distributed a survey for community members and affected stakeholders to help identify and better understand the North Pole community's concerns regarding the sulfolane release and investigation, available at <http://www.surveymonkey.com/s/PYHHKB2>.
- Published a "Frequently Asked Questions" document produced as a result of questions gleaned from discussions with the public (available at [dec.alaska.gov/spar/csp/sites/north-pole-refinery/documents.htm](http://dec.alaska.gov/spar/csp/sites/north-pole-refinery/documents.htm)).

# CERTIFICATE OF APPRECIATION

AWARDED TO

**Jeff Jacobson**

**For exemplary civil mindedness in maintaining our byways!**

Awarded this 4th day of November, 2011



  
**Presented by: Mayor Douglas W. Isaacson**  
**City of North Pole**





# CERTIFICATE OF APPRECIATION

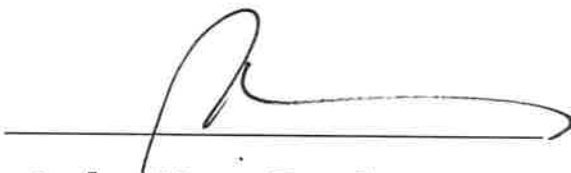
AWARDED TO

**Kevin McCarthy**

**For exemplary civil mindedness n maintaining our  
byways with disregard for personal safety for love of God and Country!**

Awarded this 3<sup>rd</sup> day of November, 2011



  
**Presenter by: Mayor Douglas W Isaacson**  
**City of North Pole**



**Kathy Weber**

---

**From:** Amy Samuel [aksamuel@gci.net]**Sent:** Fri 10/14/2011 7:19 AM**To:** Doug Isaacson; Kathy Weber**Cc:****Subject:** Eagle Scout Jay Samuel**Attachments:**

Here's a copy of the wording for a proclamation. Jeff will drop off a hard copy to Kathy this morning.

Thank you!  
Amy Samuel  
378-6277

## PROCLAMATION

**WHEREAS, Jay Samuel**, Boy Scouts of America, Troop 42, attained the designation of "**Eagle Scout**", Scouting's highest award; and

**WHEREAS, Jay** has been an active Boy Scout demonstrating outstanding leadership and has contributed many service hours during his years of scouting; and

**WHEREAS, Jay's** Eagle Scout project involved the organization, planning and solicitation of volunteers and donations to construct a 4' x 19' raised garden bed for use by New Hope Methodist Presbyterian Church and will benefit all those who are hungry in our community for many years.

**NOW, THEREFORE, BE IT RESOLVED**, that the City of North Pole, Alaska extends to **Jay Samuel** individually, collectively, and with great pride, their sincere congratulations for achieving this highest of scouting awards which symbolizes the American Ideal of good citizenship; and

**BE IT FURTHER RESOLVED**, I, Mayor Douglas W. Isaacson, wish **Jay Samuel** much success in all his future endeavors.

# Summary of Deficit Reduction Proposals

October 2011 – Senator Lisa Murkowski

## The Proposals: President's Fiscal Commission (Simpson/Bowles)

<b>Membership</b>	<ul style="list-style-type: none"> <li>• Bi-Partisan Membership of 18</li> <li>• December 2010</li> </ul>	
<b>Goals</b>	<ul style="list-style-type: none"> <li>• Cut deficit \$3.8 trill over 10 yrs</li> <li>• Stabilize budget deficit by 2014</li> </ul>	
<b>Spending</b>	<ul style="list-style-type: none"> <li>• Set 2013 spending to 2008 (pre-stimulus) levels</li> <li>• Cap spending at 50% of inflation through 2020</li> <li>• Firewalls between security/non-security spending</li> </ul>	
<b>Tax</b>	<b><u>Individual</u></b> <ul style="list-style-type: none"> <li>• Create 3 brackets (12%, 22% &amp; 28%)</li> <li>• Eliminate itemized deductions – “zero plan”</li> <li>• Eliminate most tax expenditures</li> <li>• Tax cap gains &amp; dividends as ordinary income</li> </ul>	<b><u>Corporate</u></b> <ul style="list-style-type: none"> <li>• Set rate between 23%-29%</li> <li>• Tax foreign income where its earned (territorial)</li> <li>• Eliminate all tax expenditures</li> </ul>
<b>Entitlements</b>	<b><u>Health (Medicare &amp; Medicaid)</u></b> <ul style="list-style-type: none"> <li>• Cap health insurance exclusion</li> <li>• Reform/Repeal CLASS Act</li> <li>• Modify Medicare deductibles &amp; co-pays</li> <li>• Limit hospitals education expense reimbursements</li> <li>• Cut Medicare bad debt reimbursements</li> <li>• Institute medical malpractice reform</li> <li>• Optimize fed/state financing agreements</li> </ul>	<b><u>Social Security</u></b> <ul style="list-style-type: none"> <li>• Increase payroll tax to cover 90% of all wages</li> <li>• Implement Chain-CPI for cost-of-living adjustments</li> <li>• Index retirement age to life expectancy</li> <li>• Expand base by including new state/local gov employees</li> <li>• Segment benefit payment formula into more brackets</li> <li>• Establish minimum benefit of 125% of poverty level</li> </ul>

For More Information: [www.FiscalCommission.gov](http://www.FiscalCommission.gov)

## **The Proposals: *Debt Reduction Task Force (Domenici/Rivlin)***

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<b>Membership</b>	<ul style="list-style-type: none"> <li>• Bi-Partisan Membership of 19</li> <li>• November 2010</li> </ul>	
<b>Goals</b>	<ul style="list-style-type: none"> <li>• Cut deficit \$3.2 trill over 10 yrs</li> <li>• Stabilize budget deficit by 2014</li> </ul>	
<b>Spending</b>	<ul style="list-style-type: none"> <li>• Freeze domestic spending for 4 years</li> <li>• Cap domestic spending at GDP</li> <li>• Change to bi-annual budgeting</li> </ul>	
<b>Tax</b>	<u><b>Individual</b></u> <ul style="list-style-type: none"> <li>• Creates 2 brackets (15% &amp; 27%)</li> <li>• Eliminate standard &amp; itemized deductions</li> <li>• Eliminate tax expenditures</li> <li>• Tax cap gains &amp; dividends over \$1k as ordinary income</li> </ul>	<u><b>Corporate</b></u> <ul style="list-style-type: none"> <li>• Lower rate to 27%</li> <li>• Tax foreign income when repatriated</li> <li>• Eliminate most tax expenditures</li> </ul>
<b>Entitlements</b>	<u><b>Health (Medicare &amp; Medicaid)</b></u> <ul style="list-style-type: none"> <li>• Phase out health insurance exclusion</li> <li>• Increase Medicare outpatient premiums to 35% of program costs over 5 yrs</li> <li>• Modify co-pays</li> <li>• Hold health spending to GDP+1% by 2020</li> <li>• Optimize fed/state financing agreements</li> <li>• Institute medical malpractice reform</li> </ul>	<u><b>Social Security</b></u> <ul style="list-style-type: none"> <li>• Increase payroll tax to cover 90% of all wages</li> <li>• Implement Chain-CPI for cost-of-living adjustments</li> <li>• Index benefit formula to life expectancy</li> <li>• Adjust life-time benefits for early retirees</li> <li>• Expand base by including new state/local gov employees</li> </ul>

For More Information: [www.BipartisanPolicy.org](http://www.BipartisanPolicy.org)

## The Proposals: *Gang of Six* (Warner/Chambliss)

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<b>Membership</b>	<ul style="list-style-type: none"> <li>• 6 Senators – 3 R/3 D</li> <li>• Four Serve on Fiscal Commission</li> <li>• July 2011</li> </ul>	
<b>Goals</b>	<ul style="list-style-type: none"> <li>• Cut deficit \$3.7 trill over 10 yrs</li> <li>• Stabilize budget deficit by 2014</li> </ul>	
<b>Spending</b>	<ul style="list-style-type: none"> <li>• Establish statutory caps through 2021</li> <li>• Restrict “emergency spending” designations</li> <li>• Raise to 2/3 – vote necessary to waive spending limits</li> </ul>	
<b>Tax</b>	<u><b>Individual</b></u> <ul style="list-style-type: none"> <li>• Create 3 brackets (12%, 22% &amp; 29%)</li> <li>• Reform all standard and itemized deductions</li> </ul>	<u><b>Corporate</b></u> <ul style="list-style-type: none"> <li>• Set rate between 23%-29%</li> <li>• Tax foreign income where its earned (territorial)</li> <li>• Eliminate most tax expenditures</li> </ul>
<b>Entitlements</b>	<u><b>Health (Medicare &amp; Medicaid)</b></u> <ul style="list-style-type: none"> <li>• Enforce waste, fraud &amp; abuse initiatives (\$26 bill)</li> <li>• Hold spending to GDP+1% by 2020</li> <li>• Repeal CLASS Act</li> <li>• Institute medical malpractice reform</li> </ul>	<u><b>Social Security</b></u> <ul style="list-style-type: none"> <li>• Implement Chain-CPI for cost-of-living adjustments</li> </ul>

For More Information:

[http://www.washingtonpost.com/r/2010-2019/WashingtonPost/2011/07/19/National-Politics/Graphics/Gang\\_of\\_Six\\_Document.pdf](http://www.washingtonpost.com/r/2010-2019/WashingtonPost/2011/07/19/National-Politics/Graphics/Gang_of_Six_Document.pdf)

# Economic Town Hall

*Senator Lisa Murkowski*

America's Debt & Deficit Challenge

October 2011

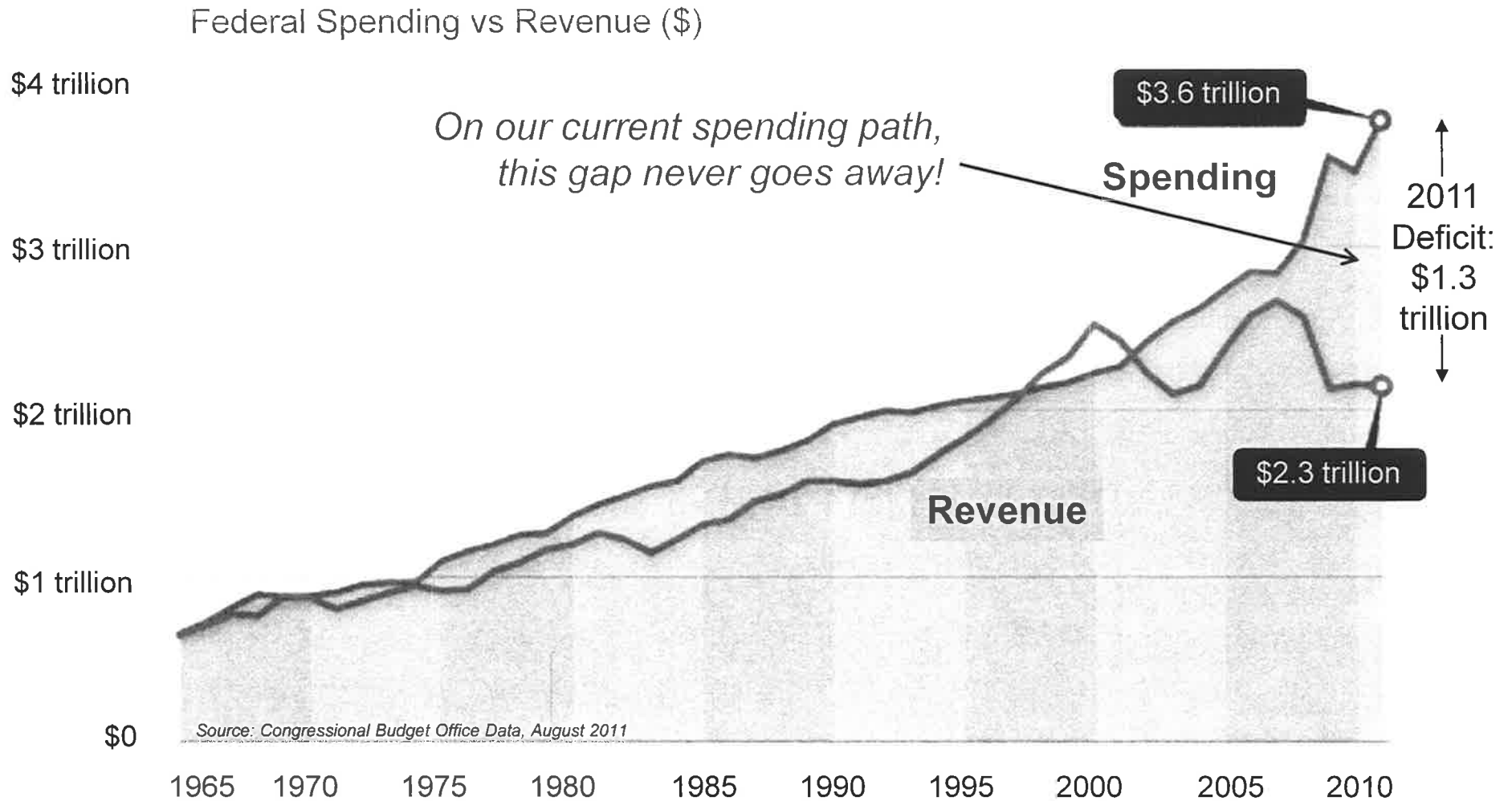
## **Today's Agenda:** *American's Debt & Deficit Challenge*

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- America's Fiscal Crisis
- Federal Spending Drivers
- Impact on Alaska
- Consequences of Inaction
- Working Towards Solutions



## The Problem: Annual Overspending



***Federal Government Is Spending More Than It Takes In***

## **The Problem:** *Living Beyond Our Means*

---

**Income:**     \$64,600

Average Alaskan Family's 2010 Household  
Income

**Expenses:**     \$88,500

What they can spend using the federal  
government's approach to annual  
budgeting

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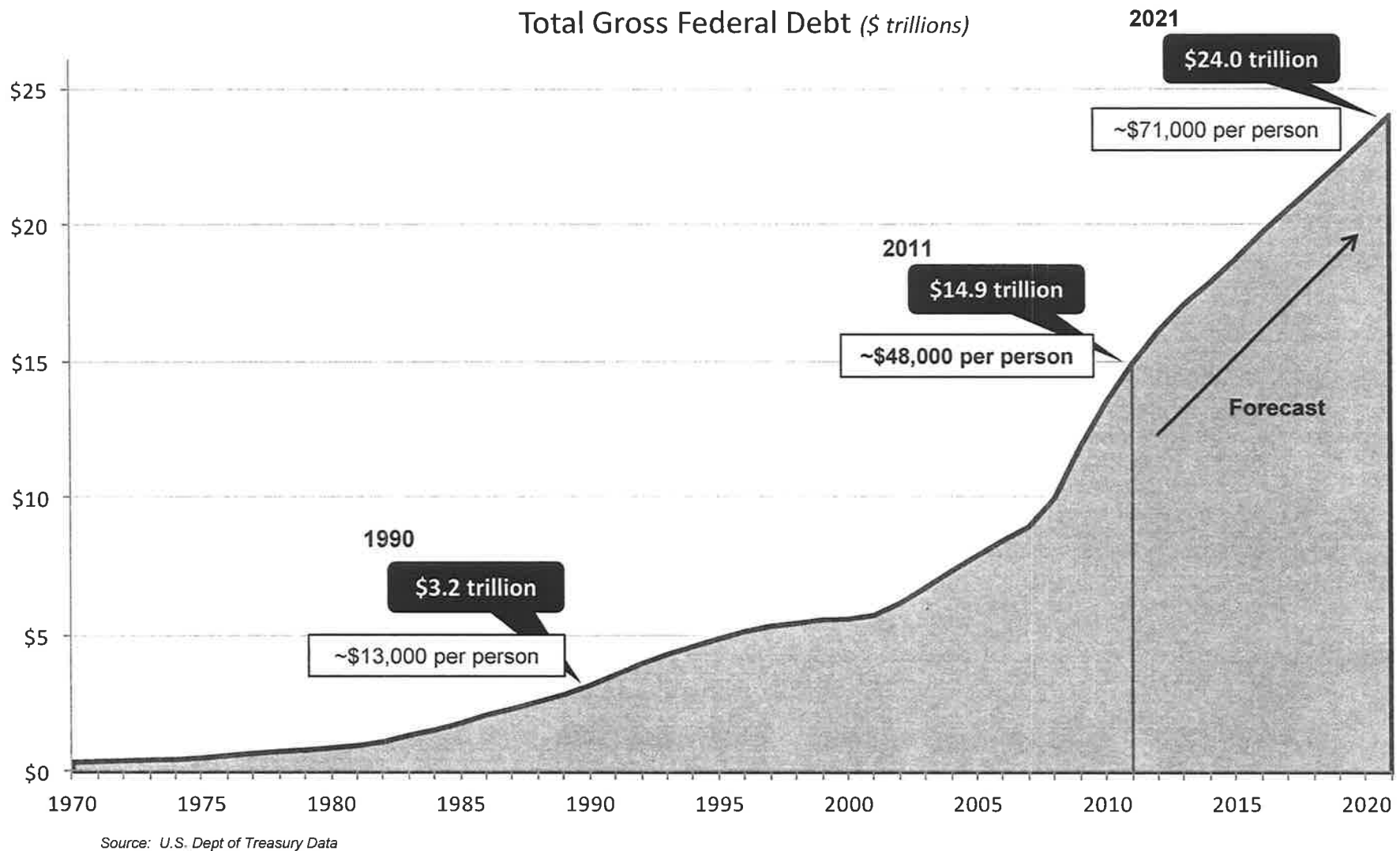
**Deficit:**     - \$23,900

The amount they will need to borrow  
--- *40% more than their income!*

*.....and the government is doing this each and every year*

***Washington is Borrowing 40 Cents of Every Dollar – Year after Year***

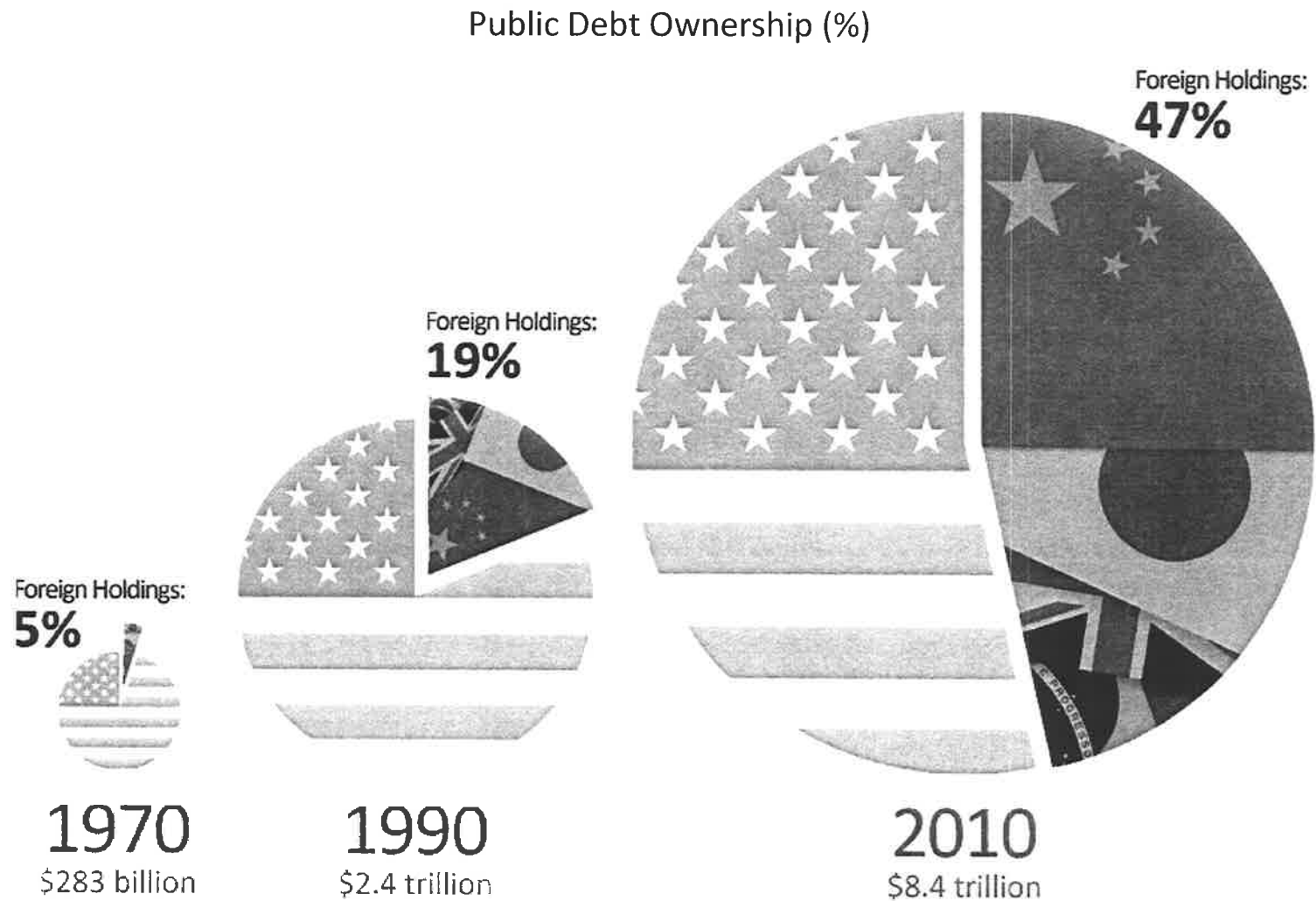
## The Problem: *Debt Financing*



***U.S. Borrowing is Destabilizing the Financial Markets***

## The Problem: *Outsourcing Our Debt*

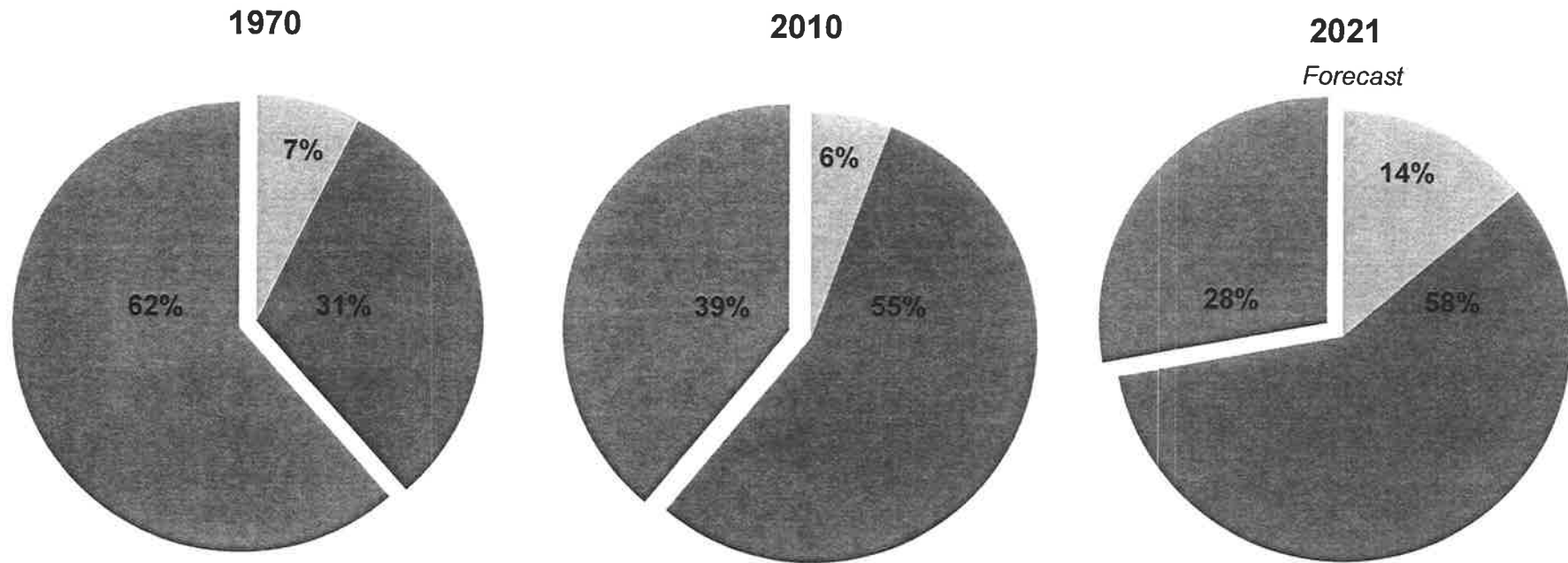
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Source: U.S. Dept of Treasury Data

***A Growing Percentage of U.S. Debt is Held By Foreign Countries***

## The Drivers: *Mandatory Spending & Interest*



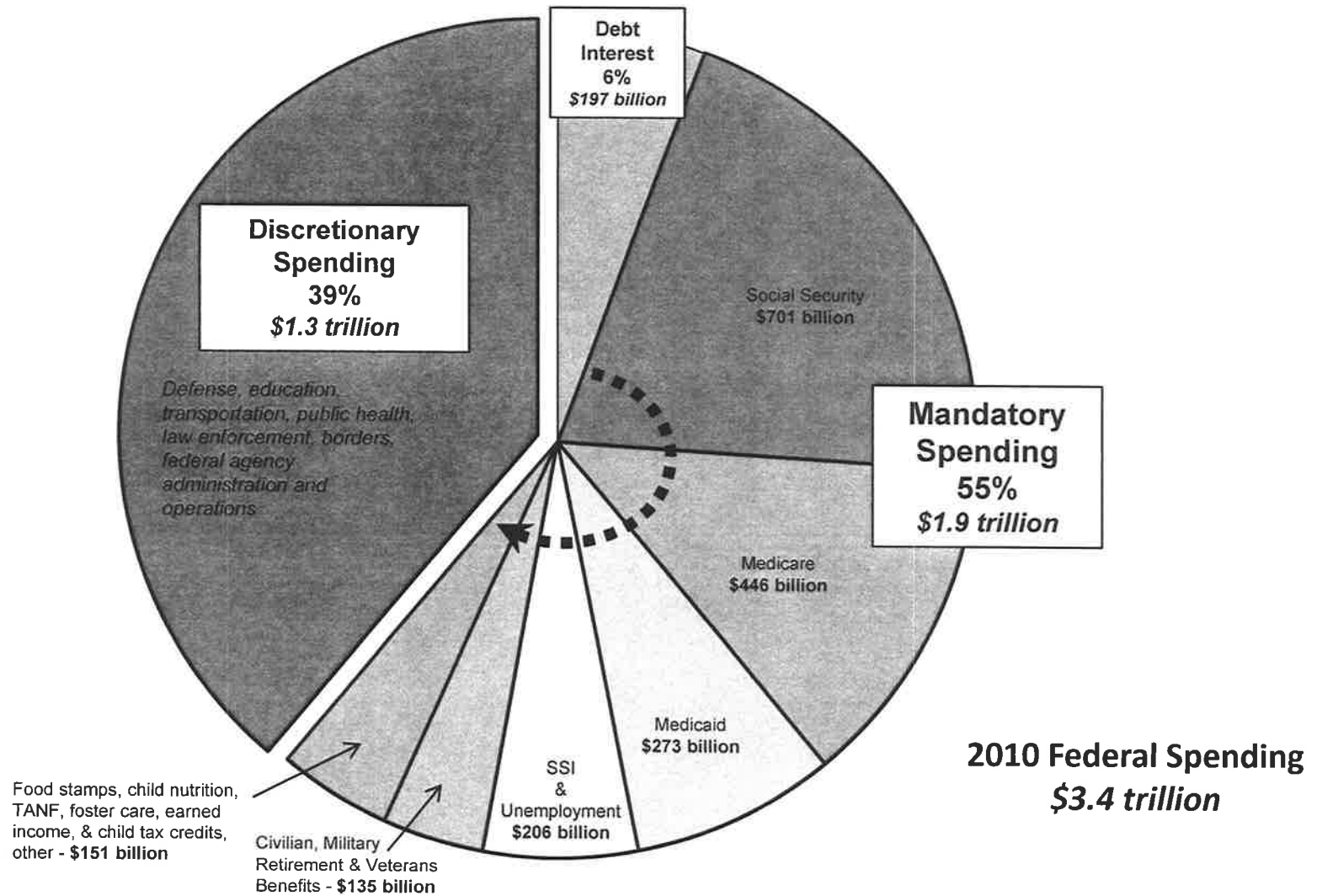
Mandatory vs Discretionary Spending Growth

Source: Congressional Budget Office (CBO) Data

- Mandatory:** Social Security, Medicare, Medicaid, unemployment, veterans, federal retirement and other eligibility driven spending
- Discretionary:** Defense, education, transportation, public health, law enforcement, borders, federal agency administration and operations
- Net Debt Interest:** Interest payments made on publicly held debt, less income from loans and investments

**Mandatory Spending is Growing 5X Faster Than Discretionary**

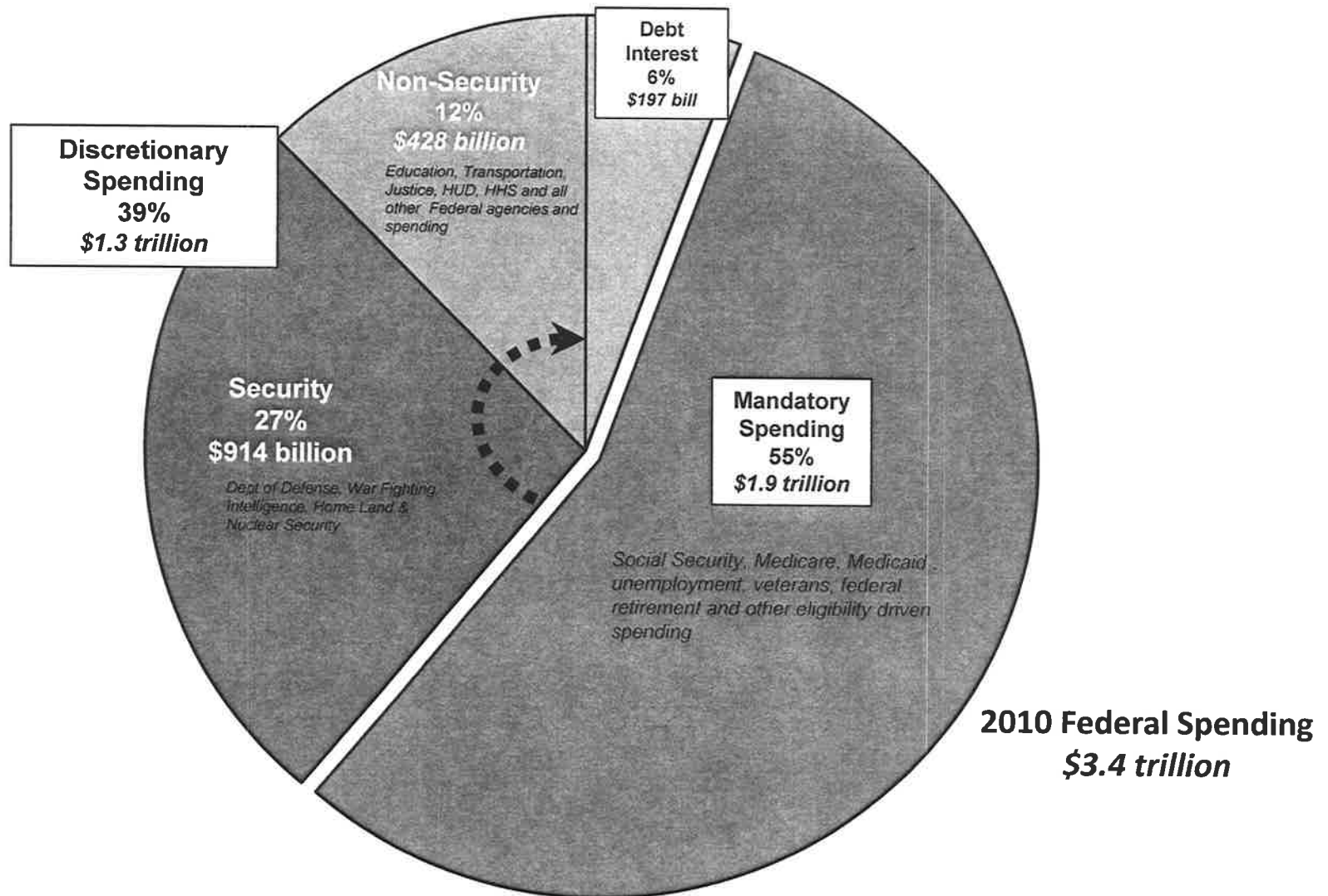
## The Challenge: Mandatory Spending Growth



Source: Congressional Budget Office (CBO) Data

**Over Half of the Federal Budget is on Autopilot**

## The Challenge: Discretionary Spending Being Compressed

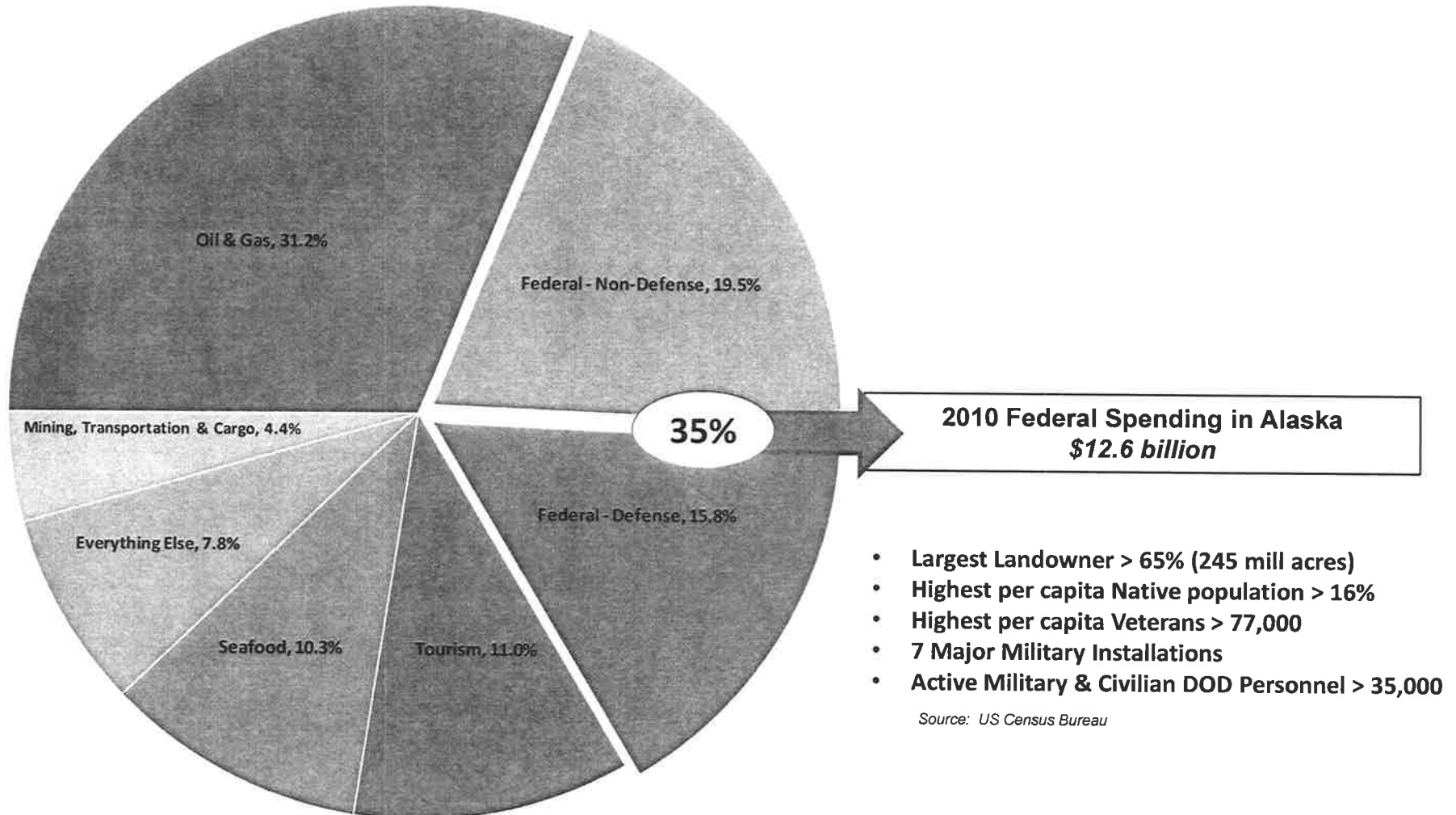


Source: Congressional Budget Office (CBO) Data

**Only 39% of the Federal Budget is Annually Appropriated**

## Alaskan Impacts: *Federal Footprint*

Alaska's Economy (% contribution)



Source: UAA, Institute of Social & Economic Research

Source: US Census Bureau

**Federal Government 35% of Alaskan Economy**



## **Consequences of Inaction**

---

Erosion of Leadership Credibility – at Home and Abroad

Loss of Faith in Our Ability to Govern

Lack of Consumer & Business Confidence

Financial Instability

- *Credit Downgrades*
- *Increased Borrowing Costs— Mortgage, Car, School, Credit Cards*

Crippling Multi-Generational Debt Burden

Inability to Meet Future Obligations

- *“By 2025 federal revenues will only be enough to pay for Medicare, Medicaid, Social Security and interest on our debt” - The President’s Fiscal Commission*

***Washington Inaction Has Consequences for All Alaskans***

## **Solutions:** *Deficit Reduction Proposals*

---

- We have Significant Prior Initiatives to Draw From:
  1. President's Fiscal Commission (*Simpson/Bowles*)
  2. Debt Reduction Task Force (*Domenici/Rivlin*)
  3. Senate's Bipartisan "Gang of Six" (*Warner/Chambliss*)
- Different Approach but Same Conclusion - *We Need Immediate & Comprehensive Action:*
  - *Spending Caps & Budget Process Reform*
  - *Mandatory Spending Reform*
  - *Tax Reform*

***A Substantial Body of Good Work Has Already Been Done***

## **Solutions: Spending Caps & Budget Reform**

---

+ \$2.17 cuts

- Reset Discretionary Spending to 2008, Pre-Stimulus Levels  
(Simpson/Bowles)
- Cap FY12/FY13 Spending (Budget Control Act, P.L. 112-25)
- Index Annual Spending Growth to Inflation or GDP  
(Simpson/Bowles, Domenici/Rivlin, Hatch - S.J.Res.3)
- Balanced Budget Constitutional Amendment (Hatch - S.J.Res.3)
- Move to two-year, biennial budgeting (Domenici/Rivlin, Isakson - S.211)

**Cut & Control All Federal Spending Categories**

## Solutions: Mandatory Spending Reform

- ✓ **Protect Current Beneficiaries and Those Close to Eligibility**
- ✓ **Ensure Solvency & Sustainability for Future Retirees**
  - Index Annual Cost-of-Living Adjustments to More Accurately Reflect Out-of-Pocket Costs (*Simpson/Bowles, Domenici/Rivlin, Gang of Six*) *"chained CPI"*  
*adjust for lack of*  
*uniform inflation*
  - Gradually Raise Social Security Eligibility Age (*Hutchison - S. 1213, Graham - S.804*)
  - Match Medicare and Social Security Eligibility Age (*Simpson/Bowles, Domenici/Rivlin, Lieberman/Coburn*) *save ~ \$400B / 10 yr*
  - Initiate Financial Means Testing (*Simpson/Bowles, Domenici/Rivlin, Lieberman/Coburn*) *save ~ \$600B / 10 yr*

***Restrain Program Growth to a Sustainable Level***

## **Solutions: Tax Simplification & Reform**

---

*We need comprehensive reform that increases equity, efficiency and simplicity in our tax code*

### **Individual** *(Simpson/Bowles, Domenici/Rivlin, Gang of Six, Wyden/Coats)*

- Consolidate Number of Income Brackets
- Lower Tax Rates
- Modify Deductions & Credits

### **Corporate** *(Simpson/Bowles, Domenici/Rivlin, Gang of Six, Wyden/Coats)*

- Reduce Overall Rate
- Limit Exclusions, Subsidies, Exemptions, Credits and Off-Sets

***Tax Code is Too Complex Creating Uncertainty, Inefficiency & Inequity***



Office of the Mayor  
City of North Pole

# Proclamation

**WHEREAS,** *Isaac Gripper is in Kindergarten at North Pole Elementary School and is the son of Luther & Carolyn Gripper of North Pole; and*

**WHEREAS,** *Isaac is a very positive student and is excited about school and always anxious to share what he's learning; and*

**WHEREAS,** *Isaac has many friends in the classroom and is always willing to welcome someone new; and*

**WHEREAS,** *Isaac has an infectious smile, positive energy, and dedication to working hard; and*

**WHEREAS,** *the City of North Pole desires to recognize the outstanding students in the community.*

**NOW, THEREFORE, I,** Douglas W. Isaacson, Mayor of the City of North Pole, do hereby proclaim Isaac Gripper the:

**North Pole City Council  
Elementary School Student of the Month  
For November 2011**



*Kathryn M. Weber*  
Kathryn M. Weber, MMC  
North Pole City Clerk

  
Douglas W. Isaacson, Mayor





Office of the Mayor  
City of North Pole

# Proclamation

**WHEREAS,** Katie Carstensen-Zerbst is a Sophomore at North Pole High School and is the daughter of Richard & Beka Zerbst of North Pole; and

**WHEREAS,** Katie is a confident and outstanding student who has had the opportunity to travel across the nation due to her father's military career. She easily adapts to her new surroundings and is a positive role model for her peers; and

**WHEREAS,** Katie is an intelligent, honest and loyal individual. She is described as being funny, steadfast, and brave with a great sense of humor. She has a knack for writing and often puts her thoughts to paper; and

**WHEREAS,** Katie challenges herself to think "outside the box" and puts thought and effort into each of her assignments. She is quiet by nature but when contributing to discussions in class, her words are powerful and well thought out; and


**WHEREAS,** the City of North Pole desires to recognize the outstanding students in the community,

**NOW, THEREFORE, I,** Douglas W. Isaacson, Mayor of the City of North Pole, do hereby proclaim Katie Carstensen-Zerbst the:

**North Pole City Council  
High School Student of the Month  
For November 2011**



**ATTEST.**

  
**Kathryn M Weber, MMC  
North Pole City Clerk**

  
**Douglas W. Isaacson, Mayor**





Office of the Mayor  
City of North Pole

# Proclamation

**WHEREAS,** *Eastlyn Fell is a Senior at North Pole High School and is the daughter of Clay & Karen Fell of North Pole; and*

**WHEREAS,** *Eastlyn is involved in Student Council, soccer, is President of the National Honor Society, and is a Student-to-Student Ambassador; and*

**WHEREAS,** *Eastlyn volunteers her time to her church youth group, the Food Bank, and tutors students at school on a weekly basis; and*

**WHEREAS,** *Eastlyn is a well rounded student, active in sports and student government activities while maintaining high standards in demanding academic courses. She is responsible and reliable, self-motivated, and willing to take the initiative; and*

**WHEREAS,** *the City of North Pole desires to recognize the outstanding students in the community,*

**NOW, THEREFORE, I,** Douglas W. Isaacson, Mayor of the City of North Pole, do hereby proclaim Eastlyn Fell the:

*North Pole City Council  
High School Student of the Month  
For October 2011*

  
*Douglas W. Isaacson, Mayor*



  
*Kathryn M. Weber, MMC  
North Pole City Clerk*





**Office of the Mayor**  
**Fairbanks North Star Borough**  
**Alaska**  
**Proclamation**

**WHEREAS**, the Salvation Army, or East London Christian Mission as it was first known, was founded in 1865; and

**WHEREAS**, the Salvation Army started its work in Alaska in 1898 and today serves people in 16 communities across our state, as well as serving people around the globe in more than 123 countries and on all continents; and

**WHEREAS**, the Salvation Army is an evangelical part of the universal Christian Church and its mission is to preach the gospel of Jesus Christ and to meet human needs in His name without discrimination; and

**WHEREAS**, the Salvation Army Fairbanks assists more than 6,000 individuals in interior Alaska; and

**WHEREAS**, the Fairbanks North Star Borough, City of Fairbanks, and the City of North Pole recognizes the important charitable work of the Salvation Army and encourages Alaskans to support the kickoff of the Christmas Red Kettle Campaign on Friday, November 25, 2011:

**NOW, THEREFORE**, I, Luke Hopkins, Mayor of the Fairbanks North Star Borough, and I, Jerry Cleworth, Mayor of the City of Fairbanks, and I, Douglas Isaacson, Mayor of the City of North Pole, by the authority vested in us, do hereby proclaim **Friday, November 25, 2011 as**

**Red Kettle Kick-off Day**

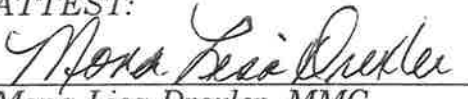
throughout the Fairbanks North Star Borough, and urge all citizens to give to local charities to help assist the citizens of our communities.

**IN WITNESS WHEREOF**, we have hereunto set our hands this 3rd day of November 2011.

  
\_\_\_\_\_  
Luke Hopkins, Mayor  
Fairbanks North Star Borough

  
\_\_\_\_\_  
Jerry Cleworth, Mayor  
City of Fairbanks

  
\_\_\_\_\_  
Douglas W. Isaacson, Mayor  
City of North Pole

**ATTEST:**  
  
\_\_\_\_\_  
Mona Lisa Drexler, MMC  
Municipal Borough Clerk



*Office of the Mayor*  
*Fairbanks North Star Borough*  
*Alaska*

**Proclamation**

**WHEREAS**, hundreds of homeless youth in our community experience periods of homelessness each year, living from couch to couch, on the streets and other locations not meant for human habitation; and

**WHEREAS**, homeless youth typically lack the resources necessary to secure basic needs, including access to housing, food, clothing, and adequate and appropriate medical care; and

**WHEREAS**, due to their highly transient nature, homeless youth face great difficulty in accessing, stabilizing, and succeeding in school, thereby reducing the likelihood of successful graduation; and

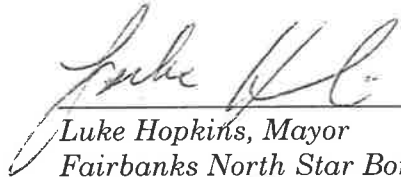
**WHEREAS**, youth homelessness is an ongoing and growing problem to which we need solutions; and

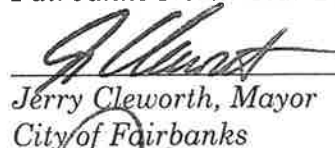
**WHEREAS**, awareness of the tragedy of youth homelessness and its causes must be heightened to ensure greater support for effective programs aimed at preventing homelessness and helping youth remain off the streets; and

**WHEREAS**, citizens can help prevent youth homelessness by acting as mentors and role models for youth, guiding them toward available resources, productive choices and creating opportunities for youth to successfully transition to adulthood:

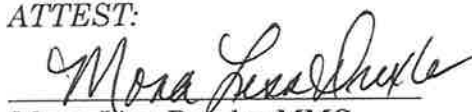
**NOW, THEREFORE**, I, Luke Hopkins, Mayor of the Fairbanks North Star Borough, and I, Jerry Cleworth, Mayor of the City of Fairbanks, and I, Douglas W. Isaacson, Mayor of the City of North Pole, by the authority vested in us, do hereby proclaim November 2011 as **HOMELESS YOUTH AWARENESS MONTH**, to increase public awareness of the life circumstances of youth in high-risk situations, and the need for safe, healthy, and productive alternatives, resources and support for youth, families, and communities.

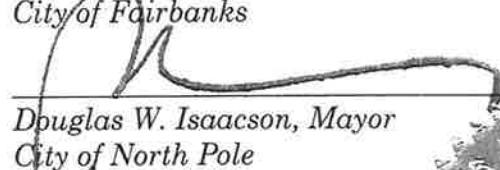
**IN WITNESS WHEREOF**, we have hereunto set our hands this 3<sup>rd</sup> day of November 2011.

  
\_\_\_\_\_  
Luke Hopkins, Mayor  
Fairbanks North Star Borough

  
\_\_\_\_\_  
Jerry Cleworth, Mayor  
City of Fairbanks

ATTEST:

  
\_\_\_\_\_  
Mona Lisa Drexler, MMC  
Municipal Borough Clerk

  
\_\_\_\_\_  
Douglas W. Isaacson, Mayor  
City of North Pole



**Office of the Mayor**  
**Fairbanks North Star Borough**  
**Alaska**  
**Proclamation**

**WHEREAS**, America was founded on the principles of liberty, opportunity, and justice for all; and

**WHEREAS**, many brave citizens willingly joined our armed forces and risked their lives to fight for these principles; and

**WHEREAS**, throughout United States history, Americans have kept a special place of honor in their hearts for our veterans; and

**WHEREAS**, in 1918, on the eleventh hour of the eleventh day in the eleventh month, the world rejoiced and celebrated the armistice of the "war to end all wars"; and

**WHEREAS**, in 1954, November 11<sup>th</sup> became a day to honor American veterans of all wars; and

**WHEREAS**, Alaska, at more than 10%, has the highest ratio in the nation of veterans per adult resident; and

**WHEREAS**, it is a privilege, and in the best interest of our State and Nation, that we express our gratitude to our veterans whose sacrifices should serve as constant reminders of the high price of liberty:

**NOW, THEREFORE**, I, Luke Hopkins, Mayor of the Fairbanks North Star Borough, and I, Jerry Cleworth, Mayor of the City of Fairbanks, and I, Douglas W. Isaacson, Mayor of the City of North Pole, by the authority vested in us, do hereby proclaim November 11, 2011 as

**VETERANS DAY 2011**

and urge all citizens to remember and pay tribute to those who, when called upon to do so, courageously served this Nation in wartime to preserve our freedom, to remember those still listed as missing-in-action and their families, and to rededicate ourselves to the task of preserving world peace as the most profound reward for the efforts of these brave patriots.

**IN WITNESS WHEREOF**, we have hereunto set our hands this 3<sup>rd</sup> day of November 2011.



**ATTEST:**

*Mona Lisa Drexler*  
Mona Lisa Drexler, MMC  
Municipal Borough Clerk

*Luke Hopkins*

Luke Hopkins, Mayor  
Fairbanks North Star Borough

*Jerry Cleworth*

Jerry Cleworth, Mayor  
City of Fairbanks

*Douglas W. Isaacson*

Douglas W. Isaacson, Mayor  
City of North Pole



***Office of the Mayor  
Fairbanks North Star Borough  
Alaska***

***Proclamation***

***WHEREAS***, public schools are the backbone of our democracy, providing young people with the tools they need to maintain our nation's precious values of liberty, civility, and equality; and

***WHEREAS***, Education Support Professionals are integral to the education process in public schools; and

***WHEREAS***, Education Support Professionals provide staff and students with a safe, sanitary, and technologically advanced environment in which to teach and learn; and

***WHEREAS***, Education Support Professionals encompass a wide variety of Fairbanks North Star Borough School District staff, including custodians, food-service workers, secretaries, instructional aides, maintenance workers, computer support, nurses and more; and

***WHEREAS***, Education Support Professionals work tirelessly to serve children and communities with care and professionalism:

***NOW, THEREFORE***, I, Luke Hopkins, Mayor of the Fairbanks North Star Borough, and I, Jerry Cleworth, Mayor of the City of Fairbanks, and I, Douglas W. Isaacson, Mayor of the City of North Pole, by the authority vested in us, do hereby proclaim

***November 16, 2011***

***as***

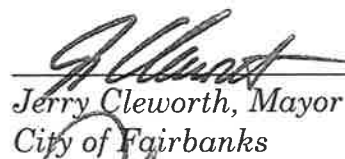
***National ESP Day***

and recognize and acknowledge the importance of Education Support Professionals in our public schools, colleges, and universities.

***IN WITNESS WHEREOF***, we have hereunto set our hands this 3<sup>rd</sup> day of November 2011.

  
\_\_\_\_\_  
Luke Hopkins, Mayor

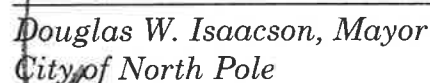
Fairbanks North Star Borough

  
\_\_\_\_\_  
Jerry Cleworth, Mayor  
City of Fairbanks

ATTEST:

  
\_\_\_\_\_  
Mona Lisa Drexler, MMC

Municipal Borough Clerk

  
\_\_\_\_\_  
Douglas W. Isaacson, Mayor  
City of North Pole





**Office of the Mayor**  
**Fairbanks North Star Borough**  
**Alaska**  
**Proclamation**

**WHEREAS**, in 1676, the first Thanksgiving Proclamation was issued in America and thereafter affirmed by the Continental Congress in 1782, by President George Washington in 1789 who called on Americans to "recount the blessings of tranquility, union, and plenty" that shined upon our young country, by President Abraham Lincoln in 1863 who, "in the dark days of the Civil War when the fate of our Union was in doubt" called for "the Almighty hand' to heal and restore our Nation", and by President Barack Obama in 2010; and

**WHEREAS**, on Thanksgiving Day, the President has called on Americans to "rejoice in the abundance that graces our tables, in the simple gifts that mark our days, in the loved ones who enrich our lives, and in the gifts of a gracious God. Let us recall that our forebears met their challenges with hope and unfailing spirit, and let us resolve to do the same"; and

**WHEREAS**, of all people on earth, we who live in the Interior of Alaska are among those who are blessed with an abundance of God's gifts:

**NOW, THEREFORE**, I, Luke Hopkins, Mayor of the Fairbanks North Star Borough, and I, Jerry Cleworth, Mayor of the City of Fairbanks, and I, Douglas Isaacson, Mayor of the City of North Pole, by the authority vested in us, do hereby recognize November 24, 2011 as

**A DAY OF THANKSGIVING**

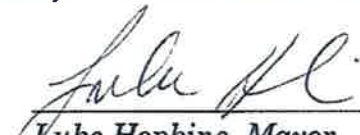
throughout our community in sincere and humble gratitude, for the abundance of our blessings, and encourage the sharing of these blessings with others less fortunate.


**IN WITNESS WHEREOF**, we have hereunto set our hands this 4th day of November 2011.



**ATTEST:**

  
Mona Lisa Drexler, MMC  
Municipal Borough Clerk

  
Luke Hopkins, Mayor  
Fairbanks North Star Borough

  
Jerry Cleworth, Mayor  
City of Fairbanks

  
Douglas W. Isaacson, Mayor  
City of North Pole

**CITY OF NORTH POLE**

**ORDINANCE 11-06**

**AN ORDINANCE OF THE CITY OF NORTH POLE, ALASKA  
AMENDING TITLE 4, CHAPTER 4.10.010, USER FEES**

**WHEREAS**, changes to the North Pole Municipal Code is a continually changing requirement;  
and

**WHEREAS**, the City of North Pole Municipal Code should be amended to conform to the  
requirements of the City and to provide clarification as needed.

**NOW, THEREFORE, BE IT ORDAINED** by the City Council of the City of North Pole:

Section 1. This ordinance is of a general and permanent nature and shall be codified.

Section 2. General Provisions of the North Pole Municipal Code of Ordinances are  
amended as follows:

**4.10.010 Establishment of User Fees.**

The mayor shall examine the services provided by the city and establish a user fee schedule with  
council concurrence. The council shall periodically review the user fee schedule and set user  
fees as appropriate.(Ord.03-10 §2, 2003)(Ord.05-17 §2,2005)

**4.10.020 User Fee Schedule**

Ambulance Fee	\$800.00
Ambulance Fee Discount for North Pole Residents	<del>-\$800.00</del> <b>\$300.00</b>
Ambulance/Patient transport mileage (loaded miles)	\$11.00 per mile
<del>Ambulance/Patient transport mileage (loaded miles) Discount for North Pole Residents</del>	<del>-\$11.00 per mile</del>
Emergency Fire equipment response to motor vehicle accident	\$200.00
<del>Emergency Fire equipment discount for North Pole Residents</del>	<del>-\$200.00</del>
<b><u>Fire/Ambulance Run Reports to Insurance Companies</u></b>	\$ 25.00
Audio <del>Tape</del> <b>Recording</b> of Public Meetings <b>or any other CD/DVD</b> (fee collected when ordering, per tape)	\$ 10.00
Building Permit Fees	Based on building evaluation and 1997 Uniform Administrative Code
City Annual Business License	\$ 50.00
City Business/Sales Tax Mailing Labels (fee collected when ordering)	\$ 25.00
Copies of Public Records	\$1.00 1st pg; \$0.25 thereafter
City Newsletter Mailing Labels	\$ 25.00
Declaration of Candidacy Filing Fee	\$ 25.00
Faxes send/receive local calling area (per page)	\$ 1.00

Faxes send long distance in U.S. only (per page)	\$ 2.00
Fingerprinting per card	\$ 20.00
Fireworks Annual Permit to Retail Vendor of Class "C" Fireworks	\$3,000.00
Hydrant Meter Charge	\$ 50.00/mo.(min)
Hydrant Meter Water Usage Rate	\$ 0.02/Gallon
Notary Services per document	\$5.00
Plan Specifications Copies (per set)	\$ 25.00
Police Reports to Insurance Companies	\$ 25.00
Photo Copy Fee (per page)	\$0.25
Water/Sewer Connection Inspection Fee	\$ 50.00 each
Residential Water/Sewer Tie-in Fees (per NPMC 13.08.090 B.1)	\$ 750.00 each
Residential Water/Sewer Tie-in Fees Developer-financed (per NPMC 13.08.090 B.2)	\$ 500.00 each
Commercial Water/Sewer Tie-in Fees (per NPMC 13.08.090 B.3)	\$ 1,500.00 each
Commercial Water/Sewer Tie-in Fees (per NPMC 13.08.090 B.4)Developer financed	\$1,000.00 each
Residential Water Meter Replacement	\$ 100.00
Commercial Water Meter Replacement	At replacement cost
Water meter monitor replacement	\$ 100.00

(Ord.03-10 Chapter 4.10, 2003)(Ord.06-11 §2(part), 2

Section 3. Effective Date. This ordinance shall be effective at 5:00 pm on the first City business day following its adoption.

**PASSED AND APPROVED** by a duly constituted quorum of the North Pole City Council this 17<sup>th</sup> day of October, 2011.

\_\_\_\_\_  
DOUGLAS W. ISAACSON, Mayor

ATTEST:

\_\_\_\_\_  
KATHRYN M WEBER, MMC, City Clerk





# State of Alaska

Department of Public Safety

## Alcoholic Beverage Control Board

Sean Parnell, Governor

Joseph A. Masters, Commissioner

October 28, 2011

### Renewal Application Notice

City of North Pole

Attn: City Clerk

VIA EMAIL: [kathy@northpolealaska.com](mailto:kathy@northpolealaska.com)

DBA	Lic Type	Lic #	Owner	Premise Address
Sourdough Fuel	Package Store	2731	Petro Star Inc.	3330 Badger Rd

We have received a renewal application for the above listed licenses within your jurisdiction. This is the notice as required under AS 04.11.520. Additional information concerning filing a "protest" by a local governing body under AS 04.11.480 is included in this letter.

A local governing body as defined under AS 04.21.080(11) may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the board **and** the applicant with a clear and concise written statement of reasons in support of a protest within 60 days of receipt of this notice. If a protest is filed, the board will not approve the application unless it finds that the protest is "arbitrary, capricious and unreasonable". Instead, in accordance with AS 04.11.510(b), the board will notify the applicant that the application is denied for reasons stated in the protest. The applicant is entitled to an informal conference with either the director or the board and, if not satisfied by the informal conference, is entitled to a formal hearing in accordance with AS 44.62.330-44.62-630. **IF THE APPLICANT REQUESTS A HEARING, THE LOCAL GOVERNING BODY MUST ASSIST IN OR UNDERTAKE THE DEFENSE OF ITS PROTEST.**

Under AS 04.11.420(a), the board may not issue a license or permit for premises in a municipality where a zoning regulation or ordinance prohibits the sale or consumption of alcoholic beverages, unless a variance of the regulation or ordinance has been approved. Under AS 04.11.420(b) municipalities must inform the board of zoning regulations or ordinances which prohibit the sale or consumption of alcoholic beverages. If a municipal zoning regulation or ordinance prohibits the sale or consumption of alcoholic beverages at the proposed premises and no variance of the regulation or ordinance have been approved, please notify us and provide a certified copy of the regulation or ordinance if you have not previously done so.

Alcoholic Beverage Control Board

5848 E Tudor Rd - Anchorage, AK 99507 - Voice (907) 269-0350 - Fax (907) 272-9412



Protest under AS 04.11.480 and the prohibition of sale or consumption of alcoholic beverages as required by zoning regulation or ordinance under AS 04.11.420(a) are two separate and distinct subjects. Please bear that in mind in responding to this notice.

AS 04.21.010(d), if applicable, requires the municipality to provide written notice to the appropriate community council(s).

If you wish to protest the application referenced above, please do so in the prescribed manner and within the prescribed time. Please show proof of service upon the applicant. For additional information please refer to 13 AAC 104.145, Local Governing Body Protest.

**Note:** Applications applied for under AS 04.11.400(g), 13 AAC 104.335(a)(3), AS 04.11.090(e), and 13 AAC 104.660(e) must be approved by the governing body.

Sincerely,

SHIRLEY A. GIFFORD  
Director

*/s/ Christine C. Lambert*  
Christine C. Lambert  
Licensing & Records Supervisor  
269-0359  
Christine.lambert@alaska.gov

# Memo

**To:** North Pole City Council

**From:** Tricia Fogarty, Accounts Receivable Clerk

**Date:** 11/16/2011

**Re:** Liquor License Renewal for Petro Star dba Sourdough Fuel Package Store

---


Sourdough Fuel located at 3330 Badger Road is current and in good standing on their utility account.

Thank you,

Tricia

## North Pole Police Department

# Memo

**To:** North Pole City Council  
**From:** Chief Paul Lindhag   
**Date:** November 16, 2011  
**Re:** Sourdough Fuel Liquor License

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This is to inform you that the North Pole Police Department does not have any objections to the renewal of the Sourdough Fuel liquor license. There have been no problems for the past year there concerning their license.

125 Snowman Lane  
North Pole, Alaska 99705  
(907) 488-8536  
(907) 488-3002 (fax)  
marilyn@northpolealaska.com

City of North Pole  
Accounts Payable/Receptionist

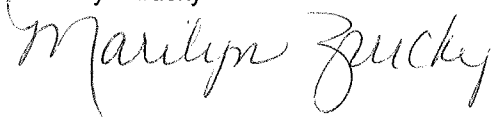
## Memo

To: North Pole City Council  
From: Marilyn Zrucky – Sales Tax Admin

Sourdough Fuel is current and in good standing on their sales tax account

Thank you

Marilyn Zrucky

A handwritten signature in cursive script that reads "Marilyn Zrucky".

# Christmas in Ice

NORTH POLE • ALASKA



November 13, 2011

On behalf of Christmas In Ice, Inc. (CII), I formally request 3<sup>rd</sup> quarter 2011 Bed Tax from the City of North Pole.

See attached financial reports.

In September 2011, CII received NP City bed tax revenue for the 1<sup>st</sup> and 2<sup>nd</sup> quarters of 2011. Those funds helped purchase fifty light boxes, items our organization has been forced to borrow in past years. We also paid our office space lease through the end of December 2011.

Bed tax monies received for 3<sup>rd</sup> quarter 2011 will be used to further the development of the ice park for the upcoming season. Our wish list includes web cameras, LED rope lights and light bulbs, and new photographic filter gels.

The Christmas in Ice Park will be open December 3, 2011 to January 8, 2012. We look forward to educating and entertaining North Pole residents and visitors this winter in the city *where the Spirit of Christmas lives year 'round*.

Respectfully requested,

A handwritten signature in blue ink that reads "Betsy A. Jones".

Betsy A. Jones, Treasurer  
Christmas In Ice, Inc.

12:31 PM  
11/13/11  
Accrual Basis

**Christmas In Ice, Inc.**  
**Profit & Loss**  
**July through September 2011**

	<u>Jul - Sep 11</u>
Ordinary Income/Expense	
Income	
Direct Public Support	
Bed Tax-CNP	2,389.56
Total Direct Public Support	<u>2,389.56</u>
Park Income	
Merchandise Sales	
T-shirts	30.00
Total Merchandise Sales	<u>30.00</u>
Total Park Income	<u>30.00</u>
Total Income	2,419.56
Expense	
Facilities and Equipment	
Equip - Rental and R&M	2,130.40
Facilities Rent	2,150.00
Total Facilities and Equipment	<u>4,280.40</u>
Park Operations	
Licenses & Permits	100.00
Food & Beverage	39.10
Postage, Mailing Service	140.00
Resale Merchandise-EXP	53.85
Supplies	569.00
Total Park Operations	<u>901.95</u>
Total Expense	<u>5,182.35</u>
Net Ordinary Income	<u>-2,762.79</u>
Net Income	<u><u>-2,762.79</u></u>



**North Pole Police Dept.  
125 Snowman Ln.  
North Pole, AK 99705**

**Lieutenant Steve Dutra  
Phone: 907-488-8459  
Fax: 907-488-5299**

November 15, 2011

North Pole City Council,

This letter is an official request urging you accept a grant from the Department of Public Safety for the amount of \$75,984.00. This grant is a continuation of the Byrne JAG funding for the ABADE Investigator. This grant funding pays 75% of the costs associated with one full time police investigator position for the time period July 1, 2011 through June 30, 2012. There is also funding in this grant for overtime expenses incurred for the ABADE Investigator and hours for NPPD patrol officers who assist with ABADE investigations.

This grant is important to the City of North Pole because it assists us with expenses incurred in support of the overall fight against drugs. The affects of the drug trade on our community and schools is enormous.

Our participation in the Multi Jurisdictional Task Force allows us to increase the effectiveness of our overall crime reduction plans. This participation allows us to join forces with State and Federal agencies to combat illegal drug use and importation that invades and destroys our community.

I have attached a copy of this grant so you can read the details regarding the overall program.

I encourage you to approve this funding.

Sincerely,

A handwritten signature in black ink, appearing to be "S. Dutra".

Lt. Steve Dutra

<b>PROGRAM AWARD</b> CFDA 16.738	<b>DEPARTMENT OF PUBLIC SAFETY</b> Division of Alaska State Troopers 5700 E. Tudor Road Anchorage, AK 99507-1225		<b>GRANT AWARD NUMBER</b>
			<b>JAG 12- 023D</b>
<b>PROJECT TITLE:</b>		<b>GRANT PERIOD:</b>	<b>AMENDMENT:</b>
MJTF Participating Agency		7/1/10 - 6/30/11	<b>NUMBER:</b>
			<b>Effective Date:</b>
<b>GRANTEE NAME &amp; ADDRESS</b>		<b>DPS CONTACT INFORMATION</b>	
City of North Pole 125 Snowman lane North Pole, AK 99705		DPS, Grants Administration Office 5700 East Tudor Road Anchorage, AK 99507-1225	
Contact: Steve Dutra, Lieutenant		Contact: April Herzog, Grants Manager	
Phone: 907-488-8459		Phone: 907-269-5082	
Fax: 907-488-3002		Fax: 907-333-7008	
Email: sdutra@northpolepolice.org		Email: april.herzog@alaska.gov	
<b>APPROVED AWARD BUDGET</b>			
<b>Cost Category</b>	<b>Grant Award Amount</b>	<b>Match Amount</b>	<b>Total Project Cost</b>
PERSONNEL	\$75,984.00	\$25,328.00	\$101,312.00
TRAVEL	\$0.00	\$0.00	\$0.00
CONTRACTUAL SVCS	\$0.00	\$0.00	\$0.00
SUPPLIES	\$0.00	\$0.00	\$0.00
EQUIPMENT	\$0.00	\$0.00	\$0.00
CONFIDENTIAL FUNDS	\$0.00	\$0.00	\$0.00
OTHER	\$0.00	\$0.00	\$0.00
INDIRECT	\$0.00	\$0.00	\$0.00
<b>TOTAL</b>	<b>\$75,984.00</b>	<b>\$25,328.00</b>	<b>\$101,312.00</b>
<b>AGREEMENT</b>			
<b>BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM AWARD</b>			
<p>The Department of Public Safety, Alaska State Troopers, hereinafter called the <b>Office</b>, and the <u>City of North Pole</u>, hereinafter called the <b>Grantee</b>, agree as set forth herein.</p> <p>I. Agencies expending \$500,000 or more total federal financial assistance in a fiscal year, may be required to comply with the Federal single Audit Act. This grant contains federal funds identified by CFDA 16.738. The amount remains to be determined. The grantee shall provide a cash contribution for a minimum required match of 25%.</p> <p>II. The Grantee or its agent shall perform all of the work required by this grant agreement.</p> <p>III. The grant agreement consists of this page and the attached "Grant Agreement".</p>			
<b>AUTHORIZED GRANTEE SIGNATORY</b>		<b>AUTHORIZED DEPARTMENT SIGNATORY</b>	
SIGNATURE:		SIGNATURE:	
PRINTED NAME & TITLE:		PRINTED NAME & TITLE:	
		Joseph A. Masters, Commissioner, DPS	
DATE:		DATE:	



### **3. Project Narrative**

The North Pole Police has attempted to modernize its force over the last several years in order to meet the demands of the surrounding community as well as the citizens within the City of North Pole. The North Pole Police Department (NPPD) currently serves a base population of approximately 2202<sup>1</sup>. We have three large schools inside our city limits which swell the daily population to over 4000 people. Our city sees its fair share of serious crimes and there is a noticeable increase in the complexity of the criminal activity. Many of the perpetrators of these crimes come in from the outlying population.

Due to the large volume of traffic passing through the city on the Richardson Highway, with AADT in excess of 12,000 vehicles, and continued housing construction, in and around the city, NPPD has seen a rise in some serious crime between 2004 and 2007. Our efforts seem to be working in a lot of “drug related,” crimes. In 2010 we observed a 25% increase, year over year, in burglaries, 6% increase in larcenies. We showed no increase in motor vehicle thefts with a second year of all time low numbers. We showed a 3% increase in drug cases, this is the highest number of cases recorded by NPPD and almost double the number of cases compared to 2005. The most disturbing trend is the steady increase of juvenile drug arrests since 2008.

The North Pole Police Department, through service requests made by the Fairbanks Police Department, and the Alaska State Troopers, serves not only the City proper but an area surrounding North Pole with a population in excess of 20,000, within a 10 mile radius. These service requests are a significant drain on patrol resources and have a significant impact on the quality of investigations and apprehension of suspects. In order to help meet the needs of the

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<sup>1</sup> 2009 U.S. Census Bureau

community at large, the City of North Pole has authorized the creation of a full time position with the multi-jurisdictional drug unit.

In order to help facilitate this additional position, NPPD is requesting support from the State of Alaska Department of Public Safety pass through JAG sub-grant from Edward Byrne Memorial Discretionary Grant Program (Byrne Program) to help fund a portion of the salary and benefits for FY 2011 - 2012. The addition of this position will greatly enhance the City's ability to meet local law enforcement needs that will impact the criminal elements that plague every community in the State of Alaska.

The goal of this position is to facilitate a joint law enforcement and prosecution effort involving multiple criminal justice agencies across several jurisdictions. These agencies will share the common goal of addressing drug enforcement and violent crime problems in and around North Pole, Fairbanks and other interior Alaskan communities. We wish to enhance our abilities by fostering better communication, share intelligence, and coordinate activities with all Federal, State, and local law enforcement agencies in the State.

The North Pole Police Department has demonstrated ability to competently manage an annual budget in excess of \$1,200,000 and has managed COPS, Homeland Security, and Alaska Highway Safety grants in the past. The police department is set up to handle local, state, and federal grants through an internal record keeping system that is filed within the department and simultaneously in the City Accountant's Office. Negotiation, award, contract, program/progress records/reports, procurements, invoicing, payments, time sheets, and other fiduciary aspects of grant management are in this system.

The City implements internal controls to ensure compliance with applicable laws and regulations related to all of its grant-funded programs. The City recognizes grant revenues when

qualifying expenditures are incurred. All of this helps us meet the requirements of grant agreements and corresponding federal and state laws. The City's accounting system records all costs associated with each of its grants in separate, self-balancing accounts. The accounting records are used as a basis for completing required grant reports. Before posting any results, grant costs are reviewed for reasonableness, allowability, and allocability to each grant project. Grant project accounts are broken into sub-accounts by program element and cost objective. Appropriate documentation is maintained for personnel costs, fringe benefits, travel, purchases of professional services/consultants, materials, supplies and equipment, and other costs. The accounting records are subjected to annual independent financial statement and single audit.

The City has formal procurement procedures to assure that professional services consultants, equipment, materials, and supplies are obtained on a competitive basis and has procedures to assure that the types of contracts unacceptable to the federal government are not utilized. Quotations are reviewed to assure that the proposed price is reasonable to the contractor, the recipient, and the party providing the funding.

### **3a. Project overview**

A North Pole Police ABADE Officer will be assigned to the Alaska Bureau Alcohol Drug Enforcement unit and they will work fulltime with the Alaska State Troopers and Fairbanks Police on a joint task force. Their purpose will be to stop the flow of illegal alcohol and drugs into the State of Alaska specifically targeting areas in and around Fairbanks and North Pole. The ABADE Unit has a primary focus on North Pole, Fairbanks, and the interior Alaska but also serves the surrounding area north to Barrow and east to the Canadian border. The primary mission of the ABADE Unit is to conduct investigations into the illicit importation, manufacture, and sale of drugs and bootleg alcohol. Because drug and alcohol use is inevitably linked to most

serious crimes it needs the proper resources only a multijurisdictional team can address. In order to reach the desired service standard NPPD developed the following goals and objectives which are currently similar to the priorities set out in the Alaska JAG program.

The goals and objectives for this project are clear. This project is designed to help coordinate efforts and resources from local, state, and Federal agencies through a statewide multi-jurisdictional task force to interdict and seize controlled substances and alcohol that are illegally distributed throughout interior Alaska and investigate and apprehend distributors of controlled substances and illegal alcohol.

### **3b. Need**

In 2008, the City of North Pole and the surrounding communities understood the need to enhance the present drug enforcement efforts through better utilization of available resources, increasing communications, expanding intelligence sharing, and improving coordination by unifying our direction. The City of North Pole also recognized the correlation between illegal substances abuse and incident of crimes.

Based on these understandings we applied for funds through the Byrne Memorial Grant program. These funds were to be used for a full time officer to augment the Alaska Bureau of Drug and Alcohol Enforcement, (ABADE) team and add 100 hours of overtime, to be available for patrol officers to routinely assist the ABADE unit with illegal drug and alcohol interdiction. Our need to be represented on this team stems from the state wide problem associated with illegal drug and alcohol importation and the fact we are a central hub for most of the 20,000+ people who live in and around the North Pole area.

Our community is significantly linked to every community in the interior. These links have been proven through the efforts of the Fairbanks Area wide Narcotics team. Low level

drug users are frequently moving through our city and using our city as a hub for illegal activity. Our ABADE officer has tracked drug users and dealers through our city limits and is often engaged in surveillance of illicit activity in and around the City of North Pole.

In 2008, our justification to support funding for an ABADE Officer was based on observed increases in several areas of violent crimes. According to Alaska's criminal justice professionals, alcohol, marijuana, cocaine, methamphetamine, and pharmaceuticals have been identified as the primary substances of abuse in Alaska and are the focus of most law enforcement efforts. According to the Department of Public Safety, Alaska has one of the highest per capita uses of controlled substances. These abuses are known to be linked to violent crimes. One particular case brought this reality to the forefront. Local drug users were targeting homes and businesses across every jurisdiction. Stealing copper, tools, and anything of value so they could sell for cash or trade for drugs. It was later determined that the State Troopers, Fairbanks PD, NPPD, and University PD all had open cases on the same suspects. It was later discovered these individuals were selling their ill gotten gains to support their drug habits. Another recent case involved mail theft, check fraud, and credit card thefts, and the proceeds were diverted to support drug users. Each of these cases spanned multiple jurisdictions.

Since 2008, we have identified several areas where our violent crime statistics have caused some concerns. Comparing year to year statistical data from 2007 to 2010, we observed a 33% decrease in Aggravated Assaults, 2% decrease in simple assaults, 31% decrease in Burglaries, 83% decrease in credit card fraud, 13% increase in drug law violations, 29% decrease in Larceny cases, and a 333% increase in weapons related offenses. Although these results show mixed signals we are seeing increases in drug related cases. We feel our efforts are paying off.

Although some of the categories are up, the overall picture is a decrease in documented cases involving crimes related to illegal drug and alcohol use. Drug cases and weapon offenses are up partially due to increased enforcement, targeted patrol tactics, and education of our street patrol officers. NPPD officers are finding and charging more drugs cases than any other time in the past 6 years. This is exactly what we projected and we hope additional efforts will continue this trend.

Our ABADE Officer has been diligently working with the Federal, State, local law enforcement, and state prosecutors to help combat illicit drug use and alcohol importation. In 2010, the ABADE unit in Fairbanks reported 835 cases initiated, which is 126 more cases than in 2007, more than twice as many cases than were initiated in 2005 where only 367 were initiated. The ABADE unit also reported seizing over \$135,000.00 in illegal alcohol and over \$1.9 million dollars in drug seizures. These seizures include Cocaine, Marijuana, Methamphetamine, LSD, Ecstasy, Heroin, Crack Cocaine, as well as illegal prescription drugs such as hydrocodone, Oxycontin Valium, and Adderall just to name a few.

The Fairbanks ABADE Sergeant has repeatedly made it clear that our ABADE Officer is a vital part of the team and his contributions are important to the continued success of the unit. Our previous ABADE Officer's have also stated that they have not been able to work all of the cases within their normal hours, there is simply more work than there is hours. We hope to help resolve this issue with our current request of 300 hours of overtime for the ABADE officer and the addition of 100 hours of overtime for auxiliary patrol officers to assist ABADE directly or indirectly with other law enforcement agencies focused on the same goals. This assistance would be for drug buys, search warrants, intelligence, surveillance, and other manpower requirements.

It is important for the City of North Pole to draw the conclusion that these illegal activities do not complete their criminal cycle within the boundaries of our city. Many of our citizens are victimized by offenders who leave the city and conclude their business in outlying jurisdictions. Our ability to penetrate and disrupt these cycles is imperative to our success. We must join our resources and knowledge with other jurisdictions to help infiltrate and disrupt these offenders and their illegal activities. It is our mandate to reduce the number of violent crimes within our jurisdiction and it is of such a need, that we must combine our efforts with other jurisdictions. The ABADE unit fills this need because it creates the much needed multi-jurisdictional focus on the criminal element in our community. Without such a multi-jurisdictional task force these cross jurisdictional burglaries, as listed above, will continue with little or no knowledge of boarding agencies infected by the same criminal drug elements.

### **3c. Project Activities**

Our goals and objectives for this project are to continue to participate in the ABADE program by securing funds to augment our budget in FY 2011 - 2012. Our participation in street level drug enforcement and the multijurisdictional task force program will concentrate on the enforcement and prosecution of illegal drug and alcohol crimes, particularly drug and alcohol trafficking. We met this goal in FY 2010 - 2011 by continuing our participation in the ABADE unit and our plan is to continue the same successful strategy.

Another goal is to continue to support the program we currently have in place because it improves and coordinates efforts with the Alaska State Trooper, Fairbanks Police Department, University Police, Airport Police, Fort Wainwright Police, Eielson Security Forces and other Federal agencies in a cross jurisdictional effort to curb drug, alcohol, and related crimes on both

a regional and local basis. In 2008 - 2011 we made headway in this effort with continued interaction with each participating agency. This has led to a better coordination among all participating and non-participating agencies.

The objectives, which have been met to date, seem to be promising. Our current and past ABADE officer's have enhanced cross-jurisdictional information sharing by supplying the North Pole Police officers with vital information related to current North Pole cases. Our ABADE officer's have been a vital link in closing the gap between agencies that has existed for years. With our ABADE officer we have observed better collaboration and an increased communication on drug related cases. As stated above, these drug related cases have proven to be related to other serious crimes within the city limits of North Pole.

### **3d. Evaluation and Performance Measures**

#### **Goals:**

- 1. Participate in the ABADE program and assist with intelligence gathering, undercover operations, case loads and arrests*
- 2. Maintain information sharing between federal, state, and local police.*
- 3. Maintain or increase the number of arrests and successful prosecution of violations of the State's alcohol and drug laws.*

**Goal # 1** *Participate in the ABADE program and assist with intelligence gathering, undercover operations, case loads and arrests.*



## **Objectives**

1. Reaffirm the appointment of our officer to the ABADE position and allocate necessary budget monies to fund the position remaining costs for the fiscal year.

## **Performance Measures**

1. Reaffirm the appointment of the one NPPD Officer to the ABADE office.
2. Approval of funds in the FY 2012 budget to offset actual costs.

During FY 2010 - 2011 we funded some of the ABADE officer using the Byrne funds provided. Our Officer assisted with intelligence gathering, undercover operations, he assisted in increasing the case load and arrests. The ABADE unit routinely conducted surveillance activity and conducted undercover operations which resulted in 33 cases being sent for prosecution. Our ABADE Officer was instrumental in ephedrine monitoring which is commonly used in the production of methamphetamine.

**Goal # 2** *Maintain and make changes to information sharing between federal, state, and local police.*

## **Objectives**

1. Maintain the current strategies to increase the information sharing abilities between Federal, State and local law enforcement to decrease criminal activity involving drugs and alcohol.
2. Maintain the strong permanent partnership with federal, state, and local law enforcement.
3. Increase NPPD patrol officers exposure by funding 100 hours of overtime. This will expose patrol to federal and state wide training, tactics, operational protocol,

surveillance techniques, undercover operations, current drug and illegal alcohol smuggling patterns, and gang activity.

### **Performance Measures**

1. Memorandum of agreements adopted by various law enforcement agencies
2. ABADE officer to attend training sponsored by FBI, DEA, Homeland Security, and or the Department of Public Safety.
3. Education and training completed by all police personnel taught by the ABADE Officer. Training focused on increasing the quality of collection and data entry abilities of patrol officers. This will also be completed during overtime operations with the ABADE officer.
4. Data sharing between groups evaluated for efficiency.

Our department has maintained the Memorandum of agreement with all participating agencies. Our ABADE Officer also conducted numerous brief classes with various shifts of the North Pole Police Department patrol personnel. In these classes he discussed what clues to look for during traffic contacts while on patrol, who the local drug pushers and users are. Also addressed during these contacts were better ways to improve data entry procedures for police contacts. It is mandatory for all patrol officers to enter vital contact information on all traffic contacts. This procedure has proven its value with documented case resolution from data entered from a traffic stop.

Our evaluation of information sharing is an ongoing process. We have continued to seek ways to improve this process and allowed patrol officers to have access to ABADE drug information. This was not readily supplied previous to this grant. One effective way to accomplish this is to request overtime so normal patrol officers can get hands on training with

the ABADE officer during operations. This exposure will help foster awareness and enlighten officers about the drug culture. Some patrol officers have never observed real world drug activity.

**Goal # 3** *Increase or maintain the number of arrests and successful prosecution of violations of the State's alcohol and drug laws.*

**Objectives**

1. Facilitate the exposure of underground, illicit drug, and alcohol culture within the interior of Alaska.
2. Reduce illegal alcohol and drug use within the North Pole and Fairbanks area.

**Performance Measures**

1. Increase or maintain the number of arrests of illegal alcohol or drug use, possession, distribution, and or importation.

The ABADE unit has shown an increase in cases initiated from 2007 only 709 were initiated and 835 were initiated in 2010. Also ABADE has shown an increase in charges and arrests of controlled substance and alcohol activity from 2007 with 288 to 413 in 2010. Our ABADE officer has been exposed to underground illicit drug use by working with other agencies doing traffic stops on drug buyers from known drug houses. These stops have resulted in the seizure of guns, drugs, and money.

### **Key Major Deliverables:**

Reaffirm the appointment of our fulltime officer to the ABADE position.

Set up routine bulletins with patrol officers from the North Pole Police ABADE officer.

Enforce the current policy and procedures for patrol officers to be required to forward all drug related case information to ABADE to help facilitate information sharing, specifically targeting information provided into Alaska Law Enforcement Information Sharing System.

Allow patrol officers from NPPD to work 100 hours of overtime with the ABADE unit in order to expose them to the illegal drug and alcohol use.

### **Evaluation**

Evaluation for effectiveness is an ongoing process. The person primarily responsible will be Lieutenant Dutra who will review shift logs, reports, statistical compilations from the Records Division, and comments from NPPD meetings. His regular meetings with the ABADE officer will contribute to an ongoing evaluation process.

#### **1. Evaluation methods:**

Our evaluation process essentially includes review of statistical information regarding arrests and incidents (RMS and or APSIN) and a review of the reports from the State of Alaska District Attorney's Office regarding successful prosecutions. The department will engage in routine review of available statistics to chart progress toward stated objectives.

It will be the Lieutenant's responsibility to monitor each performance indicator as detailed in our Evaluation and Performance Measures. All activities will be monitored on a regular basis.

Evaluation of the project will also occur through the Alaska State Trooper ABADE Sergeant progress reports, reports prepared for the Chief, the ABADE officer, and the City Accountant. They will review time sheets, arrests and any noted problems and prepare a report that will be sent to the Department of Public Safety or other designated persons. The City Accountant will ensure all monetary records are correct and all funds and expenses are accounted for.

## **2. Project Monitoring**

The analysis components of the evaluation will be represented in required reports prepared and executed for this project. Analysis will include, but not necessarily be limited to:

1) All hours worked by the ABADE Officer and overtime of patrol officers will be documented with time sheets, then reported to the City bi-monthly and then will be reported to the Department of Public Safety designee as required within the grant contract.

2) Reports submitted by the ABADE Officer will be collected by NPPD. The success of the operation depends entirely upon feedback from those who are in the field. The Chief will include the program and its success and problems in his yearly report to the City Council, Mayor, and the public. The City will be able to assess the efficacy of the ABADE program from the activities outlined in this proposal, and how this program makes prosecutions of crime more successful.

## **4. Budget**

### **4a. Budget Narrative**

The following Budget Narrative is based on actual cost and overtime estimates for FY2011 - 2012. All figures are rounded to the nearest dollar. All figures are based on full time

devotion to the ABADE position and 100 hours of overtime dedicated to patrol officers working with the ABADE unit.

**Section A: Personnel**—Lists the actual costs for the current ABADE Officer Stan Swetzof and his new salary range for FY2012. These actual costs will be **\$52,500.00**. This cost is based on the hourly rate of \$25.24 or \$4375.00 per month multiplied by 12 months which equals **\$52,500.00** per calendar year. These expenses include vacation accrual which will be billed at the time it is used.

Estimated overtime calculation is based on FY2009-11 overtime needs. FY2010-11 overtime, for the ABADE Officer, was 300 hours. Projected hours for FY2012 places overtime hours at the same 300 hours. FY2012 hourly rate for ABADE Officer Stan Swetzof is \$25.24. Overtime hourly rate is based on (hourly wage \$25.24 X 1.5 = \$37.86). Total projected overtime wages for the ABADE officer equals (\$37.86 X 300 hours) = **\$11,358.00**. Overtime for NPPD patrol officers to work with ABADE unit is calculated at (\$42.51 hr x 100 hrs = **\$4,251.00**.)

Lt. Dutra is project director for this grant. It was determined that the reports and documentation associated with the JAG 11-023D required approximately 11-15 hours per quarter. Lt. Dutra's hourly rate, including benefits, for FY2012 is \$67.28 per hour. A match will be used (60 hours x \$67.28= **\$4,036.80**.) The total cost estimates for this category are **\$72,145.80**.

**Section B: Fringe Benefits**—Employer's FICA, this category is listed as \$0. Retirement costs are projected at the standard PERS, Public Employees Retirement System, rate of 22%. This 22% rate is calculated based on the projected earnings in FY2012, for current ABADE Officer Stan Swetzof, which is estimated to be **\$68,109.00**. Calculation = (wages \$68,109.00) X (PERS contributions 22 %) = **\$14,983.98**. Medicare costs are based on the

standard rate of 1.45% of gross earnings of \$68,109.00 Calculation = (Medicare rate = 1.45%) X (Gross earnings = \$68,109.00) = **\$987.58**. Health insurance costs are based on established costs for the City of North Pole employee health insurance plan for a single employee non-family plan. These costs are set at \$4.88 hr x 2080 hours a year, (\$4.88 x 2080 hours) = **\$10,150.40**. Workers compensation rate is an established formula of 4.47% multiplied by the employee wages. Calculation is (4.47% X \$68,109.00) = **\$3,044.47**. Vacation accrual is calculated within the salaried wages and will be part of the expenses when the ABADE officer takes vacation. Only the hours accrued during the grant period will be used to compensate.

The total cost for Fringe Benefits is **\$29,166.43**. The total cost of Personnel and Fringe Benefits is **\$101,312.23**.

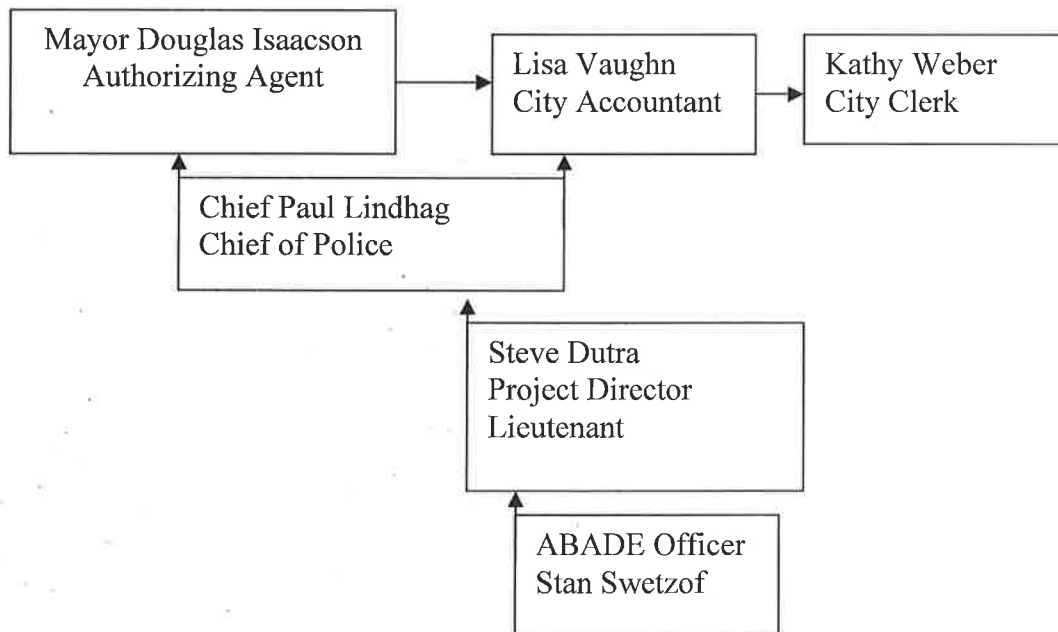
The following categories will incur no known or schedules costs for FY2012. Categories Budget Summary (rounded to nearest dollar):

Category	A. Personnel	= \$72,146.00
	B. Fringe Benefits	= \$29,166.00
	Total Direct Costs	= \$101,312.00
	Total Project Costs	= \$101,312.00
	Federal Request	= \$75,984.00
	Non-Federal Amount	= \$25,328.00

In summary, the base personnel cost to include overtime for the ABADE Officer Stan Swetzof and Lt. Dutra's administrative costs for direct grant related activities and overtime for patrol call outs and assistance are **\$72,145.80**. The Fringe Benefits total is **\$29,166.43**, bringing the combined total to **\$101,312.23**. The grant amount requested for FY2012 is **\$75,984.00** with a matching non-federal amount of **\$25,328.00 (both figures rounded to nearest dollar.)**

**4b. Itemized Budget Detail see attached.**

**5a. Application Agency Description**





## **5b. Project Personnel**

The Authorizing Person for this project will be Mayor Douglas W. Isaacson. Chief Lindhag is the Chief of Police for the City of North Pole. Chief Lindhag may contribute up to 1 hour per month to the project to include oversight, report reviews, meetings with Lieutenant and ABADE Sergeant, payroll, and budget reviews with the City Accountant. The City Accountant will be in charge of audit and financing for the project. These tasks will include payroll and fringe benefits calculations and audits. The City Clerk may contribute some time to the success of the project but this is limited to Human Resource and other related matters. The Lieutenant will assist ABADE Officer Swetzof in coordinating the flow of information. The Lieutenant will facilitate the exchange of information between the ABADE Officer and the patrol officers at NPPD. ABADE Officer Swetzof will contribute 100% of his time to the project as he is the only full time staff associated with the funding. Lieutenant Dutra will contribute approximately 15 hours a quarter to assist with the success of the project.

**CITY OF NORTH POLE  
ORDINANCE 11-09**

**AN ORDINANCE OF THE NORTH POLE CITY COUNCIL  
ESTABLISHING THE 2012 BUDGET AND LEVYING THE MIL RATE**

**Section 1. Classification.** This ordinance is of a special nature and shall not be included in the North Pole Code of Ordinances.

**Section 2. General Fund Operating Budget.** The anticipated general fund revenues of **\$5,091,709** are hereby appropriated to fund January 1, 2012 to December 31, 2012 operations as follows:

Administration	581,600
Professional Services	252,443
Police Department	1,660,869
Fire Department	1,873,933
Public Works	722,864
<b>Total</b>	<b>5,091,709</b>

**Section 3. Effective Date.** This ordinance shall be effective on January 1, 2012.

**Section 4. Utility Fund Operating Budget.** The anticipated utility fund revenues of **\$1,450,722** are hereby appropriated to fund January 1, 2012 to December 31, 2012 operations as follows:

Utility Department Water Operating Budget	700,234
Utility Department Sewer Operating Budget	750,488
<b>Total</b>	<b>1,450,722</b>

**Section 5. Water Reserves Fund.** This fund accounts for the revenues that are received from the FRR and Water Base portions of the water bills and expenses related to capital projects for water.

Transfer from Water Dept (FRR)	81,355
Transfer from Water Dept (Water Base)	78,840
<b>Total</b>	<b>160,195</b>

**Section 6. Sewer Reserves Fund.** This fund accounts for the revenues that are received from the FRR and Water Base portions of the sewer bills and expenses related to capital projects for sewer.

Transfer from Sewer Dept (FRR)	66,521
Transfer from Sewer Dept (FRR-Industrial)	79,477
Transfer from Sewer Dept (Sewer Base)	72,060
<b>Total</b>	<b>218,058</b>

**Section 7. Building Fund Operating Budget.** The anticipated building fund revenues of **\$76,085** are hereby appropriated to fund January 1, 2012 to December 31, 2012 operations as follows:

Building Fund-Revenue	76,085
Building Fund-Expenditures	76,085

**Section 8. Special Revenues.** Special Revenue Fund Accounts exist for Itadori, H.I.P.P.O., Employment Security Contribution, and Economic Development Projects. These accounts are similar in nature to the capital fund, revenues and expenditures may carry over from one fiscal year to the next.

**Section 9. Mill Rate.** The assessed valuation of all taxable property in the City of North Pole has been estimated at \$333,482,008 for 2011. The rate of levy on each dollar of taxable property is hereby fixed at 3.00 mills for municipal purposes. The tax levies are due, delinquent, and subject to penalties prescribed by law and by the Fairbanks North Star Borough.

**PASSED AND APPROVED** by a duly constituted quorum of the North Pole City Council this 19<sup>th</sup> day of December, 2011.

**ATTEST:**

\_\_\_\_\_  
DOUGLAS W. ISAACSON, Mayor

\_\_\_\_\_  
KATHRYN M WEBER, MMC, City Clerk

## CITY OF NORTH POLE

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CITY OF NORTH POLE  
2012 BUDGET

CITY OF NORTH POLE - 2012 BUDGET

<u>FUND</u>	<u>REVENUES</u>	<u>EXPENSES</u>
General Fund	5,091,709	5,091,709
Water/Sewer Fund	1,450,722	1,450,722
Building Fund	76,085	76,085
AHSO Officer	66,963	66,963
Jag	69,578	69,578
<b>Total</b>	<b><u><u>6,755,057</u></u></b>	<b><u><u>6,755,057</u></u></b>

**CITY OF NORTH POLE  
2012 BUDGET**

**CITY OF NORTH POLE - Expenses (variance)**

	2010			2011			2012		
	2009	2010	Difference	2010	Budget	Difference	2011	Budget	Difference
Administration	853,219	561,170	(292,049)	561,170	702,209	141,039	702,209	581,600	(120,609)
Professional Services	220,858	234,656	13,798	234,656	209,421	(25,235)	209,421	252,443	43,022
Police	1,576,174	1,603,300	27,126	1,603,300	1,644,070	40,770	1,644,070	1,660,869	16,799
Fire	1,973,348	1,808,289	(165,059)	1,808,289	1,906,443	98,154	1,906,443	1,873,933	(32,509)
Public Works	554,090	551,144	(2,946)	551,144	582,706	31,562	582,706	722,864	140,158
Total General Fund	5,177,689	4,758,559	(419,129)	4,758,559	5,044,849	286,290	5,044,849	5,091,709	46,860
Water	887,711	1,035,764	148,053	1,035,764	910,469	(125,295)	910,469	700,234	(210,235)
Sewer	1,222,368	1,387,372	165,004	1,387,372	1,042,262	(345,110)	1,042,262	750,488	(291,774)
Water Reserves		-	-	-	-	-	-	-	-
Sewer Reserves		30,567	30,567	30,567		(30,567)	-		-
Total Utilities	2,110,079	2,453,704	343,625	2,453,704	1,952,731	(500,973)	1,952,731	1,450,722	(502,009)
Building	34,519	56,079	21,559	56,079	95,400	39,321	95,400	76,085	(19,315)
Capital	-	-	-	-	-	-	-	-	-
Gaming	440	-	(440)	-	-	-	-	-	-
Hippo	-	-	-	-	-	-	-	-	-
Economic Development Pjts	65	-	(65)	-	-	-	-	-	-
Employment Security	65	-	(65)	-	-	-	-	-	-
Ice Rink	5,722	2,170	(3,552)	2,170	-	(2,170)	-	-	-
Festival	37,466	30,307	(7,160)	30,307	-	(30,307)	-	-	-
Abade	-	2,012	2,012	2,012	-	(2,012)	-	-	-
AHSO Officer	92,240	147,400	55,160	147,400	78,514	(68,886)	78,514	66,963	(11,551)
Jag	59,231	72,637	13,406	72,637	71,709	(928)	71,709	69,578	(2,131)
Beautification		41	41	41	-	(41)	-	-	-
Totals	7,517,516	7,522,866	5,351	7,522,866	7,243,203	(279,663)	7,243,203	6,755,057	(488,146)
			5,351			(279,663)			(488,146)

Note: In 2010, the following funds were closed out to the general fund:

Hippo  
Economic Development Pjts  
Employment Security

**CITY OF NORTH POLE  
2012 BUDGET**

**CITY OF NORTH POLE - Breakout of Personnel & Operating EXPENSES**

<b>PERSONNEL EXPENSES - GENERAL &amp; UTILITY FUNDS</b>					
<b>Department</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>		<b>2012 Budget</b>
Administration	403,793	430,030	452,577	Administration	449,698
Professional Services	-	-		Professional Services	
Police	1,284,455	1,199,798	1,260,261	Police	1,303,494
Fire	1,607,751	1,516,904	1,606,807	Fire	1,611,182
Public Works	248,754	234,485	234,247	Public Works	254,265
Total General Fund	3,544,753	3,381,217	3,553,891		3,618,640
(percent of operating budget)	73%	71%	72%		71%
Water	222,660	226,638	257,978	Water	243,184
Sewer	317,240	315,423	300,134	Sewer	316,738
Total Utility Fund	539,900	542,060	558,112		559,922
(percent of operating budget)	38%	39%	33%		39%
Total Personnel Costs	4,084,653	3,923,277	4,112,003		4,178,562
(percent of operating budget)	65%	64%	62%		64%

<b>NON PERSONNEL EXPENSES - GENERAL &amp; UTILITY FUNDS</b>					
<b>Department</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>		<b>2012 Budget</b>
Administration	149,425	131,141	136,300	Administration	131,902
Professional Services	220,858	234,656	209,421	Professional Services	252,443
Police	291,719	403,502	383,808	Police	357,374
Fire	365,597	291,385	299,636	Fire	262,751
Public Works	305,336	316,660	348,460	Public Works	468,599
Total General Fund	1,332,935	1,377,343	1,377,625		1,473,069
(percent of operating budget)	27%	29%	28%		29%
Water	384,697	437,813	652,491	Water	457,050
Sewer	495,900	402,747	501,351	Sewer	433,750
Total Utility Fund	880,597	840,560	1,153,842		890,800
(percent of operating budget)	62%	61%	67%		61%
Total Operating Costs	2,213,532	2,217,902	2,531,467		2,363,869

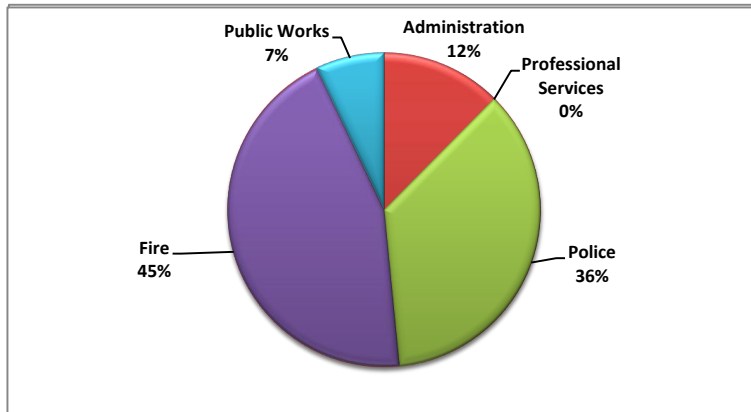
<b>TOTAL OPERATING EXPENSES - GENERAL &amp; UTILITY FUNDS</b>					
<b>Department</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>		<b>2011 Budget</b>
Administration	553,218	561,170	588,877	Administration	581,600
Professional Services	220,858	234,656	209,421	Professional Services	252,443
Police	1,576,174	1,603,300	1,644,069	Police	1,660,868
Fire	1,973,348	1,808,289	1,906,443	Fire	1,873,933
Public Works	554,090	551,145	582,707	Public Works	722,864
Total General Fund	4,877,688	4,758,560	4,931,516		5,091,708
Water	607,357	664,451	910,469	Water	700,234
Sewer	813,140	718,169	801,485	Sewer	750,488
Total Utility Fund	1,420,497	1,382,620	1,711,954		1,450,722
Total Operating Costs	6,298,185	6,141,180	6,643,470		6,542,431

Note: These are operating expenses only. They do not include depreciation expenses and transfer expenses.

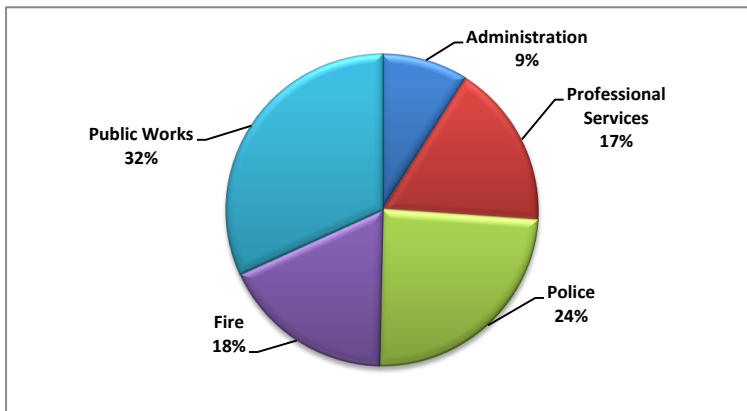
CITY OF NORTH POLE  
2012 BUDGET

CITY OF NORTH POLE - Breakout of General Fund Personnel & Operating Expenses - 2012

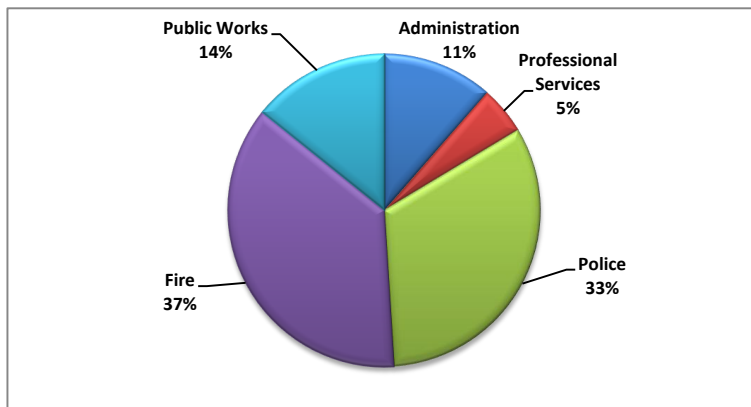
PERSONNEL EXPENSES - GENERAL FUND



NON PERSONNEL EXPENSES - GENERAL FUND



TOTAL OPERATING EXPENSES - GENERAL FUND

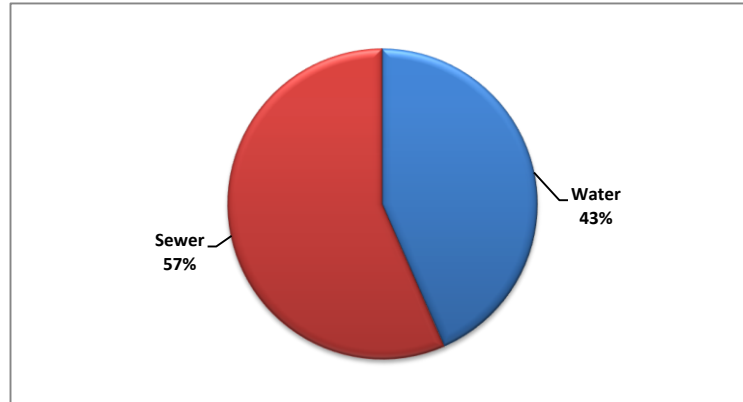




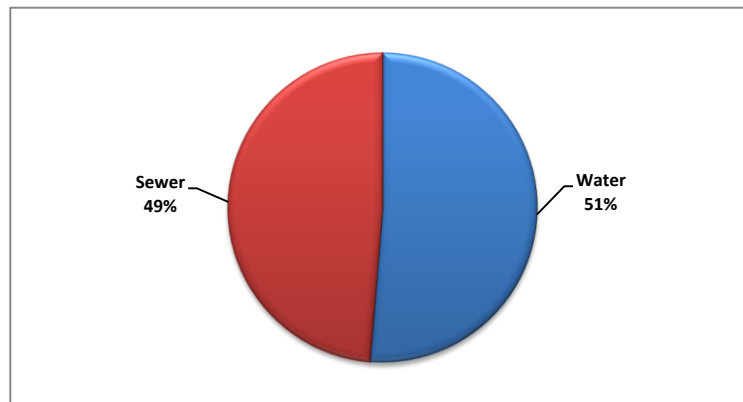
CITY OF NORTH POLE  
2012 BUDGET

CITY OF NORTH POLE - Breakout of Personnel & Operating Expenses - 2012

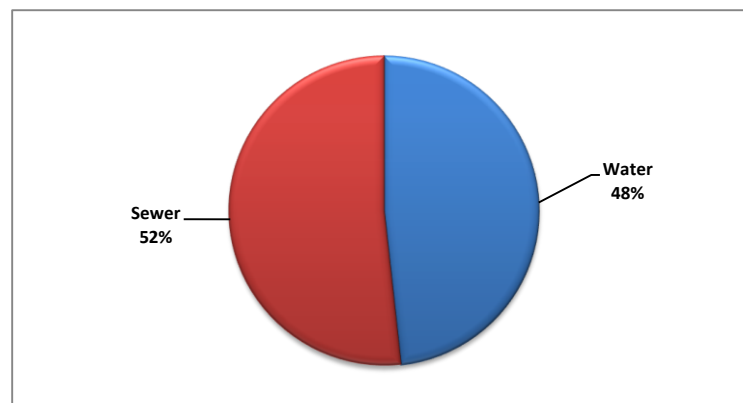
PERSONNEL EXPENSES - UTILITY FUND



NON PERSONNEL EXPENSES - UTILITY FUND



TOTA OPERATING EXPENSES - UTILITY FUND



**CITY OF NORTH POLE  
2012 BUDGET**

**CITY OF NORTH POLE - Breakout of Revenues**

<b>OPERATING REVENUES - GENERAL &amp; UTILITY FUNDS</b>					
<b>Department</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>		<b>2012</b>
<b><u>General Fund</u></b>					
Sales/Bed Taxes	2,398,543	2,793,448	3,009,992	Sales/Bed Taxes	2,981,572
Business Licenses	7,975	10,025	12,150	Business Licenses	10,500
Property Taxes	939,603	913,593	952,870	Property Taxes	945,000
State Grants/Contracts	88,034	86,471	98,500	State Grants/Contracts	242,900
State Assistance	532,568	411,505	421,473	State Assistance	323,200
Fairbanks North Star Borough	360,173	357,639	359,772	Fairbanks North Star Borough	367,687
Police Revenues	169,796	154,546	121,593	Police Revenues	129,850
Fire Revenues	39,163	18,460	41,000	Fire Revenues	48,000
Interest	20,159	5,121	6,500	Interest	3,000
Miscellaneous	34,278	21,687	21,000	Miscellaneous	40,000
<b>Total General Fund</b>	<b>4,590,292</b>	<b>4,772,494</b>	<b>5,044,850</b>		<b>5,091,709</b>
<b><u>Utility Fund</u></b>					
<b>Water</b>					
Water Sales	680,050	642,159	726,108	Water Sales	700,234
State Assistance	13,048	8,374	6,167	State Assistance	-
FRR/Water Base	113,699	108,197	157,194	FRR/Water Base	-
Tie In Fees	2,805	19,900	-	Tie In Fees	-
Lab Testing		69,267			
Miscellaneous	37,061	28,156	21,000	Miscellaneous	-
<b>Total Water</b>	<b>846,662</b>	<b>876,053</b>	<b>910,469</b>		<b>700,234</b>
<b>Sewer</b>					
Sewer Sales	574,726	579,399	681,328	Sewer Sales	750,488
State Assistance	17,598	11,103	6,849	State Assistance	-
FRR/Sewer Base	191,196	180,559	234,085	FRR/Sewer Base	-
Tie In Fees	1,613	6,100	-	Tie In Fees	-
SID Treatment/Testing	125,424	126,479	120,000	SID Treatment/Testing	-
Miscellaneous	27,511	14,498		Miscellaneous	
<b>Total Sewer</b>	<b>938,069</b>	<b>918,138</b>	<b>1,042,262</b>		<b>750,488</b>
<b>Total Utility Fund</b>	<b>1,784,731</b>	<b>1,794,192</b>	<b>1,952,731</b>		<b>1,450,722</b>
<b>Total Revenues</b>	<b>6,375,023</b>	<b>6,566,686</b>	<b>6,997,581</b>		<b>6,542,431</b>

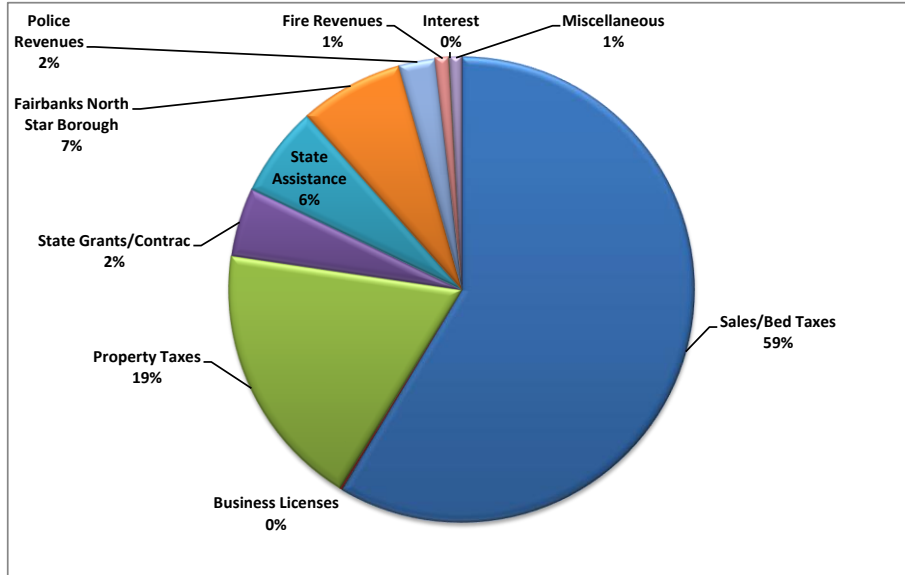
Note: This does not include interfund transfers (water/sewer) or transfer in from fund balance (general)

6,542,431

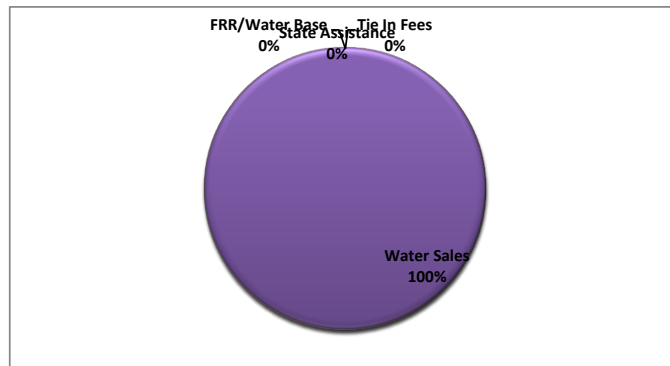
CITY OF NORTH POLE  
2012 BUDGET

CITY OF NORTH POLE - Breakout of Revenues - 2012

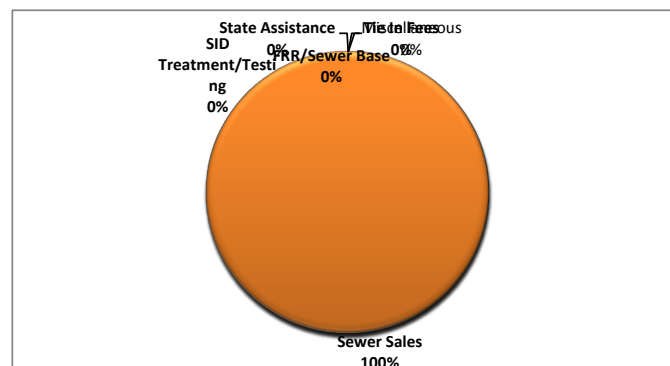
REVENUES - GENERAL FUND



REVENUES - UTILITY FUND - WATER



REVENUES - UTILITY FUND - SEWER



**CITY OF NORTH POLE  
2012 BUDGET**

**GENERAL FUND REVENUE - FUND 01**

Line #	Account Number	Account Title	2009 Actual	2010 Actual	2011 Budget	2011 Proposed	Amendments	Amendments	Amendments	2011 Budget
1	01-00-00-4002	Property Tax	939,603	913,593	952,870	945,000				945,000
2	01-00-00-4003	Ambulance Service	350,173	357,639	359,772	367,687	-			367,687
3	01-00-00-4005	Ambulance Fees		-	20,000	45,000				45,000
4	01-00-00-4008	Fire Department Revenue	39,163	18,460	21,000	3,000				3,000
5	01-00-00-4014	Police Department Revenue	-	-	-	-				-
6	01-00-00-4017	Citation Revenue	160,229	85,663	65,000	65,000				65,000
7	01-00-00-4018	FingerPrinting	8,312	8,226	8,650	8,650				8,650
8	01-00-00-4019	Police Reports	1,255	937	5,543	5,800				5,800
9	01-00-00-4021	Citation Revenue - Prior Year Collect.	-	59,556	42,000	50,000				50,000
10	01-00-00-4024	Impound Lot Fees	-	-	-	-				-
11	01-00-00-4025	Police Vehicle Revenue		163	400	400				400
12	01-00-00-4050	Credit Card/EFT User Fee	-	-	-	-				-
13	01-00-00-4062	Municipal Assistance	47,951	15,128	66,912	60,000				60,000
14	01-00-00-4140	Shared Taxes	76,305	67,145	59,264	58,000				58,000
15	01-00-00-4141	Business License	7,975	10,025	12,150	10,500				10,500
16	01-00-00-4142	Liquor License Revenue Sharing	4,600	4,200	5,200	5,200				5,200
17	01-00-00-4162	State Revenue Sharing	203,079	206,334	200,737	200,000				200,000
18	01-00-00-4163	Corps of Engineers Contract	67,632	68,476	70,000	76,448				76,448
19	01-00-00-4165	PERS Relief	200,634	118,698	89,360	-				-
20	01-00-00-5000	Sales Tax Revenue	2,208,579	2,502,922	2,608,803	2,586,620				2,586,620
21	01-00-00-5001	Sales Tax Penalties	(416)	-	-	-				-
22	01-00-00-5085	DOT Safety (CVI)	3,595	4,220	10,000	10,000				10,000
23	01-00-00-5800	Interest on Deposits	20,159	5,121	6,500	3,000				3,000
24	01-00-00-5801	Miscellaneous Revenue	34,278	21,687	21,000	40,000				40,000
25	01-00-00-5802	Alcohol Beverage Tax	149,704	206,588	236,263	204,950				204,950
26	01-00-00-5809	AHSO (ASTEP)	16,807	13,776	18,500	16,452				16,452
31	01-00-00-5815	FNSB-Beautification Funds	10,000	-	-	-				-
33	01-00-00-5817	Bed Tax	40,677	83,938	69,926	80,000				80,000
34	01-00-00-5818	Tobacco Tax			95,000	110,000				110,000
35	01-00-00-5XXX	AEA Energy Grant				140,000				140,000
36	01-00-00-5900	Transfer In From Fund Balance	300,000	30,676	-	-				-
		<b>Total</b>	<b>4,890,292</b>	<b>4,803,171</b>	<b>5,044,850</b>	<b>5,091,709</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,091,709</b>
					5,044,850					-

Department	2011		2012	
	% of Budget	Approved Budget	% of Budget	Approved Budget
Administration	14%	702,209	11%	581,600
Professional Services	4%	209,421	5%	252,443
Police	33%	1,644,070	33%	1,660,869
Fire	38%	1,906,443	37%	1,873,933
Public Works	12%	582,706	14%	722,864
Total General Fund Expenses		5,044,850		5,091,709
Total General Fund Revenue		5,044,850		5,091,709
<b>Difference</b>		<b>0</b>		<b>0</b>

**CITY OF NORTH POLE  
2012 BUDGET**

**ADMINISTRATION DEPARTMENT - Fund 01-01**

294,380

Line #	Account Number	Account Title	2009 Actual	2010 Actual	2011 Budget	2012 Proposed	Amendments	Amendments	Amendments	2012 Budget
1	01-01-00-6000	Accrued Salaries & Wages	10,339		-					-
2	01-01-00-6050	Salaries Expense	223,882	263,876	267,457	273,380				273,380
3	01-01-00-6060	Salaries Expense - Council	12,202	12,305	19,100	21,000				21,000
4	01-01-00-6090	Admin Overtime Exp	49	1,020	1,000	400				400
6	01-01-00-6097	Workers Comp. Ins.	1,263	1,866	2,200	2,004				2,004
7	01-01-00-6098	FICA	521	652	1,185	868				868
8	01-01-00-6099	Medicare	3,444	3,925	4,147	4,274				4,274
9	01-01-00-6100	PERS	72,457	76,572	70,488	61,772				61,772
10	01-01-00-6102	Health & Disability Insurance	69,361	65,680	81,000	81,000				81,000
11	01-01-00-6103	Leave Cash Out	10,242	4,133	6,000	5,000				5,000
13	01-01-00-6500	Borough Rep.				-				-
14	01-01-00-7001	Publications & Advertising	23,541	23,186	23,500	23,500				23,500
15	01-01-00-7002	Election Expense	3,777	4,358	4,000	4,500				4,500
16	01-01-00-7003	Promotion	4,663	5,094	8,000	6,000				6,000
17	01-01-00-7004	Travel/Administration	15,293	13,993	10,700	12,100				12,100
18	01-01-00-7006	Sales Tax Rebates	4,640	4,800	4,800	4,800				4,800

**CITY OF NORTH POLE  
2012 BUDGET**

**ADMINISTRATION DEPARTMENT - Fund 01-01**

294,380

[illegible]

Note: Account 01 01 00 6105, Insurance - in Prior Years, this was spread based on a percentage of the entire budget, in 2010, it was spread based on the the actual asset and liability belonging to each department.

PERSONNEL COSTS	2009	2010	2011	2012				2012
Salaries - Accrued	10,339	-	-	-	-	-	-	-
Salaries - Admin	223,915	263,876	267,457	273,380	-	-	-	273,380
Salaries - OT	49	1,020	1,000	400	-	-	-	400
Salaries - Council	12,202	12,305	19,100	21,000	-	-	-	21,000
Taxes	3,965	4,577	5,332	5,142	-	-	-	5,142
Pers	72,457	76,572	59,610	61,772	-	-	-	61,772
PERS (state paid)				-	-	-	-	-
Accrued Vacation Pay	10,242	4,133	6,000	5,000	-	-	-	5,000
Workman's Comp	1,263	1,866	2,200	2,004	-	-	-	2,004
Health Insurance	69,361	65,680	81,000	81,000	-	-	-	81,000
Total Cost of Personnel	403,793	430,030	452,577	449,698	-	-	-	449,698
(percent of operating budget)	73%	77%	77%	77%	#DIV/0!	#DIV/0!	#DIV/0!	77%
NON PERSONNEL COSTS	149,425	131,141	136,300	131,902	-	-	-	131,902
(percent of operating budget)	27%	23%	23%	23%	#DIV/0!	#DIV/0!	#DIV/0!	23%
TOTAL OPERATING BUDGET	553,218	561,170	588,877	581,600	-	-	-	581,600
Transfers Out to Utilities	300,000		-	-	-	-	-	-
Transfer Out to Fund Balance		-	113,332	-	-	-	-	-
TOTAL BUDGET	853,218	561,170	702,209	581,600	-	-	-	581,600



CITY OF NORTH POLE  
2012 BUDGET

**PROFESSIONAL SERVICES - Fund 01-02**

Line #	Account Number	Account Title	2009 Actual	2010 Actual	2011 Budget	2012 Proposed	Amendments	Amendments	Amendments	2012 Budget
1	01-02-00-6104	Insurance	22,495	21,364	22,800	23,000				23,000
2	01-02-00-7004	Audit & Accounting	50,582	20,702	20,783	21,000				21,000
3	01-02-00-7005	Legal Fees	44,190	12,318	30,000	6,000				6,000
5	01-02-00-7012	City Hall Bldg. Maintenance	13,991	15,121	20,000	-				-
6	01-02-00-7016	CH Electricity	9,784	9,817	10,500	10,500				10,500
7	01-02-00-7017	CH Heating Fuel	11,292	13,522	10,000	10,000				10,000
8	01-02-00-7019	Telephone, City Hall	7,695	9,528	6,000	8,450				8,450
9	01-02-00-7025	Dispatch Services				80,243				80,243
10	01-02-00-7035	Ordinance Codification		180	717	750				750
11	01-02-00-7042	Citation Court Admin Fees	12,134	4,634	8,000	5,000				5,000
12	01-02-00-7043	Citation SOJ Fees	1,025	15,225	13,685	10,000				10,000
13	01-02-00-7050	Credit Card User Fees	7,264	10,172	3,500	3,500				3,500
14	01-02-00-7071	Website Design & Maintenance	-	20,775	13,200	13,200				13,200
15	01-02-00-7201	Bed Tax to - Chamber	11,933.00	24,390	11,015	18,240				18,240
16	01-02-00-7203	Bed Tax to - Christmas in Ice	6,101.50	12,195	4,109	9,120				9,120
17	01-02-00-7204	Bed Tax to - Economic Develop.	20,338.33	40,650	30,013	30,400				30,400
18	01-02-00-7205	Bed Tax to - FCVB	2,033.83	4,065	5,099	3,040				3,040
		<b>TOTAL</b>	<b>220,858</b>	<b>234,656</b>	<b>209,421</b>	<b>252,443</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>252,443</b>

252,443

**CITY OF NORTH POLE  
2012 BUDGET**

**POLICE DEPARTMENT - Fund 01-03**

Line #	Account Number	Account Title	2009 Actual	2010 Actual	2011 Budget	2012 Proposed	Amendments	Amendments	Amendments	2012 Budget
1	01-03-00-6000	Accrued Salaries & Wages	28,144	-	-	-				-
	01-03-00-6xxx	Salaries	713,714	728,713	720,697	802,299				802,299.00
2	01-03-00-6019	Uniform Expense	4,248	3,235	7,000	6,000				6,000
3	01-03-00-6020	Investigative Expense	3,635	3,721	7,000	7,000				7,000
4	01-03-00-6022	Training Overtime	3,527	1,011	10,500	5,000				5,000
5	01-03-00-6030	Dispatch Contract	-	36,130	36,130	-				-
6	01-03-00-6090	Overtime	33,250	15,289	28,000	28,000				28,000
7	01-03-00-6091	Holiday Pay	12,175	4,662	7,500	7,500				7,500
8	01-03-00-6095	Grant Overtime - ASTEP	10,630	6,804	15,555	13,326				13,326
9	01-03-00-6096	Grant Overtime - CVI	1,683	5,132	8,000	8,000				8,000
10	01-03-00-6097	Workers Comp. Ins.	29,192	26,598	33,823	35,732				35,732
11	01-03-00-6098	FICA	44	-	-	-				-
12	01-03-00-6099	Medicare	11,138	10,591	12,244	12,530				12,530
13	01-03-00-6100	PERS	246,030	226,726	205,942	190,108				190,108
14	01-03-00-6102	Health & Disability Insurance	182,903	170,155	195,000	195,000				195,000
15	01-03-00-6103	Leave Cash Out	12,024	4,119	23,000	6,000				6,000
16	01-03-00-6105	Insurance	103,296	122,359	125,000	125,000				125,000
18	01-03-00-7001	Subscriptions & Publications	657	-	750	750				750

CITY OF NORTH POLE  
2012 BUDGET

**POLICE DEPARTMENT - Fund 01-03**

Line #	Account Number	Account Title	2009 Actual	2010 Actual	2011 Budget	2012 Proposed	Amendments	Amendments	Amendments	2012 Budget
19	01-03-00-7007	Maintenance Contracts	3,048	3,142	3,500	3,500				3,500
20	01-03-00-7008	Police Training	20,195	11,532	18,000	18,000				18,000
21	01-03-00-7009	Equipment Outlay	11,381	14,271	18,000	18,000				18,000
22	01-03-00-7010	Equipment Maintenance	4,392	4,647	5,000	5,500				5,500
23	01-03-00-7011	Building Maintenance	5,746	6,408	6,000	6,000				6,000
24	01-03-00-7014	Vehicle Maintenance	10,375	7,957	15,000	19,000				19,000
25	01-03-00-7015	Vehicle Gas & Oil	38,701	41,278	42,000	44,000				44,000
26	01-03-00-7016	Electricity	16,056	18,159	16,000	18,000				18,000
27	01-03-00-7017	Heating Fuel	6,922	4,901	12,000	13,000				13,000
28	01-03-00-7018	Telephone	20,408	21,685	21,000	21,000				21,000
29	01-03-00-7022	Office Supplies	3,253	4,312	5,000	5,000				5,000
30	01-03-00-7028	Operational Supplies	5,295	4,002	5,000	5,000				5,000
31	01-03-00-7029	Police/Miscellaneous	1,894	15,156	3,500	3,500				3,500
32	01-03-00-7031	Recruitment	3,071	2,521	3,450	3,450				3,450
33	01-03-00-7039	Postage	730	466	750	850				850
34	01-03-00-7061	Equipment Lease Payments	28,415	75,351	29,779	34,824				34,824
35	01-03-00-7062	Equipment Lease -interest.	-	2,268	3,950	-				-
37	01-03-00-7xxx	Vehicle Purchase (New)	-	-	-	-				-
		<b>TOTAL</b>	<b>1,576,174</b>	<b>1,603,300</b>	<b>1,644,070</b>	<b>1,660,869</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,660,869</b>
										1,660,869

Note: Account 01 01 00 6105, Insurance - in Prior Years, this was spread based on a percentage of the entire budget, in 2010, it was spread based on the the actual asset and liability belonging to each department.

Note: In the past the wages/benefits for the JAG and AHSO officers have been budgeted in the Police Department. In 2011, we are budgeting those officers in Funds 23 and 22.

CITY OF NORTH POLE  
2012 BUDGET

POLICE DEPARTMENT - Fund 01-03

Line #	Account Number	Account Title	2009 Actual	2010 Actual	2011 Budget	2012 Proposed	Amendments	Amendments	Amendments	2012 Budget
			2009	2010	2011	2012				2012
<b>PERSONNEL COSTS</b>										
		Salaries - Accrued	28,144	-	-	-	-	-	-	-
		Salaries	725,889	733,375	728,197	809,799	-	-	-	809,799
		Salaries - OT	36,777	16,300	38,500	33,000	-	-	-	33,000
		Grant Overtime	12,313	11,936	23,555	21,326	-	-	-	21,326
		Taxes	11,182	10,591	12,244	12,530	-	-	-	12,530
		Pers	246,030	226,726	173,855	190,108	-	-	-	190,108
		PERS (state paid)			32,087	-	-	-	-	-
		Leave Cash Out	12,024	4,119	23,000	6,000	-	-	-	6,000
		Workman's Comp	29,192	26,598	33,823	35,732	-	-	-	35,732
		Health Insurance	182,903	170,155	195,000	195,000	-	-	-	195,000
		Total Cost of Personnel	1,284,455	1,199,798	1,260,261	1,303,494	-	-	-	1,303,494
		(percent of operating budget)	81%	75%	77%	78%	#DIV/0!	#DIV/0!	#DIV/0!	78%
<b>NON PERSONNEL COSTS</b>			291,719	403,502	383,808	357,374	-	-	-	357,374
		(percent of operating budget)	19%	25%	23%	22%	#DIV/0!	#DIV/0!	#DIV/0!	22%
<b>TOTAL OPERATING BUDGET</b>			<b>1,576,174</b>	<b>1,603,300</b>	<b>1,644,069</b>	<b>1,660,868</b>	-	-	-	<b>1,660,868</b>
										1,660,868

INCLUDES F

CITY OF NORTH POLE  
2012 BUDGET

**FIRE DEPARTMENT - Fund 01-04**

Line #	Account Number	Account Title	2009 Actual	2010 Actual	2011 Budget	2012 Proposed	Amendments	Amendments	Amendments	2012 Budget
1	01-04-00-6000	Accrued Salaries & Wages	38,084	-	-	-				-
	01-04-00-6xxx	Salaries	846,273	877,739	881,511	914,250				914,250
2	01-04-00-6030	Dispatch Contract	36,130	36,130	36,130	-				-
3	01-04-00-6032	Ambulance Billing Fees			1,200	2,500				2,500
4	01-04-00-6090	Overtime	47,891	36,559	30,000	30,000				30,000
5	01-04-00-6091	Holiday Pay	16,849	15,660	13,000	13,500				13,500
6	01-04-00-6092	Overtime - Forestry			9,949					-
7	01-04-00-6094	Straight Time - Forestry			361					-
8	01-04-00-6097	Workers Comp. Ins.	63,709	60,788	78,850	95,097				95,097
9	01-04-00-6098	FICA	5,342	3,530	6,122	3,844				3,844
10	01-04-00-6099	Medicare	12,810	12,455	14,490	14,786				14,786
11	01-04-00-6100	PERS	284,066	251,646	243,523	210,705				210,705
12	01-04-00-6102	Health & Disability Insuarnce	210,226	193,597	247,000	247,000				247,000
13	01-04-00-6103	Leave Cash Out	23,110	15,214	20,000	20,000				20,000
14	01-04-00-6105	Insurance	64,394	50,498	54,000	54,000				54,000
15	01-04-00-61xx	Unemployment			6,290					-
16	01-04-00-7007	Maintenance Contracts	6,315	7,541	4,600	8,200				8,200
17	01-04-00-7008	Fire Training/Education	32,298	15,972	18,000	18,000				18,000
18	01-04-00-7009	Equipment Outlay	22,444	7,751	5,857	5,857				5,857

**CITY OF NORTH POLE  
2012 BUDGET**

**FIRE DEPARTMENT - Fund 01-04**

Line #	Account Number	Account Title	2009 Actual	2010 Actual	2011 Budget	2012 Proposed	Amendments	Amendments	Amendments	2012 Budget
19	01-04-00-7010	Equipment Maintenance	11,037	3,026	6,500	6,500				6,500
20	01-04-00-7011	Base Station/Radio Mnt.	840	406	1,500	1,500				1,500
21	01-04-00-7014	Vehicle Maintenance	11,348	11,988	9,000	9,000				9,000
22	01-04-00-7015	Vehicle Gas & Oil	21,035	16,219	19,951	20,000				20,000
23	01-04-00-7022	Office Supplies	2,195	981	3,000	3,000				3,000
25	01-04-00-7029	Fire Dept/Miscellaneous	5,499	3,830	3,500	3,500				3,500
26	01-04-00-7030	Building Supplies	2,900	2,636	2,500	2,500				2,500
27	01-04-00-7039	Postage	545	258	600	650				650
28	01-04-00-7040	Ambulance Supplies	20,625	19,335	17,500	17,500				17,500
29	01-04-00-7050	Part Time Labor	59,391	49,716	62,000	62,000				62,000
30	01-04-00-7061	Equipment Lease Payments	46,944	35,983	46,944	46,944				46,944
31	01-04-00-7062	Equipment Lease -interest.	15,476	10,962	-	-				-
32	01-04-00-7065	Fire Supplies (Expendables)	149	-	-	-				-
33	01-04-00-7075	Volunteer Incentive	1,504	2,561	964	1,500				1,500
34	01-04-00-7085	Prevention/Public Education	6,083	2,509	3,000	3,000				3,000
35	01-04-00-7095	Employee Health Protection	913	446	1,500	1,500				1,500
36	01-04-00-7099	NFPA Station Uniforms	3,597	5,493	3,000	3,000				3,000
37	01-04-01-7011	Fire Dept. Maintenance	5,905	3,368	3,000	3,000				3,000
38	01-04-01-7016	Fire Dept. Electricity	12,891	15,251	17,000	17,000				17,000
39	01-04-01-7017	Fire Dept. Heat	13,108	13,278	15,000	15,000				15,000
40	01-04-01-7018	Fire Dept. Telephone	12,059	13,591	9,800	9,800				9,800
41	01-04-02-7011	Annex Maintenance Expense	736	1,391	1,500	1,500				1,500
42	01-04-02-7016	Annex Electricity	2,148	2,344	2,000	2,000				2,000
43	01-04-02-7017	Annex Heat costs	4,587	5,010	5,500	5,500				5,500
44	01-04-02-7018	Annex Telephone	607	-	-	-				-
46	01-04-03-7016	Dorm Electricity	282	318	300	300				300
47	01-04-03-7017	Dorm Heat costs	1,000	2,309	-	-				-
48	01-04-00-7100	Lease Payments - Ladder Truck	-	-	-	-				-
		<b>TOTAL</b>	<b>1,973,348</b>	<b>1,808,289</b>	<b>1,906,443</b>	<b>1,873,933</b>	-	-	-	<b>1,873,933</b>

1,873,933

Note: Account 01 01 00 6105, Insurance - in Prior Years, this was spread based on a percentage of the entire budget, in 2010, it was spread based on the the actual asset and liability belonging to each department.

**FIRE DEPARTMENT - Fund 01-04**

1,873,933



**CITY OF NORTH PLE  
2012 BUDGET**

**PUBLIC WORKS DEPARTMENT - Fund 01-08**

Line #	Account Number	Account Title	2009 Actual	2010 Actual	2011 Budget	2012 Proposed	Amendments	Amendments	Amendments	2012 Budget
1	01-08-00-6000	Accrued Salaries & Wages	5,139	-	-	-				-
2	01-08-00-6xxx	Salaries	144,576	146,913	119,491	126,507				126,507
4	01-08-00-6090	Overtime	2,299	4,402	5,000	5,000				5,000
5	01-08-00-6091	Holiday Pay	100	-	-	500				500
6	01-08-00-6097	Workers Comp. Ins.	5,640	4,838	5,300	9,556				9,556
7	01-08-00-6098	FICA	1,177	651	2,492	2,492				2,492
8	01-08-00-6099	Medicare	1,245	1,121	2,513	2,168				2,168
9	01-08-00-6100	PERS	45,958	41,748	31,140	29,042				29,042
10	01-08-00-6102	Health & Disability Insurance	23,638	21,000	22,611	30,000				30,000
11	01-08-00-6103	Leave Cash Out		2,220	5,500	4,000				4,000
12	01-08-00-6105	Insurance	14,023	13,661	14,000	14,000				14,000
13	01-08-00-7000	Summer Hire	18,983	11,591	40,200	45,000				45,000
14	01-08-00-7001	Parks/Trails/Grounds Supplies	7,016	4,067	5,000	5,000				5,000
15	01-08-00-7008	Training	-	-	1,000	3,000				3,000
16	01-08-00-7009	Equipment Outlay	6,626	1,256	5,000	10,000				10,000
17	01-08-00-7011	Building Maintenance	2,964	1,360	40,000	144,000				144,000
18	01-08-00-7012	Street Maintenance	131,668	182,464	90,000	100,000				100,000
19	01-08-00-7013	Street Lights Maintenance	14,475	3,070	5,000	5,000				5,000
20	01-08-00-7014	Vehicle Maintenance	1,766	836	2,000	4,000				4,000
21	01-08-00-7015	Vehicle Gas & Oil	5,196	5,475	5,500	6,500				6,500
22	01-08-00-7016	Electricity	3,515	4,434	4,200	5,000				5,000
23	01-08-00-7017	Heating Fuel	10,117	10,695	10,000	12,000				12,000
24	01-08-00-7018	Telephone, Public Works	1,112	1,308	1,260	1,500				1,500
25	01-08-00-7020	Snow Removal	47,817	25,963	58,000	50,000				50,000
28	01-08-00-7029	Public Works Misc	3,015	10,129	15,000	5,000				5,000
29	01-08-00-7031	FMATS Match Participation	11,250	7,500	67,500	53,599				53,599
30	01-08-00-7032	Electricity -Street lights	35,103	39,441	20,000	30,000				30,000
31	01-08-00-7033	Christmas Decorations	9,674	5,000	5,000	5,000				5,000
32	01-08-00-7xxx	Road Reserve Account			-					-
33	01-08-00-7xxx	Backhoe (1/3 of expense)				-				
34	01-08-00-7xxx	Beautification (bed tax revenue)				15,000				15,000
35	01-08-00-7xxx	Bucket Truck (used)			-					-
		<b>TOTAL</b>	<b>554,090</b>	<b>551,144</b>	<b>582,706</b>	<b>722,864</b>	-	-	-	<b>722,864</b>

722,864

Note: Account 01 01 00 6105, Insurance - in Prior Years, this was spread based on a percentage of the entire budget, in 2010, it was spread based on the the actual asset and liability belonging to each department.

PERSONNEL COSTS	2009	2010	2011	2012	2012
Salaries - Accrued	5,139	-	-	-	-
Salaries	144,676	146,913	119,491	127,007	127,007
Salaries - OT	2,299	4,402	5,000	5,000	5,000
Part Time Employees	18,983	11,591	40,200	45,000	45,000
Taxes	2,422	1,773	5,005	4,660	4,660
Pers	45,958	41,748	26,288	29,042	29,042
PERS (state paid)		-	4,852		-
Leave Cash Out	-	2,220	5,500	4,000	4,000
Workman's Comp	5,640	4,838	5,300	9,556	9,556
Health Insurance	23,638	21,000	22,611	30,000	30,000

CITY OF NORTH PLE  
2012 BUDGET

PUBLIC WORKS DEPARTMENT - Fund 01-08

Line #	Account Number	Account Title	2009 Actual	2010 Actual	2011 Budget	2012 Proposed	Amendments	Amendments	Amendments	2012 Budget
		Total Cost of Personnel	248,754	234,485	234,247	254,265	-	-	-	254,265
		(percent of operating budget)	45%	43%	40%	35%	#DIV/0!	#DIV/0!	#DIV/0!	35%
		<b>NON PERSONNEL COSTS</b>	305,336	316,660	348,460	468,599	-	-	-	468,599
		(percent of operating budget)	55%	57%	60%	65%	#DIV/0!	#DIV/0!	#DIV/0!	65%
		<b>TOTAL OPERATING BUDGET</b>	<b>554,090</b>	<b>551,145</b>	<b>582,707</b>	<b>722,864</b>	-	-	-	<b>722,864</b>

CITY OF NORTH POLE  
2012 BUDGET

**WATER / SEWER ENTERPRISE FUND - Fund 02-xx**

WATER - 12-10		SEWER - 12-12		TOTAL WATER & SEWER	
Revenues	700,234	Revenues	750,488	Revenues	1,450,722
Expenses	700,234	Expenses	750,488	Expenses	1,450,722
Difference	-	Difference	-	Difference	-

CITY OF NORTH POLE  
2012 BUDGET

**WATER REVENUE - Fund 02-10**

Line #	Account Number	Account Title	2009 Actual	2010 Actual	2011 Budget	2012 Proposed	Amendments	Amendments	Amendments	2012 Budget
1	02-10-00-4165	PERS Relief	13,048	8,374	6,167					-
2	02-10-00-5000	Water Utility Revenue	679,274	642,159	726,108	700,234				700,234
3	02-10-00-5800	Interest on Deposits	-	-	-					-
4	02-10-00-5801	Miscellaneous Revenue	31,474	23,261	-					-
5	02-10-00-5802	Reimbursable Water Breaks	5,587	4,896	15,000					-
6	02-10-00-5810	Bulk Water Sales Revenue	776	-	-					-
7	02-10-00-5815	Tie-in Fees	2,805	19,900	-					-
8	02-10-00-5820	Interfund Trans.from General	147,898	-	-					-
9	02-10-00-5825	Water FRR Residential/Com'l	49,135	43,308	81,234					-
10	02-10-00-5830	Water Base	64,564	64,889	75,960					-
11	02-10-00-5835	Lab Testing	-	69,267	6,000					-
		<b>TOTAL</b>	<b>994,560</b>	<b>876,053</b>	<b>910,469</b>	<b>700,234</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>700,234</b>

700,234

**CITY OF NORTH POLE  
2012 BUDGET**

**WATER EXPENSES - Fund 02-10**

Line #	Account Number	Account Title	2009 Actual	2010 Actual	2011 Budget	2012 Proposed	Amendments	Amendments	Amendments	2012 Budget
1	02-10-00-6xxx	Salaries	137,735	145,926	149,894	146,697				146,697
1	02-10-00-6090	Overtime	1,833	1,266	2,000	3,000				3,000
2	02-10-00-6091	Holiday Pay	156	-	-					-
3	02-10-00-6097	Workers Comp. Ins.	5,597	5,095	11,500	5,883				5,883
4	02-10-00-6099	Medicare	2,053	2,060	2,500	2,171				2,171
5	02-10-00-6100	PERS	43,710	40,716	39,584	32,933				32,933
6	02-10-00-6102	Health & Disability Insurance	27,900	25,900	47,000	47,000				47,000
7	02-10-00-6103	Leave Cash Out	3,676	5,676	5,500	5,500				5,500
8	02-10-00-6105	Insurance	2,599	19,148	30,000	30,000				30,000
9	02-10-00-6500	Interest Expense ADWF	6,750	7,956	8,000					-
11	02-10-00-7001	Publications & Advertising	575	150	2,000	2,000				2,000
12	02-10-00-7003	Billing Service			1,800	3,000				3,000
13	02-10-00-7004	Audit/Accounting Fees	9,500	9,833	10,000	7,500				7,500
14	02-10-00-7005	Legal Fees	3,718	5,737	5,000	5,000				5,000
15	02-10-00-7006	Professional Services			10,000	5,000				5,000
16	02-10-00-7007	Safety Equipment	235	-	2,500	3,000				3,000
17	02-10-00-7009	Equipment Outlay/Repair	102,562	67,771	70,000	60,000				60,000
18	02-10-00-7011	System Supplies	7,306	8,469	10,000	10,000				10,000
19	02-10-00-7012	Water Treatment Chemicals	16,376	15,455	20,000	20,000				20,000
20	02-10-00-7014	Vehicle Maintenance	152	1,832	5,000	5,000				5,000
21	02-10-00-7015	Vehicle Gas/oil	4,955	3,839	4,000	4,000				4,000
22	02-10-00-7019	Laboratory	15,791	52,618	6,000	10,000				10,000
23	02-10-00-7021	Liability Insurance	11,440	12,559	17,500	15,000				15,000
24	02-10-00-7022	Office Supplies	2,196	899	3,500	5,000				5,000
25	02-10-00-7029	Miscellaneous	5,824	3,372	3,000	4,000				4,000
26	02-10-00-7039	Postage	398	1,931	1,000	3,000				3,000
27	02-10-00-7041	Bad Debt Expense	17,459	5,022	10,000	10,000				10,000
28	02-10-00-7045	Training			2,000	2,000				2,000
29	02-10-00-7050	Debt Retirement-AK.Drinking Water	-	-	25,000					-
30	02-10-00-7051	Credit Card User Fees			5,412	4,500				4,500
31	02-10-00-7060	Accumulated Annual Leave	2,933	(924)	-					-
32	02-10-00-7092	Transfer Out - FRR		43,308						-
33	02-10-00-7094	Transfer Out - Water Base		64,889						-
34	02-10-00-7300	Richardson Hwy. Dawson Crossin	-	-	-					-
35	02-10-00-7301	Ford Subdivision Water System	-	-	-					-
36	02-10-00-7400	Deferred Maintenance Expense	2,530	38,012	23,085	25,000				25,000

CITY OF NORTH POLE  
2012 BUDGET

**WATER EXPENSES - Fund 02-10**

Line #	Account Number	Account Title	2009 Actual	2010 Actual	2011 Budget	2012 Proposed	Amendments	Amendments	Amendments	2012 Budget
37	02-10-00-7500	Utility Truck Replacement	-	-	-					-
38	02-10-00-7802	Reimbursable Water Breaks	-	-	15,000					-
39	02-10-00-7900	Water Meter Upgrade	-	-	-					-
40	02-10-00-8100	Water - Depreciation Expense	280,354	263,116	-					-
41	02-10-04-7016	Electricity	65,531	67,620	75,000	60,000				60,000
42	02-10-04-7017	Heating Fuel	49,640	56,902	60,000	70,000				70,000
43	02-10-04-7018	Telephone WTP	4,846	6,295	6,000	10,000				10,000
44	02-10-04-7020	Building Maintenance	3,259	224	5,000	5,000				5,000
45	02-10-06-7016	Electricity - Hiway Park	13,176	20,322	20,000	20,000				20,000
46	02-10-06-7017	Heating Fuel - Hiway Park	3,245	4,364	3,000	3,250				3,250
47	02-10-06-7018	Telephone - Hiway Park	399	401	500	500				500
48	02-10-06-7020	Building Maintenance - Hiway Park	271	-	1,000	1,000				1,000
49	02-10-08-7016	Electricity - 8th Avenue	9,564	8,332	10,000	10,000				10,000
50	02-10-08-7017	Heating Fuel - 8th Avenue	8,091	2,906	2,500	2,500				2,500
51	02-10-08-7020	Building Maintenance - 8th Avenue	391	220	2,500	1,000				1,000
52	02-10-10-7016	Electricity - Stillmeyer	9,813	14,089	17,000	17,500				17,500
53	02-10-10-7017	Heating Fuel - Stillmeyer	2,372	2,000	1,500	2,000				2,000
54	02-10-10-7018	Telephone - Stillmeyer	456	458	500	300				300
55	02-10-10-7020	Building Maintenance - Stillmeyer	343	-	1,000	1,000				1,000
56	02-10-10-7092	Transfer to Water Reserves (FRR)	-	-	81,234					-
57	02-10-10-7092	Transfer to Water Reserves (Water Base)	-	-	75,960					-
58	02-10-007xxx	Electricity - Well House				7,500				7,500
59	02-10-007xxx	Heating Fuel - Well House				7,500				7,500
60	02-10-007xxx	Telephone - Well House				5,000				5,000
61	02-10-00-7999	Move to Retained Earnings	-	-	-					-
		<b>TOTAL</b>	<b>887,711</b>	<b>1,035,764</b>	<b>910,469</b>	<b>700,234</b>	-	-	-	<b>700,234</b>
										-

700,234

CITY OF NORTH POLE  
2012 BUDGET

**WATER EXPENSES - Fund 02-10**

Line #	Account Number	Account Title	2009 Actual	2010 Actual	2011 Budget	2012 Proposed	Amendments	Amendments	Amendments	2012 Budget
<b>PERSONNEL COSTS</b>			<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>				<b>2012</b>
		Salaries - Accrued								
		Salaries	137,891	145,926	149,894	146,697	-	-	-	146,697
		Salaries - OT	1,833	1,266	2,000	3,000	-	-	-	3,000
		Taxes	2,053	2,060	2,500	2,171	-	-	-	2,171
		Pers	43,710	40,716	33,417	32,933	-	-	-	32,933
		Pers (state pd)			6,167	-	-	-	-	-
		Accrued Vacation Pay	3,676	5,676	5,500	5,500	-	-	-	5,500
		Workman's Comp	5,597	5,095	11,500	5,883	-	-	-	5,883
		Health Insurance	27,900	25,900	47,000	47,000	-	-	-	47,000
		Total Cost of Personnel	222,660	226,638	257,978	243,184	-	-	-	243,184
		(percent of operating budget)	37%	34%	28%	35%	#DIV/0!	#DIV/0!	#DIV/0!	35%
<b>NON PERSONNEL COSTS</b>			<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>				<b>2012</b>
		(percent of operating budget)	63%	66%	72%	65%	#DIV/0!	#DIV/0!	#DIV/0!	65%
<b>TOTAL OPERATING BUDGET</b>			<b>607,357</b>	<b>664,451</b>	<b>910,469</b>	<b>700,234</b>	-	-	-	<b>700,234</b>
<b>DEPRECIATION EXPENSE</b>			<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>				<b>2012</b>
		Transfer Out to Water Reserves	-	108,197	-	-	-	-	-	-
<b>TOTAL BUDGET</b>			<b>887,711</b>	<b>1,035,764</b>	<b>910,469</b>	<b>700,234</b>	-	-	-	<b>700,234</b>



CITY OF NORTH POLE  
2012 BUDGET

**WATER RESERVES FUND - Fund 25-10**

Line #	Account Number	Account Title	2009 Actual	2010 Actual	2011 Budget	2012 Proposed	Amendments	Amendments	Amendments	2012 Budget
1	25-10-00-5901	Transfer From Water Dept (FRR)	-	43,308	81,234	81,355				81,355
2	25-10-00-5902	Transfer From Water Dept (Water Base)	-	64,889	75,960	78,840				78,840
		<b>TOTAL</b>	-	<b>108,197</b>	<b>157,194</b>	<b>160,195</b>	-	-	-	<b>160,195</b>

160,195

This is a new fund set up in 2010 to account for the revenues that are received from the FRR and Water Base portions of the Water bills.

Expenses to this fund will be for the repair and replacement of water utility infrastructure. These expenses will need to have the approval of council.

Expenses to this fund will also be for the 10% pay back on the principal and the related interest on various ADEC water loans.

**SEWER DEPARTMENT REVENUE - Fund 02-12**

Line #	Account Number	Account Title	2009 Actual	2010 Actual	2011 Budget	2012 Proposed	Amendments	Amendments	Amendments	2012 Budget
1	02-12-00-4165	PERS Relief	17,598	11,103	6,849					-
2	02-12-00-5000	Sewer Utility Revenue	574,726	579,399	681,328	750,488.00				750,488.00
3	02-12-00-5002	Flint Hills Lab Testing		-	-					-
4	02-12-00-5005	SID Pretreatment Program	-	-	5,000					-
5	02-12-00-5800	Interest on Deposits	365	393	-					-
6	02-12-00-5801	Miscellaneous Revenue	27,147	14,106	-					-
7	02-12-00-5802	Industrial SID Lab Tests	125,424	126,479	115,000					-
8	02-12-00-5805	Facility Repair & Replacement	78,120	79,548	76,891					-
9	02-12-00-5815	Tie-In Fees	1,613	6,100	-					-
10	02-12-00-5820	Interfund Trans.from General	152,102	-	-					-
11	02-12-00-5825	Sewer FRR Com'l & Residential	52,423	40,662	81,234					-
12	02-12-00-5830	Sewer Base	60,654	60,348	75,960					-
13	02-12-00-5900	Transfer In		30,567						-
		<b>TOTAL</b>	<b>1,090,171</b>	<b>948,706</b>	<b>1,042,262</b>	<b>750,488.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>750,488.00</b>

750,488

**CITY OF NORTH POLE  
2012 BUDGET**

**SEWER DEPARTMENT EXPENSES - Fund 02-12**

Line #	Account Number	Account Title	2009 Actual	2010 Actual	2011 Budget	2012 Proposed	Amendments	Amendments	Amendments	2012 Budget
1	02-12-00-6xxx	Salaries	175,728	186,593	163,676	183,184				183,184
1	02-12-00-6090	Overtime	13,322	8,564	10,000	10,000				10,000
2	02-12-00-6091	Holiday Pay	231	-	-					-
3	02-12-00-6097	Workers Comp. Ins.	7,943	7,317	12,000	8,463				8,463
4	02-12-00-6099	Medicare	2,757	2,708	2,500	2,881				2,881
5	02-12-00-6100	PERS	58,952	53,846	43,958	43,710				43,710
6	02-12-00-6102	Health & Disability Insurance	54,485	50,064	63,000	63,000				63,000
7	02-12-00-6103	Leave Cash Outs	3,822	6,330	5,000	5,500				5,500
8	02-12-00-6105	Insurance	2,599	20,012	30,000	30,000				30,000
9	02-12-02-6107	WWTP Land Acquisition	-	-	-					-
10	02-12-00-6500	Rev. Bond Int. (HwyPkSewer)	27,904	27,349	28,500					-
11	02-12-00-6501	Interest Expense - ACWF Loans	1,500	-	-					-
12	02-12-00-6600	Rev. Bond Princ.(HwyPkSewer)	-	-	7,500					-
15	02-12-00-7001	Publications & Advertising	2,565	748	1,000	2,000				2,000
16	02-12-00-7003	Billing Service			1,800	3,000				3,000
17	02-12-00-7004	Audit/Accounting Fees	9,500	9,833	10,000	7,500				7,500
18	02-12-00-7005	Legal Fees	791	7,705	5,000	5,000				5,000
19	02-12-00-7006	Professional Services	304	1,512	10,000	5,000				5,000
20	02-12-00-7007	Safety Equipment	340	166	2,500	2,500				2,500
21	02-12-00-7008	Pretreatment Program	88,083	38,460	5,000	5,000				5,000
22	02-12-00-7009	Equipment Outlay/Repair	67,345	16,285	70,000	70,000				70,000
23	02-12-00-7010	Utility Truck Replacement	-	-	-					-
24	02-12-00-7011	System Supplies	11,405	9,588	15,000	10,000				10,000
25	02-12-00-7012	I & I Evaluation & Repair	-	-	-					-
26	02-12-00-7013	WWTP Chemicals	23,593	13,994	25,000	20,000				20,000
27	02-12-00-7014	Vehicle Maintenance	1,893	2,455	5,000	5,000				5,000
28	02-12-00-7015	Vehicle Gas & Oil	4,816	5,286	5,500	5,500				5,500
29	02-12-00-7017	Heating Fuel - WWTP		-	-					-
30	02-12-00-7019	Laboratory	136,511	130,586	115,000	100,000				100,000
31	02-12-00-7021	Liability Insurance	13,583	10,000	15,000	15,000				15,000
32	02-12-00-7022	Office Supplies	1,332	436	2,500	2,500				2,500
33	02-12-00-7029	Miscellaneous	6,473	2,755	3,000	3,000				3,000
34	02-12-00-7039	Utility Postage	3,252	2,097	1,000	1,000				1,000
35	02-12-00-7042	Bad Debt Expense	1,038	622	1,000	1,000				1,000
36	02-12-00-7045	Training			2,000	2,000				2,000
37	02-10-00-7050	Credit Card User Fees			5,412	5,000				5,000
38	02-12-00-7060	Accumulated Annual Leave	2,933	(924)	-					-
39	02-12-00-7092	Transfer Out - FRR		40,662	81,234					-
40	02-12-00-7094	Transfer Out - Sewer Base		60,348	75,960					-
41	02-12-00-7096	Transfer Out - FRR Industrial		79,548	76,891					-
42	02-12-00-7300	Richardson Hwy. Dawson Crossing	-	-	-					-
43	02-12-00-7400	Deferred Maintenance Expense	-	-	21,339	20,000				20,000
44	02-12-00-8100	Sewer - Depreciation Expense	409,228	488,645	-					-
45	02-12-04-7016	Electricity -WWTP	44,174	53,050	50,000	50,000				50,000

CITY OF NORTH POLE  
2012 BUDGET

**SEWER DEPARTMENT EXPENSES - Fund 02-12**

Line #	Account Number	Account Title	2009 Actual	2010 Actual	2011 Budget	2012 Proposed	Amendments	Amendments	Amendments	2012 Budget
46	02-12-04-7017	Heating Fuel - WWTP	9,770	10,303	12,000	12,500				12,500
47	02-12-04-7018	Telephone - WWTP	2,691	3,227	3,200	3,200				3,200
48	02-12-04-7020	Building Maintenance - WWTP	2,044	220	5,000	2,500				2,500
49	02-12-05-7018	Telephone - SCADA		89	1,000	5,000				5,000
50	02-12-06-7016	Electricity - Generator Storage	368	230	500					-
51	02-12-06-7017	Heating Fuel - Generator Storage	-	-	-					-
52	02-12-70-7016	Electricity - Lift Station 1A - Holiday	4,048	4,772	4,500	5,500				5,500
53	02-12-70-7018	Telephone - Lift Station 1A	-	600	1,000	1,000				1,000
54	02-12-71-7016	Electricity - Lift Station 2A - Yukon	3,861	5,687	5,200	5,500				5,500
55	02-12-72-7016	Electricity - Lift Station 3A - Kitt	965	1,096	1,200	2,500				2,500
56	02-12-73-7016	Electricity - Lift Station 3B - 8th Ave	830	649	1,000	600				600
57	02-12-73-7018	Telephone - Lift Station 3B	-	428	750	600				600
58	02-12-74-7016	Electricity - Lift Station 3C - N Blanket	3,116	2,908	2,750	3,000				3,000
59	02-12-74-7018	Telephone - Lift Station 3C	-	390	1,000	600				600
60	02-12-75-7016	Electricity - Lift Station 4B - S Blanket	923	1,276	1,000	1,200				1,200
61	02-12-75-7018	Telephone - Lift Station 4B	448	459	1,000	500				500
62	02-12-76-7016	Electricity - Lift Station 4C - Black Bear	2,341	3,063	3,000	2,500				2,500
63	02-12-76-7018	Telephone - Lift Station 4C	456	459	1,000	500				500
64	02-12-77-7016	Electricity - Lift Station 4F - H&H	3,973	4,648	5,000	4,500				4,500
65	02-12-77-7018	Telephone - Lift Station 4F	-	345	1,000	800				800
66	02-12-78-7016	Electricity - Lift Station 5A - Finnel	2,197	1,671	2,200	800				800
67	02-12-78-7018	Telephone - Lift Station 5A	-	390	1,000	800				800
68	02-12-79-7016	Electricity - Lift Station 5B - Hurst	629	1,268	1,750	1,200				1,200
69	02-12-80-7016	Electricity - Lift Station 6A - Old Richardson	777	921	1,000	2,500				2,500
70	02-12-81-7016	Electricity - Lift Station 6B - Tanana	671	803	1,000	750				750
71	02-12-82-7016	Electricity - Lift Station Mockler	478	589	750	700				700
72	02-12-83-7016	Electricity - Lift Station Stillmeyer	2,922	3,823	3,500	4,000				4,000
73	02-12-83-7018	Telephone - Stillmeyer	456	421	1,000	500				500
74	02-12-00-7xxx	Move to Retained Earnings			6,692					-
		<b>TOTAL</b>	<b>1,222,368</b>	<b>1,387,372</b>	<b>1,042,262</b>	<b>750,488</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>750,488</b>

750,488

CITY OF NORTH POLE  
2012 BUDGET

**SEWER DEPARTMENT EXPENSES - Fund 02-12**

Line #	Account Number	Account Title	2009 Actual	2010 Actual	2011 Budget	2012 Proposed	Amendments	Amendments	Amendments	2012 Budget
		<b>PERSONNEL COSTS</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>				<b>2012</b>
		Salaries - Accrued								
		Salaries	179,781	192,924	168,676	188,684	-	-	-	188,684
		Salaries - OT	13,322	8,564	10,000	10,000	-	-	-	10,000
		Taxes	2,757	2,708	2,500	2,881	-	-	-	2,881
		Pers	58,952	53,846	37,109	43,710	-	-	-	43,710
		Pers (state pd)			6,849	-	-	-	-	-
		Accrued Vacation Pay	-	-	-	-	-	-	-	-
		Workman's Comp	7,943	7,317	12,000	8,463	-	-	-	8,463
		Health Insurance	54,485	50,064	63,000	63,000	-	-	-	63,000
		Total Cost of Personnel	317,240	315,423	300,134	316,738	-	-	-	316,738
		(percent of operating budget)	39%	44%	37%	42%	#DIV/0!	#DIV/0!	#DIV/0!	42%
		<b>NON PERSONNEL COSTS</b>	<b>495,900</b>	<b>402,747</b>	<b>501,351</b>	<b>433,750</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>433,750</b>
		(percent of operating budget)	61%	56%	63%	58%	#DIV/0!	#DIV/0!	#DIV/0!	58%
		<b>TOTAL OPERATING BUDGET</b>	<b>813,140</b>	<b>718,169</b>	<b>801,485</b>	<b>750,488</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>750,488</b>
		<b>DEPRECIATION EXPENSE</b>	<b>409,228</b>	<b>488,645</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
		Transfer Out to Water Reserves	-	180,559	234,085	-	-	-	-	-
		<b>TRANSE TO RETAINED EARNINGS</b>			<b>6,692</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
		<b>TOTAL BUDGET</b>	<b>1,222,368</b>	<b>1,387,373</b>	<b>1,042,262</b>	<b>750,488</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>750,488</b>

750,488

CITY OF NORTH POLE  
2012 BUDGET

**SEWER RESERVES FUND - Fund 27-12**

Line #	Account Number	Account Title	2009 Actual	2010 Actual	2011 Budget	2012 Proposed	Amendments	Amendments	Amendments	2012 Budget
<b>REVENUES</b>										
1	27-12-00-5901	Transfer From Sewer Dept (FRR)		40,662	81,234	66,521.00				66,521.00
2	27-12-00-5902	Transfer From Sewer Dept (Sewer Base)		60,348	75,960	72,060.00				72,060.00
3	27-12-00-5903	Transfer From Sewer Dept (FRR - Industrial)		79,548	76,891	79,477.00				79,477.00
		<b>TOTAL</b>	-	<b>180,559</b>	<b>234,085</b>	<b>218,058.00</b>	-	-	-	<b>218,058.00</b>
										218,058
<b>EXPENSES</b>										
4	27-12-00-7092	Transfer Out - FRR		30,567	-					-
										-

This is a new fund set up in 2010 to account for the revenues that are received from the FRR and Sewer Base portions of the Sewer bills.

Expenses to this fund will be for the repair and replacement of sewer utility infrastructure. These expenses will need to have the approval of council.

Expenses to this fund will also be for the 10% pay back on the principal and the related interest on various ADEC sewer loans.

CITY OF NORTH POLE  
2012 BUDGET

**CAPITAL PROJECTS FUND - 03-XX**

Line #	Project	Expense	Revenue	Revenue Source
1	Water Treatment Plant Engineering and Design	125,000	125,000	State MMG# 63321
2	Water Treatment Plant Engineering and Design	375,000	375,000	USDA Planning Grant
3				
4	Waste Water Treatment Plant Engineering and Design	125,000	125,000	State MMG# 63320
5	Waste Water Treatment Plant Engineering and Design	375,000	375,000	USDA Planning Grant
6				
7	Utility Garage	524,977	524,977	State MMG# 63319
8	Utility Garage	300,000	300,000	Water-Sewer Fund
9				
10	Well Rehabilitation and Adjustment Control Panel	147,500	147,500	State DCCED #09-DC-505
11				
12	Sewer Lift Station Renovation Phase 2	1,964,922	1,964,922	State MMG# 63317
13	Sewer Lift Station Renovation Phase 2	970,000	970,000	EPA-STAG XP-00J10701
14		148,603	148,603	Water-Sewer Fund
15				
16	Water Treatment Plant Roof Repair	4,237	4,237	State DCCED #08-DC-471
17				
18	Restricted Jet Vac Replacment Fund	30,000	30,000	Water-Sewer Fund
19	10 year replacement			
20				
21	Restricted Crane Truck Replacement Fund	20,000	20,000	Water-Sewer Fund
22	10 year replacement			
23				
24	Restricted Operator Truck Replacement Fund	7,500	7,500	Water-Sewer Fund
25	5 year replacment			
26				
27	USDA Loan 92.06 payment (sewer)	37,000	37,000	Assessments: 04-00-00-4500; 04-00-00-4600; 04-00-00-4700
28				
29	ADWF Loan 633011 payment (water)	33,000	33,000	Water-Sewer Fund
30				
31	Backhoe	90,000	60,000	Water-Sewer Fund
			30,000	Public Works
	<b>Restricted Funds</b>			
32	Restricted Jet Vac Replacment Fund	30,000		
33	10 year replacement			
34				
35	Restricted Crane Truck Replacement Fund	20,000		
36	10 year replacement			
37				
38	Restricted Operator Truck Replacement Fund	7,500		
39	5 year replacment			



CITY OF NORTH POLE  
2012 BUDGET

**BUILDING FUND - Fund 05**

Line #	Account Number	Account Title	2009 Actual	2010 Actual	2011 Budget	2012 Proposed	2012 Amendments	2012 Amendments	2012 Amendments	2012 Budget
<b>REVENUES</b>										
1	05-00-00-4001	Residential Plan Check Fee	2,000	3,526	8,000	9,750				9,750
2	05-00-00-4002	Residential Building Permit Fee	12,256	17,646	15,000	15,000				15,000
3	05-00-00-4003	Commercial Plan Check Fee	-	8,523	8,000	6,500				6,500
4	05-00-00-4004	Commercial Building Permit Fee	854	7,148	10,000	10,000				10,000
5	05-00-00-4005	Industrial Plan Check Fee	-	14,670	4,000	4,875				4,875
6	05-00-00-4006	Industrial Building Permit Fee	1,554	23,255	7,500	7,500				7,500
7	05-00-00-4007	Road Excavation Bond	5,000	5,000	5,000	5,000				5,000
8	05-00-00-4008	Storm Water Plan Inspection Fe	-	720	1,440	1,500				1,500
9	05-00-00-4009	Storm Water Permit Fee	-	-	960	960				960
10	05-40-00-4010	Special Inspection Fee	1,500	-	-					-
11	05-00-00-5900	Transfer In From Fund Balance	-	-	35,500	15,000				15,000
		<b>TOTAL</b>	<b>23,163</b>	<b>80,488</b>	<b>95,400</b>	<b>76,085</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>76,085</b>
				-						

76,085

<b>EXPENSES</b>										
12	05-00-00-7000	Road Excavation Bond Return	5,000	5,500	5,000	5,000				5,000
13	05-00-00-7001	Residential Plan Review	-	3,800	15,000	9,750				9,750
14	05-00-00-7002	Residential Inspections	1,500	7,808	23,000	20,000				20,000
15	05-00-00-7003	Commercial Plan Review	1,101	5,700	10,000	6,500				6,500
16	05-00-00-7004	Commercial Inspections	24,399	2,774	17,000	15,000				15,000
17	05-00-00-7005	Industrial Plan Review	-	10,225	8,000	4,875				4,875
18	05-00-00-7006	Industrial Inspections	-	18,281	10,000	7,500				7,500
19	05-00-00-7007	Storm Water Plan Inspections	-	960	1,440	1,500				1,500
20	05-00-00-7008	Storm Water Site Inspections	-	-	960	960				960
21	05-01-00-7001	Publications & Advertising	-	-	100	100				100
22	05-01-00-7005	Legal Fees	113	-	250	250				250
23	05-01-00-7006	Professional Services	-	-	3,000	1,000				1,000
24	05-01-00-7022	Office Supplies/Software	-	1,030	1,000	1,000				1,000
25	05-01-00-7029	Admin/Misc. Expenses	246	-	250	1,150				1,150
26	05-01-00-7041	Bad Debt Expense	1,500	-	-					-
27	05-01-00-7049	Training Classes/Manuals	660	-	400	1,500				1,500
		<b>TOTAL</b>	<b>34,519</b>	<b>56,079</b>	<b>95,400</b>	<b>76,085</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>76,085</b>

76,085

CITY OF NORTH POLE  
2012 BUDGET

**GAMING FUND - Fund 07**

Line #	Account Number	Account Title	2009 Actual	2010 Budget	2011 Budget	2012 Proposed	2012 Amendments	2012 Amendments	2012 Amendments	2012 Budget
<b>REVENUES</b>										
1	07-00-00-5000	Gaming Revenue - Other	-	-	-					-
2	07-00-00-5100	Gaming Revenue - Pull Tabs	2,100	-	-					-
		<b>TOTAL</b>	<b>2,100</b>	-	-	-	-	-	-	-
<b>EXPENSES</b>										
3	07-00-00-7999	Move to Fund Balance	-	-	-					-
4	07-00-00-7000	Gaming Expenses - Other	401	-	-					-
5	07-00-00-7003	Bank Service Charges	39	-	-					-
6	07-00-00-7005	NP Chamber of Commerce	-	-	-					-
7	07-00-00-7006	NP Senior Cntr	-	-	-					-
8	07-00-00-7007	NP Christmas in Ice	-	-	-					-
9	07-00-00-7049	Training Classes/Manuals		-	-					-
10	07-00-00-8040	Winter/Summer Festival		-	-					-
11	07-00-00-8045	Itadori Raffle Sale	-	-	-					-
12	07-00-00-8050	Itadori	-	-	-					-
13	07-00-00-8051	Taylor BC	-	-	-					-
14	07-00-00-8052	School Business Partnership	-	-	-					-
15	07-00-00-8053	Senior Citizens	-	-	-					-
16	07-00-00-8055	Boys & Girls Club	-	-	-					-
17	07-00-00-8070	Other Community Projects	-	-	-					-
		<b>TOTAL</b>	<b>440</b>	-	-	-	-	-	-	-

CITY OF NORTH POLE  
2012 BUDGET

**NORTH POLE COMMUNITY ICE RINK FUND - Fund 19**

Line #	Account Number	Account Title	2009 Actual	2010 Actual	2011 Budget	2012 Proposed	Amendments	Amendments	Amendments	2012 Budget
<b>REVENUES</b>										
1	18-00-00-4001	North Pole Community Ice Rink	1,100	12,660	-					-
<b>EXPENSES</b>										
2	18-00-00-7000	North Pole Community Ice Rink	5,722	2,170	-					-

This fund is used for repairs/maintenance at the North Pole High School Hockey Rink  
A community member makes the repairs and submits his invoices for reimbursement.  
Reimbursement is contingent on funds available - the city periodically receives donations for this purpose.

**CITY OF NORTH POLE  
2012 BUDGET**

**NORTH POLE FESTIVAL FUND - Fund 20**

Line #	Account Number	Account Title	2009 Actual	2010 Actual	2011 Budget	2012 Proposed	2012 Amendments	2012 Amendments	2012 Amendments	2012 Budget
<b>REVENUES</b>										
1	20-00-00-4001	North Pole Festival	38,312	32,265	-					-
<b>EXPENSES</b>										
2	20-00-00-7000	Expeditures	37,466	25,100	-					-
3	20-00-00-7001	Summerfest and		4,820						-
4	20-00-00-7002	Other Festivals	-	386		-	-	-	-	-
		<b>TOTAL</b>	<b>37,466</b>	<b>30,307</b>	-	-	-	-	-	-

This fund is used for expenses related to Summer Fest and the Mayor's Labor Day Picnic.  
Revenues are received from community donations for this purpose.

CITY OF NORTH POLE  
2012 BUDGET

**ABADE FUND - Fund 21**

Line #	Account Number	Account Title	2008 Actual	2009 Actual	2010 Actual	2011 Budget	2012 Proposed	2012 Amendments	2012 Amendments	2012 Amendments	2012 Budget
<b>REVENUES</b>											
1	21-00-00-4001	Revenues	7,069	9,148	6,137	-					-
<b>EXPENSES</b>											
2	21-00-00-7000	Expenditures	-	-	2,012	-					-

This fund is for drug forfeiture monies that come to the City through the Federal Government. These monies must be accounted for separately in their own fund. There are very tight restrictions as to the use of these monies. All expenses must be approved by the federal department of justice.

**AHSO TRAFFIC OFFICER FUND - Fund 22**

Note: The City has received a state grant for 100% funding of this position through September 30, 2011. The City is assuming that we will receive a state grant fully funding this position from October 1, 2011 through December 31, 2011. If, for some reason the City does not receive a continuation of the current grant, it is assumed that the funding of this position will continue under the General Fund.

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**CITY OF NORTH POLE  
2012 BUDGET**

**BYRNE/JAG OFFICER FUND - Fund 23**

Line #	Account Number	Names	Account Title	2009 Actual	2010 Actual	2011 Budget	2012 Proposed	Amendments	Amendments	Amendments	2012 Budget
<b>REVENUES</b>											
1	23-00-00-4001		Grant Revenue	59,231	69,819	71,285	69,578				69,578
2	23-00-00-4165		PERS Relief		2,818	424					-
			<b>TOTAL</b>	<b>59,231</b>	<b>72,637</b>	<b>71,709</b>	<b>69,578</b>	-	-	-	<b>69,578</b>
					-	-					
<b>EXPENSES</b>											
1	23-00-00-6xxx		Salaries	44,512	38,010	30,766	39,375				39,375
2	23-00-00-6090		Overtime		11,459	-	11,358				11,358
3	23-00-00-6091		Holiday Pay		53	-					-
4	23-00-00-6095		Grant Overtime			9,910					-
5	23-00-00-6097		Workers Comp. Ins.	2,312	2,049	2,395	2,268				2,268
6	23-00-00-6099		Medicare	799	743	811	736				736
7	23-00-00-6100		PERS	11,608	13,701	12,827	11,161				11,161
8	23-00-00-6102		Health & Disability Insurance		4,503	15,000	4,680				4,680
9	23-00-00-6103		Annual Leave		2,118	-					-
			<b>TOTAL</b>	<b>59,231</b>	<b>72,637</b>	<b>71,709</b>	<b>69,578</b>	-	-	-	<b>69,578</b>

69,578

69,578

The City receives a State grant that covers the cost of the JAG Police Officer. We do have a 25% match for which we use the costs of the Police Lieutenant who is budgeted in the General Fund. This grant is for the term of July 1, 2010 through June 30, 2011. It is assumed that the City will receive a grant to cover the costs for the term of July 1, 2011 through June 30, 2012. It is assumed that the funding of this position will continue under the General Fund. It should be noted that this position is a normal, full-time position within the Police Department, it was originally created under the General fund. The JAG grant was received at a later time to help offset the costs of this officer.

<b>PERSONNEL COSTS</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>				<b>2012</b>
Salaries - Accrued	-	-	-	-	-	-	-	-
Salaries	44,512	38,063	30,766	39,375	-	-	-	39,375
Overtime	-	11,459	9,910	11,358	-	-	-	11,358
Annual Leave		2,118						-
Taxes	799	743	811	736	-	-	-	736
Pers	11,608	13,701	12,827	11,161	-	-	-	11,161
PERS (state paid)								-
Accrued Vacation Pay	-	-	-	-	-	-	-	-
Workman's Comp	2,312	2,049	2,395	2,268	-	-	-	2,268
Health Insurance	-	4,503	15,000	4,680	-	-	-	4,680
Total Cost of Personnel	59,231	72,637	71,709	69,578	-	-	-	69,578
(percent of operating budget)	100%	100%	100%	100%	#DIV/0!	#DIV/0!	#DIV/0!	100%
<b>OPERATING COSTS</b>	-	-	-	-	-	-	-	-
(percent of operating budget)	0%	0%	0%	0%	#DIV/0!	#DIV/0!	#DIV/0!	0%
<b>TOTAL OPERATING BUDGET</b>	<b>59,231</b>	<b>72,637</b>	<b>71,709</b>	<b>69,578</b>	-	-	-	<b>69,578</b>

69,578

## CITY OF NORTH POLE

## 2012 BUDGET

## BEAUTIFICATION FUND - Fund 30

Line #	Account Number	Account Title	2010 Actual	2011 Budget	2012 Proposed	Amendments	Amendments	Amendments	2012 Budget
REVENUES									
1	30-00-00-5818	Candy Cane Donations	1,200	-					-
EXPENSES									
2	30-00-00-7000	Candy Cane Expenses	41	-					-

Note: This fund was created in 2010 to account for donations/grants related to city beautification efforts.



**CITY OF NORTH POLE**

**ORDINANCE 11-10**

**AN ORDINANCE OF THE CITY OF NORTH POLE, ALASKA AMENDING  
TITLE 4, AND ADDING SECTION 4.10.030, AMBULANCE/EMS SERVICES**

**WHEREAS**, changes to the North Pole Municipal Code is a continually changing requirement;  
and

**WHEREAS**, the City of North Pole Municipal Code should be amended to conform to the  
requirements of the City and to provide clarification as needed.

**NOW, THEREFORE, BE IT ORDAINED** by the City Council of the City of North Pole:

Section 1. This ordinance is of a general and permanent nature and shall be codified.

Section 2. General Provisions of the North Pole Municipal Code of Ordinances are  
added as follows:

1. The City hereby finds that residents who use City ambulance/EMS services are economically  
justified in receiving up to a 50% discount for said services due to the resident's financial  
support of ambulance/EMS services by the payment of City taxes.

2. The City shall, by ordinance, establish a fee schedule for ambulance/EMS services. All  
customers shall be charged the full fee for ambulance/EMS services and the City shall not waive  
any portion of this fee until the City has recovered all funds that are available through the  
customer's health care insurance or other third party payer, if any. Upon receipt of all available  
payments from third parties the City shall, for documented residents of the City only, waive that  
portion of the fee not paid by the customers insurance or other third party payer but any such  
waiver shall not exceed 50% of the full undiscounted fees for the service received.

a. In all cases in which the residency of the customer is in question, it shall be the  
obligation of the customer to , within 30 days of being requested to do so, provide all  
documentation necessary to establish their residency and their failure to do so shall be  
grounds to classify the customer as a non-resident.

b. All residency determinations shall be made by the Chief of the Fire Department and  
based upon a preponderance of the evidence. When a customer is determined to be a  
non-resident, the decision shall made in writing and mailed to the last known mailing  
address of the customer, subject to an appeal to the City Council. All appeals shall be  
filed, in writing, with the City Clerk within 15 days of the mailing of the written  
determination of residency by the Chief of the Fire Department and shall be determined  
by the City Council at the next regularly scheduled Council meeting. All determinations  
made by the City Council shall be final and not subject to any further appeal.

3. The customer, resident and nonresident, shall be legally responsible for paying all  
ambulance/EMS fees that are not waived or paid by the customer's health care insurance or  
other third party payer, if any.

Submitted by: Mayor Isaacson  
Introduced and Advance: November 21, 2011  
Possible Adoption: December 5, 2011

Section 3. Effective Date. This ordinance shall be effective at 5:00 pm on the first City business day following its adoption.

**PASSED AND APPROVED** by a duly constituted quorum of the North Pole City Council this 5<sup>th</sup> day of December, 2011.

---

DOUGLAS W. ISAACSON, Mayor

**ATTEST:**

---

KATHRYN M WEBER, MMC, City Clerk

**CITY OF NORTH POLE  
RESOLUTION 11-27**

**A RESOLUTION OF THE NORTH POLE CITY COUNCIL DESIGNATING CITY  
OFFICIALS AUTHORIZATION TO SIGN ON CITY OF NORTH POLE ACCOUNTS**

WHEREAS, in order to carry out the financial responsibilities of city government the City Council must designate two or more city officials to sign and endorse checks, drafts or other orders on behalf of the City of North Pole; and

WHEREAS, there is a change in personnel on the North Pole City Council and it is necessary for the City Council to designate city officials who will be authorized to sign and endorse checks, drafts or other orders on all City of North Pole accounts; and

WHEREAS, it is prudent for the City to seek financial services that safeguard the financial resources of the City providing the highest level of service at the most affordable cost and best interest rates.

THEREFORE, BE IT RESOLVED that the following city officials are hereby designated and authorized to sign and endorse checks, drafts or other orders on behalf of the City of North Pole. This authority will remain in effect until revoked in writing.

BE IT FURTHER RESOLVED that the city officials listed below are authorized to receive information pertaining only to deposits, balances, items paid or items returned on City accounts. This authority will remain in effect until revoked in writing.

**DOUGLAS W. ISAACSON**

\_\_\_\_\_

**SHARRON J. HUNTER**

\_\_\_\_\_

**RICHARD C. HOLM**

\_\_\_\_\_

**RONALD L. JONES**

\_\_\_\_\_

**THOMAS R. McGHEE**

\_\_\_\_\_

**DERRICK N. NELSON**

\_\_\_\_\_

**BRYCE J. WARD**

\_\_\_\_\_

**KATHRYN M. WEBER**

\_\_\_\_\_

**PASSED AND APPROVED BY A DULY CONSTITUTED QUORUM OF THE CITY  
COUNCIL OF THE CITY OF NORTH POLE, ALASKA THIS 21<sup>ST</sup> DAY OF  
NOVEMBER, 2011.**

**ATTEST:**

\_\_\_\_\_  
**DOUGLAS W. ISAACSON, Mayor**

\_\_\_\_\_  
**KATHRYN WEBER, MMC, City Clerk**

**CITY OF NORTH POLE**

**RESOLUTION 11-28**

**A RESOLUTION OF THE CITY OF NORTH POLE AUTHORIZING THE  
SUBMISSION OF A GRANT APPLICATION FOR AN ALASKA DEPARTMENT OF  
COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT BLOCK GRANT  
NOT TO EXCEED \$100,000 FOR THE PURPOSE OF INSTALLING FOOD  
PREPARATION, VENTILATION SYSTEMS AND ANCILLARY EQUIPMENT AT  
THE SANTA'S SENIOR CENTER**

**WHEREAS**, the City rents the city-owned building located at 101 East 5<sup>th</sup> Avenue to the Santa's Senior Center for a senior community center, and

**WHEREAS**, the Alaska Department of Commerce, Community and Economic Development is soliciting applications for Community Development Block Grants (CDBG) and one of the eligible populations is the elderly, and

**WHEREAS**, the Santa's Senior Center has been interested for over six years in upgrading the kitchen at the center to meet current Fire Marshal, building and Alaska Department of Environmental Conservation code requirements to make for a safer and more efficient facility; and

**WHEREAS**, the majority of the members of Santa's Senior Center attending a special meeting held on November 2, 2011 approved as their facility improvement priority upgrading the kitchen by installing new ventilation, food preparation and ancillary equipment, and

**WHEREAS**, the Santa's Senior Center Board of Directors at their regularly scheduled meeting held on November 16, 2011 approved applying for a CDBG to upgrade the facility's kitchen by installing new ventilation, food preparation and ancillary equipment, and

**WHEREAS**, at the regularly scheduled November 21, 2011 City Council meeting the North Pole City Council solicited public input on CDBG eligible project ideas including the Santa's Senior Center proposed kitchen renovation project, and

**NOW, THEREFORE, BE IT RESOLVED**, by the North Pole City Council of the City of North Pole approves submitting a grant application to the Alaska Department of Commerce, Community and Economic Development for a Community Development Block Grant not to exceed \$100,000 supporting the Santa's Senior Center proposal to upgrade the facility's kitchen by installing new ventilation, food preparation and ancillary equipment.

**PASSED AND APPROVED** by a duly constituted quorum of the North Pole City Council on the 21<sup>st</sup> day of November, 2011.

ATTEST:

---

**Douglas W. Isaacson**, Mayor

---

**Kathryn Weber**, MMC, City Clerk

**CITY OF NORTH POLE**

**RESOLUTION 11-29**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORTH POLE, ALASKA, SUPPORTING A LARGE VOLUME GASLINE WHICH WOULD SIGNIFICANTLY REDUCE THE COST OF ENERGY IN THE FAIRBANKS/NORTH POLE AREA AND OTHER PARTS OF ALASKA WITH GAS VIA A GASLINE FROM PRUDHOE BAY TO FAIRBANKS AND CONTINUING SOUTH TO GLENNALLEN, CONNECTING TO A SPUR LINE FROM GLENNALLEN TO THE EXISTING SOUTH CENTRAL GAS GRID AND CONTINUING TO THE KENAI PENINSULA FOR EXPORT, AND PROVIDING FOR EXPORT FROM THE ICE FREE DEEP WATER PORT AT VALDEZ.**

**WHEREAS**, Alaska is fortunate to have 35 trillion cubic feet of known gas reserves plus potentially an additional undiscovered hundreds of trillions of cubic feet of natural gas on Alaska's North Slope region, the development of this resource will provide billions of dollars of revenue to Alaska each year plus greatly increase the volume of oil put into the Trans Alaska Pipeline (TAPS), providing economic and revenue benefits to Alaska; and

**WHEREAS**, Alaska, while rich in natural resources, suffers from having the highest cost of energy and coldest temperature days per capita in the nation; and

**WHEREAS**, the Alaska Constitution, Article 8, Section 1 states, "It is the policy of the State to encourage the settlement of its land and the development of its resources by making them available for maximum use consistent with the public interest"; and Section 2 mandates, "The legislature shall provide for the utilization, development, and conservation of all natural resources belonging to the State, including land and waters, for the maximum benefit of its people"; and settlement requires access and affordable, competitive energy to develop commerce to sustain the settlement of Alaska; and

**WHEREAS**, the legislature is to be commended for taking steps to provide for the development of natural gas, the first effort being AGIA which is an international line through Canada toward which Alaska pays incentives of \$500 million and which is not likely to be built unless in phases, due to shale gas exploitation in North America; the second effort was House Bill 369 passed by the 26th Alaska Legislature in April 2010, establishing the Alaska Gasline Development Corporation (AGDC) as a subsidiary corporation of AHFC to pursue developing a project plan for delivering North Slope natural gas to Interior and Southcentral Alaska. The Legislature received AGDC's Project Plan in July 2011. The Plan described how a 737-mile-long, 24-inch-diameter Alaska Stand Alone Gas Pipeline/**ASAP** project could be feasibly designed, financed, constructed and operated as the legislation directed; however, as proposed, it does not provide for maximum settlement or benefit and has an inequitable tariff structure; and

**WHEREAS**, each legislative proposal for developing natural gas should include an evaluation of the following considerations:

- a. Does the routing of the pipeline encourage the greatest settlement of Alaska's land and provide for the maximum development of Alaska's resources? Does it facilitate the ability of the people to affordably live where cities and communities have already been established?
- b. Is the tariff equal to all parts of the pipeline, the resource being equally owned by all?
- c. Is the tariff as low as possible due to the ability to export?
- d. Is the diameter of the pipe as large as possible to be able to competitively market the resource?
- e. Are the terminal, or take-off, points placed for maximum integration into existing energy production and transmission infrastructure?

**WHEREAS**, AGDC's ASAP project would route through national and state parks along the Parks Highway which have minimal settlement or development opportunities thereby providing for minimal benefit to Alaskans; and because a 12 inch diameter pipe will be built approximately 35 miles from the main pipe to supply Interior Alaska but will stop 20 miles from the two oil refineries and 120 (plus) megawatt electric generation plant in North Pole which produce much of the gasoline, heating oil, jet fuel, and electricity for use throughout Interior, Rural and Southcentral Alaska, but the pipeline that is to benefit Alaskans, in its current form, will require Interior Alaskans to pay a greater tariff than the consumer in Southcentral *twice*: an additional tariff for a spur from the mainline, and additionally to construct the line to North Pole and/or beyond—negatively affecting the economics of such a spur to Interior Alaska; and

**WHEREAS**, AGDC's ASAP line projects the tariff by eventual demand, the actual price to the consumer may be too expensive to encourage an infrastructure build out and home or business conversions, but that dynamic could be changed by incentivizing the build-out and heating oil conversions in Interior Alaska by ensuring that the tariff is the same system-wide; if the cost to the consumer is not economical, make it economical by increasing the market of consumers through export opportunities from ports on the Kenai and at Valdez; if exports can't be facilitated because of the restrictions of AGIA, then either:

- a. The legislature should get us out of AGIA to allow for an in-state gasline with throughput greater than 500 million standard cubic feet per day (MMcfd); or
- b. The legislature should amend the provisions of HB 369 to ensure the routing of the 24 inch line is down the Richardson Highway, supplying the greater number of communities, including North Pole, Eielson AFB, Salcha, Delta Junction, Ft. Greely, and Glennallen, and bringing the energy supply to mining projects in operation or being permitted, such as Pogo Mine; or
- c. The legislature or Administration should marry AGIA and ASAP, thus allowing a large diameter pipeline to be built down the Richardson corridor to Delta, as a possible Phase 1 of the Trans Canada line, and be continued south to Glennallen, connecting to a spur line from Glennallen to the existing Southcentral gas grid and continuing to the Kenai Peninsula for export, and providing for export from the ice free, deep water port at Valdez; and

**WHEREAS**, it is time that this take place by moving natural gas throughout Alaska in such a way to provide a source of cheap, clean energy to heat our homes and businesses to the maximum number of Alaskans; the cost of energy in the Fairbanks/North Pole area, including the military bases, is threatening the very existence of our Interior communities; and

**WHEREAS**, the high cost of energy at our interior military bases could be a deciding factor if the bases were once again evaluated on a closure criteria; and

**WHEREAS**, the world markets for natural gas made into liquefied natural gas (LNG) are seeking suppliers of LNG to their countries, for example, Japan is seeking contracts from far away states like Pennsylvania and from Northern Europe which have travel distances far greater than the 3400 miles from Alaska to Tokyo, making Alaska LNG far more competitive when export is provided for; and

Whereas, the recently released report by the worldwide recognized energy leader Wood MacKenzie shows that LNG from Valdez is significantly more economical than LNG export projects being proposed in the Lower 48, British Columbia and Australia; and

**WHEREAS**, export is already provided for from the Kenai; and Governors Bill Egan, Walter Hickel, Jay Hammond, the late Senator Ted Stevens and 138,000 Alaska voters all supported and took steps in advancing the building of an All-Alaska Gasline parallel to the Trans-Alaska Oil Pipeline to Fairbanks and continuing south to tidewater at Valdez for liquefaction and export; and

**WHEREAS**, because of the robust economics in the Asian energy markets in need of LNG, Alaska finally has the opportunity to monetize its natural gas in such a manner that would bring billions of dollars each year in additional revenues to the State and low cost energy to Alaskans; and

**WHEREAS**, only a large volume gasline from Prudhoe Bay to Fairbanks and continuing south to the deepwater port at Valdez, the All-Alaska line, or through Glennallen to Southcentral and the Kenai, provides significant benefits to All Alaskans.

**NOW, THEREFORE, BE IT RESOLVED**, the North Pole City Council urges the Governor and Legislature to:

1. Ensure that any State supported in-state gas pipeline does not charge Fairbanks/North Pole an additional tariff and that the terminus be located to enable immediate connection to Interior Alaska's existing energy production and transmission infrastructure in North Pole; and
2. Utilizing the considerations and three options within this resolution, take immediate steps to advance the building of a large volume gasline from Prudhoe Bay parallel to the TAPS to tidewater at Valdez with the maximum amount of off-take locations at every logical local, such as the Yukon River, Fairbanks, all interior military bases, Delta Junction and Glennallen to points south, for the maximum gas distribution throughout Alaska; and
3. Make an analysis that evaluates the benefits of taking LNG or compressed natural gas (CNG) from Valdez, and the Yukon River to coastal communities throughout Alaska who are currently utilizing diesel fuel as the source of power generation and space heating.

**BE IT FURTHER RESOLVED**, this resolution is to be distributed to the Governor, Legislature, Congressional Delegation, AGDC, AGPA, AML, Trans Canada, City of Fairbanks, and the Fairbanks North Star Borough.

**PASSED AND APPROVED** by a duly constituted quorum of the North Pole City Council on the 21<sup>st</sup> day of November, 2011.

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**Douglas W. Isaacson**, Mayor

ATTEST:

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**Kathryn M. Weber**, MMC, City Clerk