



CITY OF NORTH POLE *Alaska*

REGULAR CITY COUNCIL MEETING **Tuesday, January 3, 2012**

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

COUNCIL MEMBERS

Richard Holm	488-1776
Sharron Hunter -Dep Mayor Pro Tem	488-4282
Ronald Jones – Mayor Pro Tem	488-3579
Thomas McGhee	455-0010
Derrick Nelson	
Bryce Ward – Alt Dep Pro Tem	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**
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**
None

12. New Business

- a. Approval of Liquor License Renewal for Oaken Keg Spirit Shop, 301 N Santa Claus Lane**

- b. Approval of Liquor License Renewal for Loyal Order of Moose #306, 300 S Santa Claus Lane**

- c. Approval of Liquor License Renewal for Benny's Grill, 101 S Santa Claus Lane**

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, December 19, 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, December 19, 2011 was called to order at 7:00 p.m.

There were present:

Mr. Holm

Ms. Hunter

Mr. Jones

Mr. McGhee

Mr. Nelson

Mr. Ward

Mayor Isaacson

Absent/Excused

Excused

PLEDGE OF ALLEGIANCE TO THE U.S. FLAG

Led by Mayor Pro Tem Ron Jones

INVOCATION

Invocation was given by Councilman Bryce Ward

APPROVAL OF AGENDA

Mr. McGhee moved to Approve the Agenda of December 19, 2011

Seconded by Mr. Holm

Discussion

None

PASSED

YES –6– Ward, Hunter, McGhee, Nelson, Holm, Jones

NO – 0

Abstained- 0

APPROVAL OF MINUTES

Mr. McGhee moved to Approve the Minutes of December 5, 2011

Seconded by Ms. Hunter

Discussion

None

PASSED

YES –6–Ward, Hunter, McGhee, Nelson, Holm, Jones

NO – 0 - Holm

Abstained- 0

COMMUNICATIONS FROM THE MAYOR

Communication Highlights from the Mayor for the period ending December 18, 2011

GENERAL:

- Legislative Priorities: Attached, or included in your emails, is a letter from Governor Parnell notifying us that he had included our request for the Utilities priority Techite Sewer Main Lining and Manhole Rehabilitation Project in the amount of \$2.5 million. Also included in your emails was my grateful reply on behalf of the Council and Staff. We made our legislative presentations for the City, assisted by Bill Butler, Director of City Services, and Geoff Coon, Deputy Fire Chief. The Legislators had questions and demonstrated interest in helping us achieve our capital projects requests, and to help us find a statutory solution to the problem that plagues the City and Businesses alike: the current inability to place appropriate signage along State roads. The Council has previously authorized me to pursue a community electronic billboard but we are hindered by strict interpretation that the sign must be placed on property owned by the City, which we do not own in the desired proximity to, say, the North Pole Plaza Mall.
- Christmas In Ice: continues through January 8. New ice sculptures are being added weekly. Plan on attending the New Year's Eve Snowflake Drop, and bring your neighbors, family and friends to count down the New Year! From 10 pm on, admission is free on December 31.
- The Winter Festival: The North Pole Community Chamber of Commerce, especially led by our own Payables Clerk Marilyn Zrucky put on an outstanding Candle Lighting Ceremony on the "make-up" December 11 date at the NPHS Auditorium. Thank you's go to the retiring King and Queen of North Pole, Phil Zastrow and Ethyl Stoneman, who participated in representing the Chamber and City at various functions. The incoming regents, King Carlo and Queen Bonnie Zanazzo have been long-time community-spirited individuals and I look forward to their contributions to the City this year. Perhaps Marilyn will be available to give a more complete report, but again, Kudos to her and Receivables / Utilities Clerk Tricia Fogarty for their planning and execution of this annual event.
- The Singing Santa: a retired Fireman and Policeman from Ohio, is out to break the Guinness World Record for a singing Santa by singing 125 hours non-stop in North Pole Alaska! I've attached a letter from Inspirational Media International that describes the event and the

opportunities. Council received this in the email, as did department heads and some community leaders. Let's help Santa accomplish this feat (no sleep!) and bring some positive news from North Pole during the 12 Days of Christmas! Thank you to all who help make this happen.

- Other Meetings: included going weekly to NPMS and helping with announcements and giving "Words of Wisdom", I also attended the Choir concert at NPHS, and the band/orchestra concert at NPE; a holiday party for the 354th Fighter Wing on Eielson AFB, teleconferences with the Alaska Municipal League Board regarding our approved resolutions; I was guest lecturer for four NPHS Alaska Studies Classes addressing current North Pole issues; Bill Butler, NPHS Staff and NPHS Football Boosters met with Don Jones of Field Turf, continuing our pursuit to assist the School District and the North Pole community to get an artificial turf field—which will extend our student athletes' seasons both in the spring and fall by several months, will decrease injuries, and provide an economic boon in that it decreases maintenance costs and allows Statewide competitions to be held in the Interior, bringing relief to local families' budgets and new customers to local businesses. FNSB Assembly woman Nadine Winters has promised to assist in this pursuit while I'm Outside on vacation.

- FMATS: the Fairbanks Metropolitan Area Transportation System (FMATS) Policy Committee meeting will be held on Dec 21, 10 am at the DOT Conference Room on Peger. Public comment is possible at the beginning and near the end of the meeting. The other two mayors and I provided back-up support to our highly capable MPO Coordinator, Donna Gardino, during the FMATS Interior Legislators briefing. Bill Butler has proxy for me during my absence.

FNSB ASSEMBLY MEETING:

The Agenda for the regular FNSB Assembly meeting held on December 8 at 6 pm included the following:

ORDINANCE NO. 2011-20-2A. An Ordinance Amending The FY 2011-12 Budget By Appropriating \$75,000 In Federal Pass-Through Grant Funding To The Transit Enterprise Projects Fund For A Dry Wood Education And Exchange Program. ***Was Adopted.***

ORDINANCE NO. 2011-20-2C. An Ordinance Amending The FY 2011-12 Budget By Appropriating \$798,240 In Federal Pass-Through Grant Funding To The Transit Enterprise Projects Fund To Install Electrical Plug-Ins At West Valley High School And To Provide Assistance For The First Three Years Of Plug-In Operation. ***Was Adopted.***

ORDINANCE NO. 2011-20-2E. An Ordinance Amending FY 2011-12 Budget By Appropriating \$100,000 To The Emergency Operations Department/Animal Control Division To Cover The Costs Of Veterinary Services And By Increasing Estimated Revenue For Charges For Services By A Like Amount And Amending Appendix E – User Fee Schedule/Animal Control Fees Of Ordinance No. 2011-20 For The Period Of July 1, 2011 Through June 30, 2012. ***Was postponed to February 23, 2012.***

RESOLUTION NO. 2011-44. A Resolution Identifying And Supporting Legislative Priorities, which included the New North Pole library and turf for two fields in Fairbanks, ***Was amended and Adopted.***

The Next Regular Assembly meeting is scheduled for January 12, 2012. For a list of meeting times and agendas, go to <http://co.fairbanks.ak.us/meetings/Assembly> .

MEDIA:

Dec 10: Mayor Isaacson was on KJNP (1170 AM, 100.3 FM) 8 – 9 a.m. “Over the Coffee Cup.” I also was interviewed by Radio New Zealand for the third year, have been requested to be on KOLD-TV in southern Arizona on Christmas Eve for the second year in a row, and to be on ABC Radio Australia for at least the third year. Look for a positive article in the Sunday newspaper insert “PARADE” magazine on Christmas Day featuring North Pole Alaska!

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

• **December: CHRISTMAS IN ICE continues**, see attached flyer

- **December 18 – January 9-ish:** Mayor Isaacson will be visiting family, Mayor Pro Tem Ron Jones will be acting in my place and conducting the Council meetings of December 19 and January 3. Merry Christmas and have a Happy New Year to all!

- ***Student of the Month*** – Alexa Bisso, North Pole High School

- ***Holiday Lighting Contest Awards***
 - Greater North Pole Residence - \$250, \$100, \$75
 - 1st Place – Joyce Given 2013 Blackburn
 - 2nd Place – Roger & JO Havens 3654 Laurance Rd.
 - 3rd Place – Patrick Wilson 3900 Hurst Rd.

 - North Pole Area Business - \$500, \$250, \$100
 - 1st Place – Dr. Rodriguez 2595 St. Nicholas Dr
 - 2nd Place – The Screaming Weasel Gift Shop 2255 Peridot

 - City Residence - \$500, \$250, \$100
 - 1st Place – Lucille Reese 2701 Perimeter Dr.

- ***Employee Service Awards***
 - Chad Heineken – 5 years -NPPD
 - Chad Rathbun – 5 years - NPPD
 - John Stewart – 5 years - NPPD
 - James Donovan – 5 years - Utilities

Kevin Nelson – 5 years - NPPD
Kathy Weber – 10 years – Admin/City Clerk
Kevin Haywood – 15 years – NPPD

- Department Heads introduce new employees
Police Department – Steven Fisher
Utility Department – Cody Lougee & Tom Blair

Mayor Pro Tem Ron Jones moved to suspend the rules for the Community Reception at 7:21 p.m.

Mayor Pro Tem Ron Jones called the meeting back to order at 7:33 p.m.

COUNCIL MEMBER QUESTIONS OF THE MAYOR

None

COMMUNICATIONS FROM DEPARTMENT HEADS, BOROUGH REPRESENTATIVE AND THE CITY CLERK

Fire Dept

- Deputy Chief Coon said that the squad is all dressed up and is patrolling the city from 6 – 9 p.m. The NPPD just went over 900 ambulance calls this year.
- Starting new recruit class in January 2012.
- Firefighter II class in February.

Police Department

- None

Accountant

- Lisa Vaughn spoke on the November 2011 Financial Statement and updated council on the status.

FNSB Representative

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Electrical Plug-Ins At West Valley High School And To Provide Assistance For The First Three Years Of Plug-In Operation. **Was Adopted.**

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Director of City Services, Bill Butler

December 19, 2011 Council Report

Bill Butler

Director of City Services

Building Department

- No new building permits since the last Council meeting on December 5
- In new year will submit for Council consideration revised building code ordinances
 - Ordinances will be based upon 2009 national building codes
 - Amendments to building codes will be based upon work of City of Fairbanks Building Department

Public Works

- Major Public Works activities have shifted to dealing with snowy & icy conditions
 - Warm temperatures have added to road icing problems
- Cody Lougee, our new Public Works Supervisor integrating well to his new position

Utility Department

- Governor's budget includes \$2,590,450 for the Utility's proposed Techite Sewer Main and Manhole Rehabilitation Project for a Municipal Matching Grant.
 - City received official Alaska Clean Water Fund loan document for Techite Sewer Main and Manhole Rehabilitation Project that will be matched with the governor's proposed Municipal Matching Grant
 - Loan offer includes up to a 15% principle forgiveness on \$1,416,500 (maximum \$120,689)
 - Combined potential funding for the project totals \$4,006,950
- Funding for utility capital projects since 2007, including proposed new award, equals over \$18,000,000 (see attached)

- Represents approximately \$27,700 per utility account (estimated 650 accounts)
- Represents approximately \$9,000 per city resident (estimated 2000 residents)
- Grant-funded capital projects represent expenses that utility rate payers will not have to pay for in their utility bills

City Clerk, Kathy Weber

November 21, 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.

- City offices will be closed on Monday, December 26, 2011 and on Monday, January 2, 2012.
- Our next council meeting will be held on Tuesday, January 3, 2012.

There are 6 days left until Christmas.

ONGOING PROJECTS

None

CITIZENS COMMENTS – 5 Minutes

None

OLD BUSINESS

ORDINANCE 11-09, AN ORDINANCE ESTABLISHING THE CITY OF NORTH POLE 2012 BUDGET AND LEVYING THE MIL RATE, THIRD READING

Lisa Vaughn stated that this was the 3rd and final reading of the budget. She said there were 2 sets of amendments before them that needed to be read into the minutes.

Public Comment

Tammy Randolph, 653 Blanket Blvd

Ms. Randolph stated that she had visited city hall earlier in the day and found out that there was a mistake in her numbers that she had calculated in the hand out to council members. The \$333,000,482 is the total amount of real property that was listed on Ord. 11-09 prior to the exemptions that take place. She said that the amount budgeted was correct and there really is not a \$400,000 shortfall but more like a \$7,000 under the anticipated reserves.

Mr. McGhee moved to Approve Ordinance 11-09, An Ordinance Establishing The City Of North Pole 2012 Budget And Levying The Mil Rate, Third Reading

Seconded by Mr. Ward

Discussion

None

Ms. Hunter moved to Amend Ordinance 11-09, as follows:

General Fund - Revenue

Line 34 - Tobacco Tax	01 00 00 5818	\$ 7,200	Total = \$117,200
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General Fund - Professional Services

Line 15 - Bed Tax - Chamber	01 02 00 7201	\$ 2,160	Total = \$ 20,400
Line 16 - Bed Tax - Christmas In Ice	01 02 00 7203	\$ 1,080	Total = \$ 10,200
Line 17 - Bed Tax - NPEDC	01 02 00 7204	\$ 3,600	Total = \$ 34,000
Line 18 - Bed Tax - FVCB	01 02 00 7205	\$ 360	Total = \$ 3,400
Total Changes		<u>\$ 7,200</u>	

Note: City of North Pole distribution of bed tax was originally budgeted at .76, these amendments reflect a distribution of 85%.

Utility Fund - Water Revenue

Line 2 - Water Utility Revenue	02 10 00 5000	\$25,895	Total = \$726,129
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Utility Fund - Water Expenses

Line 4 - Workers Comp	02 10 00 6097	\$ 1,767	Total = \$ 7,650
Line 5 - Medicare	02 10 00 6099	(\$ 51)	Total = \$ 2,120
Line 6 - Pers	02 10 00 6100	(\$ 821)	Total = \$ 32,112
Line 62 - Energy Reserves	02 10 00 7xxx	\$ 25,000	Total = \$ 25,000
Total Changes		<u>\$ 25,895</u>	

Note: These changes reflect prior changes made by the City Services Director that were not Included in the original budget. These changes also reflect the current water rates.

Utility Fund - Sewer Revenue

Line 2 - Sewer Utility Revenue	02 12 00 5000	(\$121,250)	Total = \$629,238
Line 7 - Industrial SID Lab Tests	02 12 00 5802	<u>\$115,000</u>	Total = \$115,000
Total Changes		<u>(\$ 6,250)</u>	

Utility Fund - Sewer Expenses

Line 4 - Workers Comp	02 12 00 6097	\$ 2,049	Total = \$ 10,512
Line 5 - Medicare	02 12 00 6099	(\$ 230)	Total = \$ 2,651
Line 6 - Pers	02 12 00 6100	\$ 3,492)	Total = \$ 40,218
Line 20 - Professional Svcs	02 12 00 7006	(\$ 2,000)	Total = \$ 3,000
Line 23 - Equipment Outlay	02 12 00 7009	(\$ 24,344)	Total = \$ 45,656
Line 31 - Laboratory	02 12 00 7019	\$ 15,000	Total = \$ 115,000
Line 44 - Deferred Maintenance	02 12 00 7400	(\$ 3,233)	Total = \$ 16,767
Line 75 - Energy Reserve	02 12 00 7xxx	<u>\$ 10,000</u>	Total = \$ 10,000
Total Changes		<u>\$(6,250)</u>	

Note: These changes reflect prior changes made by the City Services Director that were not included in the original budget. These changes also reflect the current sewer rates as amended at the council meeting of December 5, 2011

Seconded by Mr. Nelson

Discussion

None

On the amendment

PASSED

YES – 5 - Nelson, McGhee, Ward, Jones, Hunter

NO – 1 - Holm

Abstained – 0

Mr. McGhee changed his vote

PASSED

YES – 4 - Nelson, Ward, Jones, Hunter

NO – 2 – Holm, McGhee

Abstained – 0

On the main motion as amended

Discussion

Mr. Holm stated that he was not supportive of the proposed City of North Pole budget for the coming year 2012. Items to be funded out of bed-tax revenues should never be included in the general budget as line items, but felt this is only smoke and mirrors, an attempt to take our eye off the real problem. He saw the problem as being an out of control budget heavily overburdened in one area, that of emergency services. He said 70% of the entire budget of the City of North Pole is allocated to these areas, or 3.5 million dollars. Mr. Holm felt this was simply too much for a town our size. The fire dept is asking for 1.9 million dollars, which is 33% of our budget. He said it was apparent to him that the City of North Pole allocates far too little to our infrastructure (waster, sewer, roads) and now, the city is asking us to increase rates for water and sewer. He made a caparison to the City of Fairbanks whose budget allows for 20.3% to be spent on police services and 21% for fire services. He stated that the national average for police officers in a community is 2 officers per 1000 citizens. For fire fighters the national average is 1.68 full time firefighters per 1000 citizens. The City of Fairbanks has a population of 36,000 and employs 47 police officers which is within the national average, North Pole employs 14 officers for a population of only about 2200 within city limits. He said to fall within the national average the city should have between 5 and 6 officers and that is was hard to argue with national averages which means the City is out of control in this budget area. Mr. Holm stated that the Fire Department budget is in even worse shape. The City of Fairbanks employs 42 firefighters for a 36,000 citizenry while the City of North Pole employs 14 or 15. The City of Fairbanks falls within the national average while the City of North Pole does not.

Mr. Holm said that the citizens don't care that the fire department has state of the art facilities and that our fire and police departments are way over budgeted. The citizens want good dependable sewer and water service at reasonable rates and good roads, good utilities, street lights and sidewalks. He said good infrastructure will enhance and encourage economic development and pride in our city and that citizens now are paying way too much and receiving way too little. He said he would argue that other than ambulance and EMT services, the City probably needs to be out of the fire department business altogether, or similar to the North Star Fire Department which has 5 or 6 paid employees and the remainder are trained volunteers. He stated that the Flint Hills refinery has a full time fire department of its' own with several trucks and emergency vehicles and would only call the City of North Pole for back up. North Star has two stations within 2 or 3 miles of our city and can respond very quickly. He said the City of North Pole has only had two fires within the city limits in the past 10 years and it appears that the City spends a lot of money primarily to back up everyone else outside our city limits.

Mr. Holm urged the council to take the necessary steps to realign the budget and priorities. He said to blindly approve the existing budget without change or a plan for downsizing departments in a logical manner would be irresponsible and the townspeople have entrusted the council with the task of oversight and deserve nothing less than the council's best effort. He said the council needs to take the necessary time to look into these matters and that the budget approval can wait long enough for the council to debate the pros and cons and make an informed decision.

Mr. McGhee said he fully supports Mr. Holm. He also supports Tammy Wilson and her letter and voted no on this budget since came forward. He said council was not properly prepared during the budget session and all they heard was expenses. He said they council didn't even have revenue hearings during the budget sessions to be able to discuss where the revenues were coming from and to set up future infrastructure revenues to help protect the city from having high shortfalls. He commented that everyone is suffering from the high cost of living and was under the impression that this budget would be decreased. Mr. McGhee stated that this budget does not meet the true needs of the residents nor has it in 4 years or more. He said it has increased when council was under the impression that it would be decreased and he sees no savings to help protect the city and will vote no on it tonight.

Mr. Jones stated that council definitely could have had more meetings or could have called for more meeting and asked the clerk what would happen if they didn't pass the budget tonight.

Ms. Weber read from the North Pole Charter in which it states: *Failing adoption, the budget proposal as submitted or amended shall become an appropriation and the budget for the fiscal year without further Council action.*

Ms. Hunter said she didn't understand that a budget they didn't approve would still be approved.

Mr. Holm asked what their alternative was and if they could approve it for two months or three months.

Ms. Weber stated that they can come back and amend the budget at any time.

Mr. Ward said it is a good starting point and there are areas that the council can address. It is a good budget and a good direction to move in. He said that it is a living document and they can

go through and review it and should review it throughout the year. He stated that he is voting for it as it shows stability to the residents and employees that they are going to get caught up in small issues or affect wages.

Ms. Hunter said that the utility can pay for itself and sees a presumption that the city could take money from other parts of the budget and put it towards the utility. She said that the way it is set up now, the rate payers pay for utilities.

Ms. Vaughn stated that Utility pays for itself.

Mr. Jones stated that the council needs to address these things.

Mr. Holm said that he fully expects that the budget will pass tonight and he will not support it. He said he expects the council to not wait another year and work this next year to change this whole picture and get a plan to downsize departments that have grown to a monstrous size for the size of our community. He said the city can't continue to maintain this. He said council needs to set up a mandatory reserve account and meet very soon on bed tax allocations. He doesn't intend to sit on council and talk about these things. He wants a plan. He said the city does not have the population to warrant the kind of budget before us.

Mr. Ward encouraged the rest of the council to vote on the budget and shows citizens and employees that they are willing to work through these issues and look into reserve accounts and increasing our fund balance to make sure we are fiscally stable. He said that by not passing the budget would show the citizens and employees that you are not supporting them. He is looking forward to attending the finance committee meetings.

Mr. Nelson said this budget is a starting point to adequately fund what department heads wonderfully proposed to them in their presentations. He said the council does need to address a lot of mandates next year and do need to address and make some amendments in some areas but feels it's a good budget.

Mr. McGhee said he has had the pleasure of being on the council for many years and is enjoying the pleasure of the new council members as they come aboard and bring new ideas and direction. He said he is still with Dick Holm and has been in the area for 18 years and the growth of the population is not compared to the growth of the two highest expended departments that they have. He said the city has fine departments and does an excellent job. Mr. McGhee said the Department Heads have done exactly what the mayor has asked them to do but that's not what residents are saying. He asked where the community center, playgrounds and infrastructure where. What is the council saying to our city administration, who are paid employees, and the council is not paid employees. He said the council is not a paid employee and are only paid to come in to the meetings and monitor the budget and situations that the city does. He said council then turns around and ask them to provide the services to us and tell us how they can reduce the costs. Mr. McGhee told council to listen to the constituents and the neighborhoods. The residents asked for a community center a long time ago and they blew it down. He stated that the city has an old log building across the highway that the city leases to North Pole Community Chamber of Commerce. He wants council to encourage NPEDC to look for sustainable revenue that's going to stay and doesn't feel they are going in the right direction. He appreciated

everything everyone was saying but hasn't heard anything new. He also didn't feel like \$800 on coffee cups and \$800 on a fake electronic Christmas tree to take away the traditional Christmas tree was in the right direction.

On the main motion as amended

PASSED

YES – 4- Ward, Nelson, Hunter, Jones

NO – 2 – McGhee, Holm

Abstained – 0

**ORDINANCE 11-11, AN ORDINANCE OF THE CITY OF NORTH POLE, ALASKA
AMENDING TITLE 13, PUBLIC SERVICES**

Mr. Butler came forward with sample bills for different monthly usages for single family rates for 2011 and 2012.

Public Comment

Lydian Nelson, 815 Marquette Loop

Ms. Nelson said Mr. Butler is doing an awesome job and wished he could talk with someone from the electric company.

Mr. McGhee moved to Approve Ordinance 11-11, An Ordinance Of The City Of North Pole, Alaska Amending Title 13, Public Services

Seconded by Mr. Holm

Discussion

Mr. Ward said he sat down with Mr. Butler and went over his figures. He is happy with how this is presented and it shows the rate, makes sense and he appreciates Mr. Butler's effort.

Mr. McGhee said he has been here 18 years and it's been a struggle dealing with a rapidly aging system. He said the city has taken on projects that were in question. The rates are justifiable based on Mr. Butler's calculations although expenses are based on the number of people that support. He said he pays nothing for water and sewer and doesn't agree with that and would rather be participating now for the future water and sewer that will come instead of getting a big assessment later on his property to help afford it. He asked Mr. Butler to look to the future and those subdivisions that will come online and start building a revenue fund now to help support this. He stated that he will support this rate increase.

PASSED

YES – 6- Hunter, Ward, Nelson, McGhee, Holm, Jones

NO – 0 –

Abstained – 0

NEW BUSINESS

RECONSIDERATION OF RESOLUTION 11-30, A RESOLUTION OF THE NORTH POLE CITY COUNCIL SUPPORTING THE CONSTRUCTION OF LANDSCAPE IMPROVEMENTS AT THE CORNER OF FIFTH AVENUE AND ST. NICHOLAS DRIVE

Mr. Ward *moved to bring Resolution 11-30 back to reconsideration.*

Seconded by Mr. McGhee

Discussion

None

PASSED

YES – 5- Hunter, Ward, Nelson, McGhee, Jones

NO – 1 – Holm

Abstained – 0

Mr. McGhee asked what NPEDC would be doing for beautification on the other side of the roundabouts.

Paul Brown said the original plans for the round about and the 5th Ave beautification was something that was discussed with DOT. There are 13,000 cars that drive by that area every day. This is an important area and they have been working for over 10 years to develop a new Welcome to North Pole sign.

Mr. McGhee said this was a very big concern with the sign and asked if the final design will come back to council for design approval.

Mr. Brown said the drawing has not been approved by DOT as yet and they will come back to council for approval. He stated that when trying to get money from the state you need to have community support and get money for beautification.

Mr. Ward said he moved to reconsider and had concerns about the sign and this is just an idea and realized that it's only a working copy and some of the issues on signage can be discussed.

Mr. Holm asked about an area on the drawing that was blank and that it looked like half a project.

Mr. Brown said that there were two points; 1. They had to leave an area for snow dumping and 2. The other is about the direction of traffic.

Mr. Holm said he would not support this and that it was not the function of Economic Development.

Ms. Hunter said she was concerned about the sign and the safety. She asked for clarification.

Mr. Brown said that DOT has asked for final design and they are working with different considerations for the signs.

Public Comment

Lydian Nelson, 815 Marquette Loop

Ms. Nelson said that Ms. Hunter made a good point about the sign and would like to see something safer.

Mr. Ward *moved to Approve Reconsideration Of Resolution 11-30, A Resolution Of The North Pole City Council Supporting The Construction Of Landscape Improvements At The Corner Of Fifth Avenue And St. Nicholas Drive*

Seconded by Mr. McGhee

Discussion

Mr. McGhee said he has had conversations with Mr. Otis. He wants Econ Dev to get out of the beautification and more into bringing new business to town. Based on getting the whole story he has changed his mind and will support it. It's hard to get DOT to do anything and this is state money going into state land and won't be upset if this all comes around. Directing the sign to the 5th Ave Park is a good idea.

Mr. Ward agreed that it's a move forward in the city. There are signage issues and these can be fixed. It's only a rough draft. It's state money for state land.

Mr. Jones said it was a major concern with the sign.

Mr. Holm said you can put up a sign and the photo shoot is going to be made at Santa Claus House. He dislikes it and it will be an eyesore if DOT puts snow there. It's not a good idea. If there is a \$100,000 then work should be done on Santa Claus Lane. It could be better spent on 5th Ave Park.

Ms. Hunter is concerned and would like to see Economic Development do more sustainable projects. She will vote for it and should not detract efforts for sustainable income. She doesn't want this project to detract from it.

Mr. Holm said that it's only for 5 months out of the year and nobody is going to enjoy it anyway. Economic Development should be doing things that help year round. A fair amount of citizens don't even get over that way.

PASSED

YES – 5- Hunter, McGhee, Ward, Nelson, Jones

NO – 1 - Holm

Abstained – 0

REQUEST FOR MAYOR ISAACSON, COUNCILWOMAN SHARRON HUNTER, AND COUNCILMAN RON JONES TO TRAVEL TO JUNEAU TO ATTEND THE 2012 WINTER LEGISLATIVE MEETING FROM FEBRUARY 7 – 9, 2012

Mr. Jones informed council that the Mayor, Councilman Jones, and the City Clerk all held positions on the AML Board this year. Councilwoman Hunter is serving on a committee.

Mr. McGhee moved to Approve The Request For Mayor Isaacson, Councilwoman Sharron Hunter, And Councilman Ron Jones To Travel To Juneau To Attend The 2012 Winter Legislative Meeting From February 7 – 9, 2012

Seconded by Mr. Nelson

Discussion

Mr. McGhee spoke against council traveling to Juneau and didn't see the benefit to the city.

Mr. Jones explained that the City has 3 people on the board and 1 on a committee. He also said it is an opportunity to speak directly with legislators on bringing funding to our communities.

Mr. Holm spoke against this and said it was irresponsible on the part of the council to spend money helter skelter on these small issues. He felt that going to Juneau for a legislative session could be accomplished just as easily as calling them on the phone.

Mr. Ward said that we had money set aside for travel. He stated that he is relatively new to AML and can definitely see that if we don't have a presence there things could shift to a direction that we would not be beneficial to the Interior. He also said it was great that there are 3 members from our city on the board and there is money set aside for this.

Mr. Holm said that it wasn't like they are not supporting AML and have already in the past made commitments to send as a body, our council members to the summer meetings and to the fall meeting. He said this was an additional meeting that they are committing to. He said AML is a very worthwhile organization but council can keep adding and adding meetings and would be more appropriate for the mayor to attend than other council members on the city's nickel. Although it's good to have council members, city clerks, or anyone else on these boards and committees, when they accept an appointment to a committee it doesn't automatically commit the council to spend additional dollars to get them there.

Ms. Weber stated that all the travel in the budget under admin has been put in place with the commitment to these conferences. There is a scheduled meeting in February, August, and one in the fall. To have 3 people from the City of North Pole on the board of AML is a huge thing and can sway a lot of decisions in the Interior and Alaska. When a council member or a clerk decide to take on one of positions, it is a financial commitment from the council and they have a responsibility to be there. For your council members to have been voted to be on the board by their peers in the government of other cities is a huge thing that this council should be proud of. She stated that this is one of the trips that have been budgeted for in the Admin travel budget.

Mr. McGhee said that Ms. Weber is correct on the line item in the budget. They did give a definition with the budget presentation of where these funds were going and that each one was

budgeted for. He said the council should re-evaluate it and look over the schedule of the AML meeting. He said none of the members have given an agenda or reason why they are going to Juneau.

Mr. Jones said that one thing that he is going down for is the library funding.

PASSED

YES – 4 - Nelson, Ward, Hunter, Jones

NO – 2 – Holm, McGhee

Abstained – 0

ANNUAL REVIEW AND APPOINTMENT OF COMMITTEE MEMBERSHIPS

Mr. Jones presented the Annual Review of Committees from the mayor.

Public Comment

None

Mr. McGhee *moved to Approve Annual Review And Appointment Of Committee Memberships*

Seconded by Mr. Holm

Discussion

None

PASSED

YES – 6- Nelson, Ward, Hunter, McGhee, Holm, Jones

NO – 0

Abstained – 0

COUNCIL COMMENTS

Mr. Holm – is concerned the way the city is going financially and will expect to work with committees and council to set direction. The city needs to set up reserve accounts and minimums and look at the allocations of the bed tax. He is looking forward to doing a lot of work this next year.

Ms. Hunter – is flabbergasted by some of the remarks and feels that going to a Volunteer Fire Department is such a step backward and she wouldn't even considering doing that and would not want to. She is proud that we have a good fire department and maybe some cuts could be made. The Police and Fire are one of the main functions of the city and wants that to stay in place and doesn't want employees in those department to feel as though they are under threat for a job this next year when in fact we may be able to work with the budget and modify it.

Mr. Nelson – have a safe trip home and Merry Christmas.

Mr. McGhee – hopes everyone has a merry Christmas and solstice. There was a lot said and a lot discussed. He reminisced about the former mayors. He said nothing has changed in two terms with Mr. Isaacson and we are stills struggling with a budget and if we are able to support what we have. There is no future goal and the city has no community center and the city still couldn't find money for the Grange to support an artist's exhibition. He asked where the council's direction and motivation to the bedroom community, families, and services are. He didn't know anything about the Christmas lighting contest or the festivals. He said there was no participation from the community and no information given out. Mr. McGhee said there is arbitrary spending going on. The Mayor doesn't have this arbitrary account that he can keep spending from and writing checks for this stuff. A little bit of pennies add up. He is concerned about our local legislature was concerned about the city's budget. He said that was the first time in 18 years that a local legislator sent an email concerned about the budget of North Pole. He was grateful that she did as her points were right on. The point on her second letter has been said by council members for the last 18 years...we are growing faster than the population. He doesn't want to go backwards and is pleased with Fire Department that we have and the direction of the Police Department. He is willing to have the mil rate increased to help support the services but not to create a user fee. He said they need to have direction to tell the mayor what we need to do. He stated that unfortunately your last mayor cut him off at the hind end and nobody was on the council here that voted for it to take the mayor's power away. You don't have a business manager, you have employees running the city. He said he can't run the city based on the fact that the employees are running the city and the employees are growing the departments. The Council directs department heads to bring it in line. He doesn't want to go backwards but they have to find a way to support what they currently have and put a hold on growth. He said he respectfully said he would not turn his phone off and he will not. He said he has not abused his phone on the dais. He said it has been abused in the past by council members in the City of North Pole. He doesn't feel that the council should be looking at anything on their ipads or iphones other than business. He would like to hear from Mr. Jones and Ms. Hunter on what they are doing at the AML meeting. The signage is important and people are attracted to it. Council needs to stand up and speaking how they feel and will no longer vote yes just to vote with the council. He appreciates Mr. Ward on his new endeavor and is looking forward to next year. He appreciates Mr. Holms perspective and point of view as a long term businessman in North Pole. He's afraid that Mr. Holm made the Police Department mad because all of a sudden half of the force was outside the door. He said council doesn't want to cut but they have to find ways to maintain it and have responsible growth. He appreciates working with Mr. Jones this second term of working together and working with AML. He thanked Ms. Hunter and stated that they don't agree on everything but appreciates everything she does on the council. He also said that Mr. Nelson was too quiet and is looking forward to hearing from him. He said that hopefully council can come up with some goals. He said the city doesn't pay him to come up with ideas other than to come to meetings and if he doesn't make the meeting he doesn't get paid. It's not his responsibility to come up with all the answers. He said as a group they need to have a mission and department heads need to make it happen.

Mr. Ward – looking forward to 1st financial meeting and encouraged everyone to attend. He said Merry Christmas and thank you to all of our departments and those who serve the city. Fire, Police, Public Works and Utilities and Administration you are all a valuable part of making sure this city operates in an efficient manner as we serve our residents. He is pleased to see that the

budget passed but he does have areas he would like to see improvement on and by passing it council has established a good base in which to tackle these issues. The city needs a plan for the future and they should be looking to the future. As we move into the New Year he encouraged all residents, employees and public servants to look to the future and think about what they would like to accomplish this next year. What goals do they want to achieve, what direction should they be pursuing as a city and then how they want to get there. He asked everyone to take with their friends, leaders, and the council to let them know where they want to go and how they can help to get the city there. He said that we are coming up on one of the most anticipated days of the year, on that we have chosen to build the theme of our city around. He challenged those who were at the meeting to reflect on what Christmas means to you and your family and to remember the greatest gift we can give is our time, our love, ourselves, as these gifts are also the greatest gift we can receive. He asked everyone to reflect on the sacrifices of our fellow countrymen who serve with great diligence to protect that which we hold dear and to our savior whose birth we celebrate Christmas day and thanked everyone for coming to the meeting.

Mayor Pro Tem Jones - said he did mean what he said when he was elected and the New Year they will look at the budget. He is concern about employees and not having a cost of living increase. He said we need city infrastructure and sustainability and it's not going to survive with Christmas In Ice and other non profits. They also need to work on the Grange and helping it out. He will have an agenda when he comes back from AML and his first concern is the library and working towards it. Council does need to be motivated and stay motivated. He was glad we passed the budget tonight and won't get anywhere without working together. Merry Christmas to everyone and get out to Christmas in Ice.

ADJOURNMENT

Mr. McGhee *moved to adjourn the meeting of December 19, 2011*

Seconded by Mr. Jones

No Objection

The regular meeting of December 19, 2011 adjourned at 9:35 p.m.

These minutes passed and approved by a duly constituted quorum of the North Pole City Council on Tuesday, January 3, 2012.

DOUGLAS W. ISAACSON, Mayor

ATTEST:

KATHRYN M. WEBER, MMC, City Clerk

CITY OF NORTH POLE
2012
MAYOR & COUNCIL MEMBERS

Council Member	Mailing Address	Phone
<u>Mayor</u>		
Doug Isaacson Term 10/09-10/12 email: mayor@northpolealaska.com	1003 Shirley Turnaround North Pole, AK 99705	(C)322-3133 (F)488-3002
<u>Council Members</u>		
Richard C. Holm Term: 10/10-10/13 nprxlab@hotmail.com	167 Santa Claus Lane North Pole, AK 99705	(H)488-1776 (W)488-8555
Sharron Hunter, Term: 10/10 – 10/12 email: shunter@northpolealaska.com	322 Crossway North Pole, AK 99705	(H)488-4282 (W)488-3761
Ronald L. Jones Term: 10/10 – 10/12 ronaldjones@gci.net rjones@northpolealaska.com	2410 San Augustin Dr. North Pole, AK 99705	(H)488-3579 (C)978-4018 (W)377-5019
Thomas R. McGhee Term: 10/10 – 10/13 email: cherokeerider@acsalaska.net	1152 North Star Dr. North Pole, AK 99705	(W)455-0010
Derrick N. Nelson Term: 10/11 – 10/14 Email: dnelson@northpolealaska.com drcknlsn@yahoo.com	815 Marquette Loop North Pole, AK 99705	(C)301-904-4153
Bryce J. Ward Term: 10/11 – 10/14 Email: bward@northpolealaska.com BryceWard@WardAlaska.com	606 E 5 th Ave North Pole, AK 99705	(H)488-7314 (C)388-4830
<u>City Clerk/HR Manager</u>		
Kathy Weber email: Kathy@northpolealaska.com	125 Snowman Lane North Pole, AK 99705	(H)488-1284 (W)488-8583 (C)388-2728 (F)488-3002

City of North Pole Web Site is located at: www.northpolealaska.com



State of Alaska

Department of Public Safety

Alcoholic Beverage Control Board

Sean Parnell, Governor

Joseph A. Masters, Commissioner

December 21, 2011

Renewal Application Notice

City of North Pole

Attn: City Clerk

VIA EMAIL: kathy@northpolealaska.com

DBA	Lic Type	Lic #	Owner	Premise Address
Oaken Keg Spirit Shop #1821	Package Store	778	Carr-Gottstein Foods Co	301 N Santa Claus Ln
Loyal Order of Moose #306	Club	3177	North Pole Loyal Order of Moose #306	300 S Santa Claus Lane
Benny's Grill	Restaurant/Eating Place	4905	08 Capital, Inc	101 S. Santa Claus Lane

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

Alcoholic Beverage Control Board

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

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.

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: 12/29/2011

Re: Oaken Keg Spirit Shop, Loyal Order of Moose and Benny's Grill

All of the businesses listed above are current on their utility bills. Oaken Keg Spirit Shop and Loyal Order of Moose are current and in good standing in regards to their city sales tax. Benny's Grill is closed and therefore doesn't remit sales tax or hold a City of North Pole business license.

Thank you,

Tricia



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

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

Date: December 29, 2011

To: City of North Pole

Re: Renewal Applications for:

**Oaken Keg Spirit #1821
Loyal Order of Moose #306
Benny's Grill**

The North Pole Police Department has no documented problems with these establishments. There have been no incidents that would warrant our objection to any renewal of their applications under Title 4.

Thank you

A handwritten signature in black ink, appearing to be "S. Dutra", written over a horizontal line.

Lt. Dutra