



CITY OF NORTH POLE *Alaska*

REGULAR CITY COUNCIL MEETING **Tuesday, February 17, 2015**

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

MAYOR

Bryce Ward 888-4444

CITY CLERK

Kathy Weber, MMC 488-8583

COUNCIL MEMBERS

Michael Welch- <i>Mayor Pro Tem</i>	488-5834
Thomas McGhee- <i>Deputy Mayor Pro Tem</i>	455-0010
Preston Smith – <i>Alt. Deputy Mayor Pro Tem</i>	488-8824
Elizabeth Holm	488-6125
Sharron Hunter	978-5591
Kevin McCarthy	590-0800

1. **Call to Order/Roll Call**
2. **Pledge of Allegiance to the US Flag - girl scout troop 224**
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

- a. Ordinance 15-01, An Ordinance of the City of North Pole, Alaska to Amend Chapter 8.04 Nuisances and Add Section 8.04.05 to prohibit the extraction of marijuana oils within city limits
- b. Ordinance 15-02, an ordinance of the City of North Pole, Alaska to amend title 12 Streets, Sidewalks and Public Places by adding Chapter 03 Marijuana use in public places, to regulate the consumption of marijuana in a public place

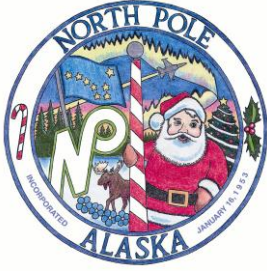
12. New Business

- a. Approval of SDEU Dodge Pickup sale
- b. Request from North Pole Economic Development Corporation for quarter 2014 Bed Tax
- c. Request to Sign an Agreement with Alasconnect for IT Services & Data Storage.
- d. Request to Purchase Detective Vehicle for \$15,000 using Police Fleet Fund.
- e. Committee Appointments.
- f. Ordinance 15-03, An Ordinance of the City of North Pole, Alaska to amend Title 2, Administration and personnel, Chapter 2.36.470 Pay.
- g. Ordinance 15-04, An Ordinance Requesting the Purchase of a Vehicle for Detective/Crime Scene Operations Using Justice Funds.

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, February 2, 2015 in the Council Chambers of City Hall, 125 Snowman Lane, North Pole, Alaska.

CALL TO ORDER/ROLL CALL

Mayor Ward called the regular City Council meeting of Monday, February 2, 2015 to order at 7:00 p.m.

There were present:

**Ms. Holm
Ms. Hunter
Mr. McCarthy
Mr. McGhee
Mr. Smith
Mr. Welch
Mayor Ward**

Absent/Excused

CALL TO ORDER/ROLL CALL

Mayor Ward called the regularly scheduled meeting of the North Pole City Council to order on Monday, February 2, 2015 at 7:00 p.m.

PLEDGE OF ALLEGIANCE TO THE U.S. FLAG

Led by Mayor Ward

INVOCATION

Invocation was given by Ms. Holm

APPROVAL OF AGENDA

Mr. McGhee moved to Approve the Agenda of February 2, 2015

Seconded by Mr. Smith

Discussion

None

Mr. Welch moved to pull from the agenda the following items:

New Business

- a. Approval of SDEU Dodge Pickup sale.

Seconded by Mr. McGhee

On the Amendment

Yes: 7 - Holm, McGhee, Welch, McCarthy, Smith, Hunter, Ward

No: 0-

Absent: 0

On the main motion as amended

PASSED

Yes: 7 - Holm, McGhee, Welch, McCarthy, Smith, Hunter, Ward

No: 0-

Absent: 0

APPROVAL OF MINUTES

Mr. Welch *moved to* Approve the minutes of January 20, 2014.

Seconded by Mr. McGhee

Discussion

None

PASSED

Yes: 7 - Holm, McGhee, Welch, McCarthy, Smith, Hunter, Ward

No: 0-

Absent: 0

COMMUNICATIONS FROM THE MAYOR

I attended the second small group discussion on dispatch last week. The meeting was productive in the sense that we all have nailed down a methodology. The group agreed to meet again in the next 10 days to decide on a formula to bring to the large group. We also briefly discussed the governance of the Dispatch Center and how it could be improved upon. We should have a schedule that will outline basic services and enhanced services so that members can “shop” for the best rate to fulfil the needs of their agencies.

I will be traveling to Juneau with the Fairbanks Chamber’s annual legislative fly-in tomorrow. The trip will be from February 3rd to the 5th and will be action packed. I look forward to speaking to our delegation and other legislators.

The assembly last week was filled with testimony on the concerns of citizens. Concern was voiced in regards to the right to clean air and the right to heat your home. I was at the meeting until after 11:00 p.m. and testimony was not done yet. The presiding officer informed the public that they would stay until all had a chance to comment and that they would not make any decision on Thursday. The official discussion and vote will take place on February 12th and there are already several amendments.

I have received a response from the DOT regarding the Richardson. The State is asking if we are interested in the changes taking place this summer to the Richardson Highway. I am assuming the intent is that it comes sooner than later. Please let me know if the council has a preference.

I will be out of the office for at least a week when my wife gives birth to our firstborn. I will be making arrangements for the office in my absence. I will inform the council as soon as my son is born for the duration I will be absent.

COUNCIL MEMBER QUESTIONS OF THE MAYOR

Mr. McGhee asked if copies of the workshop on marijuana would be made available for council members.

Mayor Ward stated that the clerk would make copies available for those who wanted.

COMMUNICATIONS FROM DEPARTMENT HEADS, BOROUGH REPRESENTATIVE AND THE CITY CLERK

Fire Department, Chief Lane

- None

Finance, Tricia Fogarty

-

Police Department, Chief Dutra

- Our legislative grant for our HVAC is now complete. We have an inspector coming out on Wednesday to do the final and we will be done with heating and ventilation upgrades. Hope to secure financing for cooling and get that project started soon.
- Please remind everyone about our Coffee with a Cop on Saturday at McDonalds. We will be there between 0900-1000 hours. This is a time to come and chat about anything I will be there along with Sgt. Binkley and we are excited to meet with the citizens. I invite you to come join us. We will pay for the coffee.

- We just sponsored a field training class here at city hall last week. I want to thank the staff at city hall for putting up with all the police officers. Sponsoring this class saved us the money of having to send officers out for the training. It also helps to bring in lots of people to eat at our local establishments.
- We are also hosting a course in the next few months called Blue Courage. Should be well attended.
- Officer Missimer just returned from Sitka where he attended the Municipal Law enforcement academy. Passed with flying colors. This class is required for officers who need state law and procedural updates.
- I attended the Air Force Community Partnership Program Initial planning meeting. Well attended by a lot of organizations. Looking for ways to do better collaboration between Air Force and local groups both private and public.
- Stats – from 2014 – a few issues but most of the trends I am disturbed about I had already briefed the council during 2014.

Mr. Welch asked about the speed limit increase to 65 mph and what his thoughts were on it.

Mr. Smith asked about adding any extra public service activities for police.

Director of City Services, Bill Butler

Natural Gas Update: February 2, 2015

IGU has not had a board meeting since Governor Walker announced the signature of a letter of intent to buy Fairbanks Natural Gas. The IGU board of directors must satisfy the same open meeting laws as the City Council so there have been no on-line discussions among board members about this development. There will be an IGU board meeting on Tuesday, February 3.

Based upon newspaper articles, the estimated \$52 million to purchase Fairbanks Natural Gas will come from AIDEA funds, not funding approved in Senate Bill 23. Senate Bill 23 allocated \$303 million in loans, grants and credits to fund a natural gas trucking project from the North Slope. To use Senate Bill 23 funding for another purpose—like a project to obtain gas from Cook Inlet—would require legislative action. (Two representative new articles are attached.)

IGU's efforts to create a gas project are going ahead uninterrupted—invitations for bids are scheduled to be released within a week for construction of the first gas lines, including the lines to be installed in the City of North Pole in summer 2015; an invitation to bid has already been released to begin land clearing work that must precede any construction; and design of Phase 2 that includes a small portion of the northern parts of the City are moving forward to the 65% stage.

From the City-side, I am working with DOT to see if we can share a construction inspector to inspect gas line installation work that will occur within the City. We are still in discussions and there may be issues that prevent DOT from partnering with the City for these services. The goal is to perform the work as inexpensively as possible. The City should not be incurring any plan review or inspection costs—the intention of DOT and the City is to negotiate a Reimbursable Services Agreement (RSA) with IGU where IGU bears the plan review and inspections costs.

State agency to purchase Fairbanks natural gas utility

Fairbanks News Miner, January 28, 2015

By Dermot Cole Fairbanks News Miner, January 28

JUNEAU -- In a step that could reshape the Fairbanks energy picture, a state agency has signed a letter of intent to purchase the small natural gas utility system there for \$52.5 million, fueled by natural gas supplies that would be trucked or shipped by rail to the Interior city.

The Alaska Industrial Development and Export Authority announced the proposed deal Wednesday and said it would start due diligence on the plan to purchase the privately held company that owns Fairbanks Natural Gas.

Gov. Bill Walker briefed Fairbanks legislators in the state Capitol at 5 p.m. Fairbanks Rep. Steve Thompson, co-chairman of the House Finance Committee, said their reaction was uniformly positive.

They discussed how a legislative appropriation for the Interior Energy Project might be reshaped to help finance the sale.

Thompson, along with Sen. John Coghill and Reps. David Guttenberg and Scott Kawasaki said they didn't go into all of the details, but that the idea is to finish the deal by the fall and expand the current trucking operation, with the intent of using the state-owned Alaska Railroad as the ultimate means of transport.

"I hope it works," said Thompson. "This seems to be pretty well thought-out. I think they have some negotiations to do yet. There is still a glimmer of hope for Fairbanks."

Coghill said the governor outlined a plan under which natural gas could be shipped in containers on the Alaska Railroad. Coghill said it's critical that any gas purchase arrangement be for the long term, for energy security.

In an interview after the meeting, Walker said the proposal will go a long way toward easing the energy problem in Fairbanks by diversifying the supply and speeding the transition to natural gas. Fairbanks Natural Gas has about 1,100 customers and supplies gas to Fairbanks via truck along the Parks Highway.

"The next step will be negotiating natural gas contracts. There are a number of companies that are interested in selling gas," said Walker. He said the idea of shipping gas from Cook Inlet to Fairbanks has been percolating for a long time, but it was when the AIDEA plan for a new North Slope gas treatment plant faltered because of high cost in December that the initiative really advanced.

"It is important that we keep our eye on the immediate goal of bringing energy relief to Interior Alaska," Walker said in a statement. "AIDEA's initiative to help streamline gas distribution systems in the Interior is a positive development."

The purchase by AIDEA, a state-owned corporation, would end the competition that exists in Fairbanks between Fairbanks Natural Gas, the private utility owned largely by investors in Minnesota, and a municipal utility that intends to serve areas outside the city center.

AIDEA Board Chairman Dana Pruhs released a statement saying the agency would "work closely with the community and utilities to reduce construction and operation costs for both natural gas distribution systems."

"This efficient approach will lead to lower cost energy for consumers," he said. FNG President Dan Britton was quoted as saying he looks forward to a "seamless transition."

Cory Borgeson, president of Golden Valley Electric Association, said he is eager to see the details on how the electric utility would be able to participate.

"GVEA is waiting to see what AIDEA will be proposing for a source of gas in light of the governor's promise not to put GVEA at risk by committing to a fuel arrangement," said Borgeson.

He said power rates for a typical household are going down by about \$17 next month because of declining oil prices, which means that the price level at which natural gas has to be competitive has dropped.

In 2010, when Walker was the attorney for the Alaska Gasline Port Authority, formed by municipal governments in Fairbanks and Valdez, the agency considered buying FNG for \$64 million, but the project did not advance, in part because of questions about the price.

State to buy Fairbanks Natural Gas

Fairbanks News Miner, January 28

Matt Buxton

JUNEAU — With the aftermath of the North Slope gas processing plant in the rearview mirror, the state intends to buy Fairbanks Natural Gas.

In a news release issued this evening, the Alaska Industrial Development and Export Authority announced that with cooperation from Gov. Bill Walker it has signed a letter of intent to buy Pentex Alaska Natural Gas Company, LLC and its assets, which include the Fairbanks gas distribution company and a liquefaction plant in Point MacKenzie, for \$52.5 million.

“It is important that we keep our eye on the immediate goal of bringing energy relief to Interior Alaska,” Walker said in a news release. “AIDEA’s initiative to help streamline gas distribution systems in the Interior is a positive development.”

Fairbanks Natural Gas has served about a thousand businesses and residences in the Interior and this summer began construction on new distribution lines. With its Point MacKenzie plant, the company already has been trucking gas in limited supplies to Fairbanks.

With the processing facility in Point MacKenzie the focus on finding a source of natural gas for the Interior turns to Cook Inlet, said AIDEA board member Gary Wilken, a former state senator from Fairbanks. “The effort is to look at Cook Inlet and establish in some manner a long-term gas supply,” he said.

The deal between the state and Pentex is expected to close sometime this summer, he said. The move comes after a private-public partnership between AIDEA and private project development company MWH fell apart at the end of the year amid rising prices and slipping timelines. The state had offered an extension, but MWH decided to bow out amid local opposition.

The purchase price of \$52.5 million comes amid a state budget deficit of \$3.5 billion and finding that amount of money would likely be difficult in any session. But lawmakers who attended a closed-door briefing with the governor said they were told it could be done with funds set aside in the legislation that created the Interior Energy Project in 2013.

That legislation, which passed with the unanimous support of the Alaska Legislature, put about \$330 million of loans, credits and cash grants (\$57.5 million) toward the project. AIDEA spokesman Karsten Rodvik said between \$42 million to \$45 million of the cash grants remain depending on finalized invoices for the work on the North Slope. He added that some of the North Slope assets, such as a gravel pad, could be liquidated to add to the available cash. There are also \$117 million in low-cost loans and \$150 million in bonds remaining, he said.

“They seem to think the money is available,” said Rep. Steve Thompson, a Fairbanks Republican who co-chairs the House Finance Committee. “They just need some legislation to switch it from the North Slope back in the other direction.”

Thompson went on to say he was glad to see a new plan come together so quickly after the failure of the North Slope plant, but said there likely will be some concerns about pushing private companies out of the energy discussion.

Pentex had attempted to sell its Point MacKenzie processing plant to Hilcorp earlier this year, but the sale was put on hold by the attorney general and state regulators. Some local officials in Fairbanks also opposed the sale.

“It’s interesting that Hilcorp was going to be a private corporation wanting to buy it (the Point MacKenzie plant). The attorney general stepped in and now a state agency is going to buy it,” he said. “I think there will be some questions.”

The consolidation of the Interior’s energy distributors under public utilities and agencies was good news to other Interior lawmakers. “Distribution of gas becomes a public purpose instead of a for-profit purpose,” said Fairbanks Democratic Rep. David Guttenberg. “For me it creates an amazing alignment of purpose.”

One of the biggest criticisms of MWH’s involvement revolved around the private investment the company brought into the project, about \$80 million. Guttenberg and local officials were concerned the rate of return for that investment harmed the final price of gas for consumers.

Private investors and private profits have long been a concern when bringing gas to the Fairbanks area. In 2012, the local governments gathered together to form the Interior Gas Utility, a municipal utility with the goal of serving the city of North Pole and other medium-density areas of the Fairbanks North Star Borough. The move was a direct snub to the privately held Fairbanks Natural Gas, which some lawmakers said had not done enough to expand gas distribution while collecting profits.

The Interior Gas Utility and Fairbanks Natural Gas traded blows in front of the Regulatory Commission of Alaska as the two fought for the exclusive right to distribute gas outside the city of Fairbanks. The proceedings, which included vicious attacks over each group's ultimate motive, ended with the Interior Gas Utility's victory.

Whether or not the Interior Gas Utility and Fairbanks Natural Gas merge is unclear, but Wilken said buying the private utility and its existing gas trucking operation puts the project on much better footing than before.

"We had a fragmented market before and the fact that we are a very small market a long ways from anywhere made the project that much more tough, but now we have a much more compact project," he said. "What we have now is a supply coming from a different direction and we don't have as many unknowns. We can put a pretty definite cost on it."

Lawmakers who spoke with the governor said Walker was intent on achieving the original goal of bringing gas to consumers at a burner-tip price of \$15 per thousand cubic feet of natural gas, an equivalent to a \$2 gallon of heating oil.

On the campaign trail and after his election, Walker had been wary about the financial reality of trucking gas from the North Slope, but purchasing Fairbanks Natural Gas is something the governor is familiar with. The Alaska Gasline Port Authority, a group created by the Fairbanks North Star Borough and other municipalities and one Walker had been affiliated with, had explored purchasing Fairbanks Natural Gas in 2010. One version of that plan included the group taking out some \$250 million in loans to buy Fairbanks Natural Gas, build a North Slope plant and begin trucking gas down the Dalton Highway.

Because of that experience, Walker maintained that he thought the North Slope route didn't pencil out for Fairbanks. After issuing an order directing the state agencies to begin looking south, Walker told the News-Miner that early numbers on Cook Inlet were "pretty encouraging."

Borough Representative

- The assembly last week was filled with testimony on the concerns of citizens. Concern was voiced in regards to the right to clean air and the right to heat your home. I was at the meeting until after 11:00 p.m. and testimony was not done yet. The presiding officer informed the public that they would stay until all had a chance to comment and that they would not make any decision on Thursday. The official discussion and vote will take place on February 12th and there are already several amendments.

City Clerk, Kathy Weber

- Reminder that APOC forms are due to the City Clerk and to APOC by March 15, 2015.
- My records preparation clerk was hired by the Fire Department as their new Admin Assistant. She will be greatly missed in Admin.
- I am in the process of a possible new temporary person to help with records.
- I will be out of the office from February 5 – 24. You can still reach me by phone or by email.

ONGOING PROJECTS

None

CITIZENS COMMENTS

None

OLD BUSINESS

None

NEW BUSINESS

ORDINANCE 15-01, AN ORDINANCE OF THE CITY OF NORTH POLE, ALASKA TO AMEND CHAPTER 8.04 NUISANCES AND ADD SECTION 8.04.05 TO PROHIBIT THE EXTRACTION OF MARIJUANA OILS WITHIN CITY LIMITS

Mayor Ward introduced the ordinance.

Public Comment

Brenda Sadler – 3831 Kensington

Ms. Sadler gave a brief history of her background and resume. She congratulated Chief Dutra and the Council on their diligence to safety in the community. She thanked the council for being one of the first communities for addressing the marijuana issue. She spoke in favor of the

ordinance.

Mr. Welch *moved to Introduce and Advance Ordinance 15-01, An Ordinance of the City of North Pole, Alaska to amend Chapter 8.04 Nuisances, and add Section 8.04.05 to prohibit the extraction of marijuana oils within city limits.*

Seconded by Mr. McCarthy

Mr. Welch *moved to Amend Ordinance 15-01 by deleting line 24 – 24 and adding on line 48 as follows: A person or corporation that processes marijuana oil using an flammable extraction*

Discussion

Mr. McGhee said he had issue with the wording on lines 48 and 49 and felt they needed to define the wording of the violation of \$1,500. He commented that the State has another 9 months to put this into law. He thinks they need to define item D.

Chief Dutra came forward and explained the process.

Mr. Welch asked how the \$1,500 was determined.

Ms. Hunter asked if the word “entity” would be better.

Mayor Ward said this had been vetted through the City Attorney.

On the amendment

PASSED

Yes: 7 - Holm, McGhee, Welch, McCarthy, Smith, Hunter, Ward

No: 0-

Absent: 0

On the main motion as amended

Discussion

None

PASSED

Yes: 7 - Holm, McGhee, Welch, McCarthy, Smith, Hunter, Ward

No: 0-

Absent: 0

ORDINANCE 15-02, AN ORDINANCE OF THE CITY OF NORTH POLE, ALASKA TO AMEND TITLE 12 STREETS, SIDEWALKS AND PUBLIC PLACES BY ADDING CHAPTER 03 MARIJUANA USE IN PUBLIC PLACES, TO REGULATE THE CONSUMPTION OF MARIJUANA IN A PUBLIC PLACE

Public Comment

None

Mr. McGhee moved to Introduce and Advance Ordinance 15-02, an ordinance of the City of North Pole, Alaska to amend Title 12- Streets, sidewalks, and public places by adding Chapter 12.03, Marijuana use in public places to regulate the consumption of marijuana in a public place.

Seconded by Mr. McCarthy

Discussion

Mr. McGhee said he couldn't support the wording "in public view" by way of consumption. He said that he felt the council was infringing on private property and they needed to redefine "public". He felt that the City needs to stand by the definition of what is public which is defined in Webster's Dictionary "public place that is maintained by public funds".

Mr. McGhee moved to amend B. 3. as follows:

B.

3. Public place means a place to which the public place being any space maintained by public funds and subject to the same laws as alcohol consumption. has access and includes, but is not limited to, streets, highways, sidewalks, alleys, transportation facilities, parking areas, convention centers, sports arenas, schools, places of business or amusement, shopping centers, malls, parks, playgrounds, prisons, and other portions of apartment houses and hotels not constituting rooms or apartments designed for actual residence such as hallways, lobbies, and doorways.

Seconded by Mr. McCarthy

Discussion

Mr. McCarthy liked the verbiage and was in favor of it.

Mr. Welch said that everything needed to be spelled out so it's not vague in understanding and would like to see what the city attorney has to say about it.

Ms. Hunter agreed that things needed to be spelled out to give a clear idea of what is meant by public spaces. Ms. Hunter said she thought that it was a misnomer that marijuana should be

regulated or treated as alcohol. She felt it was an assumption that people would have the same rights with marijuana as with alcohol.

Ms. Holm said she has a problem with the verbiage and that it could be a nuisance with our police in some locations and that it's very important to narrow it down and that it can be amended it at a later date.

Mr. McGhee said that private parking lots are not included. Public consumption means just that. He felt the council was nitpicking trying to control the use and consumption of marijuana. He said a public facility is something that is funded by public monies or taxes. He doesn't understand what people are afraid of. In 2013 over 43,000 died from prescription drugs. In 2013 no one died from marijuana use.

Mayor Ward said a lot of time was taken to draft the ordinance. The definition of public place includes places of business and portions of apartments and hotels hallways, lobbies and doorways. It is still illegal in military installations. EAFB said that any hotel or apartment building will be off limits to their personnel. And the same goes for any police officer in the state of Alaska. He felt the council was doing their diligence with this ordinance to make clear where usage is allowed. In the future they can expand on the ordinance.

Mr. McCarthy said this is only stop gap and that this ordinance will probably change.

Mr. McGhee said that there are a lot of businesses that have fenced off areas, not visible from the road, where people can go out and participate in various outdoor activities, not in view of the public and that we are telling them that they can't consume, whether it's legal or not. Mayor Ward mentioned that there is an "except by permit" provision or statute or regulation and again stated that the ordinance could be changed in the future.

On the amendment

FAILED

Yes: 2 – McCarthy, McGhee

No: 5- Smith, Holm, Hunter, Welch, Ward

Absent: 0

On the main motion

Discussion

Mr. McGhee didn't feel that the council had a right to tell a business what they can do on their property. He didn't feel that at this point they had the legal right to do that. He said the Refinery Lounge has been black balled from military use many times because of activities.

Ms. Hunter said that her interpretation of the ballot measure is that it is intended for marijuana

use in your home and that she intends to uphold that. It's her interpretation of what is in the law and that she is in favor of what is stated in the law. In addition she stated that the municipality of Anchorage decided that they needed to define what public was because the way it was written was so vague. The city of North Pole is not the only city trying to get a better definition. She thinks that when you have a good definition of what the law is people will respect the law and will appreciate knowing what they can and cannot do in order to follow the law.

On Ordinance 15-02

PASSED

Yes – 6 – Hunter, Welch, McCarthy, Smith, Holm, Ward

No – 1 – McGhee

Absent – 0

**RESOLUTION 15-08, A RESOLUTION OF THE CITY OF NORTH POLE TO
REQUEST CLARIFICATION FROM THE STATE OF ALASKA ON BALLOT
MEASURE 2, THE LEGALIZATION OF MARIJUANA**

Mayor Ward introduced the resolution and spoke on it.

Public Comment

Sharon Beeman, 2540 Honey Bee Lane, North Pole

Ms. Beeman appreciates resolution 15-08 and the issues being brought forward, but has concerns about lines 19 – 22. She wasn't sure what the intent was and said that unless you test it you're not going to know the levels of THC and CBD. If you see a person you think is violating the law people would not know what to arrest them on. She said she needs to do more research but edible products seem to be problematic, she's not sure what kind of problems they are having with it exactly. As Mr. McGee stated there have been no deaths and you can't overdose on marijuana, but there is no statistical data on it. Her other concern was line 47; and felt it was a way to kill a business and that the state and city shouldn't be able to tell you that you can't advertise. She agreed that how they advertise should be regulated, kept tasteful and not geared toward children.

Chief Dutra, 125 Snowman Lane

Chief Dutra stated that based on statistics he's seen there have been no documented cases of overdoses of THC, but there has been significant collateral damage because of those under the influence of THC. The marijuana industry is fighting these claims because they say there are no facts supporting these cases and that there were underlying issues. He thinks it's important to be aware that it is serious. He also said that we all expect those public places that we all use to be contaminant free, such as tobacco and especially marijuana. It's important that those issues are considered in the ordinance.

Mr. McGhee *moved to* suspend the rules for 10 minutes to read Resolution 15-006 from the Matanuska-Susitna Borough that was passed on January 20, 2015.

Seconded by Ms. Hunter

Mr. McGhee *moved to* Approve Resolution 15-08 a resolution of the City of North Pole to request clarification from the state of Alaska on ballot measure 2, the legalization of marijuana

Seconded by Mr. Welch

Discussion

Mr. Welch *moved to* amend Resolution 15-08, line 51, to delete “following” and insert “aforementioned”

Seconded by Ms. Holm

PASSED

Yes – 7 – Hunter, Welch, McGhee, McCarthy, Smith, Holm, Ward

No – 0

Absent – 0

Discussion

Mr. McGhee *moved to* amend Resolution 15-08, line 47, where it says whereas whether any public advertising for marijuana and related products should be prohibited and remove the word “prohibited” and insert “regulated”.

Seconded by Mr. Welch

Mr. McGhee agreed with the public that to prohibit advertising is wrong, but instead to regulate it so it's not indecent or made appealing to young people, is the suggestion he'd like to send to the Legislature.

Ms. Hunter is in favor of prohibiting advertising because she thinks the people who would be in business would have no problems attracting customers. She thinks it simpler to just outlaw advertising all together.

Ms. Holm agrees with Mr. McGhee and likes the word regulated better than prohibited because the word advertising is really broad.

PASSED

Yes – 6 – McCarthy, Smith, Holm, Welch, McGhee, Ward

No – 1 – Hunter

Absent – 0

Discussion

Ms. Hunter wondered about lines 13 and 14 and the transportation of marijuana. She wants to retain the use of drug detection dogs to aid in the prevention of illegal shipping of marijuana in and out of the state.

Mr. McCarthy stated that the feds would continue to use drug detection dogs and that they would be the ones responsible for marijuana coming in and out of Alaska.

Mr. McGhee said this falls under homeland security and borders and it's not for the cities to be concerned with.

Mayor Ward said this resolution is meant to give guidance or ask for clarification for the state. It pertains to issues of the municipality, but also to the state as a whole.

PASSED

Yes – 7 – Hunter, Welch, McGhee, McCarthy, Smith, Holm, Ward

No – 0 –

Absent – 0

COUNCIL COMMENTS

Ms. Holm – Wanted to say that it's Heart Awareness Month and she hopes everyone is staying healthy, eating healthy and exercising.

Mr. Welch – He noticed that TV history was made with 114.4 million people viewing the Super Bowl and thought it would be nice if they could get 14 people in here to discuss what goes on in the city.

Mr. McGhee – He appreciates the ordinances that are coming up and the open discussion and hopes that after February 24th the state can come up with something. He wants council to be careful to not regulate business and encumber what the majority voted for and allow them to do what they're going to do. He appreciates the council and all their input. The roads are still bad and he asked the public to be careful.

Mr. McCarthy – He’s talked with people about the 65 mph and they are all for it. The people he’s asked, who say they voted yes on Proposition 2, say they voted yes for personal 1 ounce use and not for opening up a new industry and that people didn’t realize that was part of the proposition.

Mr. Smith –Thanked all the young men coming out and getting their merit badges. He wants everyone to dress warm and to drive careful and sees a lot of good things coming out of the meetings and workshops. Thank you to the council for putting together a nice proposal for the community.

Ms. Hunter – On a personal note she’s had a two week long migraine headache after not having any for 5 – 6 years. She’s thankful to get a copy of the meeting she missed. Overall the perspective she is coming from is she would like to be more conservative and more restrictive in the regulation at the beginning and loosen them up as necessary because it will be more difficult to do it later. She’s concerned about North Pole being associated with marijuana retail sales. She appreciates the discussions they are having and people have been very good at expressing their views.

Mayor Ward – He thanked everyone for a productive meeting and reminded everyone that they are not to talk about items they voted on and looks forward to putting his best leg forward down in Juneau. This will be his second time going to Juneau and it will be a wonderful experience. He hopes to have a great report to bring back to the council and please mark down on your calendar that there is a meeting on Thursday. The next council meeting is on Tuesday, February 17th.

ADJOURNMENT

Mr. McGhee adjourned the meeting at 8:08 p.m.

Seconded by Mr. Welch

The regular meeting of January 20, 2015 adjourned at 8:08 p.m.

These minutes passed and approved by a duly constituted quorum of the North Pole City Council on Monday, February 2, 2015.

Bryce J. Ward, Mayor

ATTEST:

Kathryn M. Weber, MMC
North Pole City Clerk

CITY OF NORTH POLE

ORDINANCE 15-01

**AN ORDINANCE OF THE CITY OF NORTH POLE, ALASKA TO
AMEND CHAPTER 8.04 NUISANCES AND ADD SECTION 8.04.005 TO
PROHIBIT THE EXTRACTION OF MARIJUANA OILS WITHIN CITY
LIMITS.**

WHEREAS, Ballot Measure 2 – An act to Tax and Regulate the Production, Sale and Use of Marijuana, and codified as Alaska Statutes 17.38, provides for the legalization of marijuana, was passed by the voters in the recent state election and certified on November 28, 2014 by the State of Alaska, Division of Elections; and

WHEREAS, the effective date of the state marijuana statute is February 24, 2015; and

WHEREAS, marijuana extraction of “hash oils” is an extremely dangerous process, and

WHEREAS, cooking of “hash oils” poses an extreme danger to our residents, homes and businesses, and

WHEREAS, “hash oil” cookers are not listed as approved devices in Alaska for commercial or home use, and

WHEREAS, the personal use and consumption of marijuana is not affected by the decision to ban the extraction of marijuana oils within North Pole City Limits, and;

WHEREAS, The state of Alaska has yet to determine regulations for the extracting of marijuana oils, and

~~**WHEREAS** it is extremely unlikely that the State of Alaska will establish guidelines for personal extraction of marijuana oils, and~~

WHEREAS, North Pole is interested in keeping its neighborhoods as safe as possible from fire and explosion risk.

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

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

Section 2. Title 8 Chapter 4 Section .005 Marijuana oil extraction-prohibited, is hereby added to the North Pole Municipal Code of Ordinances as follows [new text in underlined italicized red font; deleted text in ~~striketrough~~ font]:

Title 8
Chapter 04

Section 8.04.005 Marijuana oil, flammable extraction-prohibited.

- A. Methods to process marijuana oil using a flammable extraction method is hereby prohibited within North Pole City Limits.
- B. “Flammable extraction method” is defined as using a flammable or explosive chemical, series of chemicals or fluid to extract oil from a marijuana plant.
- C. Methods of marijuana oil extraction that do not involve flammable or explosive materials are not a violation of this section.
- D. A person or corporation that processes marijuana oil using an flammable extraction method is in violation of this section and subject to a \$1,500 (fifteen hundred dollar) fine.

Section 3. Effective date.

This ordinance shall become effective on the first City business day following its adoption.

PASSED AND APPROVED by a duly constituted quorum of the North Pole City Council this 17th day February, 2015.

Bryce J. Ward, Mayor

ATTEST:

Kathryn M. Weber, MMC
North Pole City Clerk

PASSED/FAILED Yes: No: Absent:

CITY OF NORTH POLE

ORDINANCE 15-02

**AN ORDINANCE OF THE CITY OF NORTH POLE, ALASKA TO
AMEND TITLE 12 STREETS, SIDEWALKS AND PUBLIC PLACES
AND ADDING CHAPTER 12.03, MARIJUANA USE IN PUBLIC
PLACES, TO REGULATE THE CONSUMPTION OF MARIJUANA IN
A PUBLIC PLACE**

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 clarify questionable areas; and

WHEREAS, Ballot Measure 2 – An act to Tax and Regulate the Production, Sale and Use of Marijuana, and codified as Alaska Statutes 17.38, provides for the legalization of marijuana, was passed by the voters in the recent state election and certified on November 28, 2014 by the State of Alaska, Division of Elections; and

WHEREAS, newly enacted AS 17.38.040 states;

Public consumption banned, penalty.

It is unlawful to consume marijuana in public. A person who violates this section is guilty of a violation punishable by a fine of up to \$100; and

WHEREAS, the state statute does not define “public”; and

WHEREAS, the state statute does not discuss or mandate any enforcement mechanism; and

WHEREAS, the effective date of the state marijuana statute is February 24, 2015.

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. Title 12, Chapter 12.03, Marijuana use in Public Places, is hereby added to the North Pole Code of Ordinances as follows [new text in underlined italicized red font; deleted text in ~~striketrough~~ font]:

Title 12
Chapter 12.03

12.03.010 Consuming marijuana in a public place.

A. It is unlawful for any person to knowingly consume marijuana when the person is :

- 1. On, in or upon any public place, except as permitted by ordinance, regulation, statute or permit; or**
- 2. Outdoors on property adjacent to a public place, and without consent of the owner or person in control thereof.**
- 3. A person who consumes marijuana must take reasonable precautions to ensure consumption is not a nuisance to neighboring properties.**

B. For purposes of this section, the definitions of the words and phrases below shall apply:

- 1. Consume shall have the meaning, in all conjugated forms, of “consumption” set forth in AS 17.38.900.**
- 2. Marijuana shall have the meaning set forth in AS 17.38.900.**
- 3. Public place means a place to which the public has access and includes, but is not limited to, streets, highways, sidewalks, alleys, transportation facilities, parking areas, convention centers, sports arenas, schools, places of business or amusement, shopping centers, malls, parks, playgrounds, prisons, and other portions of apartment houses and hotels not constituting rooms or apartments designed for actual residence such as hallways, lobbies, and doorways.**

12.03.020 Violation

A. Violation of this section is a minor offense punishable by a fine of \$100 as set forth in AS 17.38.040.

Section 3. Effective date.

This ordinance shall become effective at 5:00 p.m. on the first City business day following its adoption.

PASSED AND APPROVED by a duly constituted quorum of the North Pole City Council this 17th day of February, 2015.

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Bryce J. Ward, Mayor

ATTEST:

Kathryn M. Weber, MMC
North Pole City Clerk

PASSED/FAILED Yes: No: Absent:



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

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

To: North Pole City Council
City Clerk Kathy Weber

Re: Sale of SDEU Vehicle

The North Pole Police Department needs to sell the old SDEU Dodge pickup. The vehicle has reached its useful end of life and has been replaced with a new vehicle. In researching the process to sell such an asset it has been determined that I must sell the vehicle at "fair market value." I have determined the "fair market value," by the following means.

Verbal quote from Affordable Used Cars Value \$4,000
NADA values range from \$4,250 - \$9,000
Kelly Blue Book range was \$6,372 - \$6501

The truck is a 2002 Dodge pickup in good-fair condition with 131,386 miles on it. The City of North Pole purchased this vehicle in 2010 for substantially less than its current value. Since this vehicle was purchased using Equitable Sharing funds, all proceeds from the sale must be returned to the fund from hence they originally came. I am asking to sell this vehicle for \$6,000. I will place an ad in the Newspaper and request sealed bids with a minimum bid of \$6,000.

Thank you


Chief Dutra



ECONOMIC DEVELOPMENT
CORPORATION

January 13, 2015

Mayor Bryce Ward
North Pole City Council Members
City of North Pole
125 Snowman Lane
North Pole, AK 99705

RE: NPEDC 4th Quarter 2014 Bed Tax Request

Dear Mayor Ward and Council Members,

Following is a recap of fourth quarter 2014 activities conducted by North Pole Economic Development Corporation. Please accept this as a request for 4th quarter 2014 bed taxes.

Activities related to Eielson Air Force Base and Fort Wainwright were slower in the 4th quarter than the previous three quarters of 2014. After the Air Force announced that Eielson Air Force base is the only preferred alternative for two squadrons of F35s, no date has yet been set for the beginning of the Environmental Impact Statement process. The Air Force did announce they would be reviewing basing of the F16s. A recent announcement stated they are considering basing the Aggressor Squadron at either Eielson, JBER or Nellis Air Force Base. IF the F16s do get relocated, it will be an approximate loss of 542 positions at Eielson. Base support positions would not be relocated or eliminated in anticipation of the arrival of the F35s. Efforts to keep and secure the F16s at Eielson are ongoing.

The U.S. Army announced it will hold a listening session on the Supplemental Programmatic Environmental Assessment on force reductions. The session is scheduled for February 23rd. NPEDC will again be coordinating/researching/writing testimony on the SPEA; please let me know if you are interested in testifying and I can assist with testimony.

The Business Retention & Expansion program was the focus of the fourth quarter. The State of Alaska and the University of Alaska Anchorage came to Fairbanks to offer training for BRE volunteers and partners. We received access to the BRE software and trained the first batch of volunteers who will be conducting the surveys. The short term program goal is to conduct 300 in person surveys of local businesses. It is our hope that through analysis of the data gained through the surveys, we can identify areas where we can assist businesses in the short term and in the longer term, identify strategies that will make businesses more competitive. Please let me know if you want to volunteer to conduct surveys or know of any businesses that wish to be surveyed.

NPEDC continues to coordinate activities with other state and local organizations that are involved in economic development. If you would like further information on any NPEDC activities, please do not hesitate to contact me. I can be reached at 488-4558 or on my cell, 590-0024.

Sincerely

Nadine Winters
Executive Director



125 Snowman Ln
North Pole, Alaska
99705
907-888-4444
907-488-8584

City of North Pole
Office of the Mayor

Memo

To: North Pole City Council
From: Mayor Ward
cc:
Date: February 11, 2015
Re: IT support Contact

Councilmembers,

I have requested and reviewed two proposals for IT support for the City of North Pole Admin, Police and Fire Departments. We have received proposals from our Current Provider for Admin, Tekmate and from Alasconnect, a local business.

The City of North Pole has historically never had consistent It support. A majority of IT issues were either dealt with internally with the expertise of existing staff (not trained in IT) or by contract with local businesses on a per hour basis. It has been identified that the old approach to IT is not supportive of the needs of the city in the rapidly developing digital society we live in. Ensuring the City is complying with federal laws for records retention and security is an emerging issue that has been overlooked for our information systems.

The two proposals were asked to include the following services for comparison:

- 1) IT support for workstations and servers.(Admin, Police, Fire)
- 2) Server support to include data storage and security (on site or off site)
- 3) Data backup services and redundancy.

The following proposals do not include switching infrastructure or wiring.

Tekmate		
	Month	Year
Contract	\$ 5,012	\$ 60,144
ONE TIME FEE		\$ 7,300
Total		\$ 67,444

Alasconnect		
	month	year
Contract	\$ 2,965	\$ 35,580
ONE TIME FEE		0
Total		\$ 35,580

Both providers are proposing similar IT support for the City of North Pole, all services are 24-7 365 days a year support for all workstations and devices. The difference in the two providers is in regards to their server structure and support.

Tekmate's proposal is an onsite option to use our existing servers and have offsite backup. This would keep our servers physically here at City Hall. The Tekmate proposal would include server support and replacement on a per month fee base. (servers would be replaced every three years) to meet industry standards.

The Alasconnect Proposal is for offsite data storage and support. Alasconnect is proposing a fiber connection to their downtown facility to house and service server space in their secured facility. Alasconnect will also include a 30mbps internet connection to service all departments. Alasconnect will provide all support including firewalls and antivirus to protect city information. In addition to offsite storage it will be expandable and all information will be replicated for duplicity and security of our information at their other facilities.

The City of North Pole is currently under contract with Tekmate and has 22 months remaining on a three (3) year contract. There is a buyout penalty on this agreement.

It is my recommendation to authorize an agreement with Alasconnect for IT services and Data storage. The 2015 approved budget has 38,000 allocated for IT services ACT# 01-02-00-7007.

Thank you

Mayor Bryce J. Ward



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

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

January 8, 2015

To: North Pole City Council
City Clerk Kathy Weber

Re: Purchase of Detective vehicle for Patrol

In early 2014, it was brought to my attention that Detective Stewart was in need of a vehicle more suited for him and his mission. Some of these issues are related to the interior capacity of the vehicle, size of storage, and towing ability. Some of the other issues are personal in nature.

Since this vehicle was purchased with Asset Forfeiture funds it had certain restrictions attached to its use. One of those restrictions was the vehicle must be placed into official service for at least 2 years. Since the service of this vehicle is restricted to certain activities there was no remedy until the vehicle had surpassed the 2 year mark. As of December 2014, the vehicle has been in official service for 2 years.

My proposed resolution to these special conditions was to purchase the vehicle from the Asset Forfeiture program and equip the vehicle for use in patrol as a traffic unit. The funds to purchase the vehicle would come from the Vehicle Fleet Fund 51. This vehicle must be purchased at "fair market value," and any proceeds from the sale of the vehicle must be placed back into the fund where hence they came. This vehicle is a police rated model and would replace our traffic patrol car and an older model would be retired.

The outfitting of this vehicle would then be funded using SOA drug seizure funds. This proposal would effectively solve several problems with the least impact to my budget.

- 1) Assist NPPD with a fresh patrol car at a reduced price.
- 2) Be a reasonable step toward resolving the vehicle restriction on the employee.
- 3) Exchange our Traffic Patrol Vehicle with a vehicle with less miles and a new color.
- 4) Use SOA seizure funds to pay for a large portion of the costs of outfitting a new car.

- 5) Allow us to purchase a larger vehicle with towing capacity and storage for crime scene equipment.

Since NPPD has had a strapped budget for several years and our vehicle fleet mileage has slowly crept up to a concerning level. This vehicle only has 24,000 miles on it and is in good condition. The normal cost for a new 2015 model would be approximately \$26,000. Fair market value on this used vehicle would be \$15,000. This value was acquired using the following sources.

Affordable Used Cars valued vehicle at \$15,000.

NADA Guides valued vehicle \$15,150. - \$20,475.

Kelley Blue Book Valued vehicle at \$13,780 - \$16,117.

I would then return the funds from the sale of this vehicle to asset forfeiture fund and then purchase a 2014-15 Chevrolet Tahoe using the State of Alaska Procurement Award CA1900-14-3. This contract award complies with the City of North Pole ordinance and would solve all of the concerns raised with the current Detective vehicle and also give us the ability to deploy a crime scene vehicle with all the necessary equipment for processing crime scenes. This vehicle would cost \$35,410.00. I would request permission to purchase this vehicle first, then once it arrives outfit and purchase the Taurus for patrol.

The SOA procurement process exceeds the requirements listed in NPMC 04.16.030.

Thank you

Chief Dutra



Kelley Blue Book The Trusted Resource*



Advertisement



Why ads?

Used 2013 Ford Taurus Pricing Report



Style: SEL Sedan 4D
Mileage: 24,641

Buy from a Private Party



Vehicle Highlights

Fuel Economy:
City 19/Hwy 29/Comb 23 MPG

Doors: 4

Drivetrain: FWD

EPA Class: Large Cars

Country of Origin: United States

Max Seating: 5

Engine: V6, 3.5 Liter

Transmission: Auto, 6-Spd w/SelShft

Body Style: Sedan

Country of Assembly: United States

Private Party Values valid for your area through 1/8/2015

Your Configured Options

Our pre-selected options, based on typical equipment for this car.

✓ Options that you added while configuring this car.

Engine

V6, 3.5 Liter

Transmission

Auto, 6-Spd w/SelShft

Drivetrain

FWD

Braking and Traction

Traction Control

AdvanceTrac

ABS (4-Wheel)

Comfort and Convenience

Keyless Entry

Keyless Start

Air Conditioning

Power Windows

Power Door Locks

Cruise Control

Steering

Power Steering

Tilt & Telescoping Wheel

Entertainment and Instrumentation

AM/FM Stereo

MP3 (Single Disc)

SiriusXM Satellite

Bluetooth Wireless

MyFord Telematics

SYNC

Safety and Security

Dual Air Bags

Side Air Bags

F&R Head Curtain Air Bags

Seats

Dual Power Seats

Wheels and Tires

Alloy Wheels

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The Power of Vehicle Information
NADAguides.com

[Close Window](#)

1/8/2015

2013 Ford Taurus-V6

Sedan 4D SEL AWD

NADAguides.com Price Report

	Rough Trade-In	Average Trade-In	Clean Trade-In	Clean Retail
Base Price	\$14,475	\$15,800	\$16,875	\$19,800
Mileage: (24,641) miles	\$675	\$675	\$675	\$675
Total Base Price	\$15,150	\$16,475	\$17,550	\$20,475

Options:

Aluminum/Alloy Wheels

Std.

Std.

Std.

Std.

PRICE with Options \$15,150 \$16,475 \$17,550 \$20,475

The history of a vehicle
impacts its value

Get the history at
AutoCheck.com/NADAguides



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Festival Committee

Chair

Name	Phone	Address	Phone
Katy Englund	978-2282	po box 73207 Fairbanks AK 99707	Kenglund.ak@gmail.com
teffonie Wyman	322-0236		teffw@northpoleworshipcenter.com
Christina Croskrey	388-8076		ccroskrey@alaskasurgerycenter.com
Bryce Ward	888-4444	621 holiday Road, North Pole, Alaska	bryce.ward@northpolealaska.org
Larnetia skipps	378-6635		larnetiaskipps@gmail.com
Howard Rixie	378-7797		hsrixie@gmail.com

Trooper Gabe Rich and Trooper Scott Johnson Memorial Park Committee

Chair

Bryce Ward	888-4444	City of North Pole Mayor	bryce.ward@northpolealaska.org
Joni Scharfenberg	978-1727	Tanana Soil and water	jonisc@gmail.com
Jeff Jacobsen	459-1304	Fairbanks North Star Borough	jjacobson@fnsb.us
		Fort Wainwright representaive	
		Eielson AFB representative	
Steve Dutra	488-8456	North Pole PD	sdutra@northpolepolice.org
Buddy Lane	322-2193	Interior Fire Chiefs Association (CNP Fire Chief)	blane@northpolefire.org
Joe Dallaire	978-0829	Alaska Peace Officers Association (APOA)	joedallaire.apoa@gmail.com

Ethics Board

2 year

2 year

1 year

1 year

3 year

3 Year ALT

Francine Cork	488-1973	401 Holiday Road North Pole Ak 99705	thecorks@gci.net
Jeff Jacobson	460-7733	Po Box 57033 North Pole Ak 99705	jjacobson@fnsb.us
Melissa Bidwell	322-8873	105 E 7th ave North Pole Ak 99705	
Jim Taylor	488-2422	1124 Lake Drive North Pole Ak 99705	
Sharron Geese	699-4694	353 E 8th ave apt 301 North Pole, AK	Geese@alaska.net
Jon Poirrier	322-0623	1001 Black Bear Turnaroung North Pole, AK	poirrier@gci.net

CITY OF NORTH POLE

ORDINANCE 15-03

**AN ORDINANCE OF THE CITY OF NORTH POLE, ALASKA TO
AMEND TITLE 2, ADMINISTRATION AND PERSONNEL, CHAPTER
2.36.470 E, PAY**

WHEREAS, changes to the practices, regulations and policies 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

WHEREAS, the City of North Pole desires to ensure employees are compensated fairly; and

WHEREAS, The City of North Pole desires to streamline the accounting and payroll process;

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

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

Section 2. Title 2, Administration and Personnel, Chapter 2.36.470 is amended in the North Pole Code of Ordinances as follows by inserting the text Underlined in red and removing sections that have been stricken:

Administration and Personnel

Title 2

Chapter 2.36.470 Pay

2.36.470 Pay.

E. Employees will advance to the next pay step on ~~January 1st of~~ the first full pay period of each year, except for those new employees hired within the last quarter of the year. Employees hired within the last quarter of the year will not be eligible for their annual step salary increases until the first full pay period in ~~next~~ January following their one-year anniversary.

(Ord. 10-09 §2, 2010; Ord. 10-02 §2, 2010; Ord. 08-13 §2(part), 2008; Ord 04-05 §2(part), 2004; Ord. 01-12 §2(part), 2001; Ord. 01-09 §2(part), 2001; Ord. 00-3 §2(part), 2000; Ord. 99-1 §2, 1999; Ord. 98-12 §2(part), 1998)

Section 3. Effective date.

This ordinance shall become effective on the first City business day following its adoption.

PASSED AND APPROVED by a duly constituted quorum of the North Pole City Council this
2nd day of March, 2015.

Bryce J. Ward, Mayor

ATTEST:

Kathryn M. Weber, MMC
North Pole City Clerk

<p>PASSED/FAILED Yes: No: Absent:</p>
--

CITY OF NORTH POLE

ORDINANCE 15 - 04

**AN ORDINANCE REQUESTING THE PURCHASE OF
A VEHICLE FOR DETECTIVE/CRIME SCENE OPERATIONS
USING JUSTICE FUNDS**

WHEREAS, the North Pole Police Department needs to purchase a vehicle for the detective and crime scene investigations; and

WHEREAS, the North Pole Police Department currently has no crime scene investigation vehicle to use for deployment to crime scenes inside the city limits; and

WHEREAS, the use of Asset Forfeiture Funds from – Department of Justice Fund 21 in the amount of \$35,410.00 would be used to pay for the purchase of a 2014-15 Chevrolet Tahoe.

WHEREAS, the attached documents generated by the State of Alaska, Division of General Services procurement website, shows the base bid for a 2014-15 Chevrolet Tahoe from Alaska Sales and Service is \$35,410.00.

WHEREAS, the Alaska Statue 36.30.700 allows the State of Alaska to make state contracts available to cities within the state. The recently amended North Pole Municipal Code allows the City to purchase items on other entities' requests for bids if the bids meet the Municipal Code bidding requirements. The NMPC requires that the Mayor or his designee must certify in writing that these minimums are met. The State of Alaska ITB Class 152 Large SUV's (attached) does exceed the minimum requirements for NMPC 04.16.030, which only requires three estimates.

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

Section 1. This ordinance is of a general and permanent nature and shall not be codified.

Section 2. Amending 24 as per fiscal note attached:

SEE ATTACHED FISCAL NOTE

Section 3. Effective date.

This ordinance shall become effective at 5:00 p.m. of the first City business day following its adoption.

PASSED AND APPROVED by a duly constituted quorum of the North Pole City Council this xxxx of xxxxxxxx, 2014.

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ATTEST:

Kathryn M. Weber, MMC
North Pole City Clerk

PASSED/FAILED
Yes:
No:
Absent:

Bryce J. Ward, Mayor

CLASS 152
LARGE SUV

Standard Equipment: Class 152 Large SUV

Color: OEM White (Any other color requires prior authorization)
 Darkest of OEM Manufactures Standard Cloth Upholstery Interior (cloth or cloth with vinyl trim)
 5-8 passenger seating (including driver)
 Interior Carpet
 Four (4) Doors
 GVWR: Minimum 7400 lbs.
 Wheel base: Minimum 116 Inches Maximum 120 inches
 Overall Length: Minimum 201 Inches Maximum 207 inches
 Four Wheel Drive (4x4)
 Engine: Gas V8
 Air Conditioning
 Cruise Control/Tilt Wheel
 Power Windows/Power Door Locks
 Keyless Remote Entry w/ 2 Fobs
 Power Mirrors (left and right outside)
 Rear Window Defroster

Replacing Vehicle:

Alaska Sales & Service
 Contact: Richard Dixon
 1300 East 5th Avenue
 Anchorage, Alaska 99501
 Phone: 265-7535
 Fax: 265-7507
 richardd@aksales.com

Vendor: Cal Worthington Ford
 Contact: Ray Marcum
 431 Unga Street
 Anchorage, Alaska 99501
 Phone: 793-8213
 Fax: 793-8255
 fleetoil@aol.com

Model: Tahoe
 Model: CK15706
 Engine: 5.3 Liter V-8
 \$ 35,410.00
 Chevrolet

Model: Expedition XL
 Model: U1G
 Engine: 5.4 Liter V-8
 \$ 30,430.00
 Ford

AVAILABLE OPTIONS	
0	OEM Stereo with CD and Hands Free Communication System
0	OEM Backup Camera system
0	3rd Row Seat 40/20/40 Fold Down
0	OEM or Dealer Installed Auto Start (See Ford Dealer Notes)
0	Deep Tint Glass
0	OEM Front Tow Hooks
0	OEM Trailer Hitch Package
0	Anti-Freeze-Long Life Coolant to a minimum -50 degree protection
0	Shipping to Fairbanks
0	Shipping to Juneau (See Dealer Notes for Non State of Alaska Purchases)
NOTES	

1=yes	\$ 35,410.00	\$ 30,430.00
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**CONTRACT
AWARD**

STATE OF ALASKA
HQ, STATE EQUIPMENT FLEET (Contracting Authority)
2200 E. 42nd Avenue
Anchorage, Alaska 99508

CONTRACT AWARD NUMBER

CA1900-14-3

ORDERING DEPARTMENT:

HEADQUARTERS, STATE EQUIPMENT FLEET
2200 E. 42ND AVENUE
ANCHORAGE, ALASKA 99508
(907) 269-0793 PHONE / (907) 269-0801 FAX

DATE OF CONTRACT:

OCTOBER 24, 2013

DATE INITIAL CONTRACT BEGINS:

OCTOBER 24, 2013

DATE INITIAL CONTRACT ENDS:

OCTOBER 31, 2018

CONTRACTOR: ALASKA SALES AND SERVICE

ADDRESS: 1300 EAST 6TH AVENUE
ANCHORAGE ALASKA 99501

NUMBER & PERIOD OF RENEWALS:

5 YEAR CONTRACT

RENEWALS EXPIRE (MO/YR):

CONTACT NAME: RON EASTMAN

PHONE NUMBER: 907-265-7555

E-MAIL: RON@AKSALES.COM

ISSUED IN ACCORDANCE WITH BID # SEF- 1900 DATED: SEPTEMBER 10, 2013

ESTIMATED VALUE OF INITIAL TERM: \$1,000,000.00

SEND INVOICES IN DUPLICATE TO: STATE EQUIPMENT FLEET, 2200 E. 42ND AVENUE, ANCHORAGE AK 99508

THIS ORDER CONSTITUTES A BINDING COMMITMENT BETWEEN THE STATE AND THE CONTRACTOR LISTED HEREON. UNAUTHORIZED MODIFICATION WITHOUT THE EXPRESSED PRIOR APPROVAL OF THE CONTRACTING AUTHORITY WILL RESULT IN A FINANCIAL OBLIGATION ON THE CONTRACTOR AND/OR UNAUTHORIZED STATE PERSONNEL MAKING THE CHANGE.

DESCRIPTION

LIGHT DUTY VEHICLE CONTRACT

**SECTION I
SPECIAL TERMS & CONDITIONS**

**SECTION II
STANDARD TERMS & CONDITIONS**

**SECTION III
SPECIFICATIONS**

**SECTION VI
BID PRICE SCHEDULE**

CONTRACTING AUTHORITY NAME & TITLE

DUANE FELTON, CONTRACTING OFFICER II

SIGNATURE



CONTRACTOR AUTHORITY NAME & TITLE

Ron Eastman / Bid Specialist

SIGNATURE



IMPORTANT 1. Contract award number and ordering department name must appear on all invoices and documents relating to this order.
2. The State is registered for tax free transactions under Chapter 32, IRS Code Registration No. 62-601185. Items are for the exclusive use of the State and not for resale.

**CONTRACT
AWARD****STATE OF ALASKA**
HQ, STATE EQUIPMENT FLEET (Contracting Authority)
2200 E. 42nd Avenue
Anchorage, Alaska 99508**CONTRACT AWARD NUMBER****CA1900-14-3****ORDERING DEPARTMENT:**DQUARTERS, STATE EQUIPMENT FLEET
2200 E. 42ND AVENUE
ANCHORAGE, ALASKA 99508
(907) 269-0793 PHONE / (907) 269-0801 FAX**DATE OF CONTRACT:**

OCTOBER 24, 2013

DATE INITIAL CONTRACT BEGINS:

OCTOBER 24, 2013

DATE INITIAL CONTRACT ENDS:

OCTOBER 31, 2018

CONTRACTOR: ALASKA SALES AND SERVICE**NUMBER & PERIOD OF RENEWALS:**

5 YEAR CONTRACT

ADDRESS: 1300 EAST 5TH AVENUE
ANCHORAGE ALASKA 99501**RENEWALS EXPIRE (MO/YR):****CONTACT NAME:** RON EASTMAN**ISSUED IN ACCORDANCE WITH BID #** SEF- 1900 **DATED:** SEPTEMBER 10, 2013**PHONE NUMBER:** 907-265-7555**ESTIMATED VALUE OF INITIAL TERM:** \$1,000,000.00**E-MAIL:** RON@AKSALES.COM**SEND INVOICES IN DUPLICATE TO: STATE EQUIPMENT FLEET, 2200 E. 42ND AVENUE, ANCHORAGE AK 99508****THIS ORDER CONSTITUTES A BINDING COMMITMENT BETWEEN THE STATE AND THE CONTRACTOR LISTED HEREON. UNAUTHORIZED MODIFICATION WITHOUT THE EXPRESSED PRIOR APPROVAL OF THE CONTRACTING AUTHORITY WILL RESULT IN A FINANCIAL OBLIGATION ON THE CONTRACTOR AND/OR UNAUTHORIZED STATE PERSONNEL MAKING THE CHANGE.****DESCRIPTION****LIGHT DUTY VEHICLE CONTRACT****SECTION I
SPECIAL TERMS & CONDITIONS****SECTION II
STANDARD TERMS & CONDITIONS****SECTION III
SPECIFICATIONS****SECTION VI
BID PRICE SCHEDULE****CONTRACTING AUTHORITY NAME & TITLE**

DUANE FELTON, CONTRACTING OFFICER II

SIGNATURE**CONTRACTOR AUTHORITY NAME & TITLE****SIGNATURE****IMPORTANT** 1. Contract award number and ordering department name must appear on all invoices and documents relating to this order.
2. The State is registered for tax free transactions under Chapter 32, IRS Code Registration No. 92-601185. Items are for the exclusive use of the State and not for resale.

SECTION I
SPECIAL TERMS AND CONDITIONS

NOTE: This section will be used for Terms and Conditions that are "special" and/or unique to a particular contract.

1.0 INTENT: Contract to Purchase Light Duty Vehicles:

- 1.1 Contract Period: 5 Years, Multi Vendors
- 1.2 Quantities: Varies by Year
- 1.3 Location of Use: Statewide
- 1.4 Warranty locations: Anchorage and Fairbanks Alaska at a minimum
- 1.5 In addition to the State of Alaska requirements, the Municipality of Anchorage and other Alaska political subdivisions may cooperatively purchase from the resulting contract.
 - 1.5.1 At no time may the contractor change the terms and conditions, alter the price to another entity, which differs from the contractual price, nor charge undisclosed administrative fees to allow cooperative purchasing.

2.0 DELIVERY:

- 2.1 **Pre-delivery service:** Prior to delivery, each vehicle, piece of equipment or attachment shall be serviced and inspected by the dealer or his agent. Inspection must include the following for all vehicles purchased under this contract.
 - 2.1.1 Dealer and vehicle identification.
 - 2.1.2 Check-off of service and inspection performed including a list of all fluids including type weight and specification that are in the equipment as delivered for all fluid compartments.
 - 2.1.3 The vehicle's crankcase, differential and transmission, and other fluid compartments shall be filled to the manufacturer's recommended capacity.
 - 2.1.4 Fuel tank shall be filled to at least register a minimum $\frac{1}{4}$ full on the fuel gauge, unless restricted by the commercial carrier, when the vehicle arrives at the delivery location.
 - 2.1.5 The vehicle shall be clean and free from defects when delivered and should be ready for immediate and continued use upon delivery.
 - 2.1.6 Units delivered in an incomplete state, or which have deficiencies per the specification, are subject to the liquidated damage charges as noted in paragraph 4.0 below.

2.2 Inspections:

- 2.2.1 The State's inspection of all materials and equipment upon delivery is for the sole purpose of identification. Such inspection shall not be construed as final or as acceptance of the materials or equipment if materials or equipment do not conform to Contract requirements. If there are any apparent defects in the materials or equipment at the time of delivery, the State will promptly notify the Contractor thereof. Without limiting any other rights of the State, The State at its option, may require the Contractor to:
 - 2.2.1.1 repair or replace at contractor's expense, any or all of the damaged goods,
 - 2.2.1.2 refund the price of any or all of the damaged goods, or
 - 2.2.1.3 accept the return of any or all of the damaged goods.
- 2.2.2 Costs of remedying all defects, indirect and consequential costs of correcting same, and/or removing or replacing any or all of the defective materials or equipment will be charged against the bidder.

2.3 Acceptance:

- 2.3.1 Units will not be considered "Accepted" until all deficiencies have been corrected. This includes item 2.5 Line Sheets/Bill of Materials and 7.0 Publications.

2.4 Delivery Receipt:

- 2.4.1 A delivery receipt will be required. The receipt must be filled out by the vendor, and acknowledged by state receiving personnel by signature and date of actual receipt of equipment. One copy of this delivery receipt is to be given to the state-receiving agency.
- 2.4.2 Vendors are cautioned and advised that such delivery forms or other receiving type documents will not in any way be construed to mean the state has formally and fully accepted unit(s) referenced thereon as complete and meeting every specification set forth. Only the Contracting Officer or designee may sign warranty documentation.

2.5 Line Sheets/Bill of Materials::

- 2.5.1 It is required at the time of delivery that the successful bidder provides a comprehensive listing of all components used to assemble the unit. A dealer window sticker is acceptable showing all components.
- 2.5.2 This includes any components installed by the manufacturer or any subcontractor or the successful bidder.
- 2.5.3 Information will include at a minimum, when available, make, model serial number on items such as engines, transmissions, axles, tires, bodies, etc. The listings will be specific to each piece of equipment and will be provided on a window sticker or factory build sheet for each unit delivered.

3.0 F.O.B. POINT:

- 3.1 The F.O.B. point is as listed in Section IV, Bid Schedule. Ownership of and title will remain with the contractor until delivery is complete to final destination and accepted by the State. Equipment is not to be driven on the Alcan Highway without prior written approval from the contracting officer.
- 3.2 All shipping charges over \$100 must be documented by a copy of the actual shipping invoice and received with the invoice charge to the State.
- 3.3 Shipping must be consolidated for the best possible price. Shipping items separately must be pre-approved by the Contracting Officer PRIOR to shipment. For example, a Canopy or Spare Tire not being shipped with host unit must be pre-approved.

4.0 DAMAGES FOR LATE DELIVERY AND NON-CONFORMING GOODS:

- 4.1 Time is of the essence in this contract. The Bidder is expected to deliver goods that conform in all material respects to the contract specifications on or before the date provided therein, as may be amended by written agreement of the parties.
- 4.2 In the event that the equipment is delivered late or does not conform to the contract specifications, the State shall be entitled to offset against the Contract Price, as liquidated damages and not as a penalty, an amount equal to the cost of renting like equipment, multiplied by the number of calendar days elapsing between the delivery date provided in the bid schedule and the delivery date to the State. In the case of equipment in this this class, that daily rental fee is determined to be \$50.00. The number of days for which liquidated damages shall apply shall include, in the case of non-conforming goods, the time reasonably necessary for the State to perform inspection.
- 4.3 These liquidated damages represent a reasonable estimate of amounts necessary to compensate the State for loss of use of the goods during the period in which the goods would have been available to the State if conforming goods had been timely delivered.

5.0 WARRANTY:

5.1 Standard Warranty Package:

- 5.1.1 Full (100%) Parts and Labor Warranty Coverage of all components for 36 months or 36,000 miles whichever comes first from the date the unit is placed in service at the assigned location.
- 5.1.2 Full (100%) Warranty Coverage includes all cost of labor, parts, freight, lubricants, miscellaneous cost, etc., to place the unit in like-new condition.

- 5.1.3 Should the manufacturer's standard warranty exceed the minimum State warranty requirements, the manufacturer's warranty will run in conjunction with and enhance the State's warranty, then continue for the remainder of its term.
 - 5.1.4 For clarification, warranty does not apply to normal wear and tear or maintenance items, accident damages, misuse of equipment or failure to operate or maintain equipment as prescribed by vendor/manufacturer.
 - 5.1.5 Warranty on Attachments: Same as Standard Warranty Package.
 - 5.1.6 In-Service Date: Warranty on vehicles not placed in service immediately upon receipt because of time lag to construct body components and/or installation of special equipment, or due to seasonal usage or other delay, shall be warranted from the date the vehicle is placed in service. The receiving agency shall notify the vendor/manufacturer in writing of the actual "in service" date. Notification of the requirement for delayed warranty will be provided on delivery orders whenever possible.
- 5.2 Warranty Claims:**
- 5.2.1 Warranty will be provided at the unit's assigned (in-service) location. Because of the remote location of some equipment it is not always practical to deliver equipment to authorized warranty repair facilities. In these cases, the vendor may perform warranty work at the state's location or, the State of Alaska, at its discretion, reserves the right to perform the warranty work and be reimbursed by the vendor. If travel is required by State personnel to perform the work, actual costs will be used for reimbursement.
 - 5.2.2 The State of Alaska has established a warranty procedure whereby the vendor is to be notified via letter, email, or fax, that warranty work needs to be performed. If time is of the essence, a telephone call confirmed by one of the above written procedures may be utilized.
 - 5.2.3 The vendor must notify the state within 24 hours of verbal or written notification that it will begin to perform the warranty work at the equipment location.
 - 5.2.4 The State may, at its discretion, proceed to make warranty repairs with its own work force in the case of emergency situation or to preclude excessive downtime (greater than 24 hours). The State will require a PO to perform the warranty work.
 - 5.2.5 Failure to notify the State that the vendor intends to begin to perform warranty is considered a contractual breach.
 - 5.2.6 The vendor will be invoiced for required warranty work performed by the state. Warranty work performed by the state will be charged at the current SEF shop labor rate at the time of the repair. Actual repair time will be used.
- 5.3 Warranty Performed by Vendor:**
- 5.3.1 The State will reimburse travel costs not reimbursed by the manufacturer for travel to and from the bidder's closest warranty service center within the State of Alaska to the location of the equipment under warranty. Travel costs will be billed as follows
 - 5.3.1.1 Mileage Charge: Mileage will only be reimbursed for travel within Alaska at the rate allowable by the IRS.
 - 5.3.1.2 Meals are paid at actual and charges must be accompanied by receipts and are not to exceed the State authorized \$60.00 per day.
 - 5.3.1.3 Transportation, such as airfare, shall be reimbursed at actual and all charges are to be accompanied by a receipt/copy of the coach ticket.
 - 5.3.1.4 Lodging shall be reimbursed at actual and shall not exceed \$150.00 per night unless no other lodging is available. Requests for reimbursement must be accompanied by a receipt.
 - 5.3.2 Travel will only be reimbursed for time in Alaska.
 - 5.3.3 After hours, weekend and holiday travel must be approved by the contracting officer to be considered for reimbursement. The State will not pay for weather delays.

5.4 Authorized Warranty (Contractor/Bidder):

- 5.4.1 Contractor (bidder) must have Authorized Warranty Dealer that has all required licenses, facilities and factory certified and trained personnel necessary to perform the warranty servicing and repair work.

Provide name and address for each Authorized Warranty Dealer for each location.

- (*) Alaska Sales and Service
1300 East 5th Avenue Anchorage AK 907-265-7555

Provide contact name and contact information for Warranty Administrator:

- (*) Jacob White.
907-265-5204

Provide documentation of factory certified and trained personnel:

- (*) All Technicians are GM certified

- 5.4.2 The ultimate responsibility for warranty lies with the contractor (bidder).

- 5.4.3 The State reserves the right to inspect the warranty facility and diagnostic equipment prior to issuing the Notice of Intent to Award a contract.

5.5 Factory Recall:

- 5.5.1 Nationwide factory recall or product update programs are the responsibility of the vendor and/or manufacturer. The State will attempt to bring affected equipment to an authorized repair facility. However, because of the remoteness of some equipment this is not always practicable or economical. In such cases, factory recall and modification work will be handled the same as warranty work. Factory recall notices sent to the state should, in addition to serial number, include model, year, and dealer.

6.0 REPAIR ORDERS AND DOCUMENTATION:

- 6.1 Any work performed by the contractor or approved subcontractor, whether warranty or any other work on a piece of equipment purchased under this ITB, will require a copy of the repair order, any invoices showing parts and commodities including oils and types used.

7.0 PUBLICATIONS:

- 7.1 Paper publications/OEM Owners Manuals are to be received by the State at the time of vehicle delivery. Delivery will not be considered complete until the publications for each unit have been received by the State of Alaska. Note: Publications/ OEM Owners Manuals are required to be included with every vehicle ordered under this contract.

- 7.1.1 OEM Standard Owner's Manual

- 1.1.1 Service Bulletins, Etc.: The successful bidder must provide appropriate service bulletins, technical support bulletins, service letters, product support bulletins, and/or any other information type notifications that are sent out to the vendor or used by the manufacturer in the maintenance and report of the vehicle, equipment or attachments being provided. The intent of this clause is that the State of Alaska be provided notification of any and all changes or improvements that may affect the maintenance, reliability, longevity, and safety of our equipment. This information will be provided as soon as possible to person(s) as noted on the Purchase Order.

- 8.0 STATEMENT OF ORIGIN:** The bidder will be required to furnish a Manufacturer's Statement of Origin for Automotive or Non-Automotive rolling stock for each unit. All such documents shall be delivered with the invoice to:

DOT&PF, HQ State Equipment Fleet
2200 E. 42nd
Anchorage, Alaska 99508

9.0 WEIGHT VERIFICATION SLIPS: If required in the issued purchase order, a weight scale ticket of the completed unit will be included with the Statement of Origin.

10.0 INSPECTIONS:

- 10.1 The State's inspection of all materials and equipment upon delivery is for the sole purpose of identification. Such inspection shall not be construed as final or as acceptance of the materials or equipment if materials or equipment do not conform to Contract requirements. If there are any apparent defects in the materials or equipment at the time of delivery, the State will promptly notify the Contractor thereof. Without limiting any other rights of the State, The State at its option, may require the Contractor to:
 - 10.1.1 Repair or replace at Contractor's expense, any or all of the damaged goods,
 - 10.1.2 refund the price of any or all of the damaged goods, or
 - 10.1.3 accept the return of any or all of the damaged goods.
- 10.2 Costs of remedying all defects, indirect and consequential costs of correcting same, and/or removing or replacing any or all of the defective materials or equipment will be charged against the Bidder.

11.0 PRICE:

- 11.1 **Price Guarantee:** The Contractor is responsible to maintain prices under the contract firm for current model year after bid opening. All price increases or decreases must remain firm for the following model year.
- 11.2 **NO RETROACTIVE PRICE INCREASES WILL BE ACCEPTED.**
- 11.3 Price adjustments, increases or decreases, for subsequent orders, may be made by providing the Contracting Officer satisfactory evidence that all of the following conditions exist:
 - 11.3.1 The increase is a result of the increased cost at the manufacturer's level and not costs under the contractor's control, and that;
 - 11.3.1.1 The increase will not produce a higher profit margin for the contractor than that on the original contract, and that;
 - 11.3.1.2 The increase affects only the item(s) that are clearly identified by the contractor.
 - 11.3.1.3 Satisfactory forms of the evidence of the above facts may include a certified invoice from the manufacturer, or an affidavit from an independent professional price-tracking firm that is recognized by the industry as reputable and knowledgeable. The contractor must be able to show the difference between the prior year's price and the current difference in the price being requested.
- 11.4 **Price Decreases:** During the period of the contract, the Contractor must pass on to the state all price decreases, such as fleet rebates. A Contractor's failure to adhere strictly and faithfully to this clause will be considered a material breach of contract. The state reserves the right to cancel the contract if the contractor fails to properly perform the duties set out herein.
- 11.5 **Manufacturer's Rebate (Incentives):**
 - 11.5.1 In any circumstance during or prior to completion of the contract, whereupon the State of Alaska becomes eligible to receive a rebate for any vehicle purchased under this contract, it shall be the BIDDER'S responsibility to inform the Contracting officer in writing and to advise the procedures for obtaining such rebates.

12.0 REPLACEMENT PARTS AND REPAIRS:

- 12.1 This contract encompasses a full parts and labor contract for manufacturer parts and repairs for the entire warranty period.
- 12.2 The State of Alaska shall expect the dealer or manufacturer to provide replacement wear parts at their authorized warranty facilities for the entire warranty period within seven (7) days of order. All other parts must be available within ten (10) working days.
- 12.3 Back order procedures: Back orders are acceptable; however, the ordering shop shall be appraised at time of original orders as to the expected delay in delivery.

- 12.4 Warranty: All products supplied by the contractor shall be warranted against defects in materials and workmanship for a minimum of 90 days, commencing at the time of installation as long as the installation is within 12 months of purchase. The cost of any defective product and the labor required to replace the defective product shall be the obligation of the contractor.
- 12.4.1 If the manufacturer's warranty exceeds the stated warranty then manufacturer's warranty supersedes.
- 12.4.2 Parts Return: Within 12 months of the invoice date, the State is to be allowed to return new parts with full refund, less actual shipping charges. **Cores returned within 12 months of original invoice date will receive full core credit.** Returned parts will be in new, resellable condition. Refund will be in the form of a credit/invoice credited to the SOA account with the vendor.
- 12.4.3 Invoicing: Full description of item is required on all invoices, packing lists and billings.

SECTION II
STANDARD TERMS AND CONDITIONS

- 1.0 **ACCESSORIES:** When accessories are supplied, they must be certified to be compatible with the rest of the equipment. Certification will be written evidence satisfactory to the State that the accessories are compatible. The bidder's failure to supply this evidence within the time required by the State will cause the State to consider the bid non-responsive and reject the bid.
- 2.0 **ADDITIONS OR DELETIONS:** The State reserves the right to add or delete items, agencies or locations as determined to be in the best interest of the State. Added items, agencies or locations will be related to those on contract and will not represent a significant increase or decrease in size or scope of the contract. Such additions or deletions will be documented via mutual agreement, will be at prices consistent with the original bid price margins, and will be evidenced by issuance of a written contract change notice from the Contracting officer.
- 3.0 **ALTERATIONS:** The contractor must obtain the written approval from the contracting officer prior to making any alterations to the specifications contained in this ITB. The State will not pay for alterations that are not approved in advance and in writing by the contracting officer.
- 4.0 **AMENDMENTS:** Contract terms shall not be waived, altered, modified, supplemented or amended without prior written approval of the Contracting officer.
- 5.0 **BILLING INSTRUCTIONS:** Invoices must be billed to the ordering agency's address shown on the individual Purchase Order, Contract Award or Delivery Order, not to the Division of General Services. The ordering agency will make payment after it receives the merchandise or service and the invoice. Questions concerning payment must be addressed to the ordering agency.
- 6.0 **BRAND AND MODEL OFFERED:** Unless otherwise specified, when brand names and model numbers are used to specify the type and quality of the goods desired, bidders must clearly indicate the brand names and model numbers they intend to provide. The bidder's failure to identify the brand and model offered will cause the State to consider the offer non-responsive and reject the bid.
- 7.0 **CERTIFICATION OF COMPLIANCE WITH AMERICAN'S WITH DISABILITIES ACT OF 1990:**
- 7.1 By signature of their bid/proposal the bidder/proposer certifies that they comply with the American's with Disabilities Act of 1990 and the regulations issued there under by the federal government.
- 7.2 Services or activities furnished to the general public on behalf of the State must be fully accessible. This is intended to ensure that agencies are in accordance with 28 CFR Part 35 Section 35.130 and that services, programs or activities furnished to the public through a contract do not subject qualified individuals with a disability to discrimination based on the disability.
- 8.0 **COMPLIANCE WITH ALL GOVERNMENT REGULATIONS:** The bidder must comply with all applicable federal, state, and borough regulations, codes, and laws, and pay all applicable federal, state, and borough taxes, and is liable for all required insurance, licenses, permits, and bonds. Failure to comply with such requirements shall constitute a breach of contract and shall be grounds for contract cancellation. Damages or costs resulting from noncompliance shall be the sole responsibility of the bidder.
- 9.0 **CONFLICT OF INTEREST:** An officer or employee of the State of Alaska may not seek to acquire, be a party to, or possess a financial interest in, this contract if (1) the officer or employee is an employee of the administrative unit that supervises the award of this contract; or (2) the officer or employee has the power to take or withhold official action so as to affect the award or execution of the contract.
- 10.0 **CONTINUING OBLIGATION OF CONTRACTOR:** Notwithstanding the expiration date of a contract resulting from this ITB, the contractor is obligated to fulfill its responsibilities until warranty, guarantee, maintenance and parts availability requirements have completely expired.
- 11.0 **CONTRACT ADMINISTRATION:** The administration of this contract, including any/all changes, is the responsibility of the Contracting Officer, HQ State Equipment Fleet.
- 12.0 **CONTRACT EXTENSION:** Unless otherwise provided in this ITB, the State and the successful bidder/contractor agree: (1) that any holding over of the contract excluding any exercised renewal options, will be considered as a month-to-month extension, and all other terms and conditions shall remain in full force and effect and (2) to provide written notice to the other party of the intent to cancel such month-to-month extension at least thirty (30) days before the desired date of cancellation.
- 13.0 **CONTRACT FUNDING:** Bidders are advised that funds are available for the initial purchase and/or the first term of

SECTION II
STANDARD TERMS AND CONDITIONS

the contract. Payment and performance obligations for succeeding purchases and/or additional terms of the contract are subject to the availability and appropriation of funds.

- 14.0 DEFAULT:** In case of bidder default, the State may procure the goods or services from another source and hold the bidder responsible for any resulting excess costs and may seek other remedies under law or equity. Alaska Statutes and Regulations provide for suspension and disbarment of non-responsible bidders.
- 15.0 DELIVERY:** All deliveries shall be F.O.B. final destination point with all transportation and handling charges paid by bidder. Responsibility and liability for loss or damage shall remain with bidder until final inspection and acceptance when responsibility shall pass to the State except as to latent defects, fraud and bidder's warranty obligations.
- 16.0 DISPUTES:** Any dispute arising out of this agreement shall be resolved under the laws of Alaska. Any appeal of an administrative order or any original action to enforce any provision of this agreement or to obtain any relief from or remedy in connection with this agreement may be brought only in the superior court for the State of Alaska.
- 17.0 FORCE MAJEURE (Impossibility to perform):** Neither party to this contract shall be held responsible for delay or default caused by acts of God and/or war, which is beyond that party's reasonable control. The State may terminate this contract upon written notice after determining such delay or default will reasonably prevent successful performance of the contract.
- 18.0 HUMAN TRAFFICKING:**
- 18.1 By signature on this contract, the offeror certifies that:
- 18.1.1 the offeror is not established and headquartered or incorporated and headquartered, in a country recognized as Tier 3 in the most recent United States Department of State's Trafficking in Persons Report; or
- 18.2 The most recent United States Department of State's Trafficking in Persons Report can be found at the following website: www.state.gov/g/tip/
- 18.3 Failure to comply with this requirement will cause the state to reject the bid or proposal as non-responsive, or cancel the contract.
- 18.4 This pertains to goods and services above \$50,000.00.
- 19.0 INDEMNIFICATION:** The Contractor shall indemnify, hold harmless, and defend the contracting agency from and against any claim of, or liability for error, omission or negligent act of the Contractor under this agreement. The Contractor shall not be required to indemnify the contracting agency for a claim of, or liability for, the independent negligence of the contracting agency. If there is a claim of, or liability for, the joint negligent error or omission of the Contractor and the independent negligence of the Contracting agency, the indemnification and hold harmless obligation shall be apportioned on a comparative fault basis. "Contractor" and "Contracting agency", as used within this and the following article, include the employees, agents and other contractors who are directly responsible, respectively, to each. The term "independent negligence" is negligence other than in the Contracting agency's selection, administration, monitoring, or controlling of the Contractor and in approving or accepting the Contractor's work.
- 20.0 INSPECTIONS:** Goods furnished under this contract are subject to inspection and test by the State at times and places determined by the State. If the State finds goods furnished to be incomplete or not in compliance with bid specifications, the State may reject the goods and require bidder to either correct them without charge or deliver them at a reduced price, which is equitable under the circumstances. If bidder is unable or refuses to correct such goods within a time deemed reasonable by the State, the State may cancel the order in whole or in part. Nothing in this paragraph shall adversely affect the State's rights as buyer, including all remedies and rights granted by Alaska statutes.
- 21.0 INSURANCE:**
- 21.1 Without limiting Contractor's indemnification, it is agreed that Contractor shall purchase at its own expense and maintain in force at all times during the performance of services under this agreement the following policies of insurance. Where specific limits are shown, it is understood that they shall be the minimum acceptable limits. If the Contractor's policy contains higher limits, the state shall be entitled to coverage to the extent of such higher limits. Certificates of Insurance must be furnished to the contracting officer prior to beginning work and must provide for a notice of cancellation, non-renewal, or material change of

SECTION II
STANDARD TERMS AND CONDITIONS

conditions in accordance with policy provisions. Failure to furnish satisfactory evidence of insurance or lapse of the policy is a material breach of this contract and shall be grounds for termination of the Contractor's services. All insurance policies shall comply with, and be issued by insurers licensed to transact the business of insurance under AS 21.

21.2 Proof of insurance is required for the following:

21.2.1 Workers' Compensation Insurance: The Contractor shall provide and maintain, for all employees engaged in work under this contract, coverage as required by AS 23.30.045, and; where applicable, any other statutory obligations including but not limited to Federal U.S.L. & H. and Jones Act requirements. The policy must waive subrogation against the State.

21.2.2 Commercial General Liability Insurance: covering all business premises and operations used by the Contractor in the performance of services under this agreement with minimum coverage limits of \$300,000 combined single limit per occurrence.

21.2.3 Commercial Automobile Liability Insurance: covering all vehicles used by the Contractor in the performance of services under this agreement with minimum coverage limits of \$300,000 combined single limit per occurrence.

21.3 Failure to supply satisfactory proof of insurance within the time required will cause the State to declare the bidder nonresponsive and to reject the bid.

22.0 **ITEM UPGRADES**: The State reserves the right to accept upgrades to models on the basic contract when the upgrades improve the way the equipment operates or improve the accuracy of the equipment. Such upgraded items must be at the same price as the items in the basic contract.

23.0 **NEW EQUIPMENT**: Equipment offered in this contract must be new equipment. New equipment means equipment that is currently in production by the manufacturer and is still the latest model, edition or version generally offered. The equipment must be warranted as new by the manufacturer and may not have been used for any purpose, other than display (not demonstration), prior to its sale to the State. The State will not accept remanufactured, used or reconditioned equipment, including used or reconditioned components or parts of. It is the contractor's responsibility to ensure that each piece of equipment delivered to the State complies with this requirement. A contract's failure to comply with this requirement will cause the State to seek remedies under breach of contract.

24.0 **ORDER DOCUMENTS**: Except as specifically allowed under this contract, an ordering agency will not sign any vendor contract. The State is not bound by a vendor contract signed by a person who is not specifically authorized to sign for the State under this ITB. The State of Alaska Purchase Order, Contract Award and Delivery Order are the only order documents that may be used to place orders against the contract(s) resulting from this ITB.

25.0 **PAYMENT**: Payment for agreements under \$500,000 for the undisputed purchase of goods or services provided to a State agency will be made within 30 days of the receipt of a proper billing or the delivery of the goods or services to the location(s) specified in the agreement, whichever is later. A late payment is subject to 1.5% interest per month on the unpaid balance. Interest will not be paid if there is a dispute or if there is an agreement, which establishes a lower interest rate or precludes the charging of interest.

26.0 **PRICES**: The bidder shall state prices according to the requirements of this ITB. Prices quoted for commodities or services must be in U.S. funds and include applicable federal duty, brokerage fees, packaging, and transportation cost to the FOB point so that upon transfer of title the commodity or service can be utilized without further cost.

27.0 **QUANTITIES**: The State reserves the right to reduce or increase the quantity of items ordered under any contract resulting from this Invitation to Bid.

28.0 **SEVERABILITY**: If any provision of the contract is declared by a court to be illegal or in conflict with any law, the validity of the remaining terms and provisions will not be affected; and, the rights and obligations of the parties will be construed and enforced as if the contract did not contain the particular provision held to be invalid.

29.0 **SHIPPING DAMAGE**: The State will not accept or pay for damaged goods. The contractor must file all claims against the carrier(s) for damages incurred to items in transit from the point of origin to the ultimate destination. The State will provide the contractor with written notice when damaged goods are received.

30.0 **STANDARD AND SPECIAL TERMS AND CONDITIONS**: The terms and conditions of this section are standard to State of Alaska, Department of Transportation and Public Facilities, Statewide Equipment Fleet contracts for the purchase of goods. There may also be other special terms and conditions in an Invitation to Bid or Request for

SECTION II
STANDARD TERMS AND CONDITIONS

Proposal which apply only to this contract. In the event of a conflict between the standard and special terms and conditions, the Special Terms and Conditions take precedence.

- 31.0 SUBCONTRACTOR(S):** Within five (5) working days of notice, the apparent low bidder must submit a list of the subcontractors that will be used in the performance of the contract. The list must include the name of each subcontractor and the location of the place of business for each subcontractor and evidence of each subcontractor's valid Alaska business license. Subcontractors can only be changed per AS 36.30.115 (b).
- 32.0 SUCCESSORS IN INTEREST:** This contract shall be binding upon successors and assigns.
- 33.0 SUITABLE MATERIALS:** All materials, supplies or equipment offered by a bidder shall be new, unused, of recent manufacture, and suitable for the manufacturer's intended purpose unless the specifications allow for used, rebuilt or remanufactured equipment.
- 34.0 TAXES:** Prices quoted in bids must be exclusive of federal, state, and local taxes. If the bidder believes that certain taxes are payable by the State, the bidder may list such taxes separately, directly below the bid price for the affected item. The State is exempt from Federal Excise Tax because articles purchased are for the exclusive use of the State of Alaska.
- 35.0 WARRANTY:** Unless otherwise stated, all equipment shall be new and current model and shall carry full factory warranties. Bidder warrants all goods delivered to be free from defects in labor, material and manufacture and to be in compliance with bid specifications. All implied or expressed warranty provisions of the Uniform Commercial Code apply. All warranties shall be for and benefit the State.

SECTION III
SPECIFICATIONS

SPECIFICATIONS

Minimum Requirements to be included on all vehicles:

(Other minimum requirements may be requested for individual class specifications)

Color: OEM White (Any other color requires prior authorization)
Darkest of OEM Manufactures Standard Cloth Upholstery Interior, (cloth or cloth with vinyl trim would be acceptable)
Transmission: Automatic with overdrive where available (manufactures recommended with engine selected)
½ ton and Larger Rated Vehicles to Have Limited Slip or Locking Differential (automatic or driver controlled)
OEM Trailer Receiver Hitch Package to be included on all pickups ½ ton rated and larger (Exception: chassis only do not required receiver hitches, all chassis to have trailer wiring to the rear of chassis)
Up-fitter Switches OEM on all ¾ ton rated and larger pickup's and chassis
Spray In Bed Liners (black in color) to be OEM or Dealer Installed on all ½ ton rated and larger pickup beds
OEM Front Tow Hooks (frame mounted) to be included on all ¾ ton rated and larger pickup's and chassis
ABS Brakes (4 Wheel Anti-Lock)
Power Steering
AM/FM Stereo
One Electric Power Port 12 Volt - Minimum
Daytime running lights to be included on all vehicle classes where available
Engine Block Heater with 3 Prong plug secured and accessible from the front grill or bumper area
Anti-Freeze-Long Life Coolant to a minimum -35 degree protection
Vehicle Keys (4) AS REQUIRED PER DEFINITION TAB
Tires: all season, standard for GVWR, with spare tire and wheel assembly
To include full size spare tire and wheel when available, or space saver when required by manufacture
Gas tank must be no less than ¼ full when delivered to State receiving facility
FOB Anchorage (Unless otherwise noted)
All available options are to be OEM Installed when available with the exception of auto starts and spray in bed liners which may be installed at dealer
All items listed, as a mandatory requirement must be OEM Installed unless noted in class requirements.
All items listed and advertised by the manufacture as standard equipment shall be included on all vehicles
ARO on all units is 180 days.

**SECTION III
SPECIFICATIONS**

EQUIPMENT DEFINITIONS

ALL WHEEL DRIVE (AWD): All Wheel Drive vehicles do not require a low range transfer case option and are not required to be driver selectable. When in AWD, both front and rear axles do not require power. AWD is not acceptable when 4X4 is specified.

BACK UP CAMERA: OEM backup camera system

OEM HANDS FREE COMMUNICATION SYSTEM: System to be OEM and include all required components or manufactures required packages to be compatible with most all major manufactures cellular devices.

CENTER CONSOLE: Includes console with cup holders, tray compartment and a compartment door, if available.

LIMITED SLIP/LOCKING Differential: 1/2 ton through 1 ton pickups and chassis are required to have a limited slip axle or locking differential (can be automatic or driver controlled) in the minimum requirements. If a limited slip axle or locking differential is not available your bid will be considered non compliant.

OPTIONAL EQUIPMENT: A list of equipment that the State may choose to add to an individual vehicle, in addition or in place of the Required Equipment. Vendors are required to provide pricing for all Optional Equipment, if available. All equipment shall be factory installed unless specified in this document.

PICKUP BOX LENGTH: The following definitions pertain to all pickup truck configurations listed throughout the bid.

Short Bed - Shortest pickup bed offered by the manufacturer

Standard Bed - Bed shall be no shorter than 6ft and no longer than 7ft in length measured at the bed floor inside the box.

Long Bed - Longest bed available from the manufacturer

PICKUP CAB CONFIGURATION: The following pickup truck cab configurations shall be used throughout the bid

Regular Cab - Seating for at least two or three occupants, two cab doors

Extended Cab - Four cab doors, including second row seating.

Crew Cab - Four full size cab doors. Largest cab configuration offered (except Dodge Mega Cab)

Examples of extended cab pickup trucks

All Ford pickup trucks = Super Cab

Ram 1/2 ton = Quad Cab

Ram 3/4 ton and larger = Crew Cab

All GM pickup trucks = Double Cab

Examples of crew cab pickup trucks

Ford 1/2 ton and larger = Super Crew/Crew Cab

All GM pickup trucks = Crew Cab

Ram 1/2 ton = Crew Cab

Ram 3/4 ton and larger = Crew Cab

REQUIRED EQUIPMENT: The minimum list of options that shall be included for all vehicles for that specific Bid Item Number. All equipment shall be factory installed unless specified in this document.

SPRAY IN BED LINER: OEM or dealer installed spray in bed liner is required

Spray in bed liners are to be black in color and have a minimum thickness of 3/16 (0.1875) inch.

Installation: Over rail style, interior tailgate, and front bed wall installation is required. Exception – trucks with factory plastic or metal pickup box top rail protectors shall remain in place, on these trucks under-rail style installation shall be used.

STABILITY CONTROL SYSTEM: Stability control systems are not an acceptable substitute for a limited slip axle or traction control system. Electronic stability control (ESC) is a computerized technology that improves the safety of a vehicle's stability by detecting and minimizing skids.

TRACTION CONTROL SYSTEM: Traction control systems are not an acceptable substitute for a limited slip axle or locking differential. Traction control is a computerized technology that utilizes the vehicles brake system and engine to assist in controlling wheel spin electronically.

PRIVACY GLASS: Glass shall be darker than the standard window tint offered, and the darkest available as provided by the OEM manufacture for each vehicle. All windows minus the windshield and driver/passenger side windows shall be covered. Only factory supplied and installed privacy glass is acceptable.

VEHICLE KEYS (4): Each vehicle shall be supplied with four factory keys. All keys and transmitters shall be fully programmed, cut, and/or credentialed into vehicle security system.

4X4: All 4x4 vehicles shall come equipped with a low range transfer case option. The torque distribution shall be driver selectable. When the vehicle is in 4x4 mode, both front and rear axles shall have power. All 4x4 vehicles shall come equipped with electronic transfer case shift control with auto locking front hubs.

SSV (Special Service Vehicle): The following items are required in this package, Minimum 5.0 liter Engine, 220 amp alternator, cloth 40/Blank/40 front seat, with center section deleted, Vinyl Rear Bench Seat

SECTION IV
BID PRICE SCHEDULE

BID SCHEDULE INSTRUCTIONS:

All bids must include both unit pricing and extensions and be otherwise complete in the format requested.

The materials, equipment or services bid will conform to and meet the requirements of the Contract Bid Documents and are hereby incorporated into this document.

Publications: One (1) set, per Section I, paragraph 7.0.

The actual F.O.B. point for all items purchased under this contract shall be Anchorage, Fairbanks, or Juneau Alaska. Ownership of and title to the ordered items remains with the contractor until the items have been delivered at their final destination and are accepted by the State.

For pricing purposes of this contract, the F.O.B. point is Anchorage Alaska

REQUIRED DELIVERY OF ITEMS UNDER THIS CONTRACT: Maximum **180 days** after receipt of order (ARO).

Attachment on File as Submitted by Vendors:

Spreadsheet "Amendment 2 SEF-1900 Light Duty Bidder Worksheet.xls"



City of North Pole, Alaska

Fiscal Note Year: 2015

Accompanying Ordinance/Resolution #: Ordinance 15-04

Originator / Sponsor Name: Chief Steve Dutra

Date: 2-12-15

Does the Ordinance or Resolution have a fiscal impact? ☒ yes ☐ no

Fund- Dept. Title	Account Description	Account #	Debit	Credit
Fund 21	ABADE - DEPT of Justice Revenue	21-00-00-5900		\$35,410.00
	ABADE - DEPT of Justice Expense	21-00-00-7001	\$35,410.00	

Summary: (Brief description of proposed alterations as defined by accompanying ordinance or resolution. Where did the money come from and how will it be used). The North Pole Police will purchase a detective/crime scene investigation vehicle using funds from Justice forfeiture. The purchase is for \$35,410.00 and will buy a 2014-15 Chevrolet Tahoe. This vehicle will be multi purpose nature. It will be used for crime scene investigations and undercover operations.

Prepared By: *ASB* Date: 2-12-15

Finance Approval: *Kevin Longo* Date: 2-12-15

NOTE- Fiscal notes attached to an ordinance are considered amendments to the budget and do not require an additional approval for insertion into the budget document.