



CITY OF NORTH POLE
Regular Meeting December 10, 2018
North Pole Council Chambers
125 Snowman Lane, North Pole, Alaska
www.northpolealaska.com

Monday, December 10, 2018

Presentation by Community Planning Staff & Shelly Wade of Agnew:Beck Regarding the Salcha-Badger Plan Community Input, Draft Goals, Outreach and Timeline with Time for Questions: 6:00 p.m.

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

MAYOR

Michael Welch
488-8584

CITY CLERK

Judy Binkley
488-8583

COUNCIL MEMBERS

Doug Isaacson – Mayor Pro Tem	322-3133
Avery Thompson – Deputy Mayor Pro Tem	388-5351
Perry Walley – Alt Dep Mayor Pro Tem	347-0135
DeJohn Cromer	347-2808
Aino Welch	488-5834
David Skippis	750-5106

- 1. Call to Order/Roll Call**
- 2. Pledge of Allegiance to the US Flag**
- 3. Invocation**
- 4. Approval of the Agenda**
- 5. Approval of the Minutes**

- a. December 3, 2018**

6. Communications from the Mayor

- a. Proclamation: NPHS November Student of the Month: Abbey Miller.
- b. Proclamation: NPHS December Student of the Month: Jacob Blanchard.

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 18-32, An Ordinance of the City of North Pole, Alaska to Amend the 2018 Building, Public Works, Utility, Administration, and Fire Departments Budgets.

12. New Business

- a. Resolution 18-16, A Resolution Establishing City of North Pole Legislative Priorities for the 31st Legislature 2019 Regular Session.

13. Council Comments

14. Adjournment

Detailed information and copies of agenda documents may be obtained at the Office of the City Clerk, 125 Snowman Lane or on the City website www.northpolealaska.com. Notice of Council Action is available at City Hall and on the City website following the meeting. Council Meetings are aired live via audio streaming from the City's website. Inquiries concerning ADA compliance or accommodations should be directed to the City Clerk.



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

A regular meeting of the North Pole City Council was held on Monday, December 3, 2018 in the Council Chambers of City Hall, 125 Snowman Lane, North Pole, Alaska.

CALL TO ORDER/ROLL CALL

Mayor Welch called the regular City Council meeting of Monday, December 3, 2018 to order at 7:03 p.m.

There were present:

Doug Isaacson – Mayor Pro Tem
Avery Thompson – Deputy Mayor Pro Tem
Perry Walley – Alt Dep Mayor Pro Tem
DeJohn Cromer
Aino Welch
David Skipps
Mayor Welch

Absent/Excused

Excused

PLEDGE OF ALLEGIANCE TO THE U.S. FLAG

Led by Mayor Welch

INVOCATION

Invocation was given by Ms. Welch

APPROVAL OF AGENDA

Mr. Isaacson *moved to* **approve the agenda of December 03, 2018**

Seconded by Ms. Welch

DISCUSSION

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

Old Business:

- b.** Ordinance 18-31, An Ordinance of the City of North Pole, Alaska to Amend the 2018 Police Department Budget.

New Business:

- a.** Liquor License Renewal for 2 Go Mart #112.
- d.** Request to Approve a Professional Services Agreement with PDC Engineers to Provide

Engineering, Design, Permitting, Surveying Easement Acquisition, Bidding and Construction Administration Support for the Moose Creek Water System Expansion Project for \$3,414,403. Award of the Agreement to PDC Shall be Dependent Upon an Award from the US Air Force/Army Corps of Engineers to the City of North Pole to Finance 100% of PDC's Agreement.

- e. Ordinance 18-32, An Ordinance of the City of North Pole, Alaska to Amend the 2018 Building, Public Works, Utility, Administration, and Fire Department Budgets.

Seconded by Mr. Cromer

Discussion

None

On the amendment

PASSED

Yes: 6 – Skipps, Thompson, Isaacson, Welch, Cromer, Welch

No: 0

Absent: 1 – Walley

On the Agenda as amended

Discussion

None

PASSED

Yes: 6 – Skipps, Thompson, Isaacson, Welch, Cromer, Welch

No: 0

Absent: 1 – Walley

APPROVAL OF MINUTES

Mr. Isaacson moved to approve the Minutes of November 19, 2018

Seconded by Ms. Welch

Discussion

None

PASSED

Yes: 6 – Skippis, Thompson, Isaacson, Welch, Cromer, Welch

No: 0

Absent: 1 – Walley

COMMUNICATIONS FROM THE MAYOR (Audio 5:21)

- November 21, 2018 – hosted an All Hands Meeting for the staff and employees of the City of North Pole. There were 33 of the 42 employees in attendance. I communicated to them the 2 cardinal rules that define my administration as Mayor. 1.) That changes that we make will be for growth of our City, not for the sake of change. Should an employee see the need to make such a change, please pass that along to their supervisor or department head. 2.) That as Mayor, I mean to “Do the Most for All” and that does not always mean just citizens within the City limits, but to our neighbors and visitors as well as whenever they come into contact with North Pole. I encouraged employees to do the same. We all enjoyed a barbeque lunch provided from Moody Brews as a gift from the Mayor.
- November 21, 2018 – I attended FMATS at Fairbanks City Hall. There are highway and road funds available to us with only a 9.3% match rate. Our City Services Director is familiar with our needs and priorities, and is aware of the deadline in January 2019.
- November 27, 2018 – I participated in the Economic Development Commission at FNSB. We are incubating an idea of having an Interior Economic Commission to go south through Nenana to the Denali Borough, and across to Fort Greely and Delta Junction back to the FNSB. I provoked thoughts on extending it over to Tanana, north of Fort Yukon and east to Eagle, across the 40 miles to Tok. This will be a slow process, but there is considerable Federal dollars that are at stake.
- November 29, 2018 – I attended the Golden Valley Electric Association breakfast and business meeting. there will be \$9.3 million check distributions of the Capital Credits mailed out in December. GVEA is currently spending \$10,000 per hour in oil to generate electricity to all of its customers. Using solar and wind is currently a very small part of renewable energy. Expect to learn more in your December bill.
- November 29-30, 2018 – I hosted the Vimby crew with a videotaping of North Pole which included visiting many businesses and aerial drone shots of our neighborhoods. The most difficult part for me was the interview from a makeshift in our Council Chambers. As soon as it is edited, they will send me the date for us to view the webcast.
- November 30, 2018 – Our staff directors and I hosted a meeting with our State Senator, John Coghill. The directors presented their legislative priorities and I covered the drain that PERS is placing on our budget and citizens.
- December 1-2, 2018 – I attended the North Pole Bazaar and fireworks show at North Pole Plaza on Saturday and the Christmas Festival on Sunday at NPHS. Both events were well organized and attended. I read “T’was the Night Before Christmas” and there was a Proclamation of Unity on behalf of the 3 Mayors and the lighting of the Unity Candle. Great job to the NP Community Chamber of Commerce.

COUNCIL MEMBER QUESTIONS OF THE MAYOR (Audio 10:29)

- **Mr. Isaacson** asked when the legislative capital requests are due because in the past, we have prioritized them and that came before Council in the form of a resolution. **Mayor Welch** stated he was not sure of the exact date but would try to have them by the end of the year. **Mr. Isaacson** also asked if upcoming events could be provided. **Mayor Welch** stated he would include that in his communications.
- **Mr. Thompson** asked if City Attorney, Mr. Wilson, could come in speak to the email Council received from the Mayor today. **Mayor Welch** stated he did not see a need to bring the City Attorney out because it's very costly. **Mr. Thompson** replied that he cannot find any other municipalities who have this rule so it would be nice to have the City Attorney speak on the record during a meeting regarding this. It would probably be educational as well. **Mayor Welch** stated that the next time the City Attorney needs to come out, we can have him speak to this.

COMMUNICATIONS FROM DEPARTMENT HEADS, BOROUGH REPRESENTATIVE AND THE CITY CLERK

Fire Dept., Chief Coon (Audio 16:12)

- FF-1 class tested out this last weekend. We had 20 students from CTC-NPFD-NSVFD-Salcha VFD test out. We had nearly 40 proctors come to assist with the state testing. These proctors came from neighboring fire departments and also included Fort Wainwright and Eielson fire departments.
- The recent power outage damaged our kitchen stove and had to be replaced. This year we have had to replace the microwave, stove, dryer, and washing machine. As I said in my budget presentation, we have all the issues of a City department and also the issues of a small apartment complex.
- Our sponsoring physical, Dr. Timmerman, is going to step down as our sponsoring physician at the end of the year. Dr. Timmerman has provided training and conducted run reviews for the department for approximately 10 years. She has done this at no cost and will be sorely missed.
- It is important to note that securing a new doctor is required for us to keep providing advanced EMS and there may be a financial obligation to securing a new doctor. This has not been budgeted for but I wanted to give the Council a "heads-up" that it may be coming.
- Maintenance Report:
 - Working on Engine 21 power steering problem.
 - Scheduling repairs on leaking pump valves. This is done in-house as time and parts allow.
 - A-shift is installing a new shower in the live-in facilities.
 - Several of the light and medium duty vehicles will be undergoing "B" inspections and repairs.

- The fire department received briefings from the earthquake that occurred last Friday. No damage was reported to the fire department and we did not respond to any related emergencies.
- This is a good reminder to everyone to have an emergency plan that would include a week worth of supplies. These supplies should include at least:
 - Food and water
 - Medications
 - Gas/diesel
 - Approved heating device
 - Communications
- Visit www.ready.alaska.gov
- **Mayor Welch** asked when the NIMS training was going to take place. Chief Coon replied his plan was to bring it back up after we were done with lengthy Council meetings and put it up on the board and walk Council through it.
- **Mr. Cromer** asked if Dr. Timmerman was given a going away party. Chief Coon replied she was invited to the Fire Department award and Christmas party. The volunteer association did pick out something and that will be presented to her.

Director of City Services, Bill Butler (Audio 24:09)

Building Department

- New building permit issued for fire restoration project on Finell.

Public Works

- All remaining plowings in 2018 will require transferring funds.
- Christmas decorations: check out Santa's Sleigh & first reindeer (Rudolph) at City Hall. Eight remaining reindeer to be built.
 - Our plan is to place promotional information on the City's webpage encouraging people to come take their picture in the sleigh.

Utility Department

- Sulfolane settlement.
 - Only remaining construction item for 2018 – other than punch list items are seismic upgrades underway at the Water Treatment Plant on second reservoir. Projected to be completed before mid-December.
- Moose Creek Water System Expansion Project.
 - Recommendation before Council this meeting to award contract to PDC with the caveat that award of the contract is contingent upon award of funds from the Air Force to the City for the engineer, design, and related work.

Natural Gas Utility Board

- IGU is at the point of a draft binding term sheet between IGU-Knik Tribe [owner] and Siemens Government Technologies, Inc. [operator].
 - IGU drafted a term sheet and has sent it to Knik Tribe and Siemens for review.
 - Draft term sheet outlines the general scope of what IGU can accept in a liquefied natural gas supply contract.

- The “ball” is in Knik Tribe and Siemens’ “court”.
- The draft term sheet is confidential at this time.
- There is an IGU meeting on December 4 starting at 4:00pm at the Key Bank Building on Cushman Street, Fairbanks.
- **Mr. Isaacson** asked Mr. Butler to run through the project costs summary for the Water Expansion Project. Mr. Butler went through the summary.
- **Mr. Cromer** asked about the mailings for the open house occurring on Wednesday for the Water Expansion. Mr. Butler replied that mailings have been sent out to everyone in Zones 1 & 2 because they are the ones who can actually sign up now because the pipes are in place in their property areas. A separate mailing went out to the people in Zones 3 & 4 that there’s an open house and they can come ask questions and will be able to sign up next year.
- **Mayor Welch** asked if there was a “make-up” time for citizens who received the postcard but won’t be able to make the open house. Mr. Butler replied that citizens can sign up any time. They don’t have to come to the events.
- **Mr. Thompson** asked if Mr. Butler foresaw any issues being short staffed or equipment issues or anything like that from the extension since the City boundaries are necessarily expanding. Mr. Butler replied that this was negotiated as part of the settlement agreement. We filled a position that was left open from 2014 because of declines in revenue. We will have to see if we will have to hire more individuals. I definitely know that Melanie, who does the utility billing will become 100% utility so we will just have to see what our staffing needs become as the system grows.

Finance, Tricia Fogarty (Audio 43:46)

- Financials were emailed out to you this afternoon and I have the summarized version for you on the dais.
- I suspect that I’m going to get the November statement this week and hopefully I’ll have those financials for you by next Monday for the meeting.
- **Mr. Thompson** asked about the travel, training and memberships for Public Works because they are negative \$30. Ms. Fogarty replied that will be corrected by an administrative budget amendment.

Police Dept., Sgt. Binkley (Audio 46:04)

- Both Chief Dutra and Lt. Lindhag are in Anchorage this week for professional development.
- Our newest officer, Chris Terry, is off his FTO training so he will be on his own this week.

Borough Representative

None

City Clerk’s Office, Judy Binkley (Audio 46:46)

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Minutes
December 3, 2018

NOT A VERBATIM TRANSCRIPT

- Reminder – the next Council meeting is next Monday. Please be here by 6:00 pm as Agnew:Beck will be here to do a presentation.
- I will be swearing in the new officers for Santa's Senior Center during their monthly birthday lunch on Wednesday, December 19th at 11:00 am. If anyone would like to join me, please let me know ASAP so I can RSVP.
- An idea I recently got from another City Clerk was sending a monthly report to Council. Since I answer to the Council as a body, but we only see each other twice a month, I thought it would help keep you in the loop on what I have been working on each month.
- I would like to get new chairs for Council – we had budgeted for it so if anyone has an input, feel free to share. I know Mr. Skipps gave me some suggestions last year so if I don't hear back in the next week, I'll just get some ordered. I also need to get some new iPads so if any tech savvy Council members (I'm looking at you Mr. Thompson) can give me some guidance, it would be much appreciated.

ONGOING PROJECTS

None

CITIZENS COMMENTS – (Limited to Five (5) minutes per Citizen) (Audio 49:22)

- **Jerry Koerner**, 1141 Lake Drive: Gave an update on their huge 200 acre subdivision.

OLD BUSINESS

ORDINANCE 18-29, AN ORDINANCE OF THE NORTH POLE CITY COUNCIL ESTABLISHING THE 2019 OPERATING AND CAPITAL BUDGET. (Audio 59:48)

Mr. Isaacson introduced the ordinance.

Public Comment

None

Mr. Isaacson *moved to adopt Ordinance 18-29, An Ordinance of the North Pole City Council Establishing the 2019 Operating and Capital Budget.*

Seconded by Ms. Welch

Discussion (Audio 1:00:50)

Discussion ensued on multiple line items in the budget regarding what the department head had requested and what was appropriated by the Mayor.

Mr. Thompson *moved to amend Ordinance 18-29, An Ordinance of the North Pole City*

Council Establishing the 2019 Operating and Capital Budget by moving \$500 from account 01-52-3-335 (office equipment and supplies) to account 01-53-2-225 (Police legal fees).

Seconded by Mr. Isaacson

Discussion on the amendment

None

On the amendment

PASSED

Yes: 6 – Skipps, Thompson, Isaacson, Welch, Cromer, Welch

No: 0

Absent: 1 – Walley

Discussion on the motion as amended

None

On the motion as amended

PASSED

Yes: 6 – Skipps, Thompson, Isaacson, Welch, Cromer, Welch

No: 0

Absent: 1 – Walley

Mr. Isaacson moved to suspend the rules for 5 minutes.

Seconded by Ms. Welch

NEW BUSINESS

RESOLUTION 18-15, A RESOLUTION ESTABLISHING THE 2019 CITY OF NORTH POLE BED TAX GRANT DISTRIBUTION. (Audio 1:37:37)

Mayor Welch introduced the resolution.

Public Comment

None

Mr. Isaacson moved to introduce and adopt Resolution 18-15, A Resolution Establishing the 2019 City of North Pole Bed Tax Grant Distribution.

Seconded by Ms. Welch

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Discussion (Audio 1:39:49)

Mr. Isaacson stated it would have been helpful is to see what the uses for the bed tax was going to be spent on.

Mr. Thompson stated he was able to participate in the bed tax committee again this year and thinks that one that that we may look at is changing the code on the way that the bed tax funds are distributed. Across the board, most people distributed funds equally but we should look at “grading on a curve” where you eliminate the highest number and the lowest number. That would be a fair allocation.

Mayor Welch asked Mr. Thompson if he could put together an example of how we could do this. **Mr. Thompson** replied that he would put something together.

Mr. Isaacson asked if we are in agreement to postpone this for clarification or did the committee do its homework.

Mr. Thompson stated that it would be beneficial for the Council to see what each organization had requested. It would be especially helpful long term if we propose another way to calculate how the bed tax funds are going to be distributed.

Mayor Welch asked City Clerk Binkley if code would be violated by not passing this. City Clerk Binkley replied that Council can vote and not pass the resolution. Council is not permitted to make any amendments to this resolution. Instead, it would have to be back to the Bed Tax Committee and they could present new figures to the Council. City Code does say this must be approved by Council by December 31st.

Mr. Isaacson stated that as long as there’s a consensus that the process was followed and we did not violate statutes, we can move forward.

Mr. Thompson stated that that the committee had to interpret City Code during the committee meeting. There were certain applicants that did not necessarily meet what the requirements were in the City Code in one area but then met the code in other areas. Part of the reason we move forward is that we were trying to read the Code and in the past, all the applications have been complete so there wasn’t a need to go through and analyze the Code. This year, there was back and forth on whether or not that requirements were met.

PASSED

Yes: 6 – Skipps, Thompson, Isaacson, Welch, Cromer, Welch

No: 0

Absent: 1 – Walley

APPROVAL REQUEST FOR THE 2019 CITY COUNCIL MEETING SCHEDULE.

(Audio 1:52:49)

Mayor Welch introduced the request.

Public Comment

None

Mr. Isaacson *moved to approve the 2019 City Council Meeting Schedule.*

Seconded by Ms. Welch

Discussion (Audio 1:55:07)

Mayor Welch stated that the reason for the change in May is so the City Clerk can attend training and the reason for the November change is due to AML.

PASSED

Yes: 6 – Skipps, Thompson, Isaacson, Welch, Cromer, Welch

No: 0

Absent: 1 – Walley

COUNCIL COMMENTS (Audio 1:56:58)

Ms. Welch – I was lucky to go and participate in Christmas in Ice this week and completed my competition sculpture. Thanks to assistance from Mr. Skipps for fixing a piece of my equipment.

Mr. Isaacson – None

Mr. Thompson – None

Mr. Skipps – None

Mr. Cromer – None

Mr. Walley – Absent

Mayor Welch – I took the video crew over to Forbes Storage to introduce them to the lady who runs Santa's Letters. There was a card from a young boy from Berkeley, CA asking to make their mother happy. The address was not clear on the envelope but they stated they were going to find the young man's address and send a reply.

Mr. Isaacson *moved to adjourn the meeting at 9:11 p.m.*

Seconded by Ms. Welch

The regular meeting of Monday, December 3, 2018 adjourned at 9:12 p.m.

These minutes passed and approved by a duly constituted quorum of the North Pole City Council on Monday, December 10, 2018.

Michael W. Welch, Mayor

ATTEST:

Judy Binkley, North Pole City Clerk

Draft

Office of the Mayor
City of North Pole

Proclamation

WHEREAS, Abbey Miller is a Senior at North Pole High School and is the daughter of Kelly & Chris Miller of North Pole; and

WHEREAS, Abbey is the Wrestling Mat Manager for North Pole High Wrestling team, an Ignition program mentor, and volunteers her time to Friends of the North Pole Library, where Abbey is a Board member; and

WHEREAS, Abbey was Student of the Year in Honors World History in 2016-2017 and Student of the Year in AP English Language Composition in 2017-2018. Abbey wants to pursue her Associates degree in English with a minor in Philosophy; and

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

NOW, THEREFORE, I, Michael Welch, Mayor of the City of North Pole, do hereby proclaim Abbey Miller the:

*North Pole City Council
High School Student of the Month
For November 2018*

Michael W. Welch

Michael W. Welch, Mayor

ATTEST:

Judy L. Binkley
Judy L. Binkley, North Pole City Clerk



Office of the Mayor
City of North Pole

Proclamation

WHEREAS, Jacob Blanchard is a senior at North Pole High School and is the son of Kevin and Lori Blanchard of North Pole; and

WHEREAS, Jacob plays Football for North Pole High School and is a member of the Wrestling team and has made 1st and 2nd team all-conference and 2nd team all-state. Jacob has lettered in academics and likes to snowboard and aspires to join the USCG; and

WHEREAS, Jacob volunteers for the North Pole Sled Dogs, helps with community trash clean up, and volunteers for the Food Drive and the Health Fair; and

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

NOW, THEREFORE, I, Michael Welch, Mayor of the City of North Pole, do hereby proclaim Jacob Blanchard the:

*North Pole City Council
High School Student of the Month
For December 2018*

Michael W. Welch

Michael W. Welch, Mayor

ATTEST:

Judy L. Binkley

Judy L. Binkley, North Pole City Clerk



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**CITY OF NORTH POLE
ORDINANCE 18-32**

**AN ORDINANCE OF THE CITY OF NORTH POLE, ALASKA
TO AMEND THE 2018 BUILDING, PUBLIC WORKS,
UTILITY, ADMINISTRATION, AND FIRE DEPARTMENTS
BUDGET**

WHEREAS, changes to the public services practices and policies is a continually changing requirement; and,

WHEREAS, the City of North Pole budget should be amended to conform to the requirements of the City; and,

WHEREAS, adjustment in the budget are necessary to remain compliant with council approved authorizations and budget management rules, and

WHEREAS, fiscal notes are the method prescribed by the code to amend a budget; and,

WHEREAS, fiscal notes have been reviewed by the Accountant and Mayor for accuracy and will be recorded as amendments to the budget upon approval,

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of North Pole that it approves changes as listed in the fiscal note to be attached to this ordinance for the purpose managing the City budget.

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

Section. Effective date.

This ordinance shall become effective immediately upon passage.

PASSED AND APPROVED by a duly constituted quorum of the North Pole City Council this ____ day of ____, 2018.

Michael W. Welch, Mayor

ATTEST:

Judy L. Binkley, North Pole City Clerk

PASSED/FAILED

Yes:

No:

Absent:



City of North Pole, Alaska

Fiscal Note Year: 2018

Accompanying Ordinance/Resolution: 18-32

Originator/sponsor: William Butler

Date: November 27, 2018

Does the Ordinance or Resolution have a fiscal impact? ☒ YES ☐ NO

FUND	Account Description	Account #	Debit	Credit
41	41-10-2-225	Legal Fees	4,500	
41	41-10-3-300	Bad Debt		4,500
42	42-12-3-320	Phone/Data		5,000
41	41-10-3-320	Phone/Data	5,000	
41	41-10-2-235	Professional Services		14,000
41	41-10-9-900	Deferred Maintenance	14,000	

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).

Reallocation of funds to address high than anticipated costs in 2018.

Prepared by: William Butler Date: 11/27/18

Signature William Butler

Financial approval: Tricia Fogarty Date: 11/28/18

Signature Tricia Fogarty

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.



City of North Pole, Alaska

Fiscal Note Year: 2018

Accompanying Ordinance/Resolution: 18-32

Originator/sponsor: William Butler

Date: November 27, 2018

Does the Ordinance or Resolution have a fiscal impact? ☒ YES ☐ NO

FUND	Account Description	Account #	Debit	Credit
41	41-10-2-235	Professional Services		16,000
42	42-12-2-235	Professional Services	16,000	
42	42-12-2-225	Legal Fees	2,000	
42	42-12-3-300	Bad Debt		2,000

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).

Reallocation of funds to address high than anticipated costs in 2018.

Prepared by: William Butler Date: 11/27/18

Signature William Butler

Financial approval: Tricia Fogarty Date: 11/28/18

Signature Tricia Fogarty

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.



City of North Pole, Alaska

Fiscal Note Year: 2018

Accompanying Ordinance/Resolution: 18-32

Originator/sponsor: William Butler

Date: November 27, 2018

Does the Ordinance or Resolution have a fiscal impact? ☒ YES ☐ NO

FUND	Account Description	Account #	Debit	Credit
01	Street Maintenance	01-58-7-710		24,000
01	Snow Removal	01-58-2-240	24,000	
01	Building Maintenance	01-58-7-700		4,000
01	Equipment Repair & Maintenance	01-58-6-600	4,000	
01	Building Maintenance	01-58-7-700		3,000
01	Vehicle Gas & Oil	01-58-6-605	3,000	

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).

Inter-category transfer of funds to address higher than expected costs in 2018.

Prepared by: William Butler Date: 11/27/18

Signature William Butler

Financial approval: Tricia Fogarty Date: 11/28/18

Signature Tricia Fogarty

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.



City of North Pole, Alaska

Fiscal Note Year: 2018

Accompanying Ordinance/Resolution: 18-32

Originator/sponsor: William Butler

Date: November 27, 2018

Does the Ordinance or Resolution have a fiscal impact? ☒ YES ☐ NO

FUND	Account Description	Account #	Debit	Credit
04	Fund Balance	04-00-2-900		14,000
04	Commercial Plan Review	04-10-9-900	14,000	
04	Fund Balance	04-00-2-900		6,000
04	Residential Plan Review	04-10-9-903	6,000	
04	Fund Balance	04-00-2-900		2,000
04	Residential Inspections	04-10-9-904	2,000	
04	Fund Balance	04-00-2-900		6,250
04	Industrial Inspections	04-10-9-905	6,250	

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).

Reallocation of funds from the Building Department Fund Balance to address high than anticipated plan review and inspection costs caused by higher than expected construction in the City in 2018.

Prepared by: William Butler Date: 11/27/18

Signature William Butler

Financial approval: Tricia Fogarty Date: 11/28/18

Signature Tricia Fogarty

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.



City of North Pole, Alaska

Fiscal Note Year: 2018

Accompanying Ordinance/Resolution: 18-32

Originator/sponsor: Tricia Fogarty

Date: November 27, 2018

Does the Ordinance or Resolution have a fiscal impact? ☒ YES ☐ NO

FUND	Account Description	Account #	Debit	Credit
01	01-00-3-300	Alcohol Tax	30,000.00	
01	01-00-5-510	Fingerprinting	4,000.00	
01	01-00-5-500	Ambulance Fee CY		34,000.00
01	01-51-3-305	Electric	2,000.00	
01	01-51-3-310	Heating Oil	2,000.00	
01	01-51-9-920	Misc. Expenses	2,500.00	
01	01-51-2-205			6,500.00

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).

Reallocation of funds to address higher than anticipated costs in 2018.

Prepared by: Tricia Fogarty Date: 11/28/18

Signature *Tricia Fogarty*

Financial approval: Tricia Fogarty Date: 11/28/18

Signature *Tricia Fogarty*

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.



City of North Pole, Alaska

Fiscal Note Year: 2018

Accompanying Ordinance/Resolution: 18-32

Originator/sponsor: Chief Coon

Date: November 27, 2018

Does the Ordinance or Resolution have a fiscal impact? ☒ YES ☐ NO

FUND	Account Description	Account #	Debit	Credit
01	01-54-5-920	Misc. Expenses	400.00	
01	01-54-2-210	Credit Card Fee		400.00
01	01-54-7-700	Building Maintenance	3,500.00	
01	01-54-1-001	Wages Full Time		3,500.00
01	01-54-6-600	Vehicle Gas & Oil	3,200.00	
01	01-54-1-001	Wages Full Time		3,200.00

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).

Reallocation of funds to address higher than anticipated costs in 2018.

Prepared by: Tricia Fogarty Date: 11/28/18

Signature *Tricia Fogarty*

Financial approval: Tricia Fogarty Date: 11/28/18

Signature *Tricia Fogarty*

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.

Memo

To: Tricia
 From: Geoff Coon
 Date: 11/28/2018
 Re: Fiscal note



Transfer into:

From:

01-54-5-920 Miscellaneous Expense \$400.00 Retirement plaque and normal expenses	01-54-2-210 Credit Card Fees
01-54-7-700 Building Maintenance \$3500.00 Service Furnaces & additional light upgrades, repair live-in shower	01-54-1-001 Wages
01-54-6-600 Vehicle Gas and Oil \$3200.00 Cost of fuel and extensive drivers training	01-54-1-001 Wages
01-54-2-235 Professional Services \$350.00 Dumpster service was not budgeted for	01-54-2-205 Audit and Finance

Budget transfer

Transfer into:

From:

01-00-5-500 Ambulance Fee CY Ambulance calls inside the city up.	Increase from \$90,000.00 to \$124,000.00

1 **CITY OF NORTH POLE**

2 **RESOLUTION 18-16**

3 **A RESOLUTION ESTABLISHING CITY OF NORTH POLE LEGISLATIVE**
4 **PRIORITIES FOR THE 31ST LEGISLATURE 2019 REGULAR SESSION**

5 **WHEREAS**, the City of North Pole considers resolutions through the year to support legislative
6 and policy actions of the State and other local governments; and

7 **WHEREAS**, the City of North Pole is concerned with Statewide and Federal issues that affect
8 the City and its residents; and

9 **WHEREAS**, the following list is a list of issues that the City feels are important to residents of
10 the City of North Pole, State of Alaska and Citizens of the United States;

11
12 **#1 Priority, Legislative adoption of an equitable and sustainable Alaska Public Employee**
13 **Retirement System where the City of North Pole pays half and the State of Alaska pays the**
14 **other half.:**

15 **Cost: \$450,000**

16 The City of North Pole strongly urges the Legislature to adopt a sustainable plan that will
17 reduce by half the **current twenty two percent (22%)** contribution paid on behalf of our
18 employee salaries and wages to the Alaska State mandated Public Employee Retirement
19 System (**PERS**), **to only an eleven percent (11%)** contribution, leaving the remainder to
20 be paid by the State.

21 Over the past **six (6) years**, from 2013-2018, the City of North Pole has paid circa
22 **\$5,200,000** in contributions to the PERS system which exceeds our expenditures for the
23 budget year of 2013 alone. Our PERS contribution equates to nearly \$400 annually for
24 every resident of North Pole, and currently exceeds **14 cents (\$0.14)** of every dollar that
25 is spent to operate the City. This incredible expense is no longer sustainable to this small
26 city .We need to hire new police officers, firefighters, and support staff to be trained and
27 ready to deal with this large influx of new citizens, yet we are unable to hire new safety
28 and first responders, or procure desperately needed equipment because of the inequitable
29 taxing burden that PERS puts on the resources of North Pole.

30 North Pole is in a growth stage, mostly due to the expansion at Eielson AFB, which will
31 easily double our population within the next 2 years, from nearly 2,200 to more than
32 5,500 by end of year 2020, and quite possibly 6,500 by the end of 2024. We must make
33 wise use of our limited revenues to pay for a larger city. Therefore, it is incumbent on the
34 Legislature to meet the City of North Pole at least halfway by paying half of the 22%, as
35 well as making a plan to fully correct the PERS system no later than the year 2025.

2 Priority, North Pole Utility:

Cost: \$2 million

The City of North Pole's North Pole Utility serves approximately 600 utility customers within the city limits including the Petro Star Refinery, GVEA Power Plant and Flint Hills Resources petroleum tank farm and numerous other commercial enterprises. Without the Utility's wastewater treatment plant, the majority of the Utility's customers have no other options for wastewater disposal, including the local industries.

The channel where the North Pole Utility discharges treated wastewater has lost surface water flow on two occasions—in 2012 and 2013. Lower than normal river flows have been observed since 2013. After the loss of surface river flow in 2013, the Alaska Department of Environmental Conservation issued the Utility a Notice of Violation (NOV). The reason for the NOV is without surface water flow, the treated wastewater does not immediately begin to mix with the Tanana River making the Utility in violation of its Alaska Pollutant Discharge Elimination System permit (APDES). The NOV requires the City to resolve the conditions that resulted in the issuance of a NOV.

To resolve the NOV, the Utility is planning to construct a new sewer discharge sewer main that is approximately 7,000 feet to a reliable channel of the Tanana River. The Utility had previously secured a State of Alaska legislative grant to finance a majority of the engineering and design costs. The engineering and design are completed along with the request to bid package making the project "shovel ready". To help accelerate the construction of the sewer main, the Utility has begun to require necessary permitting that the construction contractor would typically acquire. Having the permits in advance of the project going to bid will accelerate construction. The Utility also needs to conduct a multi-year channel flow analysis to calculate the mixing zone required for the project.

One reason the cost of the sewer main extension is high is the location where it must be installed—in wetlands and a flood plain. The sewer main construction not only involves installation of a sewer pipe, but also an access road to provide access for maintenance. Having to work in wetlands increases the difficulty of the work increasing the construction costs. Adding to the cost construction is the climate in Interior Alaska and the length of the sewer main. Local temperatures can drop to as low as 60 degrees below zero. Subzero temperatures are common from November through March. Frozen ground can penetrate to ten feet deep. The ground does not typically completely thaw to depth until June. The Utility uses a passive treatment process—aerated lagoons that use naturally occurring bacteria to treat the sewage. After the water passes through the treatment process, its temperature is only slightly above freezing. Treated wastewater that travels through over a mile of buried pipe, even when the pipe is heavily insulated, can freeze. To prevent freezing, active freeze protection of the sewer main must also be

included in the construction cost—an electric heat trace or heat exchangers to add heat to the treated wastewater.

Due to the climate in Interior Alaska, the construction season is short, typically May through September. The project can only be bid when the City has 100% of the necessary funding. For construction to begin in one summer construction season, bidding must not occur later than April so all funding must be in place at the time. Also, due to the short construction season, the project is expected to require two construction seasons. The earliest the project could go to construction is May 2021. Each year the project is delayed will result in increased costs due to construction cost inflation. Davis-Bacon wage requirements and the mandated use of US produced steel also add to increased cost for the project.

The initial construction cost estimate generated by Stantec Consulting for the Utility in 2015 for the project was \$3.7 million. The Utility acquired a \$500,000 SOA Legislative Award in 2014 to finance engineering and design costs. Subtracting the \$500,000 already expended on the project, the estimated construction cost in 2015 was \$3.2 million. The North Pole Utility is requesting a Legislative Award of \$2 million dollars for the project. The Utility is committed to contributing \$1 million of internal cash to the project. Typically, the Utility would apply for a Municipal Matching Grant to fund this type of infrastructure project, but MMGs are not available at this time. The balance of the project costs will be paid with an Alaska Clean Water Fund (ACWF) loan that the Utility has acquired.

#3. Priority, North Pole Fire Department grant request for a Type One Fire Pumper:

Cost: \$800,000

North Pole Fire Department is applying for funding to purchase a Type one fire pumper. The new apparatus will meet the requirements of NFPA 1901, which addresses firefighter capabilities and safety, and adds emphasis to required firefighter safety and operating capabilities of the apparatus. The current pumper that will be replaced is well beyond its 20-year service life. This purchase would provide a safe, functional, and cost-efficient apparatus.

The new pumper will have 1500 GPM pump, foam class B foam tank, water tank, hose bed space, and a full complement of ground ladders. This configuration will streamline the department's operation, maximize functional compartment space. We have estimated the base cost of a new pumper at \$800,000.00, which is based on information from apparatus manufacturers.

The North Pole Fire Department provides fire protection to Flint Hills resources and Petro Star refinery. Petro Star produces 100% of the jet fuel used at the Fairbanks International Airport, 100% of fuels used by Fort Wainwright, Eielson and Fort Greely Military Bases, 2,000 barrels per day of fuel for electrical generation (180 megawatts) for Interior of Alaska. The Department of

Defense has cited the Refinery as a "critical asset" in its Alaskan military infrastructure. Finished product from the refinery is shipped by rail through the City of North Pole by the Alaska Rail Road.

The North Pole Fire Department shall be the primary first responders to the "Fairbanks Natural Gas" North Pole facilities located inside the city of North Pole. Fairbanks Natural Gas will be placing two 75,000-gallon tanks next to Petro Star refinery in 2019. In 2020 Fairbanks Natural gas will build a two-million-gallon fixed structure at the site. This facility will be a critical asset not just to the city of North Pole but the greater North Pole area as the infrastructure is built out beyond the city's boundary.

North Pole Fire Department maintains the only foam pumper covering the eastern portion of the Fairbanks North Star Borough covering over 120 square miles. The nearest mutual aid foam pumpers are located 15 to 20 miles away which could lead to serious delays for fire and rescue operations. North Pole is home to a tank farm, oil refinery, bulk natural gas storage, as well as the bulk of the area's schools, commercial occupancies, and apartment complexes. Daily operational needs for responding to fire and rescue operations at these target hazards clearly show the need for a fire pumper.

Replacing the current pumper will aid in reducing maintenance costs not only by having a more modern, dependable apparatus. Even with an excellent maintenance program the older pumper has become an increasing burden. Repair costs have risen steadily as the pumper has aged, with replacement parts becoming more difficult to obtain. In 2015 our current pumper was out of service for over ninety days while a part was manufactured for a repair. The break down left the North Pole community dependent on a mutual aid pumper for response 20 miles away.

As a small combination fire department, NPFD is faced with a number of specific challenges in its area of responsibility that makes it unique. Within the city limits of North Pole has an oil refinery, tank farm, bulk liquid natural gas storage, and an electric power generation facility that provide electrical power to the Interior of Alaska. While the City of North Pole in itself is small, it contributes directly to The State of Alaska's economy and to our nation's national security.

The North Pole Fire Department's strategic goals include: ensuring firefighter safety, identifying potential needs of the community and planning for future development, addressing the USFA goals of reducing death and injuries to firefighters and high risk groups (young and elderly), to prepare our firefighters for response to fire, hazardous materials incidents, natural disasters, urban-wild land interface incidents and CBRNE/terrorist activities by ensuring they are trained and equipped with the best NFPA compliant equipment and apparatus. Increased call volume, higher population levels, and steady growth in the commercial and industrial sectors coupled with decreased state funding indicate a greater need for developing local capabilities. A grant award to NPFD would help the department meet its goals of protecting life and property in a difficult environment with the staffing challenges it faces in today's world. The department places the safety of its responders as its highest priority, and will endeavor to meet its goal of equipping and

150 taking care of its members as the first and foremost goal.

151 **#4 Priority, North Pole Police Department request to obtain property and construct a law**
152 **enforcement firing range and training facility:**

153 **Cost: Approximately \$8 million.**

154 The City of North Pole has joined a collaborative regional effort to obtain property and
155 construct a law enforcement firing range and training facility. The only current law
156 enforcement range is located on the Fairbanks International Airport Property. Having a
157 shooting range/training facility on airport property has been historically problematic. The
158 current rules surrounding the range make basic training topics and drills difficult and
159 sometimes outright prohibited.

160 Current rules also prohibit law enforcement from bringing citizen groups (such as citizen
161 police academies) to the range during these public training programs. During 2018 area
162 wide law enforcement agencies were notified the firearms training range would be shut
163 down within the next year. There is currently no other firearms training facility, within
164 interior Alaska, which is capable to functioning as a training range.

165 A new range facility would be open to and serve every local, state, and federal law
166 enforcement agency within interior Alaska. It would also serve as the primary training
167 site for our Interior Alaska police academy. At a time when law enforcement is under
168 constant scrutiny and expected to perform as professionals, this must begin with a high
169 level of training and a professional training environment. It has also been noted that the
170 City of North Pole has multiple sites bordering the City of North Pole that would serve as
171 a great location for such a site.

172 **#5 Priority, Reduce the high cost of energy in the Interior and develop a statewide long**
173 **term energy goal.**

174 Reducing the high cost of energy in Interior Alaska requires a short, mid and long term
175 solution. A significant amount of work has been done already, and with the approval of
176 the IGU and Pentex acquisition, the interior is on its way to begin this process of
177 developing and implementing an energy plan. A statewide energy plan is still needed to
178 ensure we leave a respectable legacy for our future residents and encourage economic
179 development in the state of Alaska. The City of North Pole supports natural gas as a
180 short to midterm project and construction of a Large Diameter Gas Pipeline from the
181 North Slope to local and statewide markets as a long term project.

183 **NOW THEREFORE BE IT RESOLVED**, that the North Pole City Council requests the 31st
184 legislature to consider timely and appropriate action on the issues mentioned.

185 **PASSED AND APPROVED** by a duly constituted quorum of the North Pole City Council this
186 ____day of ____, 2018

187 _____
188 Michael W. Welch, Mayor

189

190

191 ATTEST:

192

193 _____
194 Judy L. Binkley, North Pole City Clerk

PASSED/FAILED

Yes:

No:

Absent: