



**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, June 3, 2024, in the North Pole City Hall Council Chambers.

CALL TO ORDER/ROLL CALL

Mayor Michael Welch called the regular City Council meeting of Monday, June 3, 2024, to order at 7:08 p.m.

Present:

Mayor Welch
Chandra Clack – Mayor Pro Tem
Anton Keller – Deputy Mayor Pro Tem
Larry Terch – Alt. Deputy Mayor Pro Tem
Benny Williams
David Skipps
Jeffrey Jacobson

PLEDGE OF ALLEGIANCE TO THE U.S. FLAG

Led by City Clerk Emily Braniff

INVOCATION

Given by Mr. Terch

APPROVAL OF AGENDA

Mr. Jacobson *moved to approve* the agenda of June 3, 2024

Seconded by Mr. Williams

Mr. Terch *moved to amend* the agenda to move item Liquor License Renewal – License #778 Oaken Keg Package Store, 301 N. Santa Claus Lane

Seconded by Mr. Williams

UNFINISHED BUSINESS

NEW BUSINESS

- a. Resolution 2024-05 A Resolution Supporting Grant Application for City of North Pole Fire Station
- b. Resolution 2024-06 A Resolution of the North Pole City Council Establishing the Rate of Tax Levy

for 2024 Real Property Taxes of the City of North Pole

- c. Report to Council – Administrative Budget Amendment Street Light Maintenance \$50,500
- d. Liquor License Renewal – License #778 Oaken Keg Package Store, 301 N. Santa Claus Lane
- e. Request to Council –SHSP Grant EMW-2023-SS-00037-SOI (State Grant: 23SHSP-GY23) – Council Sole Source Bid Acceptance (Physical Security and SCADA Assessment)

On the Agenda, as Amended

DISCUSSION

None

PASSED

Yes: Keller, Skipp, Clack, Jacobson, Terch, Williams, Welch

No: 0

Absent: 0

On the Agenda

DISCUSSION

None

PASSED

Yes: Clack, Williams, Skipp, Terch, Jacobson, Keller, Welch

No: 0

Absent: 0

APPROVAL OF MINUTES

Mr. Terch *moved to approve* the minutes for the May 20, 2024, meeting.

Seconded *by* Mr. Keller

On the Minutes

DISCUSSION

Clerical correction to meeting date

PASSED

Yes: Clack, Keller, Jacobson, Skipp, Williams, Terch Welch

No: 0

Absent: 0

COMMUNICATIONS FROM THE MAYOR

- Presentation of Polaris Building Tree by Jomo Stewart from Fairbanks Economic Development Committee

Jomo Stewart introduced himself as the President of the Fairbanks Economic Development Committee and spoke to some of the events that have been happening in the community over the summer. Mr. Stewart presented Mayor Welch and the City Council with a tree that he rescued from the top of the Polaris Building to beautify City Hall with.

Mayor Welch spoke about attending the Governors Sustainability Conference, he shared that he met with environmental activists, and he learned a lot.

COUNCIL MEMBER QUESTIONS OF THE MAYOR

Mr. Jacobson asked Mayor Welch about the meeting on June 6th. Mayor Welch stated the principal partners that would be involved in Combined Heat and Power will be here at 6:00 p.m. He stated Golden Valley, Minto Development, people that have been involved with Combined Heat and Power since 2018 and they will discuss the direction of the project. He shared former Mayor Doug Issacson will be there via Zoom. Ms. Braniff stated she has no information about the meeting, no paperwork to share for content with the public. Mayor Welch stated our voices will carry enough; Ms. Braniff shared meeting notice requirements need to be met to hold a public meeting. Ms. Braniff reported she understood the meeting was cancelled; Mayor Welch stated it would have been cancelled if he had not received the checklist but now, he has the checklist so the meeting will go on. Ms. Braniff stated if the audio system needed to be used the meeting would need to be posted for community notice and the content of the meeting needed to be shared.

Mr. Jacobson stated he was at the Staff Meeting when Mayor Welch cancelled the meeting so he has now made alternative plans and will not be attending. Mr. Jacobson stated he had not seen the checklist, Mayor Welch asked Mr. Wallace to send the checklist to Mr. Jacobson. Ms. Braniff stated she has no information on combined heat and power. Ms. Braniff reminded the city needs to advertise that there will be a meeting, the content of the meeting needs to be published it is our obligation to share that information with the public. Mayor Welch stated the problem is that many of the players do not work for the city and so all of the information is not readily available. Ms. Clack stated she had seen the checklist. Ms. Braniff asked everyone to understand that we need to notice if the meeting is going to happen and asked Mayor Welch, will there be a meeting? Mayor Welch asked if citizens should be coming to the meeting since it is financially sensitive. Mr. Jacobson and Mr. Keller shared that citizens are welcome to come as it is not an Executive Session. Mr. Keller asked Ms. Braniff what content she would need to advertise for the meeting, Ms. Braniff again asked if they're going to be a meeting? Mayor Welch said there will be a meeting and it will be a Work Session and it will start at 6:00 p.m. GVEA wants to be here Minto wants to be here, Ms. Braniff stated for the record the way that this meeting is being handled is not making her comfortable because she has zero content about combined heat and power, and we have public notice requirements about public meetings.

Ms. Clack asked if Mr. Wallace will be presenting a new power point or will it be the same content that they have seen in the past, Mr. Wallace said there is a bit of an update but that it is very similar to the content they have previously seen. Mayor Welch asked Mr. Wallace to send the information to the Council and Clerk.

Mr. Jacobson asked if the point of the meeting is informational, Mayor Welch stated it is to get all of the players together to talk about whether the city would be a limited liability company and benefit from the project. Mayor Welch said the program would allow free heat to be used to heat all of the buildings owned by the City of North Pole.

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

COMMUNICATIONS FROM DEPARTMENT HEADS, BOROUGH REPRESENTATIVE

Minutes

Chief Financial Officer, Tricia Fogarty

Ms. Fogarty stated she was at Conference during the last meeting but now that she is back, they are working hard on finalizing the audit. Mayor Welch thanked Ms. Fogarty and her staff for getting payroll processed when they were away, Ms. Fogarty thanked Ms. Braniff for helping from North Pole to get payroll completed.

Mr. Terch asked how the audit is going, Ms. Fogarty stated it is going well but the auditors are new to working with the city so they have a lot of questions, so it is taking a little extra time.

Mr. Jacobson asked if the audit would include the Medicaid reimbursement, Ms. Fogarty said yes. Ms. Clack asked about purchasing issues, Ms. Fogarty stated there is one example on the agenda tonight. Ms. Clack stated the importance of not hiding things from the public.

Fire Department, Chief Chad Heineken

Chief Heineken reported fire hydrant testing would be taking place June 10 through 21 and reminded everyone to be safe while driving since the testing will be on the roadside. Chief Heineken stated fire danger time is approaching and warned everyone to use caution when having a controlled burn and to always get a burn permit through the Alaska State Forestry Website.

Mr. Keller asked if the North Pole Fire Department responded to the car accident that took the life of a child over the week, Chief Heineken reported his crew was on the call.

City Services, Danny Wallace

Mr. Wallace stated he has many meetings coming up relating to grants and grant management. Mr. Wallace reported three employees have passed the CDL training and are now able to operate heavy equipment. Mr. Wallace reported the Public Works Department has a full summer crew staff with lots of projects to keep them busy during the summer. Mr. Wallace reported all the candy cane lights are painted and the project is almost complete they are just checking the electrical on the lights that were reinstalled. Mr. Wallace reported building permits are being issued and Three Bears is starting to show major progress. Mr. Wallace stated the middle school mural is complete and it looks nice if anyone wanted to check it out.

Mayor Welch reported he was happy to see new clean flags up and down 5th Avenue and that he is glad they will look great for the fourth of July.

Ms. Clack asked Mr. Wallace if she could attend the meetings he spoke of, he stated the meeting with he Fairbanks North Star Borough is more of a staff level meeting but that he would invite her to the others.

City Clerk, Emily Braniff

Ms. Braniff stated she is working on building new Council member packets for the upcoming election. She reported Maggie Kimmel the Deputy City Clerk/HR Administrator is down at Professional Development in Tacoma bettering her understanding of the Role of the Clerk. Ms. Braniff mentioned her keys went missing from her officer and asked for a continued conversation about the security of the Clerk's Department.

Borough Representative:

ON GOING PROJECTS:

NEW BUSINESS:

- Resolution 2024-05 A Resolution Supporting Grant Application for City of North Pole Fire Station

Mr. Terch *moved to approve* Resolution 2024-05 A Resolution Supporting Grant Application for City of North Pole Fire Station

Seconded by Mr. Williams

On the Resolution

Discussion

PASSED

Yes: Terch, Clack, Skippis, Jacobson, Williams, Keller, Welch

No: 0

Absent: 0

- Resolution 2024-06 A Resolution of the North Pole City Council Establishing the Rate of Tax Levy for 2024 Real Property Taxes of the City of North Pole

Mr. Keller *moved to approve* Resolution 2024-06 A Resolution of the North Pole City Council Establishing the Rate of Tax Levy for 2024 Real Property Taxes of the City of North Pole

Seconded by Mr. Skippis

On the Resolution

Discussion

PASSED

Yes: Terch, Skippis, Williams, Jacobson, Keller, Clack, Welch

No: 0

Absent: 0

- Report to Council – Administrative Budget Amendment Street Light Maintenance \$50,500

Ms. Fogarty reported this is a budget amendment that she is required to report it to the Council and that she is available for any questions. Mr. Terch asked where the money in the budget would come from, Ms. Fogarty reported from street maintenance.

Mr. Jacobson asked if street maintenance included snow removal, Ms. Fogarty reported that is a different line item.

Mr. Terch asked why he overbudgeted so much for street maintenance and if there were other overages in the budget that are not necessary.

Mayor Welch stated he sets the budget in collaboration with each Department Head. Mayor Welch stated the city was given a really good deal for the work on this project.

Minutes

June 3, 2024

NOT A VERBATIM TRANSCRIPT

Mr. Terch said he would like to see proper road repairs and not band aids with beautiful expensive candy cane lights.

Mayor Welch stated the street light painting and labor it does not happen that often, materials and inflation have driven the cost up.

Mr. Keller asked what the definition of "The City" was in the contract document for Graham Construction, Mayor Welch stated the City is the Council. Mr. Keller asked why the contract was not brought back to the Council when it was so far over budget. Mr. Keller stated getting a quote for poles that are not correctly measured is shame on us but who approved the additional charges? Mayor Welch stated he was not at work to sign the documents, so he did not know who authorized it. Mr. Wallace stated he can confirm the Mayor signed the addendums. Mr. Keller said the dollar amount was over \$50,000 and it should have come back to Council for approval. Mr. Keller stated the city is putting the cart before the horse and it is going to bite us because we are not following our own Code. Mr. Keller asked what the course of action is going forward to assure that this issue never happens again. Mayor Welch asked Mr. Wallace if anyone else bid on the candy cane lights; Mr. Wallace reported it was such specialized work that he could not get anyone else to bid on the work. Mr. Keller stated the Council had the right to decide if they proceeded with the project because that is the right thing to do so we do not end up in the newspaper.

Ms. Clack stated she heard nobody else bid on project but that it was the first time she heard that it went to bid, Mr. Wallace stated the only people that reached out were Graham Construction and they provided a quote for the project.

Mr. Jacobson asked how he contacted other businesses about the contract, Mr. Wallace said he thinks he made phone calls to other general contractors but that only Graham returned interested.

Mr. Terch stated in the future he would like to get the signed copy of the contract and that he is concerned about the addendums not being dated and that now we are so overbudget because things were not done right.

Ms. Braniff asked if a vote needed to be taken on the item, the agenda item was for information purposes only.

Mr. Terch asked that in the future spending limits must be respected and that it is not the first time that the Council has had to have this discussion with Mr. Wallace.

Mr. Wallace assured the Council that no street services would suffer as a result of this memo reported by the Finance folks. Mr. Wallace stated he does need to conform to requirement but there was no malfeasance and at no time did he act outside of what he perceived as the border of his responsibilities. Mr. Wallace stated the lawyer reviewed the contract initially and that actions were made only to do things for the city. Mr. Terch stated \$48,000 is close to the Competitive Sealed Bid code and in the future to pay more attention to the Code. Mr. Keller asked who approved the amount because it is over the amount the mayor can sign for, Mayor Welch stated maybe someone used a stamp for his signature. Mr. Keller stated three weeks after Council approved the \$48,000 in August, in September the contract jumped to \$72,000 above Code requirements.

Mayor Welch instructed Mr. Keller to temper his voice, Mr. Keller stated the issue is if someone is fraudulently signing your name there is a bigger problem at hand.

Mayor Welch stated possibly he signed it when he was still having problems related to his three concussions, Mr. Keller shared his concern for Mayor Welch not knowing that he signed something that has such a financial impact on the city. Mayor Welch stated maybe that does look like his signature after all.

Mr. Terch called a point of order and asked Mr. Wallace to go get the original contract from his records. Mr.

Wallace stated he does not have access to them at this time as they may be in archives, but he shared that on his honor it is Mayor Welch's signature and that he signed it in front of him. Mr. Wallace stated it happened legally when he was on the clock at City Hall, Mr. Wallace swore Mayor Welch signed them in his presence. Mr. Terch stated the amount is above the amount allowed to be signed for and he should not have signed for it anyway.

Mayor Welch stated he only has a \$24,000 signing authority, Mr. Terch asked if you know that why did you sign the contract. Mayor Welch reported he did not know why he signed it.

Mr. Keller stated \$48,000 plus \$24,000 Mayor's spending limit is \$72,000 which is the amount of the first contract, that it appears the balance of his spending limit was tacked on to the non-Council approved contract.

- Request to Council –SHSP Grant EMW-2023-SS-00037-SOI (State Grant: 23SHSP-GY23) – Council Sole Source Bid Acceptance (Physical Security and SCADA Assessment)

On the Request to Council

Discussion

PASSED

Yes: Skipps, Williams, Terch, Keller, Clack, Jacobson, Welch

No: 0

Absent: 0

COUNCIL MEMBER COMMENTS:

Mr. Skipps stated he had nothing to report.

Mr. Jacobson stated he had nothing to report.

Mr. Williams stated he would like to see the City follow its own Code so the auditors do not come after us, Mr. Williams stated following the rules across the board is the only way to go. Mr. Williams reminded everyone to treat people the way they themselves would like to be treated.

Mr. Terch thanked Ms. Braniff for keeping the Council on track and thanked the North Pole Middle students for painting the old Utility building.

Mr. Keller asked everyone to enjoy the weather and be safe out there.

Ms. Clack wished everyone a wonderful week.

Mayor Welch spoke to a letter he received from Department of Transportation about sign placement for political candidates. Mayor Welch stated the Sustainability Conference was robust and that he was happy to have attended.

ADJOURNMENT

Mr. Skipps *moved* to adjourn.

Seconded *by* Mr. Terch

The regular meeting of Monday, June 3, 2024, adjourned at 8:47 p.m.

These minutes passed and approved by a duly constituted quorum of the North Pole City Council on Monday, June 17, 2024.

ATTEST:



Emily Braniff, CMC
City Clerk



Chandra Clack

