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
   - Regular City Council Meeting of January 17, 2017
   - Special Meeting, Executive Session of January 30, 2017

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 17-01, An Ordinance of the City of North Pole, Alaska to amend Title 4, Revenue and Finance, by creating 4.03, Budget Procedures
   
   b. Ordinance 17-02, An Ordinance of the City of North Pole, Alaska to amend Title 4, Revenue and Finance, chapter 08, sales tax, by deleting Marijuana taxation

12. New Business
   a. Ordinance 17-03, An Ordinance of the City of North Pole, Alaska to amend Chapter 8.04, Nuisances.
   
   b. Ordinance 17-04, An Ordinance of the City of North Pole, Alaska to amend 2017 Budget by transferring $148,160 to the Mixing Zone Compliance Project for amendment #4 to the professional services agreement with Stantec Consulting Services, Inc.
   
   c. Ordinance 17-05, An Ordinance of the City of North Pole, Alaska to amend 2017 Budget by transferring $17,000 from the general fund to replace the boiler at the Public Works shop.
   
   d. Ordinance 17-06, An Ordinance of the City of North Pole, Alaska to amend the 2017 Budget by accepting the Bryne Jag Grant and adjusting the Police Department Budget.
   
   e. Resolution 17-01, A Resolution of the City of North Pole, Alaska supporting and encouraging renewable energy sources by enhancing policies that equally supports private and public ventures and encourages system efficiencies.

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 $10.00 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 Tuesday, January 17, 2017 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 Tuesday, January 17, 2017 to order at 7:00 p.m.

*There were present: Absent/Excused*
Mr. McCarthy – Alt Dep Mayor Pro Tem
Mr. Isaacson - Deputy Mayor Pro Tem
Mr. Thompson
Mr. McGhee - Mayor Pro Tem
Mr. Claus
Mr. Skipps
Mayor Ward – Borough Rep

PLEDGE OF ALLEGIANCE TO THE U.S. FLAG
Led by Mayor Ward

INVOCATION
Invocation was given by Councilman Isaacson

APPROVAL OF AGENDA

Mr. McGhee *moved to approve the agenda of January 17, 2017*

Seconded by Mr. Claus

DISCUSSION
None

Mr. McGhee *moved to consent the following items under New Business:*

a. Liquor license renewal for 2 Go Mart #112
b. Request for tuition reimbursement for Detective Emily Gibson in the amount of $1,848 for 2017 Winter Semester.
c. Ordinance 17-01, An Ordinance of the City of North Pole, Alaska to amend Title 4, Revenue and Finance, by creating 4.03, Budget Procedures
d. Ordinance 17-02, An Ordinance of the City of North Pole, Alaska to amend Title 4, Revenue and Finance, chapter 08, sales tax, by deleting Marijuana taxation

Seconded by Mr. Isaacson

On the amendment

Discussion
None

PASSED
Yes: 7– McGhee, McCarthy, Thompson, Claus, Isaacson, Skipps Mayor Ward
No: 0
Absent:

On the Agenda as amended

Discussion
None

PASSED
Yes: 7– McGhee, McCarthy, Thompson, Claus, Isaacson, Skipps Mayor Ward
No: 0
Absent:

APPROVAL OF MINUTES

Mr. McGhee moved to approve the Minutes of January 3, 2016

Seconded by Mr. McCarthy

Discussion
None

PASSED
Yes: 7– McGhee, McCarthy, Thompson, Claus, Isaacson, Skipps Mayor Ward
No: 0
Absent:

COMMUNICATIONS FROM THE MAYOR

The Alaska DEC is starting a saturation study of the North Pole area to determine if the North Star Fire Station Air Quality Monitor on Hurst is representative of the area. The DEC is looking for 10 people - properties who would be able to provide a place for the monitors to be placed and a 120 volt outlet to power the equipment. Unfortunately the locations are pretty specific so they will be contacting residents to ask permission to locate the monitors. For more information please contact Barbara Trost with DEC at Barbara.trost@alaska.gov

I have received a request for the City of North Pole to comment on the AKLNG project to FERC. The proposed comments make the statement that due diligence has not been completed on the Valdez route and it should be reconsidered, The request is that the City of North Pole, Fairbanks and the FNSB sign as a signatory.

I will begin working on establishing a schedule of violations for the City code and would like to form either a committee or workgroup of the council to develop the framework. Up to three council member (including myself) would be able to work together if there is insufficient interest in forming a committee. Please let me know if you are interested.

City staff and the mayor will be meeting with the Borough in February to discuss how the city and the borough can work together better for emergency management. Ideas and possible agreements will be discussed in the future.

Student of the Month
- Rhiannon Powell – NPMS

North Pole King & Queen
- Buddy & Karen Lane

COUNCIL MEMBER QUESTIONS OF THE MAYOR
- None

COMMUNICATIONS FROM DEPARTMENT HEADS, BOROUGH REPRESENTATIVE AND THE CITY CLERK

Fire Dept., Deputy Chief Coon
- Participated in Interior Fire Chiefs Association and elected secretary.
- Participated in Chief Warren Cummings memorial.
- High profile fires in the City on Santa Claus Lane and on Refinery Loop.
• Emergency Operations in force with cold weather. Expect to see more fires with the cold weather, chimney fires, etc.
• Will loan out chimney brushes for anyone wishing to clean their chimney.
• Still have a Lt. position open with the fire department.

**Police Dept., Chief Dutra**

• Sgt. Bellant did drug presentation.
• Testing of blood alcohol level with soldiers.
• Terri Nelson will be going to car seat class in Anchorage to keep certified.
• Will have two openings with the Police Department. It is a 9 month process and hard to get people through. The requirements from the Alaska Police Standards are very stringent for hiring officers.
• He brought the new laptops to council and said that most are deployed into the cars. The antennae’s are the last thing to be installed and the system is integrating well.
• Attended the retirement party for two FPD.
• Talked with AlasConnect on the cameras for the Memorial Park and in cameras in the station.
• Working on new fleet inspection for vehicles. Each vehicle will have a 3rd party inspection and will help with a rotation of a vehicle.
• Pet peeve is SB91. Criminal justice committee is listening and they are looking at making some changes.

**Finance, Tricia Fogarty**

• Financials are on the dais.
• Grants are being looked at again to bring into balance.
• Other financial corrections are being made.
• Delinquent reports are before council.
• As of yesterday our City was 64 years old.
• I.T. will be upgrading Caselle, the City financial software, to Connect.
• Online demo was provided today for online sales tax and payment. It would make things easier for the public to remit.

**Director of City Services, Bill Butler**

**Building Department**

• No new projects submitted to the Building Department.

**Public Works**

• Significant snowfalls at the end of 2016 and early 2017 have kept Public Works busy.
  - December 30 snow event was a large event that I authorized calling out additional snowplowing assistance to help get the roads cleared quickly for News Year’s Eve.
- The second snow removal of 2017 is currently underway.
- Public Works was going into the end of 2016 having spent none of that year’s snowplow budget.
- The snowplowing that is now underway may need to be halted if the temperatures reach 40 below—the equipment does not operate well under those conditions.

**Utility Department**
- Utility experienced a short power outage on December 30 at the Holiday Road lift station—the largest lift station in the City.
  - The severity of the predicted winds did not materialize so this was the only power outage for the Utility.
    - The Utility’s boilers that add heat to the water supply were only recently turned on.
  - Temperature of the water returning to the water treatment plant reached 33 degrees.
  - Last year the Utility did not run these boilers until February and then only two-weeks on and two weeks off.
- If you see the large Utility tank truck parked in the street, it is likely dumping water down the sewer mains that have limited flow to help keep the sewer main from freezing.
- Utility is working with NTL Alaska to develop a workshop for commercial kitchens to help reduce the amount of fats, oil and grease (FOG) in the sewer system.
  - This is the second step in the Utility’s effort to help control FOG in the sewer system.
  - FOG reduction helps prevent sewer backups and helps reduce operating costs for the Utility.
- The sulfolane lawsuit revealed that the Utility needs Certificates of Public Convenience and Necessity (CPCN) for the water and sewer utilities.
  - The original CPCNs (water and sewer) were issued in 1973 for a ½ section that is now the City’s core.
  - All the Utility’s expansions outside of the original CPCNs are technically unauthorized.
  - I am working to generate a CPCN submittal to encompass the entire City limits and to propose a CPCN for the area encompassed by the sulfolane plume.

**Natural Gas Utility Board**
- IGU and AIDEA agreed to a Memorandum of Understanding for IGU to purchase Pentex’s assets, include Fairbanks Natural Gas, to create a unified gas utility in the Interior.
  - Goal is to have the formal agreement signed by mid-March.
  - Success of the project still hinges on a gas supply contract that is being negotiated.

**Borough Representative**
- FSNB did change the Animal Ordinance.

City Clerk’s Office, Kathy Weber
- Schedule of Violations request was sent out to the Alaska Clerks and received responses and have forwarded them on to the Mayor and Police Chief.
- Tia Schrader received her gift basket and diaper cake today from the City of North Pole. There were many items inside the basket and a list with the donors is on the dais. Baby Myra was born on January 1, 2017 at 2:11 p.m. at Bassett Army Hospital. She weighed 9lbs 9 oz and joins her three older siblings. Channel 13 news was here today and did a spotlight on the new baby and Mom.
- I attended the 2nd quarter Honor Roll and Awards at NPMS on January 10th and 12th. I was amazed at the percentage of students that made the 6th grade honor roll. After the ceremony I contacted the school counselors at NPMS and NPHS and was taken back as to the percentages:
  1. 6th grade – 66%
  2. 7th grade – 62%
  3. 8th grade – 55%
  4. 9th grade – 32%
  5. 10th grade-13%
  6. 11th grade-20%
  7. 12th grade-23%
- The newsletter is going very well. We have started an Employee Spotlight and Paul Trissel will be the February employee. We also have the Senior Spotlight and Francie Cork will be featured in February as well.
- W2’s were sent out today.
- I will be out of the office from January 25th – February 14th. If you need assistance you can contact Sally Terch. She will be filling in for me while I’m gone. Of course you can always reach me by cell phone or by email.
- Next meeting will be held on Monday, February 6, 2017.

ONGOING PROJECTS
- Agnew::Beck – Strategic Planning Implementation

Tasks
1. Conduct Assessment Kickoff – Meet with Mayor Ward and key members of the City Council and staff to review study area, expectations, process, timeline, and roles for the
2. Reevaluate City of North Pole Commercial District Zoning – Work with Mayor Ward, City Council and key staff to identify and conduct outreach to business owners located in areas zoned “general use”. Assess business owner interest in rezoning as “commercial district”. As part of this task, develop clear, concise outreach tools that explain current and potential changes to City zoning, and impact on existing/future businesses. Develop summary of business owner feedback, including any concerns, questions and/or likelihood of supporting rezone.

3. Assess Community Retail Needs
   a. Start with existing data including background research from the City’s comprehensive strategic plan process including: survey and stakeholder interview results; summary of existing/previous studies and plans such as the 2016 
   Fairbanks North Star Borough Comprehensive Economic Development Strategy 
   and the North Pole Radius Study. Supplement existing date with other 
   business/retail-specific plans, research or studies conducted on the Fairbanks 
   North Star Borough, Eielson Air Force Base, and the City of North Pole, 
   specifically.
   b. Interview other relevant stakeholders including Eielson Air Force Base F-35 
   beddown lead/team to gain a better understanding of potential retail needs for 
   incoming troops and their families.

4. Identify Potential Retailer Needs and Opportunities
   a. Inventory Commercial Property – Identify, and, if not already in existence, 
   develop a database of potential retail real estate opportunities in the City and the 
   Greater North Pole Area (99705 area code). The geographic boundaries of this 
   search may extend beyond the 99705 area code to more accurately assess 
   potential competition.
   b. Inventory Existing Retail in Competing Markets and Analyze the Competition 
      i. Using the outcomes of Task 3 to inform an inventory of existing 
      retail on Eielson Air Force Base, in Fairbanks, and along the 
      Richardson Highway (outside the City of North Pole limits).
      - Develop a list of retailers in the above locations that do not exist 
        in the City of North Pole, or the Great North Pole Area.
      - As part of the inventory process, visit retail operations (especially 
        those that align with community needs as assessed in Task 3) and 
        interview retail management with the goal of better understanding 
        their site selection process – how do they make the decision to open 
        a store or set of stores? What are the specific criteria? Who are the 
        decision makers?
      - Identify competitor’s (EAFB, Fairbanks) strengths, weaknesses, 
        opportunities, and threats to potential retailers. How does the City 
        and Greater North Pole Area compare? What qualities would or 
        would not attract future retailers?
Identify and interview brokers and tenant representatives that work mostly with retail tenants in the Fairbanks North Star Borough. Get their perspective on what retail tenants are seeking in terms of location, space, and other desired conditions.

c. Identify potential implementation/marketing strategies for recruiting retail to the City of North Pole/the Greater North Pole Area. Examples include:
   i. Work with the Fairbanks North Star Borough Economic Development Corporation and the Chambers of Commerce to sell the region first and City of North Pole second. Retailers are not looking for one location, like an industrial prospect, but want to expand in the region with multiple outlets for effective product distribution.
   ii. Develop and practice a well thought out “one-minute/60 second” elevator speech on North Pole from the retailers’ point of view.
   iii. Develop customized electronic or hard copy marketing materials targeting retailers in “their language”, with a concise, visual message that speaks to their specific needs.
   iv. Attend retail conferences and trade shows. Use customized marketing materials to target specific retailers and tenant representatives. Try to book meetings in advance of the conference to ensure the retailers presence and adequate time to showcase North Pole. For example, identify franchises that will fill a void in North Pole and focus energy on recruiting a potential franchise that is already located in the area (e.g., Fred Meyer).
   v. Ensure marketing materials are clearly marked and easily accessible on the City’s website and social media.
   vi. Conduct numerous “touches” and different types of touches (e.g., calls, letters, meetings, company headquarter visits) with potential retailers.

5. Develop a Draft and Final Assessment of Retail Needs and Opportunities for the City of North Pole/Greater North Pole Area
   a. Use the results of Tasks 1 – 4 to develop a draft assessment report. Conduct a work session with to share preliminary results and get input from Mayor Ward, City Council and department heads. As relevant, share preliminary results with other stakeholders including Eielson Air Force Base and Fairbanks North Star Borough leadership and staff.
   b. Based on stakeholder feedback, especially direction from Mayor Ward and the City Council, revise and finalize the assessment report, including initial implementation steps.
CITIZENS COMMENTS

- None

OLD BUSINESS

None

NEW BUSINESS

- Consented

EXECUTIVE SESSION

Mr. McGhee moved to recess into executive session to discuss the status of the sulfolane litigation

Seconded by Mr. Isaacson

Passed Unanimously

The meeting was reconvened at 9:18 p.m.

Mr. Isaacson moved to authorize the City Attorney to proceed to the finalization of the discussed settlement agreement

Seconded by McGhee

PASSED

Yes: 7—McGhee, McCarthy, Thompson, Claus, Isaacson, Skipps Mayor Ward
No: 0
Absent:

COUNCIL COMMENTS

None

Mr. McGhee moved to adjourn the meeting at 9:21 p.m.

Seconded by Mr. Isaacson

The regular meeting of Tuesday, January 17, 2017 adjourned at 9:21 p.m.
These minutes passed and approved by a duly constituted quorum of the North Pole City Council on Monday, February 6, 2017.

____________________________________
Bryce J. Ward, Mayor

ATTEST:

___________________________
Kathryn M. Weber, MMC
North Pole City Clerk
Special Meeting, Executive Session – 6:30 P.M.

A special meeting of the North Pole City Council was held on Monday, January 30, 2017 in the Council Chambers of City Hall, 125 Snowman Lane, North Pole, Alaska.

CALL TO ORDER/ROLL CALL
Mayor Ward called the special City Council meeting of Monday, January 30, 2017 to order at 6:33 p.m.

There were present:    Absent/Excused
Mr. McCarthy – Alt Dep Mayor Pro Tem
Mr. Isaacson - Deputy Mayor Pro Tem
Mr. Thompson
Mr. McGhee - Mayor Pro Tem
Mr. Claus
Mr. Skipps
Mayor Ward – Borough Rep

Mr. McGhee moved to recess into Executive Session to authorize Mayor Ward to execute the settlement agreement with Flint Hills Resource Alaska in the City of North Pole, Alaska vs. Flint Hills Resources Alaska and Alaska Petroleum Inc., litigation.

Seconded by Mr. Isaacson

Discussion
None

Recessed to go into Executive Session at 6:37 p.m.

Mayor Ward called the meeting back to order at 7:26 p.m.

Mr. Isaacson moved to authorize Mayor Ward to execute the settlement agreement with Flint Hills Resource Alaska and the State of Alaska in the City of North Pole, Alaska vs Flint Hills Resource Alaska and Alaska Petroleum Inc. litigation and to authorize the Mayor and the City attorney to pursue such exhibits, or supplemental letters, consistent with the discussion in Executive Session.

Seconded by Mr. McGhee
PASSED
Yes: 5—Thompson, Skipps, Claus, McGhee, McCarthy, Isaacson, Mayor Ward
No: 0
Absent: 0

Council Comments
None

Mr. McGhee moved to adjourn the meeting at 7:31 p.m.

Seconded by Mr. Isaacson

The special meeting of Monday, January 30, 2017 adjourned at 7:31 p.m.

____________________________________
Bryce J. Ward, Mayor

ATTEST:

___________________________________
Kathryn M. Weber, MMC
North Pole City Clerk
Memo

To: North Pole City Council
From: Mayor Ward
cc: 
Date: January 9, 2017
Re: Fiscal Policy (NEW)

Council,

Please see the attached ordinance to add a section in code that will give guidance to the development, implementation and management of the budget for all Funds. The North Pole City Code is currently very brief in its explanation of how budgets are to be developed and managed.

This ordinance has been over a year in the making and does comply with the language as amended in our charter. The intent of this ordinance is to give guidance for future City Councils and Mayors on how the budget is to be developed and managed.

If there are questions regarding the ordinance I would be happy to discuss them with the council before or during the next meeting. If the council so decides we may also want to have a workshop on the proposed changes.

Please carefully consider these proposed changes.

Sincerely,

Mayor Bryce J. Ward
CITY OF NORTH POLE

ORDINANCE 17-01

AN ORDINANCE OF THE CITY OF NORTH POLE, ALASKA TO AMEND
TITLE 4, REVENUE AND FINANCE, BY CREATING 4.03 BUDGET
PROCEDURES

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

WHEREAS, the City of North Pole desires to establish procedures to guide the budget
development process; and

WHEREAS, the City of North Pole desires to establish procedures to guide the management of
the City budget; and

WHEREAS, establishing a minimum unassigned general fund balance of at least 10% ensures
that the City will have adequate cash allocations for the daily operations of the city; and

WHEREAS, annual appropriations should not use unassigned fund balances to balance the
budget unless necessary, as so approved by council; and

WHEREAS, departments need the flexibility to manage budgets so long as they are held to a
Program level of spending authorized by the council; and

WHEREAS, any Fund or Department that has expenditures in the Salaries and Benefits Program
must include for approval Full Time Equivalent employees counts, (FTE’S); and

WHEREAS, restricted revenues from grant, asset forfeiture programs and donations that place
no financial obligation on the City may be accepted by the City Accountant; and

WHEREAS, the proceeds of restricted grants shall be held in trust accounts (funds) as specified
by the particular funding agency; and

WHEREAS, the City Accountant shall report to the council monthly and annually with financial
statements of all activity year to date; and

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

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 4 Revenue and Finance, Chapter 4.03 Budget Procedures is added to the North
Pole Code of Ordinances as by inserting the text italicized, underlined:
4.03.010 General Fiscal Policy

A. All general government current operating expenditures are to be paid for from current and from excess revenues. The City will avoid budgetary and accounting procedures that balance the current budget at the expense of meeting future year’s obligations. The use of one-time revenues for on-going operations will not be encouraged.

B. After initial presentation of the mayor’s proposed budget estimate, the city council may by amendment elect to adopt or amend the budget to expend general funds accumulated in prior years; however, it is unwise and NOT encouraged to allow unassigned general fund balances to be less than either 10 percent of budgeted operational expenditures or $550,000 at any given time during the year, whichever is greater.

C. If it becomes apparent that revenue shortfalls or extraordinary expenses will create a deficit, efforts will be made first to reduce the deficiency by managing expenditures. On an exception basis and not depleting the fund balance to an inappropriate level, the use of existing reserve funds may be recommended to cover the revenue shortfall.

D. The City’s annual operating budget is to reflect known salary and benefit adjustments.

E. All budgetary procedures will conform to existing state law and City Code.

F. The budget will endeavor to improve productivity, lower cost, enhance service, and further communication with the public.

4.03.020 City Accounting Organization

A. The Annual City Budget is organized to reflect the organizational accounting structure of the City which is: Fund, Department, Category, Item, as designated by the city Chart of accounts with the exception of Grant Funds.

B. The Budget will be presented at the Program level for approval by the City Council and will be managed by the administration at the Category level. All Funds or Departments showing expenditures in the Salaries and benefits Program shall list the number of FTE’S allocated.

C. The City Financial Statements and annual audit should reflect the organizational structure of the City and comply with Governmental Accounting Standards Board (GASB).

4.03.030 Budget Procedures

A. Pursuant to the Charter, the mayor shall prepare and submit to the city council a balanced annual budget estimate and budget message for all Funds.
a. The General Fund annual budget shall be balanced in a manner wherein current costs will be funded by revenues expected to be received by the city in the calendar budget year. Revenues expected to be received cannot include taxes, fees or other sources that do not already exist in the Code.

b. Each fund or department that has expenditures in the Salaries and Benefits category is required to list the Full Time Equivalents (FTE’S) as part of the budget presentation. Council shall appropriate the number of FTE’S for each fund or department.

B. The City Accountant under the direction of the mayor shall compile the budget estimate for all Funds, based upon detailed departmental estimates and work programs

a. The budget estimate shall cover and appropriate for all expenditures of money, including contracts, bond construction, debt service funds, special assessment construction funds and restricted funds.

b. When the city council is considering the budget estimate, department heads and such other officials as may be interested shall appear and be free to criticize the budget or any of its items.

4.03.040 City Council approval of excess expenditures and liabilities

A. The City Accountant shall not permit without city council approval, during any budget year, an expenditure or contract or incurring of any liability in excess of the amount appropriated for each department, with the following exceptions

a. The payment of accrued leave when an employee resigns or is terminated

b. The payment of a voter approved bond or assessment payment

c. The City Accountant is authorized to accept grants of restricted funds from asset forfeiture programs without city council preapproval so long as there is no financial obligation placed upon the city. Examples of such grants are asset forfeiture proceeds under state, federal or local law.

d. The proceeds of such restrictive grants shall be held in a trust account separate from the general treasury and not be included in the general fund.

4.03.050 Budget Amendments

A. The Council may approve amendments to the budget at any time through a Budget Amendment Ordinance (BAO). Amendments include intradepartmental and interdepartmental transfers

B. The Council may approve individual amendments to the budget through an ordinance with an accompanying Fiscal Note.
4.03.060 City use of Debt and Financing

A. Under Alaska law, the City may issue general obligation bonds, revenue bonds, and assessment bonds. General obligation bonds may be issued without limitation upon approval by a majority of City voters. There are no constitutional or statutory debt limitations under Alaska law, but the voters must approve all debt to exceed 5 years in duration.

B. Debt financing will not be considered appropriate for current operation or maintenance expenses or for any recurring purposes.

C. When the City does obtain debt financing on behalf of or benefiting a third party (such as a special assessment district) such debt will be issued in conformance with existing City priorities and policies and with all cost of issuance and administration fully reimbursed.

Section 3. Effective date. This ordinance shall be 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 6th day of February, 2017.

Bryce J. Ward, Mayor

ATTEST:

Kathryn M. Weber, MMC
North Pole City Clerk

PASSED/FAILED
Yes:
No:
Absent:
Memo

To: North Pole City Council
From: Mayor Ward
cc: 
Date: January 6, 2017
Re: Sales Tax Code amendments to delete reference to marijuana

Council,

Please see the attached ordinance to remove the reference of marijuana tax from the City Code. The voter initiative passed in fall of 2016 prohibits the operation of marijuana establishments within the corporate boundaries of the City. This ordinance would remove the references to marijuana tax as we do not permit or license marijuana establishments and therefore will not collect any tax.

The city code has been reviewed to ensure that there are no more references to the licensing, permitting and taxing of marijuana establishments per the voter initiative. Please consider this ordinance to ensure our code is correct and accurate.

Sincerely,

Mayor Bryce J. Ward
CITY OF NORTH POLE

ORDINANCE 17-02

AN ORDINANCE OF THE CITY OF NORTH POLE, ALASKA TO
AMEND TITLE 4, REVENUE AND FINANCE, CHAPTER 08, SALES
TAX, BY DELETING MARIJUANA TAXATION

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 citizens' initiative voted on in fall of 2016 prohibits any marijuana
establishment from opening in the City; and

WHEREAS, the North Pole Municipal Code should be amended to reflect the change in law as
voted on by the citizens; and

WHEREAS, no legal marijuana business are operating within the City of North Pole; and

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 4 Revenue and Finance, Chapter 8 Sales Tax is amended in the North Pole Code
of Ordinances as by inserting the text underlined and removing the text that is stricken.

4.08.005 Purpose and intent.

The purpose and intent of the tax imposed under this chapter is to raise revenues. The scope of
the tax levied shall be broadly interpreted and exemptions shall be allowed only when the
transaction clearly falls within an exemption defined in this chapter.

4.08.010 Definitions.

For the purpose of this chapter, the following words and phrases shall have the meanings
respectfully ascribed to them by this section:

“Buyer, consumer or person” means, without limiting the scope thereof, every individual,
assignee, association, business trust, club, company, corporation, estate trust, firm, joint venture,
partnership, co-partnership, receiver, society, trustee in bankruptcy, or any group or combination
acting as a unit whether mutual, cooperative, fraternal, nonprofit, or otherwise who is a purchaser
or renter of tangible or intangible goods or services.
“Marijuana” means the seeds, leaves, buds and flowers of the plant (genus) Cannabis, whether growing or not.

“Marijuana product” means any item made from, or that is combined with, the plant (genus) Cannabis or any resin or oil extracted from any part of the cannabis plant and contains THC.

“Mayor” means chief administrative official of the City or the Mayor’s designee.

“Property” means any tangible personal or real possession.

“Rent” means the conditional use of personal or real property by a consumer for consideration.

“Retail sale” means the transfer of any kind of goods or services to consumers, for consideration, regardless of quantity or price.

“Sale” means the exchange of any real or personal property, or of any goods or services for consideration including barter, installment credit, conditional sales, and rental transactions for any purpose other than resale in the regular course of business.

“Sale for resale (wholesale)” means the act of selling tangible personal or real property to a buyer for reselling in its original form for consideration.

“Sales price” means the amount of consideration paid by the buyer in terms of monetary value. The exchange or sale price of real estate is based on the current fair market value.

“Sales Tax Administrator” is designated by the Mayor or Administrator.

“Seller” means all work done or duties performed, provided, or furnished for others for compensation whether in conjunction with the sale of goods or not, but does not include services rendered by an employee to an employer.

“Services” means all work done or duties performed, provided or furnished for others for compensation whether in conjunction with the sale of goods or not, but does not include services rendered by an employee to an employer.

“Transaction made within the City” means the buyer takes possession of the purchased, rented, or leased property or service provided within the corporate limits of the City.

4.08.015 Business licenses required.

All sellers shall secure a City business license as required in NPMC 5.02.020 and a State of Alaska business license.
A. The City business license must be prominently displayed at the place of business of every seller. Any seller who has no regular place of business shall display such license on request.

B. Before issuing a business license to a seller, the City may require the applicant to post a bond, furnish a statement of net worth, or furnish additional security to insure the full and prompt payment of taxes to be collected under this chapter.

C. The business license of any seller is subject to revocation when such seller fails to pay delinquent taxes, fees and interest within the timeframe established in North Pole Municipal Code. It is unlawful for a seller to engage in sales without a current City business license or to engage in sales when such license is revoked.

D. Each seller who obtains or should obtain a City business license in accordance with NPMC 5.02.020 consents to the inspection of their Federal or State business tax returns in order to facilitate the accomplishment of the provisions and objectives of this chapter.

4.08.020 Imposition of rate.

There is levied a tax equal to four percent of the selling price upon buyers of all retail sales, and rentals made, and all services performed within the corporate limits of the City, unless specifically exempted in this chapter or a different tax rate is specifically set forth in this chapter.

A. There is hereby levied an alcoholic beverage tax on the retail sale of alcoholic beverages equal to six percent times the selling price of all sales made within the City of North Pole.

B. There is hereby levied an excise tax on the distribution of tobacco products brought into the City limits measured at the rate of ten percent times the wholesale price of such tobacco products.

a. A person brings, or causes to be brought, tobacco products into the City limits from outside the City limits for sale; or

b. A person ships or transports cigarettes or tobacco products to a retailer in the City limits for sale by a retailer.

c. Retail tobacco sales are subject to the general sales tax rates as outlined in subsection E of this section.

E. There is hereby levied an excise tax on the distribution of marijuana products brought into the City limits measured at the rate of six percent times the wholesale price of such marijuana products.

a. A person brings, or causes to be brought, marijuana products into the City limits from outside the City limits for sale; or

b. A person ships or transports marijuana or marijuana products to a retailer in the City limits for sale by a retailer.

c. Retail marijuana sales are subject to the marijuana sales tax rates as outlined in subsection D of this section.
F. There is hereby levied a marijuana use tax on the retail sale of marijuana and marijuana products equal to 6% percent times the selling price of all sales made within the City of North Pole.

G. The maximum tax on any single transaction shall be $10 ten dollars except on the retail sale of alcoholic beverages, wholesale tobacco products, marijuana, and the hotel-motel room tax, all of which shall not have any maximum tax.

H. Vendors shall compute the tax on each sale by multiplying the price by the aggregate rate of taxes for the type of transaction listed in this section. The computation shall be carried out to three decimal places. If the result is a fractional amount of a cent, the calculated tax shall be rounded to a whole cent using a method that rounds up to the next cent whenever the third decimal place is greater than four.

I. Coin-operated machines shall remit five percent of the gross receipts derived from sales using the following formula:

Receipts divided by 1.05 = Sales
Receipts minus Sales = Sales tax due

4.08.030 Obligations of seller.

It is the obligation of the seller making taxable sales to collect all taxes imposed by this chapter. All taxes shall be due and payable from the buyer to the seller at the time the transaction takes place. The seller shall hold collected taxes in trust for the benefit of the City.

A. If any person, firm, co-partnership, corporation, director or agent collects taxes listed under this section on behalf of the City of North Pole and the transaction is not taxable under this section, they shall refund all improperly paid taxes immediately or remit all unlawfully collected taxes to the City of North Pole immediately. Failure to comply with this section is punishable as a violation.

4.08.040 Taxed transactions.

Taxed transactions include all sales, retail sales, sales for resale, rentals, and services performed within the corporate limits of the City, unless specifically exempted by this chapter, the laws of Alaska, or by the Constitution of the United States.

4.08.045 Sales of bingo, lotteries and pull-tabs.

Notwithstanding any other provisions in this chapter, the sales of bingo, lotteries, and pull-tabs and like games of chance by any operator or any permittee are subject to sales tax on the total adjusted gross income as defined by AS 05.15. Each operator and permittee must along with their sales return and remittance file a report on their activity in the City during that filing period including the value of prizes awarded and other information as may be required by the City.
4.08.050 Exemptions.

A. The following classes of sales, rentals, and services are exempt from the tax imposed by this chapter:

1. Casual and isolated sales not exceeding $1,000 (one thousand dollars) per calendar year and not requiring the seller to hold a current City or State business license;

2. Sales, services, rentals, and transactions which the municipality is prohibited from taxing under the Constitution of the United States or the State of Alaska, including but not limited to:
   a. Sales of insurance bonds of guaranty, fidelity, and the commissions thereon,
   b. Sales to Federally chartered credit unions,
   c. Sales of goods made with food coupons, food stamps, or other type of certificate issued under 7 USC 2011 through 2025 (Food Stamp Act), or made with food coupons, food vouchers, or other type of certificate issued under 42 USC 1786 (Special Supplemental Food Program for Women, Infants, and Children);

3. Sales, rentals, or services provided to the United States, to the State of Alaska, and any public corporation or political subdivision thereof;

4. Sales, rentals, or services provided to any volunteer ambulance, fire, or law enforcement organization providing service to the public and to public international organizations designated by the President of the United States;

5. Sales of professional medical services performed by a person, clinic, or hospital licensed and certified under the State of Alaska:
   a. The preparation of controlled substances prescribed and supplied by a State licensed and certified medical professional,
   b. Counseling services provided by State licensed and certified psychologists or psychological associates, clinical social workers, alcohol and drug counselors, or marital and family therapists,
   c. Assisted living services provided in accordance with State regulations, and licensed by such,
   d. Sales and rentals of hearing aids, crutches, wheelchairs, and other personal property specifically manufactured for a patient;

6. Sales of newspapers or other periodicals by carrier made directly to consumers where the carrier is responsible for the collection of sales revenue;

7. Goods and services purchased through mail order catalogs or the Internet;
8. Membership dues, fees, or assessments paid to clubs, labor unions, fraternal organizations, and other nonprofit organizations that have obtained Exemption Certificate 501(c) from the Internal Revenue Service;

9. Sales, services, and rentals to a buyer, or made by a seller, for functions organized and administered solely by an organization holding a current 501(c)(3) or 501(c)(4) exemption ruling or equivalent from the Internal Revenue Service which has a physical or mailing address within City limits and a resolution or letter from the board, naming up to a maximum of six individuals, authorized to make purchases on behalf of the organization. This exemption does not apply to the sale of pull-tab games;

10. Sales of school admission tickets, goods, services, and rentals for school entertainment, athletic activities, and all other activities conducted by school sanctioned groups;

11. Sales of food and beverages in public or private school and college cafeterias or lunchrooms which are not operated for profit;

12. Rentals of real property where the term of tenancy is monthly or longer;

13. Sales, rentals, or leases/purchase agreements of automobiles by a dealer made outside City limits;

14. Sales for resale (wholesale) of tangible personal or real property, other than tobacco, to a buyer for reselling in its original form;

15. The commission earned on real estate sales;

16. Air, train, bus and boat fares, lodging, adventure and similar and related services and the commission earned by licensed agents in the sale thereof;

17. Sales of food and merchandise in the farmer’s market. City business licenses are required by vendors;

18. Sales of services to include but not limited to architectural, carpentry, electrical, engineering, financial, general contractor, landscaping, legal, plumbing, snow removal, etc. City business licenses are required; the sale of goods and products associated with the service is not exempt unless previously described in this chapter.

4.08.060 Promulgation of forms.

When necessary or appropriate and upon approval by the Mayor, the Sales Tax Administrator shall revise or implement the use of forms for the purpose of efficiency within administration.
4.08.070 Confidentiality of sales tax returns.

Except as otherwise provided in this chapter, all documentation required to be filed shall be kept confidential and is not subject to public inspection. Persons supplying the information may be granted access to their records if requested in writing and approved by the Sales Tax Administrator.

A. The following information may be made available to the public: the name and business address of current business license holders;

B. The Sales Tax Administrator will provide monthly to the City Council the names of sellers delinquent in remitting sales taxes and the amount thereof. Information may also be made available to the public in the form of statistical reports if the identity of particular sellers is not revealed or made evident by the reports.

4.08.080 Recordkeeping.

It shall be the duty of every seller engaged in business in the City to keep and preserve, for three years, suitable records of all sales, services, and rentals transacted by liability hereunder.

A. For the purpose of ascertaining the correctness of a return, or for the purpose of determining the amount of tax collected or which should have been collected by any person, the Mayor or his designee may conduct random audits by examining any relevant documentation including correspondence, invoices, and receipts; hold investigations and hearings concerning any matter covered by this chapter; and may require the attendance of such person, officer, or employee of such person.

B. The Mayor and the Mayor’s duly authorized agent shall have the power to administer oaths to such persons. The Mayor, with the approval of the City Council, shall issue all formal subpoenas to compel attendance or to require production of relevant books, papers, records or memoranda.

C. Any competent person may serve all subpoenas or other court orders issued under the terms of this chapter. Witness fees for attendance and trial shall be the same as the fees of witnesses before the Superior Court; such fees shall be paid when the witness is excused from further attendance. When a witness is subpoenaed at the instance of any party to any such proceedings, the Mayor may require the cost of service of the subpoena and the fee of the witness be borne by the party at whose instance the witness is summoned. In such case, the Mayor at his discretion may require a deposit to cover the cost of such service and witness fee. A subpoena issued as aforesaid shall be served in the same manner as a subpoena issued out of a court of record.

D. The Superior Court, upon application of the Mayor, is empowered to compel obedience to such subpoena; the attendance of witnesses; the production of relevant books, papers, records or memoranda; and the giving of testimony before the Mayor, or any of the Mayor’s duly
authorized agents, in the manner and extent as witnesses may be compelled to obey the
subpoenas and orders of the court.

E. The Mayor, or any party in an investigation or hearing before the Mayor, may cause the
deposition of witnesses residing within or without the State to be taken in the manner prescribed
by law for like depositions in civil actions in courts of this State. (Ord. 14-26 § 2, 2014; Ord. 99-
29 § 2, 1999)

4.08.090 Submittal of forms and remittance.

The City shall provide sales tax return forms for sellers. Sellers making a taxable sale in any
month shall transmit the tax collected no later than the last day of the following month in which
tax was collected along with a completed return. Returns and taxes remitted must be received by
the City administrative offices no later than 5:00 p.m. on the due date.

A. The sales tax forms furnished by the City shall have spaces setting forth the amount
received from the following:

1. All sales, services, or rentals made within City limits;

2. The amount received from nontaxable sales, services, and rentals;

3. The amount of credit card service fees paid on credit card sales within the City;

4. The amount of taxable sales, services, and rentals;

5. The amount of sales tax owed;

6. The amount of penalties owed;

7. The total amount of sales tax and penalties owed to the City;

8. Such other information and supporting documentation as may be required.

B. Quarterly Filing

1. A seller who, for one year, has transmitted taxes and filed returns as required by this
chapter may file with the Sales Tax Administrator a written request to transmit taxes
and file returns quarterly.

2. The Sales Tax Administrator shall evaluate the seller’s compliance with this chapter,
and make a recommendation to the City Council to approve or deny the seller’s
petition.
3. If the City Council approves the petition, the seller shall file returns and transmit the taxes imposed by this chapter no later than the last day of the month following the quarter the taxes were collected.

4. Upon approval of the Council, quarterly filing will revert to monthly filing if reports are not transmitted on time.

C. Annual Filing

1. A seller who, for one year, has transmitted taxes and filed returns as required by this chapter may file with the Sales Tax Administrator a written request to transmit taxes and file returns Annually so long as the annual amount of tax collected is estimated to be less than $500 (Five Hundred Dollars).

2. The Sales Tax Administrator shall evaluate the seller’s compliance with this chapter, and make a recommendation to the City Council to approve or deny the seller’s petition.

3. If the City Council approves the petition, the seller shall file returns and transmit the taxes imposed by this chapter no later than the last day of the month following the year the taxes were collected.

4. Upon approval of the Council, quarterly annual filing will revert to monthly filing if reports are not transmitted on time.

4.08.100 Delinquency, fees, penalties, interest and application of payment.

Taxes due but not paid will be considered delinquent and will be subject to all fees, interest, and penalties under this chapter, and may be recovered by the City with an action at law against the buyer and/or seller. The sales tax return shall be prima facie proof of taxes collected but not transmitted.

A. Application of Fees and Interest.

1. Complete sales tax returns and full remittance delinquent less than thirty days shall be charged a late fee of $25 (twenty-five dollars) or up to the maximum interest rate allowed to by law, whichever is greater, in addition to the total amount due. Sellers filing incomplete sales tax returns will incur an additional fee of $15 (fifteen dollars).

2. Complete sales tax returns and full remittance thirty to sixty days past due will incur a late fee of $50 (fifty dollars) or up to the maximum interest rate allowed to by law, whichever is greater, in addition to the total amount due. Sellers filing incomplete sales tax returns will incur an additional fee of $15 (fifteen dollars).

3. Sales tax returns and full remittance sixty-one days past due will incur a reoccurring monthly fee of $50 (fifty dollars) in addition to all previous fees, and interest. Sellers failing to file complete returns and full remittance will be subject to a lien against the seller’s property.
B. Application of Interest. Interest at the rate of ten and a half percent per year, and applied monthly, shall accrue on all delinquent taxes, and fees starting from the due date until paid in full.

C. Application of Payments. All tax-related payments made to the City shall first apply to the payment of fees, and interest, then to the payment of the principal of the tax which is delinquent, and then to the payment of current taxes. All other payments received over the amount owed for taxes, fees, and interest, will then apply to any other fees incurred by the seller.

D. Business licenses will be automatically revoked, and businesses will be served with a cease and desist order by a law enforcement officer empowered by the City of North Pole when sales tax returns are ninety days delinquent.

E. Businesses that have habitually late sales tax returns, defined as sales tax returns that are sixty days delinquent three times in a calendar year, will have their business license revoked and will be served with a cease and desist order by a law enforcement officer empowered by the City of North Pole.

Section 3. Effective date. This ordinance shall be effective at 5:00 p.m. on the first City 30 business day following its adoption.

PASSED AND APPROVED by a duly constituted quorum of the North Pole City Council this 6th day of February, 2017.

Bryce J. Ward, Mayor

ATTEST:

Kathryn M. Weber, MMC
North Pole City Clerk
CITY OF NORTH POLE

ORDINANCE 17-03

AN ORDINANCE OF THE CITY OF NORTH POLE, ALASKA TO
AMEND CHAPTER 8.04, NUISANCES

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.

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. Chapter 8.04 is hereby amended in the North Pole Code of Ordinances as follows: [new text in italicized, underlined red font; deleted text in red strikethrough font];

Chapter 8.04 NUISANCES

Sections:

8.04.005 Marijuana oil, flammable extraction – Prohibited.
8.04.010 Garbage and rubbish – Accumulation – When prohibited.
8.04.030 Garbage – Deposit only in places designated.
8.04.040 Garbage allowing to contaminate water.
8.04.050 Garbage.
8.04.060 Dense smoke.
8.04.070 Soot, cinders, noxious acids, fumes and gases.
8.04.080 Unwholesome wells or ground water.
8.04.090 Fecal matter – Privies.
8.04.100 Fecal matter – Privies – Place of deposit to be designated.
8.04.110 Urinal – Requirements.
8.04.120 Filthy stables.
8.04.130 Undressed dead animals.
8.04.140 Mad dogs and vicious dogs.
8.04.150 Open excavations, basements and pits.
8.04.160 Disturbing the peace.
8.04.005 Marijuana oil, flammable extraction – Prohibited.

A. Methods to process marijuana oil using a flammable extraction method are 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 a flammable extraction method is in violation of this section and subject to a $1,500 (fifteen hundred dollar) $1,000 (one thousand dollar) fine. (Ord. 15-01 § 2, 2015)

8.04.010 Garbage and rubbish – Accumulation – When prohibited.

No person shall permit or suffer to accumulate, in or upon any yard, lot, place or premises, or upon any street or sidewalk adjacent to or abutting upon any lot, block, place or premises, owned or occupied by him for which he may be the agent, within the City limits, any stagnant or impure water, refuse, vegetables, decayed or decaying substances, garbage, swill, offal, fecal matter, urine or filth of any kind nor suffer such yard, lot, place or premises to be or remain in such condition as to cause or create a noisome or offensive smell or atmosphere, or thereby to be, become, cause or create a public nuisance. *And is subject to abatement.* (Code 1962 § 12-4)


A. Every person in the possession or occupancy, either as owner, tenant or otherwise, of any lot, block, place or premises in the City shall, prior to its removal, put, place and keep all garbage, household refuse, slops, swill, dirt, rubbish, offal or filth of any kind other than fecal matter or urine in boxes, cans or receptacles which shall be kept on the premises and the garbage shall not be allowed, suffered or permitted to become strewn or scattered on the premises.

B. The contents of such boxes shall be removed from the lot, yard or premises of the occupant, agent or owner of such lot before they create any noisome smell or become nuisances. (Code 1962 § 12-5)

8.04.030 Garbage – Deposit only in places designated.

No person shall throw into or deposit upon any public street, highway, thoroughfare, public road, lane, alley, public place or grounds within the limits of the City or upon any private premises or anywhere, except the place or places designated by the [Health Officer of the City Fairbanks North Star Borough Solid Waste Division](http://www.fairbanks.us/departments/solid-waste), any glass, broken ware, offal, fecal matter, garbage, urine, dirt, rubbish or filth of any kind. (Code 1962 § 12-6)
8.04.040 Garbage allowing to contaminate water.

No person shall throw or place anything defiling, or any poisonous substance, decayed animal or vegetable matter or filth into, or cause or allow the same to pass or enter into any creek, well or river water or into any water pipe within the City whereby such water is rendered impure or unwholesome. (Code 1962 § 12-7)

8.04.050 Garbage.

Transportation only in covered receptacles. No person shall carry, remove or transport garbage, offal, dirt, rubbish, fecal matter, urine or filth of any kind, or any animal or vegetable substance in decomposing or offensive condition in any other than covered and enclosed vehicles or in any other than closed boxes, bags, cans or receptacles, through any street, avenue, alley, highway or public place in the City. (Code 1962 § 12-8)

8.04.060 Dense smoke.

It is unlawful for any person to permit the emission of any smoke from any source whatever of a density equal to or greater than that density described as No. 2 on the Ringlemann Chart, published by the United States Bureau of Mines. The emission of such smoke is declared to be a public nuisance and may be summarily abated as provided in this chapter. (Code 1962 § 12-9)

8.04.070 Soot, cinders, noxious acids, fumes and gases.

It is unlawful for any person to permit or cause to escape any soot, cinders, noxious acids, fumes or gases in such place or manner as to be detrimental to any person or to the public or to endanger the health, comfort and safety of any such person or the public, or in such a manner as to cause or have a tendency to cause injury or damage to property or business. The escape of such matter is declared to be a public nuisance, and may be summarily abated as provided in this chapter. (Code 1962 § 12-10)

8.04.080 Unwholesome wells or ground water.

A. Any wells or ground water which is impure, contaminated or unwholesome, or which has been rendered impure, contaminated or unwholesome by reason of any defiling, hazardous substance, or poisonous substance, is declared a nuisance injurious to health; and no person or corporation shall cause, maintain or continue such nuisance.

B. “Hazardous substance” is defined as:

1. Any material, element or compound that is defined as a hazardous substance under the laws or regulations of the State of Alaska or the United States including, but not limited to, AS 46.09.900 or 46.03.826, 18 AAC 75.990, 42 USC 9601 through 9657, or 29 CFR 1910.1200; or
2. Any material, element or compound that, when it enters into or on the surface or subsurface land or water, endangers the public health or welfare, or fish, animals, vegetation or any part of the natural habitat in which they are found; or

3. Any substance the Alaska Department of Environmental Conservation considers a regulated contaminant or contaminant of concern under 18 AAC 75.325(g); or

4. Any substance not defined by AS 46.09.900 or 46.03.826, 18 AAC 75.990, 42 USC 9601 through 9657, or 29 CFR 1910.1200 or listed as a regulated contaminant under 18 AAC 75 shall be considered a “hazardous substance” when present in ground water in excess of tap water levels as defined by the Environmental Protection Agencies Regional Screening Level User’s Guide (U.S. EPA, 2011).

C. A person or corporation whose well or ground water has been rendered impure, contaminated or unwholesome by a hazardous substance that originated from the property of another shall not be in violation of this section or subject to the provisions of NPMC 8.04.170. (Ord. 15-16 § 2, 2015; Ord. 14-18 § 2, 2014. Code 1962 § 12-11)

8.04.090 Fecal matter – Privies.

No person shall maintain any unapproved outdoor privy or other outdoor toilet facility within the City, and such is declared to be a hazard to the good health of the community and a nuisance. All approvals must be by the City Council. (Code 1962 § 12-12)

8.04.100 Fecal matter – Privies – Place of deposit to be designated.

It is unlawful for any person or corporation to dump or deposit the contents of any privy or any fecal matter in any place than such as may be designated by the Health Officer of the City. (Code 1962 § 12-14)

8.04.110 Urinal – Requirements.

All urinals of the City must be so constructed as not to leak and must have a tight vessel or receptacle into which the urine may drain; and no person who is the owner or occupant of, or agent for, any house, store, building or premises in the City to which a urinal belongs or appertains, shall use or keep the same in such condition as to cause a noisome or offensive smell so as to become a nuisance, and every person making or maintaining a urinal shall observe the regulations concerning them. (Code 1962 § 12-15)

8.04.120 Filthy stables.

Filthy and unwholesome stables, sheds, kennels, pens or places cows, horses, mules, dogs or other animals are kept within the City are declared nuisances injurious to health and no person shall create or maintain the same. (Code 1962 § 12-16)
8.04.130 Undressed dead animals.

Undressed dead animals being or laying in the City, namely, any horse, mule or jack, or any cow, goat, calf, sheep, dog or swine, are declared nuisances injurious to health, and any person owning, possessing or controlling such dead animal, or any person who knowingly places such dead animal in any part of the City, shall remove the same to the place designated by the Health Officer. (Code 1962 § 12-17)

8.04.140 Mad dogs and vicious dogs.

A. Vicious or mad dogs, or dogs bitten by hydrophobic dogs, are declared nuisances, and no person shall own or keep any mad dog, or dogs bitten by a hydrophobic dog, or allow the same to go upon any street, highway or public place of the City.

B. Every person owning, possessing or having charge of any mad or hydrophobic dog shall kill or cause to be killed, or any officer may kill or cause to be killed, any such dog which has gone mad or given symptoms of hydrophobia. No person shall permit, allow or suffer any vicious dog owned or kept by him to go un-muzzled upon any street, alley, highway or public place in the City. (Code 1962 § 12-18)

8.04.150 Open excavations, basements and pits.

A. All open pits, unfilled excavations except gravel pits not in a populated section of the City fully contained within basements with uncovered doorways, window spaces or without subflooring in the City are declared to be a public nuisance, except that this subsection shall not apply to any of the above conditions where construction of a building is actively underway under a proper building permit and where the construction has not been suspended for more than fifteen days.

B. All owners of land upon which one of the conditions as set forth in subsection (A) of this section exists shall be required to fill with solid substance or protect from public entrance by enclosing with a protective fence as approved by the Fire/Building Official. (Ord. 81-5 § 1 (Attachment A § 5-8), 1981)

8.04.160 Disturbing the peace.

A. A person commits the offense of disturbing the peace if:

1. With intent to disturb the peace and privacy of another not physically on the same premises or with reckless disregard that the conduct is having that effect after being informed that it is having that effect, the person makes unreasonably loud noise.

2. In a public place or in a private place of another without consent, and with intent to disturb the peace and privacy of another or with reckless disregard that the conduct is having that effect after being informed that it is having that effect, the person makes unreasonable loud noise.
3. Between the hours of 11:00 p.m. and 7:00 a.m., operates or uses a pile driver, pneumatic hammer, bulldozer, road grader, loader, power shovel, derrick, backhoe, power saw, manual hammer, motorcycle, snow machine or other instrument, appliance or vehicle which generates loud sounds or noise, after having been informed by another that such operations or use is disturbing the peace and privacy of others.

4. Keeps any dog or other animal which is allowed to engage in frequent or prolonged barking or other loud noise-producing activity, after having been informed by another that such frequent or prolonged barking or noise-producing activity is disturbing the peace and privacy of others.

5. Repeatedly or continuously sounds any horn or other sound-producing warning device on a motor vehicle when such repeated or continued sounding is not necessary to warn of any danger.

6. After being informed by a police officer that his conduct is in violation of this subsection (A), refuses to abate the prohibited activity.

B. As used in this section, “noise” is “unreasonably loud” if, considering the nature and purpose of the defendant’s conduct and the circumstances known to the defendant, including the nature of the location and the time of day or night, the conduct involves a gross deviation from the standard of conduct that a reasonable person would follow in the same situation. “Noise” does not include speech that is constitutionally protected.

1. “Loud sound” in a public place means sound which is loud enough to inhibit the ability of a not unduly sensitive person in the same place to speak freely without leaving the same place.

2. “Loud sound” in a private place means sound which is loud enough to awaken a not unduly sensitive person in another private place.

3. The inside and outside of buildings and separate residences within an apartment house, and separate rooms within a hotel, are different places.

C. The following sound or noise is not prohibited by this section:

1. Noise of safety signals, warning devices and emergency pressure relief valves when used for their warning or emergency purposes.

2. Noise produced by any authorized emergency vehicle when responding to an emergency call or when otherwise authorized by law or ordinance to activate its sirens or other warning devices.

3. Noises necessarily produced in the course of work required to protect persons or property from imminent peril.

4. Noise produced by any activity for which a permit has been issued pursuant to subsection (D) of this section.
D. Applications for a permit for relief from the application of this section to any activity on the basis of undue hardship may be made to the Mayor or his duly authorized representative. A nonrefundable application fee and a permit fee, as set forth in the City’s schedule of fees and charges for services, will be charged for the City’s processing of an application. Any permit granted by the Mayor under this subsection shall contain all conditions upon which such permit has been granted and shall specify a reasonable time that the permit shall be effective. The Mayor or duly authorized representative may grant the relief as applied for if he finds that:

1. Additional time is necessary for the applicant to alter or modify his activity or operation to comply with this section; or

2. The activity, operation or noise source will be of a temporary duration and cannot be done in a manner that would comply with other subsections of this section; and

3. No other reasonable alternative is available to the applicant.

However, the Mayor may prescribe any conditions or requirements he deems necessary to minimize adverse effects upon the community or the surrounding neighborhood. (Ord. 14-29 § 2, 2015; Ord. 13-07 § 2, 2013)


A. The Mayor or Chief of Police or member of his staff upon receiving information or obtaining knowledge of the existence of any thing or things declared to be nuisances in this chapter may notify the person or corporation committing, creating, keeping, maintaining or causing the same to remove or cause the same to be removed within twenty-four hours, or such other reasonable times as may be determined by the City official after such notice has been duly given.

B. Regardless of whether notice has been given, the City may file a civil action in Superior Court to abate a nuisance and all costs and expenses of such abatement, removal, remediation or other remedy and full actual attorney fees and costs incurred by the City in any legal proceeding to abate the nuisance shall be paid by the persons or corporation committing, creating, keeping, maintaining or causing such nuisance or nuisances.

C. A person or corporation violating the provisions of this chapter may be punished by a fine of not more than $1,500 (one thousand five hundred dollars) per violation, in addition to all other remedies available in law or equity. A separate violation shall be deemed committed on each day during or on which a nuisance occurs or continues. (Ord. 14-18 § 2, 2014. Code 1962 § 12-20)

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 21st day of February, 2017.

______________________________
Bryce J. Ward, Mayor

ATTEST:

___________________________
Kathryn M. Weber, MMC
North Pole City Clerk

PASSED/FAILED
Yes:
No:
Absent
CITY OF NORTH POLE
ORDINANCE NO. 17-04

AN ORDINANCE OF THE CITY OF NORTH POLE, ALASKA TO
AMEND 2017 BUDGET BY TRANSFERRING $148,160 TO THE MIXING
ZONE COMPLIANCE PROJECT FOR AMENDMENT #4 TO THE
PROFESSIONAL SERVICES AGREEMENT WITH STANTEC
CONSULTING SERVICES, INC.

WHEREAS, changes to the public services practices 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.

WHEREAS, the City received a legislative award for $500,000 to begin addressing the periodic
loss of a mixing zone at the Utility's sewer outfall on the Tanana River, and

WHEREAS, the cost to construct a solution to the loss of the mixing zone is estimated to be $4
million, and

WHEREAS, the Utility is eligible for a $2 million Alaska Clean Water Fund (ACWF) loan to
help finance the cost to resolve the loss of mixing zone that has resulted in the Utility being
issued a Notice of Violation (NOV), and

WHEREAS, to be eligible for receive the full $2 million ACWF loan, the Utility needs to
complete the engineering and design documents, and

WHEREAS, before the Utility can begin construction it also must obtain needed permits from
the Army Corps of Engineers, Federal Emergency Management Agency, Alaska Department of
Fish and Game, Alaska Department of Environmental Conservation, and US Fish and Wildlife
Service, and

WHEREAS, the Utility has retained the engineering firm Stantec Consulting Services, Inc.to
assist it to respond to the NOV and to generate engineering documents, and

WHEREAS, Stantec requires an additional $148,160 to complete the engineering and design
documents and to obtain the necessary permits for the sewer outfall project to proceed.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of North Pole that it
approves the transfer of $148,160 as is detailed in the attached Fiscal Note for the attached
Amendment #4 to the professional services agreement with Stantec.

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 21st day of February, 2017.

ATTEST:

Kathryn M. Weber, MMC
North Pole City Clerk

Sponsored by: Mayor Ward
Introduced & Advanced: February 6, 2017
Possible Adoption: February 21, 2017

Bryce J. Ward, Mayor

PASSED/FAILED
Yes:
No:
Absent:
City of North Pole, Alaska

Fiscal Note Year: 2017

Accompanying Ordinance/Resolution: #17-04, Stantec Agreement Amendment #4

Originator / sponsor: William Butler

Date: 1/31/2017

Does the Ordinance or Resolution have a fiscal impact? [ ] yes [ ] no

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<td>41-10-9-999</td>
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<td>$39,690</td>
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<td>43</td>
<td>Mixing Zone Compliance - Rev</td>
<td>43-00-3-305</td>
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<td>148,160.00</td>
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<td>43</td>
<td>Mixing Zone Compliance- Exp</td>
<td>43-03-9-901</td>
<td>148,160.00</td>
<td></td>
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</tbody>
</table>

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).

Request is to transfer $148,160 of from the Sewer Reserve Fund the Mixing Zone Complaisance Project to complete the engineering and design documents and to obtain the needed permits to be eligible for a $2 million Alaska Clean Water Fund loan and for construction to proceed.

Prepared By: William Butler

Date: 2/1/2017

Finance Approval: Tricia Fogarty

Date: 2/1/2017

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.
January 26, 2017

Bill Butler  
Director of City Services  
125 Snowman Lane  
North Pole, AK 99705

Project: City of North Pole Wastewater Effluent Discharge  
Subject: Professional Services Fee Proposal – Amendment 4

Dear Mr. Butler:

The scope of services for the City of North Pole Wastewater Effluent Discharge Project as established in prior amendments presently includes investigations, surveying, design engineering thru 65% construction documents, and environmental / regulatory coordination activities. This amendment request #4 addresses the completion of design and the application for permits.

The additional scope of services covered by this amendment includes:

**Task 1 - Investigations**

Investigations are covered by existing authorizations. Amendment #2 previously addressed the required river channel survey, presently in progress. There are no changes this amendment.

**Task 2 - Design Engineering and Construction Documents**

Amendment #2 moved project budget from the completion of design into the river survey and several environmental tasks that needed to be started earlier. This current amendment restores the funds needed to complete 95% and final construction documents.

**Task 3 - Permitting and Agency Coordination**

The permitting for this project is a considerable expense; accordingly, most of the project permitting was originally deferred from the initial design scope to minimize impacts to CONPs budget. At this time, the project timeline requires completion of permitting activities concurrent with design completion. The permitting tasks added by this amendment include the following:

- **Whole Effluent Toxicity Testing (WET Testing)**
  - Completed, addressed in amendment #2.

- **Alaska Department of Environmental Conservation (ADEC)**
  - Application for Approval to Construct the new effluent discharge pipe. Plan review is relatively straight forward application, and we do not envision difficulty with this application.
- Alaska Pollution Discharge Elimination System (APDES) form A2 Publicly Owned Treatment Works Wastewater Discharge permit application. This is the ADEC "Wastewater Discharge Permit". We have spoken with Maria Klingman, who indicated the current CONP discharge application dates to 2012. For the new discharge site, she will require a complete APDES Form A2 and 2M -- a Public Treatment Works with Mixing Zone. CONP will take the lead preparing the discharge permit application. Stantec will provide information and support related to the design of the new effluent system, but most of the permit application is operations, effluent quality data, and pretreatment program data from CONP's files. Since CONP will prepare this application, we have only included a nominal level of effort for this task.

- APDES Form M2 -- Request for Mixing Zone. The Request for Mixing Zone is part of the wastewater discharge permit. This part of the application requires river hydraulic data, river water quality data, and a hydraulic model of the mixing zone. Stantec will provide these items and complete APDES Form M2. In support of this permit application, amendment #2 addressed the required CORMIX mixing models, and Tanana River water quality testing.

- Request for a Certificate of Water Quality Assurance. This is a "non-objection" letter from ADEC required by other federal permitting actions, in particular the USACE wetlands permits.

- Federal Emergency Management Agency (FEMA)

- A "no rise certification" is required in order to build the effluent pipe and access road within the river flood plain. The certification requires modeling of the Tanana River basin to demonstrate the proposed improvements do not result in an increase of the base year flood levels. Modeling will examine a 1-mile long reach of the river under existing conditions, and with the proposed modifications. Modeling data, including multiple topographic cross sections and results are compiled in a technical report, and submitted to FEMA. Assuming FEMA agrees with the findings, the No Rise Certificate will be issued. Flood modeling is a considerable effort, and assumes reasonable availability of river and topographic data from the Fairbanks North Star Borough and USACE.

- While we believe a no-rise certificate will be possible, in the event modeling does not support that finding, a FEMA Letter of Map Revision (LOMR) will be required. In this event, we will terminate pursuit of the no-rise certificate, and conserve the budget for this task to be applied to the LOMR. If that occurs, we will review the change in scope with CONP, along with any additional scope or budget required for that path.

- US Army Corp of Engineers (USACE)

- Permit for Construction in a Waterway. A Rivers and Harbors Act Section 10 permit will be required for construction of the effluent pipe (essentially a permanent structure) within the Tanana river.
o Construction in Wetlands Permit. A Clean Water Act Section 404 permit for impacts to wetlands and waters of the U.S. will be required for construction of the pipe and access roads in the wetlands area. Stantec will prepare and make application to the USACE. Note that the application process may require mitigation [i.e., purchase of wetland credits by the CONP]; this is not included in our scope or fee, but we will assist CONP identify available wetlands banks once the quantity of mitigation required is known.

- **Alaska Department of Fish and Game**

  o Construction in the Tanana River requires a Fish Habitat Permit for work within an anadromous waterbody.

- **United States Fish and Wildlife Service**

  o The eagle survey identified one eagle nest within several hundred feet of the project limits. A USFWS “Non-purposeful Take of Eagles Permit” is required for work that may potentially disturb an eagle.

- **Permit Fees**

  o As a convenience to the CONP, we have included the permit application fees in our scope and budget to the extent they could be determined at this time. The application process seems to go smoother when the application arrives with the fee attached. In the event permit fees vary from the amounts listed in our fee proposal, we will advise CONP as to the difference. Note that there is an ADEC plan review fee for the new effluent piping, but not for the new discharge permit; the cost for the discharge permit is included within the annual fee CONP already pays to ADEC for the WWTP.

**Remaining future items not included at this time.**

The following items are not included within the project agreement at this time. It is anticipated these services will be added by amendment once construction funding is available:

- Procurement and bidding support services.
- Construction contract administration and inspection services.
- Final DNR and FNSB easements

Our current scope includes preliminary easements and DNR authorization to construct. However the final easements are obtained once the project is completed as asbuilt survey and application for permanent land use permit (i.e., easement) are required.
Fee Proposal
The total fee for services outlined in this proposal is $148,160 to be performed on a lump sum basis. A worksheet detailing the costs and assumptions associated with each task is attached. The project will be invoiced monthly, on a percent-completed basis for each task.

Work on final design and permitting will begin shortly after authorization of this amendment, and as soon as we can complete the river channel survey included in prior amendment #2.

Marie Klingman has indicated CONP must apply for the new discharge permit at least 180 days prior to planned discharge. We will apply for this permit as soon as possible, however completion is dependent on the river survey.

Closure
We will begin the survey and other tasks upon approval of this amendment request and your notice to proceed. If you have any questions, or would like to discuss the scope of work, please contact me or Stephanie Gould at (907) 276-4245.

Sincerely,

Dean E. Syta, P.E.
Project Manager

Attachment: Fee worksheet

C: File

Work Order: 2047047500

DE\sdg U:\2047047500\Management_North_Pole_Effluent_Main\Contract\Amend2\2016-07-01_Np_Effluent_Design_Completion_Scope.Doc
The following Engineering Services estimate is an amendment to the City of North Pole (CONP) Wastewater Effluent Discharge design contract. This amendment provides for completion of design and permitting. Scope and additional assumptions are as specified in the notes below, please refer to the proposal letter dated January 26, 2017 for complete details.

### Task 1 - Investigations

<table>
<thead>
<tr>
<th>Work Plan Item</th>
<th>Estimated Fee</th>
<th>Basis / Scope Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Kickoff / Coordination</td>
<td>---</td>
<td>Completed.</td>
</tr>
<tr>
<td>Outfall Determination and Route Verification</td>
<td>---</td>
<td>Completed.</td>
</tr>
<tr>
<td>River / Outfall Survey</td>
<td>---</td>
<td>River bathometry, flow metering, six river bottom cross sections for mixing zone and flood plain work, eagles nest. Included in Amendment #2</td>
</tr>
<tr>
<td>Geotechnical Investigation</td>
<td>---</td>
<td>Completed.</td>
</tr>
<tr>
<td>Eagles Nest Survey</td>
<td>---</td>
<td>Completed.</td>
</tr>
<tr>
<td><strong>Total Task 1</strong></td>
<td><strong>$0.00</strong></td>
<td></td>
</tr>
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</table>

### Task 2 - Design Engineering and Construction Documents

<table>
<thead>
<tr>
<th>Work Plan Item</th>
<th>Estimated Fee</th>
<th>Basis / Scope Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>65% Construction Documents</td>
<td>---</td>
<td>Completed.</td>
</tr>
<tr>
<td>95% Construction Documents</td>
<td>$21,630.00</td>
<td>Fee for completion of design; this item restores prior funds transferred to the river survey and environmental work in Amend #2</td>
</tr>
<tr>
<td>Final Construction Documents</td>
<td>$28,520.00</td>
<td>Fee for completion of design; this item restores prior funds transferred to the river survey and environmental work in Amend #2</td>
</tr>
<tr>
<td>Printing and Misc Materials</td>
<td>---</td>
<td>In current authorization.</td>
</tr>
<tr>
<td><strong>Total Task 2</strong></td>
<td><strong>$50,150.00</strong></td>
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</table>

### Task 3 - Permitting and Agency Coordination

<table>
<thead>
<tr>
<th>Work Plan Item</th>
<th>Estimated Fee</th>
<th>Basis / Scope Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ongoing Agency Coordination</td>
<td>---</td>
<td>In current authorization.</td>
</tr>
<tr>
<td>Preliminary Easements</td>
<td>---</td>
<td>In current authorization.</td>
</tr>
<tr>
<td>Final Easements</td>
<td>---</td>
<td>Not included at this time, DNR requires construction asbuilt survey to establish final easements.</td>
</tr>
<tr>
<td>Effluent Whole Effluent Toxicity (WET) Testing</td>
<td>---</td>
<td>Completed.</td>
</tr>
<tr>
<td>Alaska Department of Environmental Conservation (ADEC) – Wastewater Permits</td>
<td>$13,820.00</td>
<td>Application development for Approval to Construct; and request for a Certificate of Water Quality Assurance to support USACE permits.</td>
</tr>
<tr>
<td></td>
<td>$7,690.00</td>
<td>APDES Form A2 Discharge Permit for Public Treatment Works. Will be completed by the City, fee shown is for limited stantec support.</td>
</tr>
<tr>
<td></td>
<td>$7,970.00</td>
<td>APDES Form M2 Mixing Zone application. $10,000 for CORMIX modeling of the river and mixing zone is included in Amendment #2.</td>
</tr>
</tbody>
</table>
The following Engineering Services estimate is an amendment to the City of North Pole (CONP) Wastewater Effluent Discharge design contract. This amendment provides for completion of design and permitting. Scope and additional assumptions are as specified in the notes below, please refer to the proposal letter dated January 26, 2017 for complete details.

<table>
<thead>
<tr>
<th>Work Plan Item</th>
<th>Estimated Fee</th>
<th>Basis / Scope Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Emergency Management Agency (FEMA)</td>
<td>$38,980.00</td>
<td>LIDAR topography and floodplain modeling for no rise certification. Application to FEMA for No-Rise Certificate.</td>
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<tr>
<td>US Army Corp of Engineers (USACE)</td>
<td>$8,460.00</td>
<td>Construction in Navigable Waterway Permit for outfall pipe (Section 10).</td>
</tr>
<tr>
<td></td>
<td>$10,250.00</td>
<td>Construction in Wetlands Permits (Section 404)</td>
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<tr>
<td></td>
<td></td>
<td>Modification of existing USACE Flood Control Project (Section 408). Not required for current project.</td>
</tr>
<tr>
<td>Alaska Department of Fish and Game (ADFG)</td>
<td>$4,940.00</td>
<td>Fish habitat permit application.</td>
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<tr>
<td>US Fish and Wildlife Service</td>
<td>$2,640.00</td>
<td>Permit application for the non-purposeful take of eagles. (Potential harrassment of nearby eagle during construction).</td>
</tr>
<tr>
<td>Printing and Misc Materials</td>
<td>Included in above items</td>
<td>Required hardcopies for agencies incurred in above costs. All copies to the City will be in PDF format. Includes allowance for misc office supplies, mileage, phone, etc.</td>
</tr>
<tr>
<td>Permit Fees</td>
<td>$3,260.00</td>
<td>ADEC Plan Review $950&lt;br&gt;ADEC Wastewater Discharge - none, already included in annual city permit cost.&lt;br&gt;FEMA - $600 Estimated data fee / permit fee&lt;br&gt;USACE $ 200&lt;br&gt;ADFG $ 0&lt;br&gt;USFW $ 500</td>
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<td></td>
<td>$98,010.00</td>
<td>Total Task 3</td>
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<tr>
<td>Procurement, Bidding, Construction Administration</td>
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<td>Not included at this time.</td>
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<tr>
<td>TOTAL AMENDMENT</td>
<td>$148,160.00</td>
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</tbody>
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Memo

To: North Pole City Council  
From: Bill Butler  
Date: January 31, 2017  
Subject: Recommendation to budget modification to replace Public Works boiler replacement

Recommendation

Transfer $17,000 from the General Fund to finance the replacement of the Public Works Shop boiler and circulation pumps.

Background

The Public Works boiler is original to the shop and is over 30 years old. The boiler has begun to require more frequent maintenance. During the winter months the boiler requires monthly cleaning. Cleaning the boiler requires several hours of staff time.

Of greater concern than the need for repeated cleaning is the boiler has failed three times in the past 45 days. In mid-December 2016, the boiler burned up its transformer causing the unit to shut down. This failure occurred before the severe winter weather set in. The staff were able to find a replacement part and repair the boiler the same day. The boiler failed again on January 14, a Saturday of a three-day weekend. Fortunately, snow plowing was occurring that weekend and while Cody Lougee was inspecting the snowplowing work he stopped by the shop and found the boiler had failed. He worked throughout the day to replace the transformer and replace the fuel nozzle. Sometime on Sunday afternoon, January 22, the boiler burned up a third transformer and shut down. This time, three water pipes froze in the shop. Staff had to replace the transformer and replace the frozen water pipes.

The repeated failures are becoming chronic and have the potential to cause serious damage to the Public Works Shop. Had Cody Lougee not stopped by the Public Works shop on January 14, the shop would have been without heat for three days. The temperature on the 14th reached a low of -7 degrees; on the 15th the low temperature was -35 degrees and on the 16th the low temperature was -15 degrees. If the boiler failure had not been discovered, there could have been significant damage in the building.
I directed Cody to get quotes for a boiler replacement. He requested quotes to replace the boiler from four firms, three firms submitted quotes.

Alaska Best Plumbing & Heating ................................................................. $16,850.00
Rocky’s Heating Services ................................................................. $19,971.47
Altrol, Inc. ................................................................................... $22,851.00

Because of the critical need to replace the boiler, the Mayor authorized Public Works to approve Rocky’s bid. It was important to proceed quickly because there is a long lead time for the delivery of a boiler. Rocky’s has placed the order for the boiler and delivery is expected in three to six weeks.

Funding the project is being done under the Infrastructure Outlay category that includes three budget lines.

**Infrastructure Outlay**
Building Maintenance ................................................................. $5,000
Streetlight Maintenance ................................................................. $10,000
Street Maintenance ................................................................... $25,000
Total .......................................................................................... $40,000

Because this project was not foreseen when preparing the 2107 budget, I am asking for a budget revision to transfer $17,000 from the General Fund into the Infrastructure Outlay category. If the Infrastructure Outlay category funding is not replenished, Public Works’ functions could be significantly affected throughout the remainder of 2017 for activities in this category.

At the end of 2016, the Public Works Department budget returned over $118,229 to the General Fund. A significant share of this retuned funding was over $51,000 from Snow Plowing and almost $17,000 from Street Maintenance. See attached 2016 year end Public Works Financial Statement.
CITY OF NORTH POLE
ORDINANCE NO. 17-05

AN ORDINANCE OF THE CITY OF NORTH POLE, ALASKA TO
AMEND 2017 BUDGET BY TRANSFERRING $17,000 FROM THE
GENERAL FUND TO REPLACE THE BOILER AT THE PUBLIC
WORKS SHOP

WHEREAS, changes to the public services practices 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.

WHEREAS, the Public Works Shop boiler is over 30 year old and it has begun to fail repeatedly
and this threatens to result in serious damages to the Public Works shop, and

WHEREAS, the Public Works Department returned over $118,299 dollar to the General Fund at
the end of 2016 as documented in the attached end-of-year Public Works Budget,

WHEREAS, it is projected to cost the Public Works Department up to $17,000 to replace its
boiler, associated circulation pumps and ancillary equipment, and

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of North Pole that it
approves the transfer of $17,000 from the General Fund to the Public Works Department as is
detailed in the attached Fiscal Note for the replacement of the Public Works Shop boiler,
associated circulation pumps and ancillary equipment.

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
21st day of February, 2017.

________________________________  Bryce J. Ward, Mayor

PASSED/FAILED
Yes:
No:
Absent:
City of North Pole, Alaska

Fiscal Note Year: 2017

Accompanying Ordinance/Resolution: #17-05, Public Works Boiler Replacement

Originator / sponsor: William Butler

Date: 2/1/2017

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

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<td>01</td>
<td>Building Maintenance</td>
<td>01-58-7-700</td>
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<td>$17,000</td>
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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).

Request the transfer of $17,000 from the General Fund to the Public Works Department for the replacement of the Public Works Shop boiler, circulation pumps and ancillary equipment.

Prepared By: William Butler

Date: 2/1/2017

Finance Approval: Tricia Fogarty

Date: 2/1/2017

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.
## Public Works 2016 Budget and Monthly Expenses

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<th>Account #</th>
<th>Title</th>
<th>Budget 12/31/2016</th>
<th>Expenditures 12/31/2016</th>
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<td><strong>Salaries &amp; Benefits</strong></td>
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<tr>
<td>01-58-1-001</td>
<td>Wages: Full Time</td>
<td>$144,180</td>
<td>$149,233.60</td>
<td>103.5%</td>
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<tr>
<td>01-58-1-002</td>
<td>Wages: Holiday Pay</td>
<td>$500</td>
<td>$104.19</td>
<td>NA</td>
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<tr>
<td>01-58-1-003</td>
<td>Benefits</td>
<td>$16,658</td>
<td>$14,810.43</td>
<td>88.9%</td>
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<tr>
<td>01-58-1-004</td>
<td>PERS</td>
<td>$32,710</td>
<td>$35,032.73</td>
<td>107.1%</td>
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<tr>
<td>01-58-1-005</td>
<td>PERS on Behalf</td>
<td>$0</td>
<td>$0.00</td>
<td>NA</td>
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<tr>
<td>01-58-1-006</td>
<td>Leave Cash Out</td>
<td>$4,000</td>
<td>$3,938.15</td>
<td>98.5%</td>
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<tr>
<td>01-58-1-007</td>
<td>Overtime: Regular</td>
<td>$7,000</td>
<td>$8,892.56</td>
<td>127.0%</td>
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<tr>
<td>01-58-1-008</td>
<td>Temp/Overhire</td>
<td>$43,000</td>
<td>$33,138.00</td>
<td>77.1%</td>
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<tr>
<td>01-58-1-013</td>
<td>Health Insurance</td>
<td>$41,938</td>
<td>$41,242.50</td>
<td>98.3%</td>
</tr>
<tr>
<td>01-58-1-015</td>
<td>Unemployment Temp/Overhire</td>
<td>$0</td>
<td>$0.00</td>
<td>NA</td>
</tr>
<tr>
<td></td>
<td><strong>Total Salary &amp; Benefits</strong></td>
<td>$289,986.00</td>
<td>$286,392.16</td>
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<tr>
<td></td>
<td><strong>Purchased Services</strong></td>
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<td></td>
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<tr>
<td>01-58-2-200</td>
<td>Advertising</td>
<td>$1,000</td>
<td>$1,134.71</td>
<td>NA</td>
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<tr>
<td>01-58-2-205</td>
<td>Audit &amp; Finance</td>
<td>$3,000</td>
<td>$3,000.00</td>
<td>100.0%</td>
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<tr>
<td>01-58-2-210</td>
<td>Credit Card Fees</td>
<td>$0</td>
<td>$0.00</td>
<td>NA</td>
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<tr>
<td>01-58-2-215</td>
<td>Insurance</td>
<td>$16,050</td>
<td>$16,015.63</td>
<td>99.8%</td>
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<tr>
<td>01-58-2-220</td>
<td>IT Services</td>
<td>$0</td>
<td>$0.00</td>
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<td>01-58-2-225</td>
<td>Legal Fees</td>
<td>$500</td>
<td>$481.25</td>
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<td>01-58-2-230</td>
<td>Maintenance Contracts</td>
<td>$1,050</td>
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<td>01-58-2-235</td>
<td>Professional Services</td>
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<td>01-58-2-240</td>
<td>Snow Removal</td>
<td>$73,950</td>
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<td></td>
<td><strong>Total Purchased Services</strong></td>
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<td>$44,506.87</td>
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<td><strong>Operational Expenses</strong></td>
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<tr>
<td>01-58-3-300</td>
<td>Bad Debt</td>
<td>$0</td>
<td>$0.00</td>
<td>NA</td>
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<tr>
<td>01-58-3-305</td>
<td>Electric</td>
<td>$5,000</td>
<td>$4,434.27</td>
<td>88.7%</td>
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<td>01-58-3-307</td>
<td>Radar Signs Electric</td>
<td>$400</td>
<td>$5,008.30</td>
<td>-1252.1%</td>
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<td>01-58-3-309</td>
<td>Street Lights Electric</td>
<td>$25,750</td>
<td>$21,284.53</td>
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<td>01-58-3-310</td>
<td>Heating Fuel</td>
<td>$5,150</td>
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<td>01-58-3-320</td>
<td>Phone/Data</td>
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<td>$4,585.75</td>
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<td>01-58-3-330</td>
<td>Postage</td>
<td>$0</td>
<td>$0.00</td>
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<tr>
<td>01-58-3-335</td>
<td>Office Equipment &amp; Supplies</td>
<td>$0</td>
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<td>01-58-3-340</td>
<td>Operational Supplies</td>
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<td>01-58-3-345</td>
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<td>$301.38</td>
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<td>01-58-3-350</td>
<td>Promotions &amp; Apparel</td>
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<td><strong>Total Operational Services</strong></td>
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<td><strong>Leases &amp; Rentals</strong></td>
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<td>01-58-4-400</td>
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<td>Expenditures 12/31/2016</td>
<td>Percent</td>
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<td><strong>Total Leases &amp; Rentals</strong></td>
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<td>$0</td>
<td></td>
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<tr>
<td>01-58-5-500</td>
<td>Memberships &amp; Dues</td>
<td>$0</td>
<td>$39.00</td>
<td>NA</td>
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<td>01-58-5-505</td>
<td>Recruitment</td>
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<td>$0.00</td>
<td>NA</td>
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<td>01-58-5-510</td>
<td>Travel &amp; Training</td>
<td>$1,500</td>
<td>$59.00</td>
<td>3.9%</td>
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<td><strong>Total Travel, Training &amp; Memberships</strong></td>
<td></td>
<td>$98</td>
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<tr>
<td>01-58-6-600</td>
<td>Equipment Repair &amp; Maintenance</td>
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<td>01-58-6-605</td>
<td>Vehicle Gas &amp; Oil</td>
<td>$11,000</td>
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<td>01-58-6-610</td>
<td>Vehicle Repair &amp; Maintenance</td>
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<td><strong>Total Vehicles &amp; Equipment Maintenance</strong></td>
<td>$21,000</td>
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<td><strong>Total Infrastructure Outlay</strong></td>
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<td>01-58-9-900</td>
<td>Fees: AK RR Permits</td>
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<td>Beautification</td>
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<td>Christmas Decorations</td>
<td>$3,000</td>
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<td>Equipment Outlay</td>
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<td>Miscellaneous Expense</td>
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<td>01-58-9-950</td>
<td>Parks/Trails/Grounds Supplies</td>
<td>$15,000</td>
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<td>01-58-9-999</td>
<td>Transfer Out</td>
<td>$7,400</td>
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<td><strong>Total Other</strong></td>
<td>$117,050</td>
<td>$102,296</td>
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<td><strong>Total, All Categories</strong></td>
<td>$643,536</td>
<td>$525,306</td>
<td>81.6%</td>
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</tbody>
</table>
ALASKA BEST PLUMBING & HEATING
2577 Old Richardson Hwy, North Pole, AK 99705
Phone (907) 455-6506 Fax (907) 488-5248
E-Mail: akbest@akbestph.com
TAX#26-0761085 Mechanical Administrator License # MechM 1041

2016-12-28-City of North Pole

City of North Pole
125 Snowman Lane
North Pole, AK 99705
Phone: 488-6111
Site address: 133 Lewis St.

We hereby submit specifications and estimates as follows:
Labor and Materials: $16,850.00

Notes: Recommend work completed in summer time.
All scheduling and payment are to be discussed with office staff only (field techs are installers only.)
You may or may not be with or without heat and/or hot water for one night, depending on temperature.
Options: None
Exclusions: Any carpentry, sheetrock, tape, texture, paint, cement, excavation, backfill, compaction, any work outside of the building foundation, oil tanks, oil lines, flue stack, well, or electrical, supporting of the tub, vinyl or flooring except as noted above in order to complete the proposal.
Terms: 60% Down Balance due upon completion, unless other arrangements are made prior to work.
Proposal Good Until: 01-27-2017

We use lead free solder only. Include owner familiarization walk through. All new work will be installed to accepted State of Alaska code at the time of installation. All material is guaranteed to be as specified, unless unavailable. All work to be completed in a workman like manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written order, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry any required insurance. Our workers are fully covered by Workers Compensation Insurance and we carry General Liability Business Insurance. No options can be accepted without main work being done unless prior arranged.

Acceptance of Proposal - I have read this proposal in its entirety. The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above and the terms below are accepted.

Signature: __________________________ Date: 1-31-17

Terms: Customer agrees to pay a late charge on past due balance of 1 1/2 % per month or the maximum rate allowed by law; and further agrees to right of lien to contractor under State of Alaska laws and to pay reasonable attorney’s fees and costs if collection is required.

Estimated by: Robert Hembree
Any questions or concerns please call (907) 455-6506 We appreciate your business. Our workmanship is guaranteed one year & parts guaranteed by manufacturer.
To: 11562
CITY OF NORTH POLE
125 SNOWMAN LANE
NORTH POLE, AK 99705

Date: 01/23/2017

Job Name / Location:
CITY OF NORTH POLE
133 LEWIS ST
NORTH POLE, AK 99705

We are pleased to provide you with the following proposal:

To provide and install one replacement Oil Fired Boiler with Domestic Hot Water Coil

Includes:
1. Isolate water flow and drain water from the existing boiler.
2. Disconnect electric, flue, oil pipe, remove and discard existing circulating pumps and water piping from old boiler.
3. Remove existing boiler and expansion tank and properly discard.
4. Install high efficiency Burnham Oil Fired Boiler with Domestic Hot Water Coil and two Circulating Pumps.
5. Install new water pipe from new boiler to existing piping in mechanical room with associated parts; copper pipe, fittings and valves and expansion tank.
6. Install new Tiger Loop Combo with Firomatic Valve and reconnect fuel oil pipe to new boilers.
7. Install new single wall vent with draw band and reconnect to existing chimney.
8. City permit and inspection.
9. Start-up and tune boiler with instruments for optimum efficiency.
10. Manufacturer's limited ten year heat exchanger warranty and limited one year on parts.
11. Guarantee of a quality job performed by licensed, experienced and qualified technicians and installers.
12. Workmanship warranty for one year on any work performed by Altrol.

We propose to hereby furnish material and labor - complete in accordance with the above specifications.

Payment to be made as follows:
50% DOWN PAYMENT/50% UPON COMPLETION OF

Any alteration or deviation from above specifications will be executed upon written orders and will become an extra charge over and above bid, as previously stated. A down payment of 50% of job total will be required upon signing of this proposal. If work is cancelled, time and materials will be accrued and deducted from down payment prior to refund.

Authorized Signature
Submitted by: WILLIAM K KELLEY
Note: This proposal may be withdrawn by us if not accepted within 30 days.

Acceptance of proposal
The above prices, specifications, and conditions are satisfactory and are hereby accepted.

Date of Acceptance: ____________________
Signature: ____________________
January 20th, 2017

City of North Pole
125 Snowman Lane
North Pole, AK  99705

Re:  133 Lewis Street
North Pole, AK

Attention:  Cody Lougee

I appreciate the opportunity to provide you a revised estimate for this project. The heart of this proposal is to replace your boiler with a new Burnham V88. The Burnham V88 boiler is made to order and takes three to five weeks for delivery.

SCOPE OF WORK: REVISED

We will:

1. Install a new Burnham V88 boiler.
2. Install the new boiler on a six-leg metal boiler stand.
3. Connect the new boiler into existing fuel lines, electrical service, and chimney.
4. Install all new near boiler piping in the proper primary/secondary configuration.
5. Install a new air separator, two system circulators, radiant circulator, and a Taco 1” three-way radiant mixing valve.
6. Install a Tekmar 256 boiler control.
7. Install a new 8” flue connector.
8. Install a proper air elimination device.
9. Fill, purge, and test the new boiler to ensure proper operation of your entire system.
10. Remove and dispose of the existing boiler.

TOTAL PROJECT COST:  $ 19,971.47
I understand that this is an expensive project. Please do not hesitate to contact our office with any questions or concerns that you may have about this proposal. Thank you for considering Rocky’s Heating Service. We appreciate your business.

Sincerely,

Jeffrey Kaufman
Rocky’s Heating Service
jeff@rockysheatingservice.com

ASSUMPTIONS, EXCLUSIONS, SPECIFICATIONS:

1. Bid assumes that the new boiler will be a Burnham V88 with a Beckett burner.
2. Bid assumes that this project does not fall under the provisions of the Davis-Bacon Act. If this project needs to be in compliance with the Davis-Bacon Act, we will need to revise the bid accordingly.
3. Bid assumes that there is a carbon monoxide detector near each sleeping area (if applicable) per local code requirement.
4. Bid assumes that there is adequate combustion air in the mechanical room to support proper operation of the new boiler.
5. Bid excludes any hot water production with the new boiler.
6. Bid does not include glycol. Please see the boiler fluid addendum.
7. Should any of these items be unserviceable at the time of the install there could be additional costs to repair or replace them. Bid assumes re-use of the following items:
   a. Existing heat distribution piping and heat emitters throughout the building.
   b. Existing thermostats and associated wiring.
   c. Existing fuel lines and tank.
   d. Existing chimney.
8. Bid excludes any other work not mentioned above in the scope of work.
ADDENDUM:
Boiler Fluid Quality and Treatment

All heating systems need to be cleaned and flushed on a regular basis. Similar to the fluids in your automobile, the fluids within the heating system become dirty and break down, no longer providing optimum performance and protection. The ferrous metal components within a heating system along with oxygen begin to corrode immediately and start to degrade the operational efficiency of your heating system without yearly treatment. The oxygen in the boiler fluid needs to be treated with an inhibitor to protect your new system. Untreated old glycol will still provide freeze protection but does not protect your system from corrosion. New glycol has the inhibitor in it from the factory and requires yearly testing and additional inhibitor added as necessary to remain effective. We recommend all new boiler installs get a thorough cleaning with Fernox F5 system cleaner/restorer. We then clean and flush the entire system before adding the new glycol. We recommend that you treat the fluid in your system with Fernox F1 inhibitor annually when you have your boiler serviced. When we install a new boiler, there are several choices that need to be made in regard to the fluid in your heating system:

1. Drain and dispose of the existing fluid in your system and re-fill the new boiler with water or glycol.
   a. Treat with Fernox F5 & F1 inhibitor (water only). **Estimated $231.91 (Does not include disposal).**
   b. In order to be good stewards of our environment, Rocky’s Heating Service does not dispose of heating system fluid by pouring it down the drain. Boiler fluid can contain propylene glycol (non-toxic), heavy metals, and other chemicals that may or may not be harmful to the environment. We feel that it is important that the property owner be given the option for disposal of the fluid within their system. We will capture the fluid from the boiler when we drain the system prior to the cleaning of the heating system. The property owner has the option to dispose of the fluid themselves or Rocky’s Heating Service can handle the fluid disposal for a fee of $9.00 per gallon through Emerald Services of Alaska (waste management). The actual cost of disposal depends on the total system volume and will be invoiced separately.

2. Drain and re-use the existing glycol in your system. This is not recommended unless the glycol is relatively new. If you are having a high efficiency boiler or flat plate heat exchanger installed, this could void your warranty. The newer high efficiency appliances are more sensitive to the byproducts of corrosion and can fail prematurely. Several manufacturers already require yearly fluid maintenance or the warranty will be voided. Using old glycol is not recommended because we cannot properly clean, flush, and treat the new system.

Again, at Rocky’s Heating Service we recommend that all new boiler installs get a thorough cleaning with Fernox F5 system cleaner/restorer, flush, drain, and then treat the new boiler fluid with F1 inhibitor on an annual basis.

Total system clean and flush with Fernox F5 and 100% new glycol for adequate burst protection:
$2,036.66 (not including disposal)
ORDINANCE NO. 17-06

AN ORDINANCE OF THE CITY OF NORTH POLE, ALASKA TO AMEND THE 2017 BUDGET BY ACCEPTING THE BRYNE JAG GRANT AND ADJUSTING THE POLICE DEPARTMENT BUDGET.

WHEREAS, the 2017 Budget should be amended to conform to the requirements of the City, and
WHEREAS, the City of North Pole has received BRYNE JAG grant funds for several years, and
WHEREAS, the City of North Pole received $35,000 last year, and
WHEREAS, the City of North Pole was awarded for 2017, $107,950.00, and
WHEREAS, expects to have $96,842.00 in allowable expenditures in 2017 for the Byrne JAG grant, and
WHEREAS, budget amendments will allow for, the police vehicles that were purchased earlier this year, to be paid for with equipment outlay funds, and funds placed into travel and training to offset unexpected academy cost, and
WHEREAS, the remaining savings can remain in wages and used as needed once approved by council at a later date,

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of North Pole the City amends the 2017 budget and accept the 2017 Byrne JAG grant.

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

Section 2. Effective date, February 6, 2017

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

PASSED AND APPROVED by a duly constituted quorum of the North Pole City Council this 21st day of February 2017.
ATTEST:

Kathryn M. Weber, MMC
North Pole City Clerk

PASSED/FAILED
Yes:
No:
Absent:
To: Kathy Weber, City Clerk

Date: 01-23-17

Subject: JAG Grand Funds

The North Pole Police Department was awarded the Burns Memorial JAG grant to fund a detective position assigned to the State Wide Drug Enforcement in Fairbanks Alaska. The total grant award is $107,950.00 for the 2017 calendar year. However, DPS cannot provide funds until the grant award has been accepted by North Pole City Council and signed by the Mayor.

In essence, the sooner we can accept the grant the sooner we will receive funds. It is important this be added to the Feb 6th council meeting agenda for their approval.

The JAG grant funds are used specifically to supply a NPPD officer dedicated to narcotics investigation joint task force in the State of Alaska with emphasis on the greater Fairbanks/North Pole area.

Very Respectfully

Lt. Chad Rathbun
January 30, 2017

Mayor Bryce Ward
North Pole City Council

This letter is an official request urging you to accept a grant from the Department of Public Safety in the amount of $107,950.00. This grant is an ongoing funding effort by the Department of Justice FFY16 Edward Byrne Memorial Justice Assistance Grant (JAG) Program.

The North Pole Police Department has been part of the State Wide Drug Enforcement Unit (SDEU), stationed in Fairbanks, since 2007. Since 2008, we have received funding to help support our drug enforcement efforts within the North Pole / Fairbanks area. This grant is one of the largest appropriations in many years.

This grant is important to the City of North Pole because it assists us with expenses incurred in support of the overall fight against illegal drug use, drug diversion, and illegal alcohol importation. The ill effects of drugs on our community, state and country is growing and we must stay engaged in the fight and we must do it with our partner agencies. The funding received from this grant will pay for wages and benefits for one full time permanent member on the SDEU.

I ask that you accept this grant.

Thank you for your time.

Sincerely,

Chief Steve Dutra
City of North Pole, Alaska

Fiscal Note Year: 2017

Accompanying Ordinance/Resolution: Ordinance 17-06

Originator / sponsor: Mayor Ward

Date: January 30, 2017

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

<table>
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<th>Account Description</th>
<th>Account #</th>
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<td>Jag -11</td>
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</tbody>
</table>

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).

To increase what was originally budgeted in the Jag fund for 2017.

Prepared By: Mayor Ward
Date: January 30, 2017

Finance Approval: Tricia Fogarty
Date: January 30, 2017

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: 2017

Accompanying Ordinance/Resolution: Ordinance 17-06

Originator / sponsor: Mayor Ward

Date: January 30, 2017

Yes, Does the Ordinance or Resolution have a fiscal impact? No

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<tr>
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<td>Gen -01</td>
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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 reduction in salaries and benefits reflect previously budgeted for a detective that will now be paid out of the Jag fund.

Prepared By: Mayor Ward
Date: January 30, 2017

Finance Approval: Tricia Fogarty
Date: January 30, 2017

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.
January 19, 2017

Bryce Ward, Mayor
City of North Pole
125 Snowman Lane
North Pole, Alaska 99705

Dear Mayor Ward,

The Alaska Department of Public Safety has approved your grant application for funding under the FFY16 Edward Byrne Memorial Justice Assistance Grant (JAG) Program in the amount of $107,950 for the City of North Pole.

The grant award packet will be provided to you for signature following this notification. This award is subject to all administrative and financial requirements as outlined in the grant agreement and under the JAG Program. Should you not adhere to these requirements, you will be in violation of the terms of the agreement and the award will be subject to termination for cause or other administration action as appropriate.

If your agency chooses not to accept the approved award amount, or if you have any questions regarding this notification, please contact April Carlson, Grants Manager, at 907-269-5082 or by email at april.carlson@alaska.gov.

Sincerely,

[Signature]
Colonel James E. Cockrell
Director, Alaska State Troopers

Cc: Chad Rathbun, Lieutenant
# GRANT AWARD

<table>
<thead>
<tr>
<th>GRANTEE</th>
<th>DEPARTMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>NAME: City of North Pole</td>
<td>NAME: Department of Public Safety</td>
</tr>
<tr>
<td>ADDRESS: 125 Snowman Lane</td>
<td>ADDRESS: 5700 E. Tudor Road</td>
</tr>
<tr>
<td>CITY: North Pole, AK 99705</td>
<td>CITY: Anchorage, AK 99502</td>
</tr>
<tr>
<td>CONTACT: Chad Rathbun</td>
<td>CONTACT: April Carlson</td>
</tr>
<tr>
<td>TITLE: Lieutenant</td>
<td>TITLE: Grants Manager</td>
</tr>
<tr>
<td>PHONE: 907-488-6902</td>
<td>PHONE: 907-269-5082</td>
</tr>
<tr>
<td>EMAIL: <a href="mailto:crathbun@northpolepolice.org">crathbun@northpolepolice.org</a></td>
<td>EMAIL: <a href="mailto:april.carlson@alaska.gov">april.carlson@alaska.gov</a></td>
</tr>
</tbody>
</table>

## AWARD INFORMATION

<table>
<thead>
<tr>
<th>PROJECT NAME:</th>
<th>Multi-jurisdictional Task Force</th>
</tr>
</thead>
<tbody>
<tr>
<td>PROGRAM NAME:</td>
<td>Edward Byrne Memorial Justice Assistance Grant (JAG)</td>
</tr>
<tr>
<td>AWARD AMOUNT:</td>
<td>$107,950.00</td>
</tr>
<tr>
<td>PROJECT START:</td>
<td>Dept. signature</td>
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<tr>
<td>PROJECT END:</td>
<td>December 31, 2017</td>
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<td>GRANTEE DUNS:</td>
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<tr>
<td>GRANT NUMBER:</td>
<td>17-100</td>
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<tr>
<td>PROGRAM CFDA:</td>
<td>16.738</td>
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<tr>
<td>REQUIRED MATCH:</td>
<td>No</td>
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<td>RISK ASSESSMENT:</td>
<td>Yes</td>
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## APPROVED BUDGET

<table>
<thead>
<tr>
<th>COST CATEGORY</th>
<th>FEDERAL SHARE</th>
<th>MATCH SHARE</th>
<th>PROJECT TOTAL</th>
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<tbody>
<tr>
<td>Personnel</td>
<td>62,207.00</td>
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<td>62,207.00</td>
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<tr>
<td>Fringe</td>
<td>45,743.00</td>
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<td>45,743.00</td>
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<tr>
<td>TOTAL</td>
<td>$107,950.00</td>
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## AWARD AGREEMENT

The Alaska Department of Public Safety, hereinafter called the "Department," and the City of North Pole, hereinafter called the "Grantee," agree as set forth herein.

I. The work to be performed under this agreement shall **begin on department signature and completed no later than December 31, 2017**.

II. This Grant Award consists of this signature page, attached Grant Agreement, Program Narrative, and Budget Detail.

III. By signing this award, the grantee accepts all terms and conditions of the grant agreement in accordance with JAG Project Number: 2016-DJ-BX-0968 and 2015-DJ-BX-0560.

## GRANTEE AUTHORIZATION

<table>
<thead>
<tr>
<th>NAME/TITLE:</th>
<th>Bryce Ward, Mayor</th>
</tr>
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<tbody>
<tr>
<td>SIGNATURE:</td>
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</table>

## DEPARTMENT AUTHORIZATION

<table>
<thead>
<tr>
<th>NAME/TITLE:</th>
<th>Colonel James E. Cockrell, Director</th>
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<td>SIGNATURE:</td>
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</table>

Updated: 11/10/16@
### PERSONNEL BUDGET DETAIL

**PERSONNEL** - List each position by title and name of employee if available. Show the monthly salary amount, number of months, and percentage of time to be devoted to the project. Compensation paid for employees engaged in grant activities must be consistent with that paid for similar work within the applicant organization.

<table>
<thead>
<tr>
<th>POSITION TITLE/NAME</th>
<th>MONTHLY AMOUNT</th>
<th>QTY</th>
<th>% TIME</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Officer Bruce Milne - Salary $65,499</td>
<td>$ 5,458.25</td>
<td>11</td>
<td>100%</td>
<td>$ 60,040.75</td>
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<tr>
<td>Officer Bruce Milne - Overtime (OT) $47.23/hr</td>
<td>$ 47.23</td>
<td>45.86</td>
<td>100%</td>
<td>$ 2,165.97</td>
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</table>

**FRINGE BENEFITS** - Fringe benefits should be based on actual known costs or an established formula. Fringe benefits are for the personnel listed above and only for the percentage of time devoted to the project. Fringe benefits on overtime hours are limited to FICA, Workman's Compensation, and Unemployment Compensation.

<table>
<thead>
<tr>
<th>POSITION TITLE/NAME</th>
<th>MONTHLY AMOUNT</th>
<th>QTY</th>
<th>% TIME</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>PERS: Salary $65,499 x 22% = $14,409.78</td>
<td>$ 1,200.82</td>
<td>11</td>
<td>100%</td>
<td>$ 13,209.02</td>
</tr>
<tr>
<td>Medicare: Salary $65,499 x 6.2% = $4060.94</td>
<td>$ 338.41</td>
<td>11</td>
<td>100%</td>
<td>$ 3,722.51</td>
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<tr>
<td>Workers Comp: Salary $65,499 x 5.46% = $3,576.25</td>
<td>$ 298.02</td>
<td>11</td>
<td>100%</td>
<td>$ 3,278.22</td>
</tr>
<tr>
<td>Health Care: 2080 hrs/yr x $13.03/hr = $27,102.40</td>
<td>$ 2,258.54</td>
<td>11</td>
<td>100%</td>
<td>$ 24,843.94</td>
</tr>
<tr>
<td>PERS: OT $2,361.50 x 22% = $519.53</td>
<td>$ 43.29</td>
<td>11</td>
<td>100%</td>
<td>$ 476.19</td>
</tr>
<tr>
<td>Medicare: OT $2,361.50 x 6.2% = $146.41</td>
<td>$ 12.20</td>
<td>11</td>
<td>100%</td>
<td>$ 134.20</td>
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<td>Workers Comp: OT $2,361.50 x 5.46% = $128.94</td>
<td>$ 10.75</td>
<td>11</td>
<td>67%</td>
<td>$ 79.23</td>
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**TOTAL** $107,950.03
## TRAVEL BUDGET DETAIL

**TRAVEL** - Itemize travel expenses of project personnel by **Purpose**: list type of event and traveler name(s); **Dates**: list dates of travel; **Airfare**: list from/to destinations; **Lodging**: list type, cost/day x number of days = total; **Per Diem**: list cost/day x number of days = total; **Transportation**: list type, to and from destinations.

<table>
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<tr>
<th>Purpose:</th>
<th>AMOUNT</th>
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**TOTAL** $
**CONTRACTUAL BUDGET DETAIL**

**CONTRACTUAL SERVICES** - List itemized costs associated with communication services, car leases, equipment rental and maintenance, utilities, printing, advertising, postage, conference fees, etc. Monthly costs should be shown by amount per month and number of months.

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<tr>
<th>DESCRIPTION</th>
<th>AMOUNT</th>
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</table>

**TOTAL** $ -
SUPPLIES BUDGET DETAIL

**SUPPLIES** - List items by type (office supplies, training materials, copying paper, fuel, and expendable equipment items costing less than $5,000 such as books, hand held tape recorders, etc.) and show the basis for computation. Generally, supplies include any materials that are expendable or consumed during the course of the project.

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>AMOUNT</th>
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</tbody>
</table>

**TOTAL** $ -

Page 4 of 6
EQUIPMENT BUDGET DETAIL

**EQUIPMENT** - List non-expendable items that are to be purchased. Non-expendable equipment is tangible property having a useful life of more than one year. (e.g. vehicles, radios, computers, cameras, etc.)

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>AMOUNT</th>
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</table>

**TOTAL**       $    -
## BUDGET SUMMARY

<table>
<thead>
<tr>
<th>BUDGET CATEGORY</th>
<th>AMOUNT</th>
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<tbody>
<tr>
<td>Personnel</td>
<td>$107,950.03</td>
</tr>
<tr>
<td>Travel</td>
<td>$-</td>
</tr>
<tr>
<td>Contractual</td>
<td>$-</td>
</tr>
<tr>
<td>Supplies</td>
<td>$-</td>
</tr>
<tr>
<td>Equipment</td>
<td>$-</td>
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</table>

**TOTAL** $107,950.03
GRANT AGREEMENT

ARTICLE I - GOVERNING LAW

The authorizing legislation for the Edward Byrne Memorial Justice Assistance Grant (JAG) Program is the Consolidated Appropriations Act, 2005, Public Law 108-447.

ARTICLE II - SCOPE OF WORK

A. The Grantee agrees that it will implement in all respects the Project Description submitted with the application and is considered a part of this Grant Agreement.

B. The Grantee agrees to make no change in the project described in the attachment and final approved application without first submitting a written request to the Department and obtaining the Department's written approval of the requested change.

C. The Grantee shall provide all the necessary qualified personnel, material, and facilities to implement the program described herein.

ARTICLE III – PROJECT PERIOD

A. The term of this Grant Agreement shall be for the period of time described on the Grant Award page of this agreement and SHALL NOT BECOME EFFECTIVE UNTIL THE AGREEMENT IS FULLY SIGNED BY AN AUTHORIZED SIGNER AND RECEIVED BY THE DEPARTMENT.

B. In the event that, due to unusual circumstances, it becomes apparent that this Grant Agreement cannot be brought to full completion within the time period set forth in the Grant Award, the Grantee shall so notify the Department in writing at least thirty (30) days prior to the termination date of this Grant Agreement. Such notice shall contain a description of the unusual circumstances causing the project to be incomplete.

ARTICLE IV - REPORTS

A. Reports

In order that the Department may adequately determine the progress of the Grant Project, the Grantee shall make Progress Reports to the Department per the schedule herein. The said Reports shall be on the form provided by the Department and contain the following:

1. Program Report: A description of the work accomplished to date, the methods and procedures used, and the impact of the project. Semi-annual progress reports shall be submitted to the Department no later than fifteen days following the end of each report period.

2. Reimbursement Requests: The Grantee shall submit a request for reimbursement to the Department at a minimum quarterly. The Grantee will provide the Department approved documentation supporting the expenses with the request for reimbursement. This may be from the Grantee’s accounting system.

3. Employee Program Certification & Activity Report: This report is to be completed for each employee who is in a position supported in total or in part with
Federal Funds and shall be submitted no later than fifteen days following each calendar quarter.

4. Other information specified by the Department or as may be of assistance to the Department in its evaluation, such as Project Equipment Reports.

B. Other Reports

1. The Grantee shall report any changes to key personnel to the Department within 30 days of the change.

ARTICLE V - FINANCIAL CONSIDERATION

A. The Grantee must establish and maintain separate accounting for the use of grant funds. The use of funds in any manner contrary to allowable grant activities shall result in the subsequent termination of the grant and any balance of funds. It shall also result in the Grantee being required to return to the State any funds determined not allowed.

B. The Grantee shall submit a request for reimbursement no later than 15 calendar days after the end of a calendar month. A Final Request for Reimbursement must be submitted no later than 30 calendar days following the end of the grant period.

Reimbursement Requests must be:

1. For expenses incurred within the period covered by the grant agreement;

2. For expenses incurred and paid by the Grantee within the request period specified on the Grant Award;

3. Submitted in a format provided or approved by the Department, and must be provided by a responsible signatory of the Grantee;

4. Based upon the Grantee’s accounting system, a financial report generated from the accounting system must be attached to the request for reimbursement.

5. Supported by appropriate source documentation including, but not limited to: vendor billings, time sheets, travel authorizations, cancelled checks, tickets, payroll records, or other applicable information necessary to substantiate expenditures. Department staff may request copies of source documentation prior to or after payment for any Reimbursement Requests.

6. The Grantee must use direct charging on timesheets for all time spent on grant related activity or must use a methodology for the allocation of personal services costs approved by the Department. The Grantee must use a cost allocation methodology approved by the Department for any other shared costs charged to the grant and must provide the Department with appropriate documentation supporting the methodology used. The Grantee shall contact the Department for additional guidance or technical assistance.

7. No advance payments are authorized under this Agreement, unless approved by the Department.
ARTICLE VI - BUDGET

A. The Department is not liable for Grantee incurred costs or services that exceed the grant agreement budget. The Department will not honor requests for excessive payments. It is the responsibility of the Grantee to secure a properly executed grant budget revision to this grant agreement when the circumstances require changes to the budget. The Grantee will in no case exceed in expenditure or in commitment the total dollar amount agreed upon in the grant agreement. The Grantee is responsible for any and all over-expenditures and for any disallowed costs that it may incur.

B. Any change to the terms and conditions of this grant agreement must be made through a written amendment. Amendments do not take effect until signed by the Department.

ARTICLE VII - FINANCIAL MANAGEMENT SYSTEM

A. The Grantee and any sub-recipient shall adhere to generally accepted accounting principles. The Grantee’s financial management system shall: Provide Accurate, current, and complete accounting of financial activities under this grant;

B. Adequately identify the source and application of funds for cost reimbursable activities;

C. Provide effective control over and accountability for all grant funds and real and personal property acquired with grant funds;

D. Maintain separate financial records for the accounting of funds related to this grant agreement;

E. Maintain systematic methods to for timely and appropriate resolution of audit findings or recommendations;

F. Retain source documentation that adequately identifies the nature and use of grant funds; Allow for comparison of actual and budgeted amounts; and,

G. The Grantee shall comply with all Federal, State, and local laws regarding the collection, deposit, payment and reporting of taxes, including obtaining an employer identification number and providing W-2 forms to employees.

ARTICLE VIII - AUDIT REQUIREMENTS

A. An Audit of the Grantee operations may be required by the President’s Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations, or the State of Alaska Single Audit Regulations at 2 AAC 45.010 – 45.090.

B. A Single Audit is required when an organization is in receipt of State financial assistance that expends a cumulative total equal to or greater than $500,000 during the entity’s fiscal year under the State of Alaska Single Audit Regulations at 2 AAC 45.010 – 45.090.

ARTICLE IX - TERMINATION AND MODIFICATION
A. The Department, by written notice to the Grantee, shall have the right to terminate this Grant Agreement if, at any time, in the judgment of the Department the provisions of this Agreement have been violated or the activities described in the Project Description have not progressed satisfactorily. In this regard, the Department may demand refund of all or part of the funds disbursed to the Grantee.

B. The Parties may modify any and all terms and conditions of the Grant Agreement by mutual agreement between the Grantee and the Department.

ARTICLE X - CONDITIONS OF AWARD AND ACCEPTANCE

A. Acceptance within 45 days. Within 45 days from the issuance date of these documents to the Grantee, if the Grantee does not confirm acceptance that it will utilize the grant by signing and returning the award agreement to the Department, obligation to set aside these federal funds for use by the Grantee shall be terminated without further cause.

B. Commencement within 60 days. If a project is not operational within 60 days of the original starting date of the grant period, the Grantee must report, by letter, to the Department the steps taken to initiate the project, the reasons for delay, and the expected starting date.

C. Operational within 90 days. If a project is not operational within 90 days of the original starting date of the grant period, the Grantee must submit a second statement to the Department explaining the implementation delay. Upon receipt of the 90-day letter, the Department may cancel the project and request Grantor Agency approval to distribute the funds to other project areas.

ARTICLE XI - CERTIFICATION

The Grantee hereby assures and certifies that it will comply with State and Federal regulations, policies, guidelines, and requirements with respect to the acceptance and use of funds for this program. Also, the Grantee hereby assures and certifies with respect to this Grant that:


B. Funds made available under this Grant will not be used to supplant state or local funds, but will be used to increase the amounts of such funds that would, in the absence of federal funds, be made available for the same purpose.

C. The Grantee will submit all project-related contracts, subcontracts, agreements, and subsequent amendments to the Department for review and approval prior to execution.

D. No member, officer, or employee of the Grantee, or its designees or agents, no member of the governing body of the locality in which the program is situated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the program during his or her tenure or for one year thereafter, will have any interest, direct or indirect, in any contract or subcontract, or the process thereof, for work to be performed in connection with the program assisted...
under the grant, and the Grantee shall incorporate, in all such contracts or subcontracts, a provision prohibiting such interest pursuant to the purposes of this certification.

E. The Grantee certifies that the programs contained in its application and Project Description meet all the requirements of the 1988 Anti-Drug Abuse Act, that all information is correct, that the applicant will comply with all provisions of the Act and all other applicable Federal and State laws, regulations, and guidelines.

F. The Grantee will complete and keep on file, as appropriate, the Immigration and Naturalization Service Employment Eligibility Form (1-9).

G. The Grantee will, if required, formulate an Equal Employment Opportunity Plan (EEOP) in accordance with 28 CFR 42.301, et. seq., and submit their EEOP or EEOP Short Form directly to the Office for Civil Rights within 60 days of the date of this agreement. If the Grantee is claiming a full or partial exemption from the EEOP requirement, the Grantee must submit an EEOP Certification Form to the Office for Civil Rights.

H. The Grantee agrees to the following: to forward to the Alaska Department of Public Safety for submission to the Department for Civil Rights, Office of Justice Programs, U.S. Department of Justice any finding of discrimination against the Grantee by a federal or state court or federal or state administrative agency on the grounds of race, color, religion, national origin, or sex and to provide meaningful access to their programs and activities to individuals who are Limited English Proficient.


J. The Grantee assures that in accordance with federal civil rights laws, the Grantee shall not retaliate against individuals for taking action or participating in action to secure rights protected by the laws referenced in Article XI – O. above.

ARTICLE XII - PROPERTY AND EQUIPMENT

A. Management

The Grantee’s procedures for managing equipment (including replacement), whether acquired in whole or in part with funds made available through this Grant, will, at a minimum, meet the following requirements:

1. Property records must be maintained which include:
i. Description of the property;
ii. Serial number or other identification number;
iii. Source of the property;
iv. Identification of title holder;
v. Acquisition date;
vi. Cost of property;
vii. Percentage of Federal participation in the cost of the property;
viii. Location of the property;
ix. Use and condition of the property; and
x. Disposition data, including the date of disposal and sale price.

2. A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.

3. A control system must exist to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft shall be investigated by the Grantee and the Department, as appropriate.

4. Adequate maintenance procedures must exist to keep the property in good condition.

5. If authorized or required by the Department to sell the property, proper sales procedures must be established to ensure the highest possible return.

B. Disposition

The Grantee shall dispose of equipment when original or replacement acquired with grant funds is no longer needed for the original project or program, or for other activities currently or previously supported by a Federal agency. Disposition of equipment will be made as follows:

1. Items with a current per unit fair market value of less than $5,000 may be retained, sold, or otherwise disposed of with no further obligation to the Department.

2. Items with a current per unit fair market value in excess of $5,000 may be retained or sold, and the Department shall have a right to an amount calculated by multiplying the current market value or proceeds from sale by the Department's share of the equipment. Seller is also eligible for sale costs.

3. In cases where the Grantee fails to take appropriate disposition actions, the Department may direct the Grantee to take other disposition actions.

ARTICLE XIII - PROJECT RECORD MAINTENANCE, RETENTION, AND ACCESS

A. The Grantee shall maintain Grant records that disclose the amount and disposition of the total funds from all sources budgeted for the Grant Agreement period, the purpose of undertaking for which such funds were used, the amount and nature of all contributions from other sources, and such other records as the Department shall prescribe. Such records shall be preserved for a period of not less than three (3) years following completion of the project.
B. The following shall have access to any books, documents, ledgers, papers and records of the Grantee determined to be pertinent to the purpose of making audit, examination, excerpts, and transcripts:

1. The U. S. Department of Justice;

2. The Comptroller General of the United States;

3. The Department, its agents, or assigns or successors in function; and

4. Duly authorized representatives of any of the above.

ARTICLE XIV - MONITORING AND EVALUATION

Monitoring shall be accomplished by the Department at times deemed reasonable and proper by the Department. The Department shall make every effort not to disturb or disrupt any program or activity beyond that necessary to secure relevant data and make a reasonable assessment of the Grantee's performance.

A. Monitoring by the Department may be performed on a continuing basis throughout the grant period and may involve telephone contact, written communication, analysis of submitted reports, and on-site visits.

B. It shall be the purpose of monitoring by the Department to reinforce, improve, and augment the Grantee's capacity to administer this grant by identifying potential problem areas and recommending corrective action to prevent deficiencies.

C. The Department shall provide a Monitoring Report in writing to the Grantee which outlines review findings, specifies recommendations which reflect corrective action required, if any, and a due date for the corrective action to be in place.

D. When the Department has confirmed that the appropriate corrective action has been taken, a letter shall be sent to the Grantee stating that the finding(s) has been closed.

ARTICLE XV - PUBLICATION OF PROJECT ACTIVITIES AND RESULTS

When publicizing project activities and results, the Grantee shall include the following statements:

A. "The opinions, findings and conclusions or recommendations expressed in this publication/program/exhibition are those of the author(s) and do not necessarily reflect the views of the Department of Public Safety or the Department of Justice."

B. "This project was supported by a grant awarded by the Alaska Department of Public Safety, through funding from the U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Statistics"

ARTICLE XVI - WRITTEN DESCRIPTIONS OF PROGRAMS

When issuing statements, press releases, requests for proposals, bid solicitations, and other documents describing projects or programs funded in whole or part with Federal funds, the Grantee shall clearly state the following:
A. The percentage of the total cost of the program or project which is or will be financed with Federal money; and

B. The dollar amount of Federal funds for the project or program.

However, if disclosing this information would in any way imperil the project, the Grantee is exempt from this requirement.

ARTICLE XVII - SPECIAL TERMS, CONDITIONS, AND WAIVERS

A. Any funds not properly obligated by the end of the Grant Award will lapse and revert to the Department. The obligation deadline is the last day of the Grant Award period as specified in Section II of the Grant Award page of this agreement.

B. If the Grantee is a Native Village, Native tribe or another Native tribal entity, the Grantee hereby irrevocably waives any sovereign immunity that it may possess, and consents to suit against itself and its officers, employees and agents, in the courts of the State of Alaska or any other state or federal court of competent jurisdiction, as to all claims or causes of action by the State of Alaska, or the United States or any other person arising out of or in connection with this grant award.
Project Narrative

The North Pole Police Department (NPPD) is continually evaluating its efforts and success to better achieve a proactive approach to law enforcement in order to meet the demands of the surrounding community, and citizens of the City of North Pole. NPPD currently serves a base population of approximately 2202\(^1\) which doubles daily as result of 4 public schools, shopping, restaurants and businesses. North Pole has its share of serious crimes and there is a noticeable increase in the complexity of the criminal activity. In 2012 a random study of 375 NPPD cases revealed 88 percent of NPPD arrests originate by perpetrators residing outside the city of North Pole. As recent as June 2014 NPPD responded to a burglary of multiple apartments in a 4 apartment complex. Investigation revealed the suspects were targeting a drug dealer in the complex, whom was using that apartment as a stash house. NPPD & SDEU seized approximately 3 ounces of possible unprocessed crack cocaine.

High volume of traffic passing through the city on the Richardson Highway, with AADT in excess of 12,000 vehicles, and continued housing construction, in and around the city, NPPD has seen a rise in some serious crime between 2004 and 2007. Our efforts seem to be working in a lot of “drug related,” crimes. In 2010 we observed a 25% increase, year over year, in burglaries, 6% increase in larcenies. We showed a 3% increase in drug cases, this is the highest number of cases recorded by NPPD and almost double the number of cases compared to 2005. The most disturbing trend is the steady increase of juvenile drug arrests since 2008, as well as the introduction of synthetic drugs (spice), bath salts, and limited but returning incidents of crystal meth.

\(^1\) 2009 U.S. Census Bureau
The North Pole Police Department, through service requests made by the Fairbanks Police Department, and the Alaska State Troopers, serves not only the City proper but an area surrounding North Pole with a population in excess of 20,000, within a 10 mile radius. These service requests are a significant drain on patrol resources and have a significant impact on the quality of investigations and apprehension of suspects. In order to help meet the needs of the community at large, the City of North Pole has authorized the creation of a full time position with the multi-jurisdictional drug unit. NPPD’s participation with the SDEU has proven successful with every participating year.

In order to help facilitate this additional position, NPPD is requesting support from the State of Alaska Department of Public Safety pass through JAG sub-grant from Edward Byrne Memorial Discretionary Grant Program (Byrne Program) to help fund a portion of the salary and benefits for FY 2017. The continuation of this position will greatly enhance the City’s ability to meet local law enforcement needs that will impact the criminal elements that plague every community in the State of Alaska.

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

The North Pole Police Department has demonstrated ability to competently manage an annual budget in excess of $2,100,000 and has managed COPS, Homeland Security, and Alaska Highway Safety grants in the past. The police department is set up to handle local, state, and
federal grants through an internal record keeping system that is filed within the department and simultaneously in the City Accountant’s Office. Negotiation, award, contract, program/progress records/reports, procurements, invoicing, payments, time sheets, and other fiduciary aspects of grant management are in this system.

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

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

3a. Project overview

A North Pole Police SDEU Officer will be assigned to the Statewide Drug Enforcement Unit and they will work fulltime with the Alaska State Troopers and Fairbanks Police on a joint
task force. Their purpose will be to stop the flow of illegal alcohol and drugs into the State of Alaska specifically targeting areas in and around Fairbanks and North Pole. The SDEU has a primary focus on North Pole, Fairbanks, and the interior Alaska but also serves the surrounding area north to Barrow and east to the Canadian border. The primary mission of the SDEU is to conduct investigations into the illicit importation, manufacture, and sale of drugs and bootleg alcohol. Because drug and alcohol use is inevitably linked to most serious crimes it needs the proper resources only a multijurisdictional team can address. In order to reach the desired service standard NPPD developed the following goals and objectives which are currently similar to the priorities set out in the Alaska JAG program.

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

3b. Need

In 2008, the City of North Pole and the surrounding communities understood the need to enhance the present drug enforcement efforts through better utilization of available resources, increasing communications, expanding intelligence sharing, and improving coordination by unifying our direction. The City of North Pole also recognized the correlation between illegal substances abuse and incident of crimes. 2016 presented two major changes effecting law enforcement, specifically narcotics enforcement. The legalization of Marijuana in Alaska and the passing of SB91, presenting significant challenges to narcotics enforcement throughout the state of Alaska. SB91 essentially eliminated the ability to turn informants, intelligence gathering and
significantly reduced patrol level narcotics enforcement evolution into narcotics distribution level enforcement. These facts demonstrate an even greater need for full funding of dedicated narcotics enforcement officer and cooperation throughout all levels of narcotics enforcement. The new challenges dictate new techniques be utilized in furthering narcotic enforcement, to include the other felony level criminal offense, to include property crimes which have significant relationships to narcotics abuse.

Based on these understandings we applied for funds through the Byrne Memorial Grant program. These funds were to be used for a full time officer to augment the Statewide Drug Enforcement Unit, and add 50 hours of overtime, to be available for call outs to routinely assist the SEDU unit with illegal drug and alcohol interdiction. Our need to be represented on this team stems from the state wide problem associated with illegal drug and alcohol importation and the fact we are a central hub for most of the 20,000+ people who live in and around the North Pole area.

Our community is significantly linked to every community in the interior. These links have been proven through the efforts of the Fairbanks Area wide Narcotics team. Low level drug users are frequently moving through our city and using our city as a hub for illegal activity. Our SDEU officer has tracked drug users and dealers through our city limits and is often engaged in surveillance of illicit activity in and around the City of North Pole.

Since 2008, our justification to support funding for an SDEU Officer was based on observed increases in several areas of violent crimes. According to Alaska's criminal justice professionals, alcohol, marijuana, cocaine, methamphetamine, and pharmaceuticals have been identified as the primary substances of abuse in Alaska and are the focus of most law enforcement efforts. According to the Department of Public Safety, Alaska has one of the
highest per capita uses of controlled substances. These abuses are known to be linked to violent crimes. One particular case brought this reality to the forefront, as mentioned an area wide drug dealer was utilizing an apartment in NP as a stash house. As well as the discovery of an outdoor marijuana grow in 2013, NPPD officers maintained sporadic surveillance of the site into 2014 and were able to catch the suspect re planting in 2014, resulting in the seizure of 63 juvenile marijuana plants. With the recent legalization of marijuana in the State of Alaska, North Pole saw the first confirmed Hash Oil Explosion in the State, a preview of the future of marijuana in Alaska.

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

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

Our SDEU Officer has been diligently working with the Federal, State, local law enforcement, and state prosecutors to help combat illicit drug use and alcohol importation. In 2015, the SDEU unit in Fairbanks reported 242 cases initiated. The SDEU unit reported $836,301.00 dollars in drug seizures, $45,360.00 dollars in postal interdiction seizures, and
$47,100.00 in asset forfeiture including cash. These seizures include Cocaine, Marijuana, Methamphetamine, LSD, Ecstasy, Heroin, Crack Cocaine, as well as illegal prescription drugs such as hydrocodone, Oxycontin Valium, and Adderall just to name a few.

The Fairbanks SDEU Sergeant has repeatedly made it clear that our SEDU Officer is a vital part of the team and his contributions are important to the continued success of the unit. Our previous SDEU Officer’s have also stated that they have not been able to work all of the cases within their normal hours, there is simply more work than there is hours. We hope to help resolve this issue with our current request of 50 hours of overtime for the SDEU officer.

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

3c. Project Activities

Our goals and objectives for this project are to continue to participate in the SDEU program by securing funds to augment our budget in FY 2017. Our participation in street level
drug enforcement and the multijurisdictional task force program will concentrate on the enforcement and prosecution of illegal drug and alcohol crimes, particularly drug and alcohol trafficking. We met this goal in FY 2015 - 2016 by continuing our participation in the SDEU unit and our plan is to continue the same successful strategy.

Continued support of the current program we have in place has proven beneficial and coordinates efforts with the Alaska State Trooper, Fairbanks Police Department, University Police, Airport Police, Fort Wainwright Police, Eielson Security Forces and other Federal agencies in a cross jurisdictional effort to curb drug, alcohol, and related crimes on both a regional and local basis. In 2008 - 2016 we made headway in this effort with continued interaction with each participating agency. This has led to a better coordination among all participating and non-participating agencies proving to be effective and efficient.

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

3d. Evaluation and Performance Measures

Goals:
1. Participate in the SDEU program and assist with intelligence gathering, undercover operations, case loads and arrests
2. Maintain information sharing between federal, state, and local police.

3. Maintain or increase the number of arrests and successful prosecution of violations of the State's alcohol and drug laws.

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

**Objectives**

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

**Performance Measures**

1. Reaffirm the appointment of the one NPPD Officer to the SDEU office.

2. Approval of funds in the FY 2017 budget to offset actual costs.

During FY 2015 - 2016 we funded some of the SDEU officer using the Byrne funds provided. Our Officer assisted with intelligence gathering, undercover operations, he assisted in increasing the case load and arrests. The SDEU unit routinely conducted surveillance activity and conducted undercover operations which resulted in several cases being sent for prosecution. In previous years our SDEU Officer was instrumental in ephedrine monitoring which is commonly used in the production of methamphetamine.

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

**Objectives**
1. Maintain the current strategies to increase the information sharing abilities between Federal, State and local law enforcement to decrease criminal activity involving drugs and alcohol.

2. Maintain the strong permanent partnership with federal, state, and local law enforcement.

Performance Measures

1. Memorandum of agreements adopted by various law enforcement agencies

2. SDEU officer to attend training sponsored by FBI, DEA, Homeland Security, and or the Department of Public Safety.

3. Education and training completed by all police personnel taught by the SDEU Officer. Training focused on increasing the quality of collection and data entry abilities of patrol officers. This will also be completed during overtime operations with the SDEU officer.

4. Data sharing between groups evaluated for efficiency.

Our department has maintained the Memorandum of agreement with all participating agencies. Our SDEU Officer also conducted numerous brief classes with various shifts of the North Pole Police Department patrol personnel. In these classes he discussed what clues to look for during traffic contacts while on patrol, who the local drug pushers and users are. Also addressed during these contacts were better ways to improve data entry procedures for police contacts. It is mandatory for all patrol officers to enter vital contact information on all traffic contacts. This procedure has proven its value with documented case resolution from data entered from a traffic stop.
Our evaluation of information sharing is an ongoing process. We have continued to seek ways to improve this process and allowed patrol officers to have access to SDEU drug information. This was not readily supplied previous to this grant. One effective way to accomplish this is to periodically have normal patrol officers get hands on training with the SDEU officer during operations. This exposure will help foster awareness and enlighten officers about the drug culture.

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

**Objectives**

1. Facilitate the exposure of underground, illicit drug, and alcohol culture within the interior of Alaska.

2. Reduce illegal alcohol and drug use within the North Pole and Fairbanks area.

**Performance Measures**

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

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

**Key Major Deliverables:**

Reaffirm the appointment of our fulltime officer to the SDEU position.
Set up routine bulletins with patrol officers from the North Pole Police SDEU officer.

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

**Evaluation**

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

1. **Evaluation methods:**

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

   It will be the Lieutenant’s responsibility to monitor each performance indicator as detailed in our Evaluation and Performance Measures. All activities will be monitored on a regular basis. Evaluation of the project will also occur through the Alaska State Trooper SDEU Sergeant progress reports, reports prepared for the Chief, the SDEU officer, and the City Accountant. They will review time sheets, arrests and any noted problems and prepare a report that will be sent to the Department of Public Safety or other designated persons. The City Accountant will ensure all monetary records are correct and all funds and expenses are accounted for.

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

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

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

4. Budget

4a. Budget Narrative

The following Budget Narrative is based on actual cost and overtime estimates for FY2017. All figures are rounded to the nearest dollar. All figures are based on full time devotion to the SDEU position.

Section A: Personnel—Lists the actual costs for the current SDEU Officer Bruce Milne and his new salary range for FY2016. These actual costs will be $65,499.00. This cost is based on the hourly rate of $31.49 or $5,458.25. per month multiplied by 12 months which equals $65,499.00 per calendar year. These expenses include vacation accrual which will be billed at the time it is used.

Estimated overtime calculation is based on FY-2016 overtime needs. Projected hours for FY2017 places overtime hours at the same 50 hours. FY2017 hourly rate for SDEU Officer
Bruce Milne is $31.48. Overtime hourly rate is based on (hourly wage $31.48 X 1.5 = $47.23).

Total projected overtime wages for the SDEU officer equals ($47.23 X 50 hours) = $2,361.50

The total cost estimates for this category are $67,860.00.

Section B: Fringe Benefits—Employer’s FICA, this category is listed as $60,364.76.

Retirement costs are projected at the standard PERS, Public Employees Retirement System, rate of 32%. This 32% rate is calculated based on the projected earnings in FY2016, for current SDEU Officer Milne, which is estimated to be $67,860.00. Calculation = (wages $67,860.00) X (PERS contributions 32 %) = $25,493.76. Medicare costs are based on the standard rate of 6.2% of gross earnings of $67,860.00 Calculation = (Medicare rate = 6.2%) X (Gross earnings = $79,668.00) = $4,207. Health insurance costs are based on established costs for the City of North Pole employee health insurance plan for a, employee-family plan. These costs are set at $13.03 hr x 2080 hours a year, ($13.03 x 2080 hours) = $27,108.00. Workers compensation rate is an established formula of 4.44% multiplied by the employee wages. Calculation is (4.44% X $67,860.00) = $3,556.00. Vacation accrual is calculated within the salaried wages and will be part of the expenses when the SDEU officer takes vacation. Only the hours accrued during the grant period will be used to compensate.

The total cost for Fringe Benefits is $60,364.76. The total cost of Personnel and Fringe Benefits is $128,224.76

The following categories will incur no known or schedules costs for FY2016. Categories Budget Summary (rounded to nearest dollar):

<table>
<thead>
<tr>
<th>Category</th>
<th>A. Personnel</th>
<th>= $67,860.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>B. Fringe Benefits</td>
<td></td>
<td>= $60,364.76</td>
</tr>
</tbody>
</table>
Category               | A. Personnel       = $67,860.50  
B. Fringe Benefits    = $49,901.76  
Total Direct Costs    = $117,762.26  
Total Project Costs   = $117,762.26  
Federal Request       = $117,762.26  
Non-Federal Amount    = $0

In summary, The increase from FY2016 is directly related to Officer Bruce Milne to 3% increase in salary for Officer Bruce Milne and increased employee cost of medical coverage. The base personnel cost to include overtime for the SDEU Officer Bruce Milne is $67,860.50. The Fringe Benefits total is $49,901.76, bringing the combined total to $117,762.00. The grant amount requested for 2017 is $117,762.00 (figures rounded to nearest dollar.)

4b. Itemized Budget Detail see attached.

5a. Application Agency Description
5b. Project Personnel

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

RESOLUTION 17-01

A RESOLUTION OF THE CITY OF NORTH POLE, ALASKA SUPPORTING AND ENCOURAGING RENEWABLE ENERGY SOURCES BY ENHANCING POLICIES THAT EQUALLY SUPPORTS PRIVATE AND PUBLIC VENTURES AND ENCOURAGES SYSTEM EFFICIENCIES.

WHEREAS, renewable energy research and development programs have demonstrated the technical and commercial viability of renewable energy resources; and

WHEREAS, the City of North Pole supports public and private sector development of renewable energy projects and promotes investment in renewable energy ventures in Alaska; and,

WHEREAS, Alaska can and should be a leader in renewable energy development and promotion; and,

WHEREAS, State and Federal level policy can help encourage development of renewable energy sources while requiring energy producers and distributors to work together to benefit the customer; and,

WHEREAS, the State needs secure and sustainable energy and that requires the best science to understand and predict the impacts of particular energy choices, as well as the effectiveness of strategies for minimizing environmental impacts and maximizing energy efficiency; and

WHEREAS, energy policy should support and encourage development of renewable energy sources; and

WHEREAS, diversification and securing the availability of reliable local energy supply aides the interior of Alaska by improving stability and enhancing grid reliability; and

WHEREAS, renewable energy projects completed by the private sector can be effective tools to support a diversified and stable energy supply that minimizes the liability to the public; and

WHEREAS, For economic and environmental reasons, the City of North Pole believes Alaska, the United States, and the planet will benefit greatly from the rapid development of renewable energy resources and development of system efficiencies; and

WHEREAS, federal policy such Federal Energy Regulatory Commission’s (FERC’s) Order No. 2000 issued in 1999, encouraged the voluntary formation of Regional Transmission Organizations (RTO’s) to administer the transmission grid on a regional basis throughout North America; and,

WHEREAS, the purpose of an RTO is to promote economic efficiency, reliability and non-discriminatory practices while reducing government oversight; and,
WHEREAS, implementation of policy such as an (RTO) in Alaska could benefit Alaskans greatly by providing system efficiencies and allowing smaller electric producers to develop throughout Alaska.

NOW THEREFORE BE IT RESOLVED that the North Pole City Council Supports development and construction of renewable energy sources by private and the public sectors and policies that support system efficiencies.

PASSED AND APPROVED by a duly constituted quorum of the North Pole City Council this 6th day of February, 2017.

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Bryce J. Ward, Mayor

ATTEST:

______________________________
Kathryn M. Weber, MMC
North Pole City Clerk

PASSED/FAILED
Yes:
No:
Absent