



MEMORANDUM

CC-26-097

Resolution 26-031, a Resolution of the City Council of Homer, Alaska Updating the Council Operating Manual and Commission and Board Bylaws to Include a Policy Directive on the Use of Artificial Intelligence.

Item Type: Backup Memorandum
Prepared For: Homer City Council
Date: May 7, 2026
From: Mayor Lord

SUMMARY:

I am introducing this resolution in response to the growing use of artificial intelligence tools. The City Council and our advisory bodies deliberate on significant policy and budget issues affecting the people of Homer. It is critical that we establish expectations for the responsible use of these tools in order to maintain public trust and ensure transparent and responsible deliberations.

I worked with the City Manager, City Clerk, and IT Director on the proposed policy language. We discussed and incorporated rapidly developing best practices. I will note that this proposed policy does not impose a blanket attribution requirement for every use of AI. We know many tools incorporate AI functionality (i.e. spellcheck, grammar correction, formatting assistance), and can be used for limited drafting support. Requiring disclosure for every incidental use would be impractical and unnecessary. Instead, the policy establishes a disclosure expectation when AI-generated content is substantially incorporated into a document with minimal modification - ultimately, when AI is functioning as a primary content generator rather than as a support tool.

It is important to note that regardless of whether AI is used, elected and appointed officials remain solely responsible for the accuracy of any material they submit for the public record.

I also want to highlight that while this resolution does not attempt to regulate prompt-language disclosure, the recent public records story from North Pole, along with related emerging guidance, underscores that prompts, chat transcripts, and similar records may be disclosable as public record when used for City business and should be treated accordingly (see *news story at https://www.newsminer.com/news/local_news/north-pole-city-council-adopts-restrictive-ai-policy/article_e246d757-be60-4eed-967d-015d978e54e0.html* & attached North Pole policy).

The IT Department is currently working with the City Manager to develop a citywide AI policy for staff, which will provide operational expectations for employee AI use.

Finally, I want to emphasize that **no confidential, privileged, or otherwise protected materials provided to Council may ever be entered into external AI tools or platforms.** This includes executive session materials, attorney-client privileged communications, personnel matters, and any other information not intended for public disclosure.

This resolution is intended to acknowledge technological tools while preserving transparency, accountability, and public trust. Thank you for your consideration, and I look forward to discussion.

ATTACHMENTS:

City of North Pole Policy 26-01 Generative Artificial Intelligence Policy

POLICY 26-01

GENERATIVE ARTIFICIAL INTELLIGENCE POLICY

1. **Authority.** The City Council adopted this policy with Resolution 2026-06 at its meeting on April 20, 2026. This policy is effective on the date the City Council adopted the resolution. Only the City Council may make amendments—via resolution—to this policy.
2. **Scope.**
 - a. **Who.** This policy applies to all City of North Pole (“City”) employees and elective officers (Mayor and Council members). This policy also applies to City contractors that make public presentations or produce materials for public distribution. Collectively, City employees, the elective officers, and applicable contractors are referred to as “Covered Personnel.”
 - b. **When.** This policy applies when Covered Personnel use generative artificial intelligence (GenAI) related to City business and specifically (i) when using a City device, like a City provided computer or cell phone to access GenAI; (ii) when using GenAI by logging in with City credentials (i.e., username and password) or an account provided by the City (i.e., paid for with City funds); (iii) when accessing GenAI while on a City-managed information technology system (i.e. internet, intranet, and WIFI); and (iv) when using personal credentials to access GenAI while at work or “on the clock,” not on a break, and related to City business.¹ This policy does not apply to personal use of GenAI when not at work or “on the clock.”
3. **Definition of Generative Artificial Intelligence.** GenAI means computer software, systems, platforms, apps, and chatbots that use large language models, algorithms, deep learning, and machine learning models, and can generate new content including but not limited to text, images, video, and audio. GenAI also includes systems capable of ingesting input and translating that input into another form, such as text-to-code systems. Examples of GenAI include but are not limited to ChatGPT, Claude, Copilot, DeepSeek, Gemini, and Grok.

¹ See *McLeod v. Parnell*, 286 P.3d 509 (Alaska 2012) (concluding that a state employee’s use of a private email account to conduct state business was a public record).

While this policy includes principles that apply to artificial intelligence technology generally, this policy only applies to GenAI.

4. **Purpose.** The purpose of this policy is to ensure the responsible, secure, and ethical use of GenAI within City operations. The City recognizes that GenAI can be a highly effective tool to improve efficiency of City operations and services. Before using GenAI, Covered Personnel should confirm the use is for a public purpose and the use is likely to have positive impacts. Covered Personnel that use GenAI must use it respectfully and only to promote the City's business. Covered Personnel must comply with the standards in this policy.
5. **Acquiring GenAI Access.** Covered Personnel are encouraged to discuss with their supervisor how GenAI could improve their productivity. Covered Personnel may not use GenAI related to City business except as provided below:
 - a. **City-wide.** The City may provide GenAI to all Covered Personnel through new or existing software, systems, or applications. The City may only select a GenAI vendor, system, or application from a list approved by the information technology consultant.
 - b. **Individual access.** If the City does not provide GenAI on a City-wide scale or if specific Covered Personnel show a need for individual access to GenAI or to a particular platform or application that is uniquely suited to their needs, the information technology consultant may provide individual access to GenAI (i) with supervisory approval for employees and (ii) with City Council approval for elected officers. The GenAI must be approved by the information technology consultant.
 - c. **General standards for access.** The information technology consultant should only provide enterprise GenAI or individual GenAI when the GenAI is economically feasible, has enterprise controls, does not threaten the City's existing information technology system, would likely promote the City's mission, and any other factors deemed relevant by the information technology consultant. The information technology consultant may temporarily or permanently restrict GenAI access city-wide or as to an individual user (i) when directed by an employee's supervisor, (ii) when directed by the City Council, (iii) when directed by the Mayor, or (iv) when the information technology consultant believes the GenAI presents risks that cannot be effectively mitigated to comply with this policy or other City policies, including harming the City's information technology.

- 6. Use of GenAI.** The use of GenAI is intended to support and enhance performance and not replace human judgment. Covered Personnel are responsible for any content, decisions, and actions resulting from their use of GenAI.
- a. **Comply with laws and policies.** All use of GenAI must follow the City’s existing policies, including technology, privacy, and security policies, and all applicable laws. If Covered Personnel have questions, they should consult the information technology consultant or their supervisor.
 - b. **Training.** The field of artificial intelligence is rapidly evolving. The City or a supervisor may require Covered Personnel to complete training before using GenAI or to continue using GenAI.
 - c. **Enterprise control.** The information technology consultant will assist the City’s use of GenAI provided the GenAI products used are enterprise licensed and have central administrative control. The information technology consultant must have enterprise level control of each Covered Personnel account such that (i) an account or an individual’s access to the account can be suspended or curtailed without the involvement of the individual Covered Person, and (ii) GenAI records may be obtained without the involvement of the individual Covered Personnel. The information technology consultant should also ensure that Covered Personnel’s use of GenAI can be audited and monitored to ensure compliance with this policy. Personal GenAI accounts will not be supported by the information technology consultant. The City will create standards for Enterprise GenAI to be used by Covered Personnel and will allow time for the information technology consultant to train staff in reporting and administration.
 - d. **Prevent disclosure of confidential information.** GenAI may make inputs and outputs publicly available. Covered Personnel must only enter data and inputs suitable for public disclosure. Covered Personnel must protect confidential, medical/HIPAA, personally identifiable (i.e., SSN, birthdate), and sensitive information from being input into GenAI. For example, a supervisor must not include an employee’s name when using GenAI to draft a performance discipline letter. Similarly, an employee must not include a business’s name and confidential sales tax return information when using GenAI to analyze economic data.
 - e. **“Human in the Loop” (HILT).** All use of GenAI requires human oversight. Covered Personnel must avoid ethical misconduct (i.e., falsification,

plagiarism, misrepresentation) with GenAI inputs and outputs. Covered Personnel should avoid use of copyrighted material as input data. GenAI outputs must be carefully reviewed to ensure accuracy. The output should be accurate and not harmful, biased, or offensive. Outputs from GenAI must not be published or distributed until the Covered Personnel completes the review process. Automated final decision-making without human oversight is not permitted and may subject employees to discipline.

- f. **Disclose GenAI use when appropriate.** The use of GenAI should be transparent and documented with an attribution. A GenAI disclosure attribution is not required if GenAI was only minimally used to edit or enhance existing text, audio, images, or video (i.e., spelling, grammar, punctuation, clarity, enhancement). However, when GenAI was used to create original content, an attribution should be used like one of the following:
 - i. For images, graphics, and video a digital watermark: “AI generated.”
 - ii. For long text: “This text was generated by an artificial intelligence platform and was reviewed for accuracy by a member of the [department/office].”
 - g. **Reporting.** Covered Personnel must report any inappropriate disclosure of data or GenAI outputs to their supervisor or the information technology consultant. The City may need to notify the person or entity whose confidential information was disclosed to GenAI. Additionally, Covered Personnel should report any GenAI platform that generates outputs that are inappropriate, illegal, biased, offensive, or likely breach a privacy interest.
7. **Application of Public Records Act.** Records generated, used, or stored by a GenAI platform related to City business are considered public records. Covered Personnel are required to maintain or be able to retrieve records of inputs, prompts, and outputs in a manner consistent with the City’s records management policy. This policy recognizes that some GenAI records may be transitory and other records are archived for a certain period. Upon request for GenAI records, the Covered Person must produce the potentially relevant records to the City Clerk, unless the Human Resources Administrator or City Attorney needs to review them first. The City Clerk is authorized to review the records and

redact or withhold records that qualify as a statutory exception.² The City Clerk may also consider GenAI outputs as a predecisional draft unless the output is used, distributed, or published.³ GenAI platforms are required to support the retrieval of and export of all prompts and outputs either via platform functionality or through vendor assurances.

8. **Monitoring.** The City may monitor the use of GenAI on City networks or equipment to ensure compliance and security. This could include audits of GenAI system usage, consistent with the City's general informational technology use policies. Employees have no expectation of privacy for work-related GenAI activities conducted on City systems or on City devices (in line with existing computer use policies). Regular reviews of GenAI use across departments may be conducted to evaluate effectiveness, identify issues, and update best practices.
9. **Compliance and Enforcement.** The City Clerk and the information technology consultant are responsible for maintaining this policy. Covered Personnel who violate this policy may be subject to disciplinary action, up to and including termination of employment. Violations include, but are not limited to, unauthorized access of GenAI, misuse of GenAI tools, breaches of confidentiality, or any action with GenAI that compromises the City's integrity or security. Supervisors are responsible for addressing minor infractions through coaching or retraining. Non-compliance with this policy may also result in access restrictions and termination of a GenAI vendor contract.
10. **Ownership and Intellectual Property:** Work products developed with the assistance of GenAI are the property of the City (just as if an employee created them while on duty without GenAI). Employees should save GenAI created work products in City information technology systems.

² *E.g.*, AS 40.25.120 (general public records act exceptions); AS 47.10.093 (protected children records); AS 12.61.110 (victim and witness records); NPMC 4.08.070 (sales tax returns); NPMC 2.36.080 (personnel files).

³ *See Gwich'in Steering Comm. v. State, Off. of the Governor*, 10 P.3d 572, 579 (Alaska 2000) (describing the deliberative process privilege can apply to predecisional documents).