



FAIRBANKS CITY COUNCIL
REGULAR MEETING MINUTES, MARCH 5, 2018
FAIRBANKS CITY COUNCIL CHAMBERS
800 CUSHMAN STREET, FAIRBANKS, ALASKA

The City Council convened at 7:00 p.m. on the above date to conduct a Regular Meeting of the Fairbanks City Council at the City Council Chambers, 800 Cushman Street, Fairbanks, Alaska, with Mayor Jim Matherly presiding and with the following Council Members in attendance:

Council Members Present: Joy Huntington, Seat A
June Rogers, Seat B
Valerie Therrien, Seat C
Jonathan Bagwill, Seat D
Jerry Cleworth, Seat E
David Pruhs, Seat F

Absent: None

Also Present: Paul Ewers, City Attorney
D. Danyielle Snider, City Clerk
Christina Rowlett, Purchasing/Risk
Mike Meeks, Chief of Staff
Annie Witt, Warehouse/Records Clerk
Eric Grant, Street Supervisor
Pat Smith, Development Manager
Mike Sanders, Housing & Homeless Coordinator
Angela Foster-Snow, HR Director
Eric Jewkes, Police Chief
Stephanie Johnson, Dispatch Center Manager
Carmen Randle, Chief Financial Officer
Teal Soden, Communications Director/PIO
Carmen Randle, Chief Financial Officer
Ron Templeton, Assistant Fire Chief
Joy Beth Cottle, Firefighter
Scott Raygor, Firefighter
Nick Clark, Firefighter

City Clerk Danyielle Snider read the Mission Statement of the City of Fairbanks.

INVOCATION

The Invocation was given by City Clerk Danyielle Snider.

FLAG SALUTATION

Mayor Matherly asked Ms. Huntington to lead the Flag Salutation.

CEREMONIAL MATTERS

Mayor Matherly introduced high school interns currently participating in the City’s intern program. He spoke of the accomplishments of Housing & Homeless Coordinator Mike Sanders and his VISTA volunteer Scott Wiser. Mr. Sanders thanked Mr. Wiser for his service to the Fairbanks community and introduced new VISTA volunteer Eloy Ponce. Mayor Matherly spoke to the importance of the work of the Housing & Homeless Coordinator.

CITIZENS’ COMMENTS ON CONSENT AGENDA ITEMS

Mayor Matherly called for Public Testimony and, hearing none, declared Public Testimony closed.

APPROVAL OF AGENDA AND CONSENT AGENDA

Mr. Pruhs, seconded by Mr. Bagwill, moved to APPROVE the Agenda and Consent Agenda.

Mayor Matherly called for objection and, hearing none, so ORDERED.

City Clerk Snider read the Consent Agenda into the record.

SPECIAL ORDERS

a) The Fairbanks City Council heard interested citizens concerned with the following Liquor License Applications for Renewal:

Lic. #	DBA	License Type	Licensee	Address
4156	Holiday #622	Package Store	Holiday Alaska, LLC	2300 S Cushman St.
4247	Brewster’s	Beverage Dispensary	Restaurant Concepts, LLC	3578 Airport Way
54	American Legion Post #11	Club	Dorman H Baker Post #11	129 1st Avenue
5291	The Attic	Beverage Dispensary Duplicate	The Last Roundup, LLC	2701 S Cushman St.
4168	Food Factory	Beverage Dispensary	CNR Enterprise, LLC	275 Bentley Trust Rd.
4772	Ajimi Restaurant	Restaurant/Eating Place	J & BY, Inc.	550 Third Street
104	Red Lantern Steak & Spirits	Beverage Dispensary	Westmark Hotels, Inc.	813 Noble Street

Ms. Therrien, seconded by Mr. Pruhs, moved to WAIVE PROTEST on the Liquor License Applications for Renewal.

Mayor Matherly called for Public Testimony and, hearing none, declared Public Testimony closed.

Ms. Rogers asked Police Chief Eric Jewkes to speak to the police callouts for Holiday #622 and the Red Lantern. Chief Jewkes stated the number of callouts may or may not be indicative of a problem. He stated the Holiday Station is located at a busy intersection, and not all of the

callouts are related to the liquor store. Chief Jewkes stated that the same is the case for the Red Lantern which is located inside of a hotel. He stated the department does not recommend a protest on any of the liquor license renewal applications.

Ms. Huntington asked Chief Jewkes whether there are safety concerns with either of the licenses in question; Chief Jewkes stated he was not aware of any issues.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO WAIVE PROTEST ON THE LIQUOR LICENSE APPLCIATIONS FOR RENEWAL AS FOLLOWS:

YEAS: Pruhs, Therrien, Huntington, Cleworth, Bagwill, Rogers

NAYS: None

Mayor Matherly declared the MOTION CARRIED.

MAYOR'S COMMENTS AND REPORT

Mayor Matherly stated that he recently met with the Alaska Marijuana Industry Association (AMIA) to discuss cannabis regulation. He stated the dialogue had been open, and there will be a public meeting to further discuss the issues.

a) Special Reports

Helen Renfrew, 1915 Central Avenue, Fairbanks – Ms. Renfrew stated she represents Explore Fairbanks, and she reported that Fairbanks did not win the bid to hold the State basketball tournament in Fairbanks in coming years. She stated the tournament will stay in Anchorage from 2019 until 2022. She stated Fairbanks will be bidding on holding the State wrestling tournaments locally in the near future. She stated Explore Fairbanks has been gathering statistics from local hotels for the past three years, and there has been slow but steady growth in tourism.

Mr. Cleworth asked when Fairbanks last hosted the State Basketball tournament; Ms. Renfrew stated it has been 20 years since it was held in Fairbanks. **Mr. Cleworth** asked the reasoning behind not awarding Fairbanks with the host contract; Ms. Renfrew stated it is because schools found it more economical to travel to Anchorage. **Mr. Cleworth** asked why Fairbanks bothers to bid if it is never going to win; Ms. Renfrew stated they were asked to submit a bid.

Ms. Rogers asked Mr. Renfrew to speak to why people may consider Fairbanks too expensive a location to host big events. Ms. Renfrew spoke to amenities in Fairbanks and added that the hotels are less expensive than those in Anchorage; she stated that it takes constant education to remind people it may not be a more expensive location for big events.

UNFINISHED BUSINESS

- a) Ordinance No. 6071 – An Ordinance Amending the 2018 Operating and Capital Budgets for the First Time. Introduced by Mayor Matherly. SECOND READING AND PUBLIC HEARING.

Mr. Cleworth, seconded by **Ms. Huntington**, moved to ADOPT Ordinance No. 6071.

Joy Beth Cottle, 390 Goldstream Road, Fairbanks – Ms. Cottle spoke to the Fairbanks Firefighters Union (FFU) labor contract. She stated the City is hiring great people, but it is unable to retain them due to the instability of working conditions. She stated she took a pay cut because the Council chose to non-fund the FFU contract that they agreed to. Ms. Cottle spoke to the different kinds of calls the Fire Department responds to and to the dangerous things responders come into contact with on an average workday. She spoke of the high divorce rate for emergency service workers and stated that FFU employees deserve to have a funded contract.

Hearing no more requests for public comment, **Mayor Matherly** declared Public Testimony closed.

Ms. Therrien, seconded by **Ms. Huntington**, moved to AMEND Ordinance No. 6071 by increasing FFU funding in the amount of \$97,114 to cover a 1% pay increase and to cover health insurance at 80/20.

Mr. Pruhs spoke against Ms. Therrien's amendment and stated that the City is in labor negotiations with the FFU. He stated the Council has been advised by City Attorney Paul Ewers that the Code has been broken in dealing with the FFU labor contract.

Ms. Therrien stated she asked Mr. Ewers whether it was appropriate to make the motion to fund the FFU contract, and he stated it was. She stated the Council did not realize when passing the 2018 budget that there would be additional funds that could be used to fund the contract.

Mr. Cleworth asked Ms. Therrien if she responded to an email sent by Scott Raygor to certain Council members. **Ms. Therrien** reported she responded to his email by saying she would bring the issue up to the Council. **Mr. Cleworth** read the section of Code relating to Council members individually bargaining with unions; he stated she is in violation of the Code. He reported he has never seen negotiations happen the way they have with the FFU, and if there is extra money in the budget it should go toward snow removal. He asked Chief Financial Officer Carmen Randle to speak to the budget. Chief of Staff Meeks distributed two financial statements to the Council. Ms. Randle stated expenditures exceeded revenues in 2017 by \$2.3 million, but after the Permanent Fund balance transfer the City ended the year \$97,520 to the good. She spoke to the City's significant costs in claims and judgements in 2017 and stated that the ordinance does not show the true effect on the General Fund balance when risk is factored in. **Mr. Cleworth** stated the City needs to have cash flow in order to operate, and property taxes are not paid to the City until later in the year. He stated the City is in the middle of labor negotiations, and the process would be short-circuited if the Council funded the FFU in the way Ms. Therrien proposed.

Ms. Huntington asked Ms. Randle about the \$6.7 million number on page two of the ordinance. Ms. Randle stated that is the minimum General Fund balance required. She stated that one-time funds are better suited for paying as a bonus instead of an increase because the revenues are not recurring. She stated the Council can use funds out of the General Fund to pay bonuses, but once money goes into the Capital Fund, they funds cannot be removed. **Ms. Huntington** stated that her overall impression is that the Council has funds to cover Ms. Therrien's amendment, and they should fund the FFU contract.

Ms. Rogers asked if there are identifiable funds that could be paid out as bonuses for the FFU instead of ongoing salary increases. **Ms. Randle** stated that it is better to use Fund balance to pay one-time bonuses instead of using it for pay increases that last in perpetuity. She clarified that the Fund balance is simply money in the bank, and it is not recurring revenue.

Ms. Therrien asked **Ms. Randle** to clarify how much is currently in the General Fund balance; **Ms. Randle** explained that the financial statement that was distributed shows the profits and losses that fall into the Fund balance. She spoke to some of the specifics in the statement. She stated that the ordinance shows the unassigned Fund balance which is non-committed funds. She stated that the true unassigned Fund balance is about \$7.4 million until funds are reimbursed to the City. **Ms. Therrien** stated that it would have been nice to see the information in advance.

Mr. Cleworth defended **Ms. Randle** and stated that no one had asked for the information in advance. He stated that the bargaining process should be followed, and the Code also states that union contracts should be treated equally. He stated that if the FFU is funded at 80/20 for health insurance, the other unions are going to expect the same deal. **Mr. Cleworth** stated that on a package basis, the FFU has received more than any other union. He stated that IBEW employees received a reimbursement for the increased cost of their 2017 healthcare because the Council did not want them to go backwards in compensation.

Ms. Huntington stated that the Council non-funded the FFU contract because they did not think there was money in the 2018 budget to fund it. She stated the picture has changed, and now the Council has the funds. She stated that negotiations initiated only because of the non-funding.

Mr. Pruhs suggested that the Clerk read the Oath of Office each Council person took when they were sworn into office instead of the City Mission Statement. He stated the Council has been advised by the City Attorney that the City Code has been violated in regard to the FFU contract. He stated Council members need to remember the oaths they swore to when they became Council members. He stated it is a violation of Code to discuss the FFU package during the Council meeting, and it should be discussed in an Executive Session.

Mr. Cleworth shared his concern for the two pending lawsuits with the PSEA; he stated that there are limited funds available if the court rules in PSEA's favor. He stated that Council members should not violate the Code, and he spoke to the importance of maintaining a sustainable General Fund. He stated that the FFU arbitrator's award contained a lot of mistakes. He stated that every labor contract is subject to funding during the budget process.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND ORDINANCE NO. 6071 BY INCREASING FFU FUNDING IN THE AMOUNT OF \$97,114 TO COVER A 1% PAY INCREASE AND TO COVER HEALTH INSURANCE AT 80/20 AS FOLLOWS:

YEAS: Huntington, Therrien
NAYS: Bagwill, Cleworth, Rogers, Pruhs
Mayor Matherly declared the MOTION FAILED.

Mr. Cleworth, seconded by **Mr. Pruhs**, moved to AMEND Ordinance No. 6071 by increasing the Public Works temporary hire budget by \$50,000.

Mr. Cleworth mentioned the Fairbanks Daily News Miner article about the snow dumps being filled to capacity. He spoke against the City selling snow dump property because this year is an example of why they are so important to the City. He stated that removing the hard pack snow prior to a big melt is important, and he does not want the public upset because it has not been removed. He stated he knows \$50,000 will not get the entire City done, but it will keep double snow removal shifts going for the time being.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND ORDINANCE NO. 6071 BY INCREASING THE PUBLIC WORKS TEMPORARY HIRE BUDGET BY \$50,000 AS FOLLOWS:

YEAS: Rogers, Bagwill, Therrien, Pruhs, Cleworth, Huntington

NAYS: None

Mayor Matherly declared the MOTION CARRIED.

Mr. Cleworth stated that IBEW and non-represented employees got a reimbursement for their medical insurance increase at the end of 2017, and the Police and Dispatch Departments also received a bonus. He stated that those two department heads received both bonuses, and he questioned whether that was the Council's intent.

Mr. Bagwill stated he did not recall that being the original intent of the two department heads.

Chief of Staff Mike Meeks explained that the bonus originated for PSEA employees only, but the Council did not want it to be a union-based bonus. He stated that it was changed to reward longevity and was based on a total dollar amount. He stated some members of the Fairbanks Police Department (FPD) did not accept the bonus, so leftover dollars were used to give a bonus to the Police Chief. He stated that was not the case with the Dispatch Department, and all but one individual received the bonus. Mr. Meeks stated that the resolution that was approved stated that all FPD and Dispatch employees would receive the bonus.

Mr. Cleworth questioned whether the two department heads should receive the bonus.

City Attorney Paul Ewers advised that a dollar amount was what the Council approved based on the amount of time someone had worked at the department.

Mr. Pruhs stated it was discussed in a Finance Committee meeting and that both department heads were to be given the bonus.

Ms. Huntington asked Ms. Randle the amount of the decrease in pay to FFU employees. Ms. Randle stated the firefighters' health insurance increased by \$138.33, per person, per month. **Ms. Huntington** stated that the Council has indicated that it does not want employees to go backwards, but the firefighters are essentially taking a cut in pay. She asked the Council to consider giving each FFU member an additional \$138 per month.

Mr. Cleworth stated the FFU took a big leap forward in 2017 with their insurance being funded at 80/20, unlike any other union in the City. He stated the City is supposed to treat all unions equally, and funding only the FFU health insurance at 80/20 is breaking Code. He spoke to the

health insurance premiums for each union. He stated the union does not allow people to opt out of coverage, but that is a problem between the union and the employees. He stated he has never seen any Council hand out bonuses like this Council. He stated employees have come to expect it, and the Council needs to stop throwing bonuses around.

Ms. Therrien asked whether \$138.33, per FFU member, per month could come out of the Fund balance because it would not be a recurring expense. Ms. Randle stated it would be a recurring expense because it would continue on into future years.

Ms. Huntington asked how many City employees are in the FFU; Ms. Randle stated there are 42 members. She stated the Chief and Assistant Chief belong to the IBEW.

Mr. Pruhs asked whether Council members listened to Mr. Cleworth and whether they heard the paramedic complain about FPD's bonus. He stated IBEW members have complained about the increases and bonuses of others. He spoke against bonuses and stated it is something that should be dealt with during labor negotiations. He stated it does not make sense to authorize a bonus to the FFU then enter an Executive Session to discuss negotiations. He stated he feels empathy for the department, and they are exceptional people, but a bonus is not the right way to proceed.

Ms. Huntington stated she heard time and time again that the Council will not go backwards with the union, and she is not just throwing a bonus at the union without thinking about it.

Mr. Cleworth stated the FFU is not moving forward because they are not willing to come to the table and negotiate. He stated there are different attitudes amongst the unions – some live by arbitration and some willingly negotiate. He stated the salaries and packages that the City offers are rich, and the Council should wait and see what comes from negotiations before assigning a bonus. He stated the FFU member who spoke earlier makes a base wage of \$94,000 which is more than the Mayor. **Mr. Cleworth** stated the only time bonuses should be given is at the end of the fiscal year when there is a better idea about what is left over. He advised the Council of the limited funds and cautioned them about spending all of the City's money.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 6071, AS AMENDED, AS FOLLOWS:

YEAS: Therrien, Rogers, Pruhs, Bagwill, Huntington, Cleworth

NAYS: None

Mayor Matherly declared the MOTION CARRIED and Ordinance No. 6071, as Amended, ADOPTED.

- b) Ordinance No. 6072 – An Ordinance Authorizing the Public Sale of Surplus City-Owned Property. Introduced by Mayor Matherly. SECOND READING AND PUBLIC HEARING.

Mr. Bagwill, seconded by **Ms. Huntington**, moved to ADOPT Ordinance No. 6072.

Mayor Matherly called for Public Testimony and, hearing none, declared Public Testimony closed.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 6072 AS FOLLOWS:

YEAS: Cleworth, Pruhs, Rogers, Huntington, Bagwill, Therrien
NAYS: None
Mayor Matherly declared the MOTION CARRIED and Ordinance No. 6072 ADOPTED.

DISCUSSION ITEMS

a) Committee Reports

Opioid Work Group – Ms. Rogers spoke to the presentation given by Dr. Peter Dillon of the Tanana Valley Clinic about drug addiction at the Opioid Work Group meeting. She stated her heart has been warmed watching the progress made in the community regarding opioid issues.

FMATS Policy Committee – Mr. Cleworth reported that FMATS has been looking at becoming an independent agency, and the City Attorney's Office has been contracted to work on the legal aspects of the issue. He stated that Yankovich Road has been under review for installing a bike path for 12 years, and decisions have finally been made to increase the shoulder rather than to build a separate bike path. Mr. Cleworth stated there are two types of cyclists, ones who use the road and ones who use a bike path. He stated those who use the road do so because it is the quickest way for them to navigate to their destination. He stated shouldering is the most cost-effective way to build a sidewalk, and it is safer than building a separate path.

CITIZENS' COMMENTS

Jim Richardson, 1032 8th Avenue, Fairbanks – Mr. Richardson stated he appreciated Mr. Cleworth's comments because he came to speak about bicycling. He stated he rides his bike on sidewalks, and the City, Borough, and State signed an agreement with FMATS in 2010 to clear sidewalks after snow events. He stated some sidewalks are getting cleared, but many are not. He stated the ruts on the roads in residential neighborhoods are so deep that it is hard to ride his bike; he stated the ruts have become dangerous. He commented that Public Works has a plan to clear sidewalks, but they do not do it. He stated a retired Public Works employee said that the City should work with the jail to see if inmates could clear snow from sidewalks.

Mr. Cleworth asked Mr. Richardson if he rides his bike in the winter; Mr. Richardson stated he rides his bike year-round. Mr. Richardson stated it is a property owner's job to clear their own sidewalks, but since they do not always do so, he has to ride his bike on the street.

Frank Turney, 329 6th Avenue, Fairbanks – Mr. Turney spoke of the young man who was killed by police on Christmas Eve; he demanded answers to the family's questions. He stated the family has a right to see footage of the incident. He stated the press release about the shooting should have been open to the public, and he shared his disappointment that it was kept private. He spoke in favor of industrial hemp and stated that Governor Bill Walker supports the legislation. He spoke against prescribing anti-depressants to children.

Victor Buberger, P.O. Box 58192, Fairbanks – Mr. Buberger stated the traffic signs in Fairbanks are awful, and young drivers are not properly trained before driving on their own. He gave a history of the extensive training he received while learning to drive in California. He spoke to a parking ticket he received downtown and stated the sign was hard to see. He suggested that it was posted by union workers who wanted to get paid twice – once to post it incorrectly and again to post it correctly. He offered to ride along with a City official to point out poorly-posted signs.

Darlene Herbert, 906 Woodlawn Road, Fairbanks – Ms. Herbert spoke to police-involved shootings and asked the City to put together a committee to look into the high volume of such incidents. She spoke to the importance of families of victims getting answers and closure. She stated she does not understand why only the police get bonuses. She stated it is not fair to other public safety employees that only the FPD employees receive a bonus.

Hearing no more requests for public comment, **Mayor Matherly** declared Public Testimony closed.

Mayor Matherly called for a brief recess.

COUNCIL MEMBERS' COMMENTS

Ms. Huntington asked for respect at City Council meetings; she stated she heard the term “boys” used when referring to men, and they should be referred to as men. She spoke of her concern in being physically absent for so many meetings. She requested to be excused from the Regular Council Meeting of March 19, 2018.

Mayor Matherly called for objection to Ms. Huntington’s request to be excused on March 19, 2018 and, hearing none, **SO ORDERED.**

Ms. Huntington stated her schedule is not fun, but she cares about the community, the Council, and her children. She asked Council members about their thoughts on her telephonic attendance.

Ms. Rogers thanked Ms. Huntington for being respectful and for helping the Council to better understand her situation. She asked drivers to slow down because tragic things happen when people drive too fast. She thanked everyone who attended the meeting and who shared their thoughts about the issues at hand. She thanked staff for the answers they provide to the Council.

Ms. Therrien stated she and Ms. Rogers attended the Minnie Street Corridor Study Open House, and she was surprised to see how cordial everyone was. She thanked the Mayor for working with the marijuana industry on regulations that will work for everyone involved. She stated she does not think she violated her Oath of Office by trying to the fund the FFU contract.

Mr. Pruhs discussed the idea of outsourcing snow plowing in the City and leaving only the snow removal part of it for the Public Works crew. He stated snow removal has been an issue for the past two years, and it may be time to look at a different approach. He assured Ms. Huntington that she is a joy to work with and that she is a model of a successful business woman and working mom. He stated he will support her because he values her as a Councilmember.

Mr. Cleworth spoke to the press release at FPD that the Council was invited to; he stated he did not know whether it was open to the public, but it was widely-reported by the media. He suggested holding such press conferences in City Hall so that everyone knows they are welcome to attend. He stated that in the past, Council members did not have an option to call in for meetings, and it may be time to revisit the issue. He commented that it is distracting and difficult to hear when a member is on the phone.

Mr. Bagwill welcomed Eloy, the new VISTA volunteer; he also welcomed the TeamPact group who attended the meeting. He stated he enjoys working with Ms. Huntington because she has such compassion for people and provides well thought out responses when making decisions. **Mr. Bagwill** requested to be excused from the Regular City Council Meeting of May 7, 2018.

Mayor Matherly called for objection to Mr. Bagwill's request to be excused on May 7, 2018 and, hearing none, so ORDERED.

Mr. Pruhs, seconded by **Mr. Bagwill**, moved to ENTER Executive Session for the purpose of discussing FFU and IBEW Labor Negotiations.

Mayor Matherly called for objection and, hearing none, so ORDERED.

EXECUTIVE SESSION

- a) FFU Labor Negotiations
- b) IBEW Labor Negotiations

The City Council met in Executive Session to discuss FFU & IBEW Labor Negotiations. Direction was given to the negotiating team, and no action was taken.

ADJOURNMENT

Mr. Bagwill, seconded by **Ms. Huntington**, moved to ADJOURN the meeting.

Mayor Matherly called for objection and, hearing none, so ORDERED.

Mayor Matherly declared the meeting adjourned at 10:50 p.m.



JIM MATHERLY, MAYOR

ATTEST:



D. DANYELLE SNIDER, CMC, CITY CLERK

Transcribed by: EB