



FAIRBANKS CITY COUNCIL  
REGULAR MEETING MINUTES, AUGUST 24, 2015  
FAIRBANKS CITY COUNCIL CHAMBERS  
800 CUSHMAN STREET, FAIRBANKS, ALASKA

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The City Council convened at 7:00 p.m. on the above date, following a 6:00 p.m. Work Session on Fairbanks North Star Borough Joint Land Use Survey Advisory Noise Overlay, to conduct a Regular Meeting of the Fairbanks City Council at the City Council Chambers, 800 Cushman Street, Fairbanks, Alaska, with Mayor pro tem Jerry Cleworth presiding and with the following Council Members in attendance:

Council Members Present:        Renee Staley, Seat A  
   Perry Walley, Seat B  
   Bernard Gatewood, Seat C  
   Jim Matherly, Seat D  
   David Pruhs, Seat F

Absent:                                Mayor John Eberhart (Excused)

Also Present:                        Clem Clooten, Building Official  
   Warren Cummings, Fire Chief  
   Ernie Misewicz, Assistant Fire Chief  
   Paul Ewers, City Attorney  
   D. Danyielle Snider, City Clerk  
   Jim Williams, Chief of Staff  
   Stephanie Johnson, Dispatch Center Manager  
   Carmen Randle, Controller  
   Ben Barrio, IT Director  
   Angela Foster-Snow, HR Director  
   Pat Smith, Development Manager  
   Jim Soileau, Chief Financial Officer  
   Randall Aragon, Police Chief  
   Amber Courtney, Director of Communications/PIO  
   Verg Scott, Public Works General Foreman  
   Bob Pristash, Engineer IV

**INVOCATION**

The Invocation was given by City Clerk Danyielle Snider.

**FLAG SALUTATION**

Mayor pro tem Cleworth led the Flag Salutation.

## CITIZEN'S COMMENTS

Donna Gilbert, 2223 South Cushman, Fairbanks – Ms. Gilbert shared her disappointment that Mayor Eberhart was not in attendance at the Council Meeting. Ms. Gilbert stated it is time for the Council to write a job description for the Office of the Mayor. Ms. Gilbert stated that in the two years that Mayor Eberhart has been in office he has worked 2,846 hours and that a regular work year is 2,060 hours; she expressed her dissatisfaction with his short work hours. Ms. Gilbert stated that Mayor Eberhart has accumulated 1,429 hours of comp time. Ms. Gilbert stated Mayor Eberhart has earned 205 hours of personal leave but that he has used zero hours of that time; she shared her frustration that he is able to avoid using personal leave and may cash it out at the end of his term. Ms. Gilbert stated that Mr. Cleworth is the only Mayor who did not claim comp time and she thanked him for not doing so. Ms. Gilbert shared that in the six years Mayor Thompson was in office, he accumulated 1,500 hours and in the three years Mayor Strle was in office, she only claimed 800 hours of comp time. Ms. Gilbert shared her disappointment that the Council allowed Mayor Eberhart's travel budget to be increased from \$5,000.00 to \$15,000.00. Ms. Gilbert asked how many times the Mayor had taken his wife on trips paid for by the City and requested that the Council take a serious look at the approval of mayoral funds.

Randall Kelsch, 3254 Riverview Drive, Fairbanks – Mr. Kelsch stated that he has lived in Fairbanks since 1975 and that his business directly employs 75-100 people. Mr. Kelsch stated he wanted to build a brewery inside the City limits but that the structure would cost him 15-20% more if he chose to do so. Mr. Kelsch stated that at his current restaurant he has been faced with a stop work order because the shed he is building over his air handler requires a sprinkler system according to City Code. Mr. Kelsch stated that the City requirements are so expensive that it is cheaper to build outside of the City limits.

**Mr. Walley** asked Mr. Kelsch if he could clarify what his issue is. Mr. Kelsch stated that he is building a shelter over his air handler but that the City told him to stop work, tear it down or build a sprinkler system into the area. Mr. Kelsch stated he is a small business owner and that he is being run out of business due to bureaucracy. **Mr. Walley** asked how many times he has experienced code inspections at his businesses since he became a business owner in Fairbanks. Mr. Kelsch stated he has two properties within City limits and that every two years for 15 years they have both been inspected.

**Mr. Pruhs** asked if it was prudent for the City to incorporate a variance system to review things of this nature, items that do not increase the property or business owner's insurance. Mr. Kelsch stated he had requested a variance of the Building Department, and it was rejected. **Mr. Pruhs** asked what the cost of the shed was. Mr. Kelsch stated he budgeted \$7,800 for the project but with the City's recommended upgrades the cost has inflated to \$22,000.00. Mr. Kelsch stated his insurance premium is not going to be raised because his occupancy will not be increasing with the addition of the shed over the air handler.

**Mayor pro tem Cleworth** asked Mr. Kelsch if he had requested a formal appeal. Mr. Kelsch stated that a two-month waiting period for a formal appeal is not an acceptable amount of time and that it would be too far into the future.

Robert Shields, 145 Martin Drive, Fairbanks – Mr. Shields spoke to food security in the City limits. Mr. Shields stated 90% of the food in Fairbanks is imported and that there is a need to acknowledge the issue. Mr. Shields stated that the City needs to create a task force to look into the issues of food security in Fairbanks. Mr. Shields stated that without food and access to healthy food there will be a lot of problems within the City. Mr. Shields stated food security is good for business and that it will create more disposable income to City residents.

Frank Turney, 329 6th Avenue, Fairbanks – Mr. Turney stated he is happy to see Ms. Staley present at the Council meeting. Mr. Turney stated he did not understand Mr. Matherly's testimony at the last Borough Assembly Meeting where he indicated that he would not want people from all over the Borough coming into the City to purchase cannabis. Mr. Turney stated Presidential Candidate Ron Paul will be in town the following day at 2:30 p.m. Mr. Turney spoke to Chief Nagita's remains being returned to the Clay Street Cemetery. Mr. Turney spoke out against Mr. Pruhs' statement some time ago that Felix Pedro was buried in the Clay Street Cemetery.

Victor Buberger, P.O. Box 58192, Fairbanks – Mr. Buberger complimented Police Chief Randall Aragon for being a positive influence in the City. Mr. Buberger stated Gilmore Street has a gross amount of potholes and that he believes the area is neglected by the City because it is a largely native populated street. Mr. Buberger stated he would like to know where the Council Members and Mayor live because he would like to see how well-maintained their roads are compared to Gilmore Street.

Amy Geiger, 4400 Stanford Drive, Fairbanks – Ms. Geiger stated the new winter guide for Explore Fairbanks has been released. Ms. Geiger stated that the Yukon Quest will start in Fairbanks this year and that it is a great thing for the local economy. Ms. Geiger shared a few new features of the visitors guide.

Hearing no more requests for public comment, **Mayor pro tem Cleworth** declared Public Testimony closed.

### **APPROVAL OF AGENDA AND CONSENT AGENDA**

**Mr. Matherly**, seconded by **Mr. Walley**, moved to APPROVE the Agenda and Consent Agenda.

**Mr. Gatewood** pulled Resolution No. 4686 from the Consent Agenda.

A ROLL CALL VOTE WAS TAKEN TO APPROVE THE CONSENT AGENDA, AS AMENDED, AS FOLLOWS:

YEAS: Pruhs, Gatewood, Staley, Cleworth, Matherly, Walley

NAYS: None

**Mayor pro tem Cleworth** declared the MOTION CARRIED.

City Clerk Snider read the Consent Agenda, as Amended, into the record.

## APPROVAL OF PREVIOUS MINUTES

- a) Regular Meeting Minutes of May 18, 2015.

APPROVED on the CONSENT AGENDA.

- b) Regular Meeting Minutes of June 8, 2015.

APPROVED on the CONSENT AGENDA.

- c) Regular Meeting Minutes of June 22, 2015.

APPROVED on the CONSENT AGENDA.

## SPECIAL ORDERS

- a) Vacation of Public Easement (RP042-15/VA03-15) – Request by Rebecca and Mathew Franczyk to Vacate a Public Utility Easement, a Drainage Swale Easement, and the Lot Line between Lot 6 and Lot 7 Block 1 Taku Subdivision, Creating a 19,000 Square Foot Lot within Section 8 T1S R1W F.M. (located on Riverview Drive).

**Mayor pro tem Cleworth** stated that if the City Council chooses to take no action, the Vacation of Public Easement would be approved.

- b) Memo Regarding Sale of City Real Property (TL-2134, 2367 30th Avenue)

**Mr. Walley**, seconded by **Mr. Gatewood**, moved to APPROVE the Sale of City Real Property at 2367 30th Avenue.

**Mayor pro tem Cleworth** called for Public Testimony and, hearing none, declared Public Testimony closed.

A ROLL CALL VOTE WAS TAKEN TO APPROVE THE SALE OF CITY REAL PROPERTY AT 2367 30TH AVENUE, AS FOLLOWS:

YEAS: Staley, Matherly, Gatewood, Pruhs, Cleworth, Walley

NAYS: None

**Mayor pro tem Cleworth** declared the MOTION CARRIED.

## MAYOR'S COMMENTS AND REPORT

**Mayor pro tem Cleworth** stated that he liked the concept of allowing Council Members to comment on citizens public testimony after they testify rather than waiting to address citizens' issues until Council Members' Comments.

## UNFINISHED BUSINESS

- a) Ordinance No. 5987 – An Ordinance Amending Fairbanks General Code Sections 2-260 and 2-261 Regarding the Authorized Investment Selections of the City Permanent Fund Investment Policy. Introduced by Council Member Gatewood. SECOND READING AND PUBLIC HEARING.

**Mr. Pruhs**, seconded by **Mr. Matherly**, moved to ADOPT Ordinance No. 5987.

**Mayor pro tem Cleworth** called for Public Testimony and, hearing none, declared Public Testimony closed.

**Mayor pro tem Cleworth** spoke to the importance of eliminating the target weighting percentage of the Permanent Fund. **Mayor pro tem Cleworth** stated that he would like the Fund Manager to actively look at the Fund and use their best discretion instead of letting the fund just ride. **Mayor pro tem Cleworth** shared his concern that the Fund Manager reaches targets; he indicated that if they cannot then there is no reason to have a Fund Manager.

**Mr. Gatewood** asked Mayor pro tem Cleworth if he could share responses received from Fund Managers. **Mayor pro tem Cleworth** stated he was not prepared to share any responses because he had only spoke with the managers about reaching target goals and that they have not provided feedback yet. **Mr. Gatewood** stated he would add that item to the next Finance Committee Agenda.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 5987 AS FOLLOWS:

YEAS: Cleworth, Pruhs, Walley, Staley, Matherly, Gatewood

NAYS: None

**Mayor pro tem Cleworth** declared the MOTION CARRIED and Ordinance No. 5987 ADOPTED.

- b) Ordinance No. 5988 – An Ordinance to Amend Ordinance No. 5986, as Amended, an Ordinance Enacting a Retail Sales Tax on Marijuana and Referring the Ordinance for Ratification at the Next General Election. Introduced by Council Member Pruhs. SECOND READING AND PUBLIC HEARING.

**Mr. Pruhs**, seconded by **Mr. Gatewood**, moved to ADOPT Ordinance No. 5988.

**Mayor pro tem Cleworth** called for Public Testimony.

Frank Turney – Mr. Turney stated the \$50 tax the State is proposing is enough tax on cannabis. Mr. Turney encouraged citizens to grow their own cannabis and avoid paying taxes on it altogether.

Victor Buberger – Mr. Buberger shared his curiosity that Ms. Gilbert was not fighting the marijuana tax as head of the Interior Tax Association (ITA). Mr. Buberger stated that the City should not tax marijuana but should tax the heroin and crack addicts.

Hearing no more requests for public comment, **Mayor pro tem Cleworth** declared Public Testimony closed.

**Mr. Pruhs** asked Council Members to vote against Ordinance No. 5987 because the whole purpose of the ordinance was to mirror the Fairbanks North Star Borough's tax ordinance which it was voted down. **Mr. Pruhs** stated the ordinance would confuse voters by having it listed as "as Amended."

**Mayor pro tem Cleworth** stated he agreed with Mr. Pruhs about the language in the ordinance. **Mayor pro tem Cleworth** stated he has been working with the City Attorney Paul Ewers on an amendment to clarify that the tax would fall under the existing tax cap. Mr. Ewers stated that he had been working with Chief Financial Officer Jim Soileau on changing some of the nuances of the tax proposed in Ordinance No. 5988. Mr. Ewers stated the language is written correctly and that the tax would fall under the existing tax cap. **Mayor pro tem Cleworth** asked if the tax cap could be changed and if it had to be left up to a vote of the people. Mr. Ewers stated the City Charter cannot be amended without a vote of the people. **Mayor pro tem Cleworth** asked if Mr. Ewers recommended making a change to the language regarding the tax cap, and Mr. Ewers replied that no changes are needed.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 5988 AS FOLLOWS:

YEAS:           None  
NAYS:           Matherly, Cleworth, Walley, Staley, Gatewood, Pruhs  
**Mayor pro tem Cleworth** declared the MOTION FAILED.

c) Ordinance No. 5989, as Amended – An Ordinance Amending the 2015 Operating and Capital Budgets for the Sixth Time. Introduced by Mayor Eberhart. SECOND READING AND PUBLIC HEARING.

**Mr. Matherly**, seconded by **Mr. Gatewood**, moved to ADOPT Ordinance No. 5989, as Amended.

**Mayor pro tem Cleworth** called for Public Testimony and, hearing none, declared Public Testimony closed.

**Mayor pro tem Cleworth** asked Chief Financial Officer Jim Soileau to come forward to respond to some questions he had regarding Ordinance No. 5989, as Amended. **Mayor pro tem Cleworth** asked if the funding that had been deposited for Dispatch training the prior year had been used. Mr. Soileau stated the Employee Turnover Training Account had not been touched. City Controller Carmen Randle stated the money was budgeted for employees that worked while training their replacements.

**Mr. Walley** asked if they were speaking to Account 5352; he stated that the money should be transferred to save money in the long-term.

**Mayor pro tem Cleworth**, seconded by **Mr. Walley**, moved to AMEND Ordinance No. 5989, as Amended, to fund non-grant wages and training in Engineering by transferring \$18,790.00 from account number 5352.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND ORDINANCE NO. 5989, AS AMENDED, TO FUND NON-GRANT WAGES AND TRAINING IN ENGINEERING BY TRANSFERRING \$18,790.00 FROM ACCOUNT NUMBER 5352 AS FOLLOWS:

YEAS: Pruhs, Gatewood, Staley, Cleworth, Matherly, Walley

NAYS: None

**Mayor pro tem Cleworth** declared the MOTION CARRIED.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 5989, AS AMENDED, AS FOLLOWS:

YEAS: Walley, Matherly, Gatewood, Pruhs, Cleworth, Staley

NAYS: None

**Mayor pro tem Cleworth** declared the MOTION CARRIED and Ordinance No. 5989, as Amended, ADOPTED.

### **NEW BUSINESS**

- a) Resolution No. 4686 – A Resolution Expressing the City of Fairbanks’ Concern about Additional State of Alaska Programs Affecting Funding of Existing Programs. Introduced by Council Member Cleworth.

**Mr. Matherly**, seconded by **Mr. Gatewood**, moved to APPROVE Resolution No. 4686.

**Mr. Gatewood** stated he needed clarification on Resolution No. 4686 regarding Medicaid expansion. **Mr. Gatewood** stated he agreed with revenue sharing and municipal assistance but that he did not want the City to take a stand against Medicaid expansion.

**Mayor pro tem Cleworth** stated the when he came up with the resolution it was not his intention to stand against Medicaid or Medicaid expansion. He stated that in the past the City has assumed responsibilities formerly undertaken by the State, and he did not want the City to go broke paying for the increase to Medicaid. **Mayor pro tem Cleworth** stated he did not get into the nuts and bolts of the Medicaid expansion, just that he heard there was a future match coming down the road and that he did not want the City to get stuck with the huge increase.

ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT RESOLUTION NO. 4686 AS FOLLOWS

YEAS: Gatewood, Walley, Pruhs, Matherly, Staley, Cleworth  
NAYS: None  
**Mayor pro tem Cleworth** declared the MOTION CARRIED and Resolution No. 4686 APPROVED.

## DISCUSSION ITEMS

### Committee Reports

FMATS Policy Committee – **Mr. Walley** stated that FMATS met and approved the Complete Street Policy for public comment; he invited people to comment on the FMATS website. **Mr. Walley** stated that the Committee approved the 2015-2018 Transportation Improvement Program (TIP) conformity analysis. **Mr. Walley** stated that the FMATS Technical Committee approved State Funds for changes on the Cushman Street Reconstruction Project in the amount not to exceed \$328,000.00. **Mr. Walley** stated there will not be a lot of funds coming from the State in the future and that the City will have to address road upgrades without State funds.

Golden Heart Parking Services – **Mayor pro tem Cleworth** stated he met with Police Chief Randall Aragon at the parking garage, and they discussed security issues. **Mayor pro tem Cleworth** addressed General Foreman Verg Scott regarding a safety issue inside the garage relating to a pipe that has been damaged. **Mayor pro tem Cleworth** stated that the drain under the damaged pipe is clogged and the water just pools up; he requested Mr. Scott send someone from Public Works to address the issue.

## COMMUNICATIONS TO COUNCIL

- a) Fairbanks Diversity Council Meeting Minutes of June 9, 2015

ACCEPTED on the CONSENT AGENDA.

- b) Fairbanks Diversity Council Meeting Minutes of July 14, 2015

ACCEPTED on the CONSENT AGENDA.

## COUNCIL MEMBERS' COMMENTS

**Mr. Matherly** stated he spoke with Mr. Marc Marlow, owner of the Polaris Building, earlier in the day and that he received encouraging news regarding tax credits from the National Community Trust. **Mr. Matherly** stated that he attended the Borough Assembly meeting and that their Marijuana tax did not pass. **Mr. Matherly** stated that a work session regarding variances for restaurants and small businesses should be considered because he does not want to drive businesses outside of the City. **Mr. Matherly** spoke to Mr. Shields' food safety issues and stated he would look into it further in the future. **Mr. Matherly** stated he read the Diversity Council Meeting Minutes and that he thinks the City should make some changes to hiring processes.



**Mr. Pruhs** stated he is happy that Mr. Kelsch came to speak to the Council because it draws attention to building code requirements. **Mr. Pruhs** stated that the City should consider changing building code requirements because some of the codes may not be relevant in Fairbanks, Alaska. **Mr. Pruhs** stated he was starting a Polaris Group, and the main topic that will be discussed will be funding the demolition of the Polaris Building. **Mr. Pruhs** stated that he was a member of the Board of Directors of the Historic Preservation Commission several years back. He stated as a Board member he offered then Mayor Jim Hayes to have the Commission tend to the grounds at the Clay Street Cemetery free of charge. **Mr. Pruhs** stated that he did not have any involvement in the exhumation of Chief Nagita's remains and that he did not tell the Daily News Miner that Felix Pedro was buried at the Clay Street Cemetery.

**Mr. Gatewood** shared his concern for the stock market and that China's economy is having a negative impact on the stock market. **Mr. Gatewood** stated that the Permanent Fund had lost three million dollars in the past month and that he hopes an uptick will be reported at the next Permanent Fund meeting.

**Mr. Walley** stated he has doubts Mr. Marlow is going to receive any Federal funding; he stated he would attend the Polaris Building meeting. **Mr. Walley** stated he appreciated Mr. Kelsch coming to the Council meeting and agreed that a work session may be a good idea to review building code issues and the appeals process.

**Ms. Staley** stated she also appreciated Mr. Kelsch's testimony, and she echoed Mr. Pruhs' idea of looking into changing the building code.

**Ms. Staley** requested she be excused from the Regular Council Meeting of October 19, 2015.

**Mayor pro tem Cleworth** called for objection to Ms. Staley's request to be excused on October 19, 2015 and, hearing none, so ORDERED.

**Mayor pro tem Cleworth** thanked Public Works for their efforts in filling the potholes on Cowles Street and shared his concern for the cost of fixing the roads in Fairbanks. **Mayor pro tem Cleworth** spoke to Donna Gilbert's public testimony regarding the Mayor's comp time. He stated that when he became Mayor he was asked to fill out a timecard and that he did not agree with the request. **Mayor pro tem Cleworth** stated that the Mayor's position should be a salaried position and that a Mayor should be paid the same whether they work two hours a day or twenty hours. **Mayor pro tem Cleworth** spoke to the public testimony on building codes and the issues that have come up regarding City Code; he encouraged the administration to come up with a logical solution. **Mayor pro tem Cleworth** agreed with fellow Council Members that the amount of time it takes for an appeal to be heard is too long for such a short building season in Fairbanks. **Mayor pro tem Cleworth** spoke to the issues that the Diversity Council has brought to light regarding the City's hiring processes. **Mayor pro tem Cleworth** stated that he received negative feedback about hiring processes and that the complaints seem to be about one department. **Mayor pro tem Cleworth** stated that all departments need to abide by the same process and that Human Resources needs to be at the forefront of the hiring process.

**CITY ATTORNEY'S REPORT**

City Attorney Ewers provided clarification on the Building Department's Code Review and Appeals process.

**Mr. Matherly**, seconded by **Mr. Pruhs**, moved to go into Executive Session for the purpose of discussing Fairbanks Firefighters Union (FFU) Labor Negotiations.

**Mayor pro tem Cleworth** called for objection and, hearing none, so ORDERED.

**Mayor pro tem Cleworth** called for a five minute recess.

**EXECUTIVE SESSION**

a) Labor Contract Negotiations – FFU

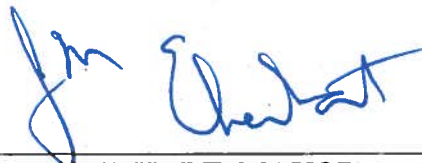
The City Council met in Executive Session to discuss FFU labor negotiations. Direction was given to staff and no action was taken.

**ADJOURNMENT**

**Mr. Pruhs**, seconded by **Mr. Gatewood**, moved to ADJOURN the meeting.

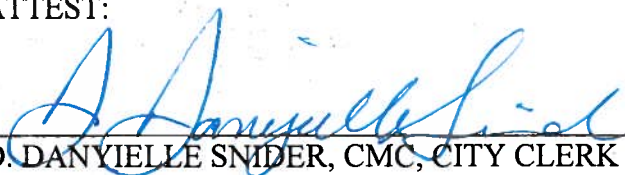
**Mayor pro tem Cleworth** called for objection and, hearing none, so ORDERED.

**Mayor pro tem Cleworth** declared the Meeting adjourned at 9:49 p.m.



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JOHN EBERHART, MAYOR

ATTEST:



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D. DANYIELLE SNIDER, CMC, CITY CLERK

Transcribed by: EB