



FAIRBANKS CITY COUNCIL
REGULAR MEETING MINUTES, JULY 23, 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
Mike Meeks, Chief of Staff
Stephanie Johnson, Dispatch Center Manager
Patricia Manuel, HR Admin
Carmen Randle, Chief Financial Officer
Angela Foster-Snow, HR Director
Jim Styers, Fire Chief
Scott Raygor, Firefighter
Brad Johnson, Deputy Police Chief

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 Mr. Bagwill to lead the Flag Salutation.

CEREMONIAL MATTERS

Mayor Matherly recognized Firefighter Daniel Turner for his service and for performing CPR while off duty on a man at a campground. Mr. Turner stated he just did what he had learned in his training, and he encouraged everyone to take a CPR certification class.

CITIZENS' COMMENTS ON CONSENT AGENDA ITEMS

Frank Turney, 329 6th Avenue, Fairbanks – Mr. Turney stated he did not attend the last Diversity Council meeting, and those minutes are on the consent agenda. He stated that he

noticed the body broke out in smaller groups but that there was no discussion about racial discrimination in the jury pool; he stated it is an important topic that needs to be addressed.

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

APPROVAL OF AGENDA AND CONSENT AGENDA

Ms. Therrien, seconded by **Mr. Bagwill**, moved to APPROVE the Agenda and Consent Agenda.

Mayor Matherly requested that the Executive Sessions be removed from the Agenda.

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

City Clerk Snider read the Consent Agenda into the record.

APPROVAL OF PREVIOUS MINUTES

- a) Regular Meeting Minutes of May 7, 2018.

APPROVED on the CONSENT AGENDA.

SPECIAL ORDERS

- a) The Fairbanks City Council heard interested citizens concerned with the following application for a New Marijuana Product Manufacturing Facility License:

Type: Marijuana Product Manufacturing Facility, License #15800
DBA: Baked Alaska, LLC
Applicant: Baked Alaska, LLC
Address: 2745 Hanson Road, Unit B, Fairbanks, Alaska

Mr. Pruhs, seconded by **Ms. Therrien**, moved to PROTEST the New Marijuana Product Manufacturing Facility until a Certificate of Occupancy is issued by the Building Department.

Frank Turney, 329 6th Avenue, Fairbanks – Mr. Turney spoke in support of the license.

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

Mr. Pruhs stated he supports the license because he knows that Ms. Ranstead is the right person for the job.

Ms. Rogers asked the applicants to share some information as to how they came into the industry; she asked them to share some personal information about their journey.

Audrey Ranstead, P.O. Box 83573, Fairbanks – Ms. Ranstead stated she has worked in the food industry for a long time and when marijuana became legal in 2014, making edibles piqued her interest. She stated Mr. Hallsten owns the building, and she brings food experience to the table; she stated they submitted the application to AMCO last November. She stated she is a rule follower and that she is excited Fairbanks has embraced the industry.

Steve Hallsten, 1062 Dolphin Way, Fairbanks – Mr. Hallsten stated his background is in construction, and when Ms. Ranstead approached him about using his facility he was initially concerned about the stigma associated with the industry. He stated that they each have their own businesses and that they are going to make this their side business. He stated if the business grows he may consider making it his full-time job.

Ms. Rogers thanked Ms. Ranstead and Mr. Hallsten for helping her connect with them.

Mr. Cleworth stated he has seen a lot of cultivation and retail marijuana licenses, but not many manufacturing licenses have come before the Council; he asked how many there were inside the City. Ms. Ranstead stated she did not know how many are in the City but that the manufacturing license is the most difficult one to obtain. **Mr. Cleworth** asked whether the company that lost their license about a year ago were manufacturers; Ms. Ranstead stated those owners had cultivation, retail, and manufacturing licenses, and they lost their retail and manufacturing licenses.

Mr. Pruhs discussed the business location with Mr. Hallsten.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO PROTEST THE NEW MARIJUANA PRODUCT MANUFACTURING FACILITY UNTIL A CERTIFICATE OF OCCUPANCY IS ISSUED BY THE BUILDING DEPARTMENT AS FOLLOWS:

YEAS: Pruhs, Therrien, Huntington, Cleworth, Rogers

NAYS: Bagwill

Mayor Matherly declared the MOTION CARRIED.

MAYOR'S COMMENTS AND REPORT

a) Special Reports

Brittany Smart, 907 Terminal Street, Fairbanks – Ms. Smart reported on upcoming public hearing items that will go before the Borough Assembly.

Mr. Cleworth asked Ms. Smart if there was a reserve fund set aside to deal with the Mary Siah Recreation Center; Ms. Smart stated she would have to follow-up with a response at a later time.

Mayor Matherly spoke to the recent loss of Bryan Imus; he extended his thoughts and prayers to Mr. Imus' family. He stated that Mr. Imus was in City Hall the previous week dealing with labor issues and that Mr. Imus was a former City of Fairbanks Public Works employee who later took a position at the Laborers Hall. **Mayor Matherly** stated the Golden Days Parade was a lot of fun, but it was a very hot day. He stated that he attended the street fair with his boys and had a really nice time.

UNFINISHED BUSINESS

- a) Ordinance No. 6079, as Amended – An Ordinance Ratifying a Labor Agreement Between the City of Fairbanks and the Fairbanks Firefighters Union, IAFF Local 1324. Introduced by Mayor Matherly. POSTPONED from the Regular Meeting of July 9, 2018; a Public Hearing was held at that time.

City Clerk Danyielle Snider noted that the motion to adopt is on the floor from the July 9, 2018 Regular Council meeting.

Ms. Therrien, seconded by **Mr. Pruhs**, moved to SUBSTITUTE the amended Fiscal Note for Ordinance No. 6079, as Amended.

Mayor Matherly called for objection to the motion to SUBSTITUTE, and **Mr. Cleworth** objected.

Mr. Cleworth stated he objected to the substitution because the fiscal note that was advanced is broader and reflects a three-year projection.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO SUBSTITUTE THE AMENDED FISCAL NOTE FOR ORDINANCE NO. 6079, AS AMENDED, AS FOLLOWS:

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

Ms. Therrien, seconded by **Mr. Cleworth**, moved to SUBSTITUTE the proposed labor contract to include language regarding the “Janus law.”

Mr. Cleworth stated that if anyone is confused by “Janus law” language, they should ask City Attorney Paul Ewers.

Mr. Ewers gave a report on the changes to the proposed contract substitute. He explained the change that union membership would no longer be required as a condition of employment with the City. He stated that the definition of a “member” in the contract was also redefined. He explained that there were also changes made to sections 10.4 and 10.5 in regard to the deduction of union dues.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO SUBSTITUTE THE PROPOSED LABOR CONTRACT TO INCLUDE LANGUAGE REGARDING THE “JANUS LAW” AS FOLLOWS:

YEAS: Pruhs, Therrien, Huntington, Cleworth, Bagwill, Rogers
NAYS: None
Mayor Matherly declared the MOTION CARRIED.

Chief of Staff Mike Meeks explained the changes in the contract. He stated the union agreed to the following during negotiations: drug testing, dropping the City's contribution for union leave, improving Workers' Comp, dropping one firefighter from manning the aerial platform, reducing three captains by making them firefighters, improving the internship program, reducing the clothing and bedding allowance, and dropping the admin physicals. He stated that the City agreed to a three-year financial package based on the Anchorage CPI with a minimum of 1.5% and a maximum of 3%, an increase in minimum manning from nine to eleven 50 of the time with an understanding that the City may opt out if ground emergency medical transport (GEMT) funding does not materialize, language requiring that the agreement revert to the language in the previous contract if the if the City non-funds the Fairbanks Firefighters Union (FFU) contract, and four hours of employee retention leave (ERL) for every year worked with certain restrictions.

Mr. Cleworth asked Chief Financial Officer Carmen Randle for a staff report and asked her to hit the highlights of the fiscal note. Ms. Randle explained that she had Controller Margarita Bell go over the numbers with a fine-tooth comb, then she also reviewed them carefully. Ms. Randle spoke to City revenues being relatively stagnant over the next few years. She projected an increase in property and marijuana taxes in coming years, a decrease in inter-governmental revenues, an increase in GEMT funding and Fairbanks Emergency Communications Center (FECC) contracts, and an increase in garbage collection revenue. Ms. Randle spoke to the three-year forecast of City expenses, including projected costs for other labor agreements.

Ms. Therrien asked when the GEMT funding is expected to come in; Ms. Randle replied that the funding cannot start accruing until the State goes through the public notice and tribal notice process.

Fire Chief Jim Styers clarified that the effective date for reimbursement will be the date of the public and tribal notice and that funds would probably not start coming in for another 18 months.

Mr. Cleworth stated that Ms. Randle's cost projection for the International Brotherhood of Electrical Workers (IBEW) and the Public Safety Employees Association (PSEA) is a best-case scenario. He stated that in 2014 when he was not on the Council, the Council realized the PSEA contract was not affordable. He stated the Council's vote on the contract was split, and the Mayor at the time voted to ratify the ordinance which was later reconsidered. **Mr. Cleworth** stated if the Council would have followed the Fairbanks General Code they would not be in the position they are currently in with the PSEA. He stated the Code requires that the Council limit personal leave to reasonable levels, and that is why he does not support bonus leave. He stated he received emails from former City of Fairbanks Chief Financial Officers Ron Woolf and Jim Soileau advising that the Council not approve the contract as written with bonus leave included. **Mr. Cleworth** read the emails into the record. He commented that other bargaining units will want the same benefits firefighters are given. He stated bonus leave does have an associated cost to the City. He stated if comp time is billed, leave banks can be built up and cashed out, and the same applies to bonus leave. He commented that the FFU contract is the only contract in the City to have minimum manning requirements. **Mr. Cleworth** stated that \$461,000 in overtime is a lot of money. He listed reasons not to raise minimum staffing from nine to eleven and commented that paying overtime to keep up with minimum staffing is the least effective way to do business. He spoke against funding the contract because it is too expensive and that if the ordinance passes, he sees problems arising relating to staffing. He stated he does not know why

there is an increase in ambulance calls, but he would like to investigate the issue before moving forward with the contract.

Mr. Pruhs commended the Council for the questions being asked about the contract. He thanked staff for looking at long-term financials to help the Council make an informed decision.

Ms. Therrien shared her concern for the Fire Department not being able to keep up with the call volume and stated that the contract would solve that problem. She stated if the Council is unwilling to approve the contract, they should hire more firefighters to help decrease overtime. She stated the contract provides for a third ambulance to be on shift, and she believes that is important. She asked which fiscal note is being discussed; Ms. Randle replied that they are discussing the first fiscal note.

Ms. Huntington expressed confusion about the vote on the proposed substitute fiscal note for Ordinance No. 6079, as Amended. She indicated that she may want to reconsider that vote if the fiscal note before the Council is inaccurate. Ms. Randle indicated that the GEMT recovery funds listed in the fiscal note are not accurate because the receipt date of the funds is unknown and will not occur in 2019.

Chief of Staff Mike Meeks stated that revenues and expenditures are exaggerated in the fiscal note before the Council and is inaccurate.

Mr. Cleworth stated that if the Council accepts GEMT funds, the funds would be “dedicated” according to the proposed fiscal note, which is against State law. City Attorney Ewers explained that the GEMT funds would go into the General Fund, and the cost of the contract would come out of the General Fund. **Mr. Cleworth** stated that if the City receives the GEMT funds, it would be required to bump minimum staffing to eleven at the Fire Department. He stated both fiscal notes are inaccurate, and the Council needs to see correct numbers before moving forward.

Mr. Pruhs asked if other labor contracts use dedicated funds. Mr. Ewers clarified again that the funds are not dedicated, and he explained the purpose of identifying a funding source for ordinances and resolutions. He stated the funds would not be dedicated to the contract; rather, they would be identified as the source of funding for the contract.

Ms. Huntington, seconded by **Ms. Therrien**, moved to RECONSIDER the motion to substitute the amended fiscal note for Ordinance No. 6079, as Amended.

Mr. Cleworth spoke in opposition to the amended fiscal note.

Ms. Huntington stated that fiscal forecasts are necessary and are part of the process; she stated that the Council does not have a crystal ball, but she would like to move forward with the most up-to-date fiscal information. She stated that she would like to see the Council move forward with the firefighters contract and expressed her support for it.

Ms. Therrien indicated that the proposed substitute fiscal note better reflects the fiscal impact of the ordinance. She stated the numbers can be looked from a negative point of view or a positive point of view, and she urged the Council to reconsider the motion.

Mr. Cleworth stated if the City receives GEMT funds, the funds must go toward the contract. He argued that the current fiscal note better demonstrates the true cost of the contract, and he wants the general public to understand that.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO RECONSIDER THE MOTION TO SUBSTITUTE THE AMENDED FISCAL NOTE FOR ORDINANCE NO. 6079, AS AMENDED, AS FOLLOWS:

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

Ms. Huntington spoke to negotiating in good faith and indicated that she would like to add some positive momentum to labor negotiations. She stated that working together would be a good thing for everyone involved and that she would like to see forward motion on the firefighter contract. She stated that negotiating means a give and take on both sides and that she would be voting to approve the contract.

Mr. Bagwill commended the negotiation team for coming up with solutions to the contract. He stated he had questions about the bonus leave that two former City CFOs have spoken against. He stated he has learned in Finance Committee meetings that the cost of the bonus leave is too much, so he does not think he can support the contract for that reason. He stated Mr. Cleworth spoke at the Finance Committee meeting why funding bonus leave is not good for the City.

Ms. Therrien stated she did not remember the issue of bonus leave ever being mentioned in the direction given by the Council.

Mr. Pruhs stated the numbers have changed radically and that the City cannot afford to fund the contract. He stated that he is now seeing the full fiscal aspect of the contract, and he cannot in good faith support it due to the unknowns.

Mr. Cleworth stated the three-year projection that they are looking at does not include bonus leave, but if the contract is approved, every other union would ask for the same benefit. He stated that the Code says when a contract is signed a funding source has to be identified, and that is not the case with this contract. He stated there is no funding source for the contract and advised the Council against accepting its terms. He stated two former City CFO's have advised the Council not to approve the language regarding bonus leave.

Ms. Rogers stated that she appreciates what everyone has to say about the contract and thanked everyone for all the effort put forth. She stated the Council has arrived at a point of confusion, and it is not a good place to be in when making a decision. She stated that any time there is confusion around making a major decision, it is best to take a step back before moving forward.

Mayor Matherly stated he appreciates the Council's input and concern surrounding the contract, but he is not confused by its terms. He stated the Fire Department cannot pick and choose which calls they respond to. He spoke about the ride-along he went on with the firefighters and commented that the department serves many people who are not City residents. He stated that City has lost mutual aid, and there is an increase in the mission of the Fire Department. He

spoke to the negotiation process and to the number of things the FFU gave up. **Mayor Matherly** stated he respects Finance Committee members, but things have changed since those CFOs worked at the City. He stated that the Council has indicated that they do not want increased overtime or increased staff through a Staffing for Adequate Fire and Emergency Response (SAFER) grant, so he questioned what solution they would like.

Ms. Rogers stated she is confused by the statement that the Council does not support a SAFER grant because she recalls that only Mr. Cleworth was against it. She stated she would like more clarity moving forward.

Mr. Cleworth stated that in the previous budget cycle, the Mayor proposed dropping two firefighters, but the Council pushed to only lose one. He stated the SAFER grant is a bill for half a million dollars, and that is why he voted against it.

Ms. Rogers stated that the firefighters have her heart, but the Council is bound by rules in the Code. She stated that the issue requires more observation.

Mr. Bagwill asked if this year's contract cost would be recovered through GEMT funds; Ms. Randle stated the 2018 and 2019 funds would not be recovered until 2020. **Mr. Bagwill** asked why the Council would approve the contract if they know the funds will not be recovered for three years. Ms. Randle explained the reasons why the fiscal note was revised; she stated that there was a change made at the State level that changed the date of recovery for GEMT funds.

Mr. Meeks explained that each fiscal note has a top part and a bottom part. He stated that the bottom portion deals with the increase to minimum staffing which is directly dependent upon the City receiving GEMT funds. He stated that the remainder of the contract would still go into effect upon approval of the ordinance, but that the increase in minimum manning would end after December 31, 2018 if GEMT funds were not received from the State.

Mr. Bagwill asked Ms. Randle for the cost of the contract; Ms. Randle stated it would cost \$137,000 for the first year; she stated that the total cost beyond that would be affected by the timing of the GEMT funds. **Mr. Bagwill** asked about the total cost of the contract excluding the minimum manning/GEMT issue. Ms. Randle explained the total estimated cost each year for three years, excluding the GEMT/minimum manning item. **Mr. Bagwill** asked what that \$498,769.95 dollar amount would equate to in a percentage increase for the FFU.

Mayor Matherly called for a brief recess.

Ms. Randle, in response to Mr. Bagwill's question prior to the break, stated that the cost would be equivalent to an 8.5% increase over three years.

Mr. Cleworth stated that in one year the FFU would increase two to three times more than the increase given to the AFL-CIO. He stated he did not know how the Council would be able to explain the lack of funding for snow removal if they funded the FFU contract.

A ROLL CALL VOTE ON THE MOTION TO ADOPT ORDINANCE NO. 6079, AS AMENDED, AS FOLLOWS:

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

DISCUSSION ITEMS

a) Committee Reports

Public Safety Commission (PSC) – **Ms. Huntington** stated the PSC met but she was unable to attend due to travel. She asked Mayor Matherly if he attended and could make a report. **Mayor Matherly** stated the meeting was held at Public Works, and members were able to tour the facility. He stated that members were able to gain a better understanding of what Public Works does.

FMATS Policy Board – **Mr. Cleworth** stated that FMATS is one step closer to becoming autonomous and that it has been a long process. He stated they have been stumbling through the personnel policy that is already up to 40 pages in length and relates to only two and a half employees. He stated they are hoping it will be an independent non-profit by October 1.

Mayor Matherly stated the official documents to change FMATS to FAST Planning have been received, and he thanked Deputy City Attorney Danielle Pensley for all her work on the project.

WRITTEN COMMUNICATIONS TO COUNCIL

a) Public Safety Commission Meeting Minutes of January 9, 2018

ACCEPTED on the CONSENT AGENDA.

b) Public Safety Commission Special Meeting Minutes of January 30, 2018

ACCEPTED on the CONSENT AGENDA.

c) Public Safety Commission Special Meeting Minutes of February 22, 2018

ACCEPTED on the CONSENT AGENDA.

d) Public Safety Commission Regular Meeting Minutes of April 10, 2018

ACCEPTED on the CONSENT AGENDA.

e) Fairbanks Diversity Council Meeting Minutes of April 10, 2018

ACCEPTED on the CONSENT AGENDA.

f) Fairbanks Diversity Council Work Session Minutes of June 12, 2018

ACCEPTED on the CONSENT AGENDA.

CITIZENS' COMMENTS

Katherine Ottersten, 1435 3rd Avenue, Fairbanks – Ms. Ottersten thanked the Mayor and Ms. Rogers for all their work in setting up the Fairbanks Diversity Council table for the Golden Days event. She shared that there is still an open seat on the FNSB School Board. She stated political signs are being stolen and defaced, and she wanted to make the Council aware of the animosity out there.

Frank Turney, 329 6th Avenue, Fairbanks – Mr. Turney spoke to the incident that happened at the July 4 celebration at Pioneer Park. He stated after testifying about it at the last Council meeting he got a visit from Officer Kurt Lockwood at his home to inquire about his statements regarding the incident. Mr. Turney stated he was told the incident involved mistaken identity, and he asked the Mayor to look into the issue further.

Victor Buberger, P.O. Box 58192, Fairbanks – Mr. Buberger asked that Public Works take a look at 26th Avenue and Cushman because there has been a big pothole there all summer. He asked the Council to allow volunteers to work at the Fire Department. He asked that the Council open Executive Sessions to the public and that a Council member told him it would be illegal to do so. He reported a story of a friend that was shot 63 times by police officers and reported that the police are not as great as they think they are.

Michael Farrell, P.O. Box 72822, Fairbanks – Mr. Farrell stated the Council made a wise choice by voting down the FFU contract. He stated he believes the administration should communicate better with the Council because there appears to be a complete disconnect. He stated he believes investigating the increased call volume is pointless because if the answer is not politically correct, the results will not be shared.

Shoshanna Kun, 326 Wedgewood Drive, Fairbanks – Ms. Kun thanked the Council for serving and thanked the City Clerk for keeping proper procedures during the meetings. She encouraged community members to consider joining a board and representing their community.

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

Mayor Matherly explained to Mr. Turney that an employee of Pioneer Park reported to police that he saw a man with a machete and identified him to police officers. He stated that once the officers questioned the man, they realized he was the wrong person. Officers spoke to the man who was approached and explained the situation, and the man was understanding of the issue. He stated officers later found the correct man, and he was taken into custody without incident.

COUNCIL MEMBERS' COMMENTS

Ms. Huntington acknowledged the hard work of the negotiation teams involved in the FFU contract. She stated she hopes the Council can continue moving in a positive direction with labor negotiations. She offered her condolences to the family of Bryan Imus and spoke to how much the Imus' have done for the community.

Ms. Rogers stated she is grateful for the work that has gone into the labor negotiations because it is a lengthy process. She stated she wants what is best for everyone – not just for the people in the room but for citizens, taxpayers, children, and employees.

Ms. Therrien stated she enjoyed watching the Golden Days Parade with her granddaughter, and it was nice to see how much of the community came out to enjoy the events of the day.

Mr. Pruhs gave his condolences to the family of Bryan Imus and spoke to how sad the news was. He stated he is still recovering from the Alaska BBQ Championships over the weekend and that he and his team held their own.

Mr. Cleworth stated it is good to see Mr. Meeks back and in better health. He stated he remembers when Bryan Imus was a Public Works employee and shared what a good person he was. **Mr. Cleworth** stated he would like to have a better understanding of why the call volume has increased so much for the Fire Department. He asked if interns and volunteers could be used to fulfill minimum manning requirements and stated that he would like to discuss the issue at a Finance Committee meeting.

Mr. Bagwill stated it is good to see Mr. Meeks back and almost at full strength. He offered his condolences to the family of Bryan Imus and asked that people remember the joy he brought to everyone's lives. **Mr. Bagwill** stated he got the letter from the City Clerk that Michelle Gutierrez's last day at the City would be July 31 and stated that it would not be fun trying to replace her.

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 9:58 p.m.



JIM MATHERLY, MAYOR

ATTEST:



D. DANVIELLE SNIDER, CMC, CITY CLERK

Transcribed by: EB