



FAIRBANKS CITY COUNCIL
REGULAR MEETING MINUTES, AUGUST 6, 2018
FAIRBANKS CITY COUNCIL CHAMBERS
800 CUSHMAN STREET, FAIRBANKS, ALASKA

The City Council convened at 7:00 p.m. on the above date, following a 6:00 p.m. Work Session on the City Strategic Plan Final Draft, 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: June Rogers, Seat B
 Valerie Therrien, Seat C
 Jerry Cleworth, Seat E
 David Pruhs, Seat F

Absent: Joy Huntington, Seat A
 Jonathan Bagwill, Seat D

Also Present: Paul Ewers, City Attorney
 D. Danyielle Snider, City Clerk
 Carmen Randle, Chief Financial Officer
 Mike Meeks, Chief of Staff
 Jeff Jacobson, Public Works Director
 Christina Rowlett, Risk Manager/Purchasing Agent
 Jim Styers, Fire Chief
 Andrew Ackerman, Environmental Manager

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. Cleworth to lead the Flag Salutation.

CITIZENS' COMMENTS ON CONSENT AGENDA ITEMS

Kathy Ottersten, 1435 3rd Avenue, Fairbanks – Ms. Ottersten addressed Ordinance No. 6081 and stated that she objects to limiting Citizens' Comments to one hour. She stated she is also concerned with the changes being proposed in Ordinance No. 6080 as it is a complete rewrite of the Code chapter on labor negotiations. She commented that there will soon be an election, and she believes the new Council should be the ones to make a decision on the ordinance. Ms. Ottersten referenced specific portions of the ordinance that she was not in agreement with.

Shoshanna Kun, 326 Wedgewood Drive, #E-27, Fairbanks – Ms. Kun stated she is happy to see the grant resolution designed to support public safety. She asked the Council to tread carefully with Ordinance No. 6080 and Ordinance No. 6081.

Frank Turney, 329 6th Avenue, Fairbanks – Mr. Turney stated that general public comment should be held at the beginning of the meeting and citizens should be allowed to speak for five minutes. He asked Mr. Cleworth and Ms. Rogers for an explanation on the ordinance.

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

APPROVAL OF AGENDA AND CONSENT AGENDA

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

Mayor Matherly pulled the PSEA Executive Session from the Agenda.

Mr. Cleworth pulled Ordinance No. 6080 and Ordinance No. 6081 from the Consent Agenda.

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

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

APPROVAL OF PREVIOUS MINUTES

a) Regular Meeting Minutes of May 21, 2018.

APPROVED on the CONSENT AGENDA

SPECIAL ORDERS

a) The Fairbanks City Council heard interested citizens concerned with the following application for a New Brewpub Liquor License:

Type: Brewpub, License #5628
DBA: Midnite Mine Brewing Company
Applicant: Midnight Mine, LLC
Address: 308 Wendell Avenue, Fairbanks, Alaska

Mr. Pruhs, seconded by **Ms. Therrien**, moved to PROTEST the New Brewpub License until a Certificate of Occupancy is issued by the Building Department.

Rick Mensik, 115 Chief Evan Drive, Fairbanks – Mr. Mensik introduced himself and stated that he can answer any questions the Council may have about the license.

Mr. Pruhs asked Mr. Mensik about the long process he has been through in regard to zoning for the brewpub. Mr. Mensik briefly summarized the process and stated that the Borough recently passed an ordinance making the zoning legal for a brewery. **Mr. Pruhs** asked Mr. Mensik how much money was spent to remodel the building. Mr. Mensik stated roughly \$75,000. **Mr. Pruhs** asked how many types of beer he intends to brew, and Mr. Mensik stated there would be four different beers available at any given time and that the brewery will be a nanobrewery.

Ms. Rogers shared her appreciation for Mr. Mensik's attendance at the meeting.

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

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

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

b) The Fairbanks City Council heard interested citizens concerned with the following application for a New Beverage Dispensary Duplicate Liquor License:

Type: Beverage Dispensary – Duplicate, License #5629
DBA: Midnite Mine
Applicant: Midnight Mine, LLC
Address: 308 Wendell Avenue, Fairbanks, Alaska

Mr. Pruhs, seconded by **Mr. Cleworth**, moved to PROTEST the New Beverage Dispensary Duplicate Liquor License until a Certificate of Occupancy is issued by the Building Department.

Ms. Therrien asked Mr. Mensik to come forward for questions; she asked him about the purpose of a duplicate license. Mr. Mensik stated the duplicate license would allow for alcohol sales on the second floor of the building. He explained that State law requires a duplicate license if alcohol is sold at a second location within a premises.

Mayor Matherly asked if there was a cost associated with the duplicate license, Mr. Mensik stated a duplicate license costs \$2700.00.

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

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO PROTEST THE NEW BEVERAGE DISPENSARY DUPLICATE LIQUOR LICENSE UNTIL A CERTIFICATE OF OCCUPANCY IS ISSUED BY THE BUILDING DEPARTMENT AS FOLLOWS:

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

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

Type: Standard Marijuana Cultivation Facility, License #13479
DBA: North Star Fire
Applicant: North Star Fire, LLC
Address: 3780 Leasure Street, Suite 3, Fairbanks, Alaska

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

Grant Anderson, 302 Cowles Street, Fairbanks – Mr. Anderson stated the owner is away but that she has left him to speak on her behalf.

Ms. Therrien asked Mr. Anderson to speak to some of the safety measures they are taking to secure their facility. Mr. Anderson stated there have been some major break-ins at other facilities, and they are trying to learn from those mistakes. He stated the entire facility is fenced in and they will be the only tenants on the property.

Mr. Pruhs asked when the facility was constructed. Mr. Anderson replied that he did not know but that it was initially a steel structure on slab. He stated that they are working to upgrade the structure to make it a cultivation facility. He stated the hold up in construction is because the property owner has a building on the same property that he is trying to upgrade, and the utilities for both buildings are tied together.

Frank Turney – Mr. Turney stated he supports the license, and he appreciates that they are interested in the security of the facility. Mr. Turney stated a 1000-foot cultivation facility is a small operation and spoke to the importance of proper ventilation.

Steve Ginnis, 2885 Shannon Drive, Fairbanks – Mr. Ginnis shared his concern for the close proximity of the daycare center to the new cultivation facility. He stated he does not think the facility conforms to the 100-foot buffer zone required by the Borough with regard to daycare facilities. He asked the Council to postpone the issue until they can look into it further.

Ms. Therrien thanked Mr. Ginnis for coming to testify and stated that, per the memorandum from the Borough, the daycare is 575 feet away from the cultivation facility.

Ms. Rogers asked Mr. Ginnis if he received a public notice to property owners from the Borough. Mr. Ginnis stated he did not receive a notice, but someone told him it was on the Council meeting agenda.

Mr. Pruhs stated the Borough provided maps showing the property boundary of the marijuana facility and the property boundary of the daycare facility. He stated that the buildings are far enough away to comply with Borough buffer zone regulations. He stated he would speak with the Borough Mayor's Office about notice to nearby property owners while applications are at the Borough zoning level.

Mr. Ginnis stated that 3830 South Cushman is the old behavioral health building, and it is now where the Fairbanks Native Association Administrative Offices are located. He indicated that the map may not be accurate.

Mr. Cleworth stated he believes Mr. Ginnis' concerns are related to a marijuana facility that had already come before the Council and had already been approved.

Mayor Matherly asked Mr. Ginnis for the address of the daycare location he is concerned with. Mr. Ginnis explained where he thought it may be located on the map. **Mayor Matherly** explained that the location is not within 500 feet of the new marijuana facility. Mr. Ginnis stated that the map is difficult for him to read, but he has no problem reading a map when he is out on the river.

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

Ms. Therrien stated the issue of smell has been taken care of by ordinance, and the Building Department will help to regulate that.

Mr. Pruhs stated the location is perfect for the proposed marijuana facility.

Ms. Rogers stated the Weaver Brothers have been around for many years, and their opinion carries heavy weight; she stated they are strongly objecting to the approval of the license. She encouraged a strong neighborly relationship and expressed hope that North Star Fire would reach out to build a relationship with them.

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

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

d) The Fairbanks City Council heard interested citizens concerned with the following Marijuana License Applications for renewal:

Lic. #	DBA	License Type	Licensee	Address
10131	Pakalolo Supply Company, Inc.	Retail Marijuana Store	Pakalolo Supply Company, Inc.	1851 Fox Avenue
10230	Pakalolo Supply Company, Inc.	Standard Marijuana Cultivation Facility	Pakalolo Supply Company, Inc.	1851 Fox Avenue
11053	True Dank	Retail Marijuana Store	True Dank, LLC	1550 Cushman Street, Suite A
11051	Northlink, LLC	Standard Marijuana Cultivation Facility	Northlink, LLC	1550 Cushman Street, Suite B

Mr. Pruhs, seconded by **Mr. Cleworth**, moved to WAIVE PROTEST on the Marijuana License Applications for renewal.

Frank Turney – Mr. Turney spoke in support of the renewal of all the licenses and asked the retailers to speak to how many people come in to get CBD oil to relieve pain. He stated he has met people who are coming off of OxyContin by using marijuana.

Cole Hollister, 3264 Riverview Drive, Fairbanks – Mr. Hollister stated he did not have much to speak to but that he wanted to make himself available for questions.

Mr. Pruhs asked if it was a good thing that marijuana licenses had to be renewed every year. Mr. Hollister stated he fought against it from inception. He stated it is a burden for him as well as for the City Building Department. He stated he had four inspectors come to his facility to check everything, and it takes a lot of time. He stated he asked Building Official Clem Clooten whether there was additional funding for the annual inspections of marijuana facilities, and Mr. Clooten informed him there was not. **Mr. Pruhs** asked if anyone from the State of Alaska has approached the industry about opening a bank to deal with the marijuana industry. Mr. Hollister stated they have met with a few banks to determine ways that the cannabis industry could deposit cash into an account, but so far no one has stepped forward to deal with the business. He indicated, however, that the stigma with the industry lessens as the months pass.

Ms. Rogers stated that from the beginning, Pakalolo has been the gold standard for the industry, and it was clear that they poured over the planning of their operation. Mr. Hollister thanked Ms. Rogers and stated they have tried to ensure proper planning and protocol with their business.

Ms. Therrien asked Mr. Hollister if they sell CBD oil at Pakalolo. Mr. Hollister stated they do sell CBD oil and that his two strains are award-winning.

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

Ms. Therrien pointed out the low number of police calls for the marijuana establishment compared to the number of calls for alcohol establishments.

Mr. Cleworth asked whether the City has had any issue with marijuana tax collections. Chief Financial Officer Carmen Randle replied that the City has had no problems in tax collection.

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

YEAS: Pruhs, Therrien, Cleworth, Rogers

NAYS: None

ABSENT: Huntington, Bagwill

Mayor Matherly declared the MOTION CARRIED.

MAYOR'S COMMENTS AND REPORT

a) Special Reports

Scott McCrea, 101 Dunkel Street, Fairbanks – Mr. McCrea stated he the Director of Tourism for Explore Fairbanks and spoke to the recent destination marketing campaign in China. He stated they have enhanced their social media presence in China and now have on-the-ground representation. He spoke about the European contractor who represents Fairbanks in Europe, and he reported that Condor Airlines is celebrating 20 years of service to Fairbanks. He thanked the Council for reinvesting bed tax dollars into destination marketing.

Brittany Smart, 907 Terminal Street, Fairbanks – Ms. Smart spoke to the great article in the Community Spotlight of the News Miner on Mike Sanders, the Fairbanks Housing and Homeless Coordinator. She reported that Mr. Sanders also took on a VISTA Volunteer for his program who will be in place until September. She spoke to issues that will be on the Borough ballot relating to a bond and to an increase in the tax cap for a facility maintenance reserve.

Mayor Matherly stated that he was heartbroken to hear about the plane crash in Denali, the worst one for flightseeing in many decades. He sent his thoughts and prayers to the families of the victims. He stated August is a busy month, especially for the Borough because of the start of a new school year; he asked everyone to watch out for kids waiting for the bus and walking home from school. **Mayor Matherly** stated it is time for the fair and that there are two different locations available for people to attend. He stated the Chamber of Commerce will be hosting a gubernatorial debate at the Carlson Center and reported it should be interesting with several names in the hat. He commented that it is hard to believe only five weeks ago City Chief of Staff Mike Meeks was having some major health issues, and he is now back to work full time; he stated he is happy he is back and doing well.

NEW BUSINESS

- a) Resolution No. 4840 – A Resolution Authorizing the City of Fairbanks to Accept Funding from the Bureau of Justice Assistance for the FFY2018 Edward Byrne Memorial Justice Assistance Grant. Introduced by Mayor Matherly.

PASSED and APPROVED on the CONSENT AGENDA.

- b) Ordinance No. 6080 – An Ordinance Amending Fairbanks General Code Chapter 42, Labor Relations and Negotiations. Introduced by Council Member Cleworth.

Mr. Cleworth, seconded by **Mr. Pruhs**, moved to ADVANCE Ordinance No. 6080.

Mr. Cleworth stated that 90% of the ordinance was drafted by the City’s Legal Department; he stated this particular section of Code has not been updated in a number of years, and the only major change is in Section 42-2(b)(6). He indicated that some portions of the Code are no longer relevant or have not been followed.

City Attorney Paul Ewers stated that some confusion may have been caused by repealing and reenacting of Chapter 42 instead of how ordinances are usually introduced in a “track changes” format. He indicated that with all the changes and reorganization of the sections, it would have been nearly impossible to present the ordinance in a tracking-type format. He stated the old version is attached as back-up to the ordinance, but the new ordinance is mostly just clean-up of the old City Code. Mr. Ewers stated much of the healthcare information in the Code is outdated and needed to be rewritten along with other clarifications that do not change substance but make it more readable. He stated much of the ordinance is the same language, but it is organized in a fashion that makes it easier to understand.

Mr. Pruhs stated he would like to be included as a sponsor of Ordinance No. 6080. **Ms. Rogers** requested that she also be added as a sponsor of the ordinance.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADVANCE ORDINANCE NO. 6080 AS FOLLOWS:

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

- c) Ordinance No. 6081 – An Ordinance Amending Fairbanks General Code Section 2-113, Location; Changing Notice and Section 2-119, Order of Business. Introduced by Council Members Cleworth and Rogers.

Mr. Cleworth, seconded by **Ms. Rogers**, moved to ADVANCE Ordinance No. 6081.

Mr. Cleworth indicated that the Council has struggled to come to an agreement on how to conduct City business. He stated he has issues with not being able to give the public a specific time to come to speak at meetings, and if there is a lot of City business on the agenda, there is no exact time that public testimony is held. He stated the solution is not perfect, but he hopes more people will attend the meetings if there is a designated time for public comment.

Ms. Rogers stated things have moved in a good direction, and while they may not be perfect, it is moving in the right direction. She stated she has heard a lot from the community about

changing the order of business to hold public comment at a specific time. She stated she is also happy that meeting dates are being changed to be more understandable.

Mayor Matherly stated that no matter what they cannot make everyone happy all the time. He stated if they start earlier people will get home in time to spend some time with their families. He stated he sees the good in allowing an hour of public comment.

Ms. Therrien expressed concern with what might happen if the Council had to cut citizens' comments off, prohibiting someone from giving testimony. She asked whether there is a need for a second set of public comments since there is a second set of Council member comments.

Mr. Pruhs stated that no matter what happens there are always other ideas that can be applied to the order of business. He stated people will get conditioned to signing up for public comment, and it may take a little time to adjust, but people will accept the new order of business.

Ms. Therrien asked if Council meetings could begin at 5:30 p.m. because sometimes the Council is in Executive Session until late at night.

Mr. Pruhs agreed with Ms. Therrien and stated that working past 11:00 p.m. is not effective.

Mr. Cleworth explained why Executive Sessions happen at the end of the meeting.

Mayor Matherly stated he has considered holding Executive Sessions after a Finance Committee meeting.

City Attorney Paul Ewers advised that Executive Sessions may only be entered into during a publicly-noticed public meeting.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADVANCE ORDINANCE NO. 6081 AS FOLLOWS:

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

DISCUSSION ITEMS

a) Committee Reports

Permanent Fund Review Board – **Ms. Therrien** stated the Permanent Fund Board met, and they will be providing a written report to explain the changes they will propose.

Polaris Work Group – **Mr. Pruhs** stated the Polaris Work Group provided the City Engineer with the keys to the Polaris Building, and the Deed will be coming forth soon. He stated they are planning for \$8 to \$10 million to tear down the Polaris Building.

Housing & Homeless Coalition – **Ms. Rogers** stated the Housing & Homeless Coalition is helping get the word out about other groups like the Opioid Task Force. She stated that good people are coming together to do good work.

FMATS Policy Board – **Mr. Cleworth** stated some of the FMATS projects have been pushed back, and the money has been reallocated for other programs. He stated he would like Public Works and Engineering to come up with a list of City projects that need to be done.

CITIZENS' COMMENTS

Frank Turney – Mr. Turney spoke to the incident that occurred at Pioneer Park on the Fourth of July. He suggested that the Mayor should apologize to the man who was handcuffed due to mistaken identity. He spoke to the business cards City Council candidate Shoshana Kun and stated that he contacted the Alaska Public Offices Commission (APOC) to verify that her business cards were not in violation of any APOC regulations.

Shoshana Kun – Ms. Kun thanked all of the volunteers working at the fair and those who help to keep the flowers growing around the City. Ms. Kun thanked Ms. Therrien for pointing out the low number of police incidents at marijuana establishments. Ms. Kun stated it was a feared industry, but it is proving to not need to be anymore.

Victor Buberger, P.O. Box 58192, Fairbanks – Mr. Buberger complimented Public Works for the work they did on 10th Avenue and suggested they need to take a look at 26th Avenue. He stated the Council panders too much to the Fairbanks Firefighters Union (FFU). He stated the firefighters should be placed on salary and that overtime is a form of fleecing the City of funds. He stated the Fire Department should hire volunteer firefighters.

Michael Farrell, P.O. Box 72822, Fairbanks – Mr. Farrell stated he is glad to see a scheduled time for public testimony but asked that the time limit be changed back to five minutes. He stated that when Mr. Cleworth was Mayor, he gave him a building tour. Mr. Farrell stated the City needs to protect its website and warned that it may be hacked if changes are not made.

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

COUNCIL MEMBERS' COMMENTS

Mr. Cleworth stated the old dairy is starting to look better and thanked Public Works for their effort to clean it up. He stated he saw the announcement about Phil Petman's retirement and spoke kindly of Mr. Petman's role at the City. **Mr. Cleworth** stated the City will miss him, and he is looking forward to attending his retirement party.

Mr. Pruhs stated it is good to have Chief of Staff Mike Meeks back at work and in better health. He commended the City Clerk for doing a good job holding down the Clerk's Office alone.

Ms. Therrien stated she worked at the fair on behalf of the League of Women Voters and that she is looking forward to seeing how the election will turn out. She stated her heart goes out to the families of the victims of the airplane crash in Denali.

Ms. Rogers reported she attended Tony Shumate's retirement party at the Fairbanks North Star Borough. In regard to Mr. Petman, she stated that he always has a positive attitude and something nice to say. She echoed Mr. Pruhs' sentiments about Mr. Meeks' recovery from heart surgery. She thanked Clerk Snider for all the help she provides the Council and offered help if she needs any assistance in the office.

Ms. Therrien, seconded by **Mr. Cleworth**, moved to ENTER Executive Session for the purpose of discussing FFU & IBEW Labor Negotiations.

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

Mayor Matherly called for a brief recess.

EXECUTIVE SESSION

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

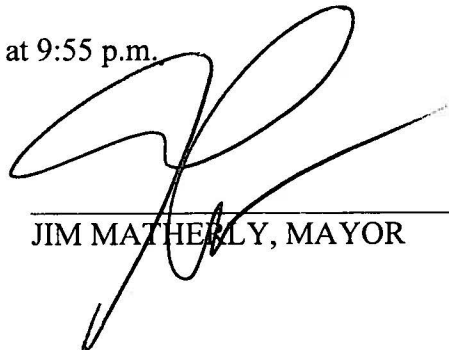
The City Council met in Executive Session to discuss FFU and IBEW Labor Negotiations. Direction was given to the negotiating team, and no action was taken.

ADJOURNMENT

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


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

Mayor Matherly declared the meeting adjourned at 9:55 p.m.



JIM MATHERLY, MAYOR

ATTEST:



D. DANYELLE SNIDER, CMC, CITY CLERK

Transcribed by: EB