



FAIRBANKS CITY COUNCIL
REGULAR MEETING MINUTES, JANUARY 28, 2019
FAIRBANKS CITY COUNCIL CHAMBERS
800 CUSHMAN STREET, FAIRBANKS, ALASKA

The City Council convened at 6:30 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: Shoshana Kun, Seat A
 June Rogers, Seat B
 Kathryn Ottersten, Seat D
 Jerry Cleworth, Seat E
 David Pruhs, Seat F

Absent: Valerie Therrien, Seat C (excused)

Also Present: Paul Ewers, City Attorney
 D. Danyielle Snider, City Clerk
 Jeff Jacobson, Public Works Director
 Mike Meeks, Chief of Staff
 Carmen Randle, Chief Financial Officer
 Angela Foster-Snow, HR Director
 Eric Jewkes, Police Chief
 Jim Styers, Fire Chief
 Kristi Merideth, Dispatch Manager
 Carrie Peterson, Grants Administrator

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 **Mx. Ottersten** to lead the Flag Salutation.

CITIZENS' COMMENTS

Donald A. Callahan, 606 Bennington Drive, Fairbanks – Mr. Callahan stated he is a lifelong Alaskan, and he spoke about the Alaskan spirit of valuing, treating, and respecting others although they may be different. He referred to the last sentence of the Pledge of Allegiance and stated that he has added a word at the end, "...liberty and justice for all 'sometimes'." He encouraged the Council to pass Ordinance No. 6093 to show true love for all humanity. He closed by quoting a portion of The Gettysburg Address.

George Y. Salmon, 828 Crossman Road, Fairbanks – Mr. Salmon thanked the Council for their work. He stated that he was raised to believe that all people were created equally. He expressed

anger and sadness that the Council had not taken action on Ordinance No. 6093. He stated he is saddened by some of the articles he has read in the opinion section of the newspaper. He encouraged the Council to pass the ordinance the way Juneau passed their ordinance on the issue.

Cecil A. Hines, 891 Ridge Loop Road, North Pole – Mx. Hines stated they are undoubtedly in favor of Ordinance No. 6093. They stated that some choose to discriminate and still believe that LGBTQ+ people should not have the same rights as others based on their sexual orientation, gender identity, or gender expression. They stated that Juneau has the same ordinance with no lawsuits; he questioned why Fairbanks should not have the same ordinance.

Reverend Shirley Lee, 457 Cindy Drive, Fairbanks – Reverend Lee expressed her belief that all people deserve equal protection. She stated that when people say, “I don’t discriminate, but…” She stated when that is said segregation and discrimination happens and not all are protected. She stated she was born in Fairbanks in 1959 when there were still signs posted stating, “No Natives allowed”. She stated that discrimination has been allowed and enforced and has no place in the Golden Heart City, but it still exists. She stated she is an ordained, Episcopal Priest serving in the Diocese of Alaska, and she strives to live up to her promise to serve all people and respect the dignity of all human beings. Rev. Lee stated that she is not a judge, and that is the role of the Creator alone. She stated that she is a servant just as each Council Member is a servant. She stated the Council is charged with serving all people, to manage and uphold the laws that provide safety and order to the citizens of Fairbanks. She stated she helped organize the creation of the Fairbanks Diversity Council (FDC), and she served on the body. She stated the FDC serves as an advisory body to the City Council, and she encouraged the City Council to listen to its recommendations.

Nicholas Bell, 601 Wayne Williams Lane, Fairbanks – Mr. Bell stated he is a retired U.S. Air Force Lt. Colonel and disabled veteran. He encouraged the Council to adopt Ordinance No. 6093. He spoke to his experience with the Air Force’s transition from an era of “don’t ask, don’t tell” and stated that there is a stark parallel in the discussions the City Council has heard in regard to Ordinance No. 6093. He stated those who opposed the transition had fears about homosexual sexual assault, contention within the barracks and homes, loss of operational cohesion, and religious infringement. Mr. Bell stated that if any of those concerns became a reality, he would have had to address it. He stated that it was business as usual days and months later; he stated that the long-held, positive inter-dependency actually became stronger following the transition. He stated the military community found it is in their best interest to no longer discriminate in such an unconventional manner. He named other organizations in the community that have extended non-discrimination relating to sexual orientation and gender identity into their bylaws. He stated Ordinance No. 6093 is about establishing a platform of support for those who are experiencing bullying, school dropouts, homelessness, mental anguish, and poverty. He expressed hope that the Council would recognize this as a leadership opportunity and vote in favor of the ordinance.

Cindy Salmon, 828 Crossman Road, Fairbanks – Ms. Salmon stated it is her first time speaking to a City Council, and it took importance to bring her to the meeting. She spoke to the City Mission Statement and about vibrancy in the community. She stated she attended some of the work sessions the Council held on Ordinance No. 6093; she stated she was encouraged, and she believes it is doable.

Alan Gross, 980 Mitkof Highway, Petersburg – Mr. Gross stated he was born and raised in Juneau, and he resides in Southeast Alaska. He stated that as a doctor and his beeper goes off in the middle of the night, he does not ask about the patient’s race, ethnicity, or sexual orientation. He stated everyone is the same deep inside, and everyone has their own personal struggles. He encouraged the Council to have compassion and stated it makes no sense to discriminate against certain people. He urged the Council to pass Ordinance No. 6093.

Chris Stoner, 511 Herning Road, Fairbanks – Ms. Stoner stated that she is gay and is a Marine Corps veteran. She stated it was unsafe at that time to be gay in the military, but she was lucky because she did not tell and no one asked. She stated she was honorably discharged and began a career in software engineering. She stated while with IBM, she came out because she was in a safe, welcoming environment; she stated she was not given special treatment but was not discriminated against. Ms. Stoner stated that sexual orientation and gender identity have no relationship to workplace performance. She stated that IBM, Nokia, and Yahoo embraced diversity in the workforce because it improved productivity, helped recruit the best talent, and fostered better understanding of consumers. She stated there is no reason for discrimination in Fairbanks. She stated a religious exemption is not needed in the ordinance, and the FDC agrees. She stated that, like others, LGBTQ Alaskans just want to contribute to the economic health of their state, earn a living, and be able to provide for their families. She stated it is time to protect all Alaskans.

Michelle Stoner, 511 Herning Road, Fairbanks – Ms. Stoner spoke in support of Ordinance No. 6093. She stated she has worked in the computer field her entire career, and she started as a civilian contractor with the Navy. She stated she was out to her family but not to her employer because she feared losing her job. She stated that she later became a civil servant and, at 10 years into government service, she attended a gay government employees meeting. She stated she was fully aware that she could be fired for attending the gathering, but she did so that others may not have the same fear in the future. Ms. Stoner stated she left the government and has worked 15 years in the private industry, 12 of which she has worked with her partner. She stated hard work is defined by work ethic, perseverance, and performance. She stated there is no reason for discrimination in Fairbanks.

Krista Christensen, 510 Yak Road, #860A, Fairbanks – Ms. Christensen spoke in support of Ordinance No. 6093. She stated all citizens deserve equal protection under the law, and it is unacceptable that some groups of citizens regularly experience discrimination in housing, employment, and everyday interactions. She asked the Council to vote in support of the ordinance. She read aloud Section 1 of the 14th Amendment to the U.S. Constitution.

Laurel Holmes, 3158 N. Van Horn Road, Fairbanks – Ms. Holmes stated Fairbanks has been her home for 65 years. She stated she currently owns 27 rental apartments in the Fairbanks area, and she spoke in support of Ordinance No. 6093. She stated she has become increasingly aware of discrimination against LGBTQ persons in Fairbanks, and she is saddened by it. She stated she is humbled by the contributions of the gay and transgender Fairbanksans known to her who give of their time and talents to support and improve the lives of others in the community. She stated that the rights of religious institutions are already protected under the law. Ms. Holmes cautioned against driving out LGBTQ neighbors because of baseless fears.

Yule Chadwick, 1288 Sunny Slope Road, Fairbanks – Mr. Chadwick stated she is a lifelong Fairbanksan. She stated she has grown up in a very accepting family. She stated everyone deserves the opportunity provide for their family. She shared that there seems to be no issue with the Juneau ordinance since it was adopted, and she spoke in support of Ordinance No. 6093 and against putting it off any longer. She stated the LGBTQ community is not an afterthought.

Clint Lemen, 1288 Sunny Slope Road, Fairbanks – Mr. Lemen stated he is a lifelong Fairbanks resident, and he thanked the Council for allowing him voice his support of Ordinance No. 6093. He recalled in the 1990s when a display was put up at the library celebrating the LGBTQ community, and there was an uproar and protest against the display. He stated that he counter-protested, and it was his first time hearing the hatred toward the LGBTQ community. Mr. Lemen stated he is in attendance to support the ordinance because of what he saw all those years ago. He stated people should not be discriminated against because of sexual orientation and gender identity.

Stephen Arturo Greenlaw, 510 Yak Road, #856C, Fairbanks – Mr. Greenlaw spoke as a community member and as a Catholic. He stated there is an idea that one cannot be a Catholic and support the LGBTQ community. He stated the ordinance should include protections for LGBTQ people, and he read aloud a portion of the Catechism of the Catholic Church. He placed an emphasis on the word dignity in regard to how people treat one another.

Kerry Quillin, 1420 Whistling Swan Drive, Fairbanks – Ms. Quillin stated she has been a Fairbanks resident for 31 years, and her daughter and grandchildren were born here. She stated she has experienced discrimination in Fairbanks as a lesbian. She stated that she is a member of the Unitarian Church, and one of the primary precepts of the church is the belief in the inherent worth of a human being, regardless of religion, race, sexual orientation, or whom a person loves. She stated Fairbanks needs Ordinance No. 6093 to be passed, and she encouraged the Council to pass the ordinance.

Hayden Nevill, 3659 Jackhammer Road, Fairbanks – Mr. Nevill thanked the Council for their service. He stated he is a transgender man, and he supports Ordinance No. 6093. He stated that Fairbanks is a community that, overall, takes care of LGBTQ people; he stated the ordinance would help with the few who treat the LGBTQ people differently. In opposition to the argument that everyone is born either male or female, he stated that 1% of babies have some sort of intersex condition – more common than red hair. Mr. Nevill spoke to the concern raised about transgender people being in locker rooms, and he stated that transgender people are in locker rooms all the time and go unnoticed. He stated that transgender people tend to be private and discreet. Mr. Nevill stated that there are no credible reports of men accessing women’s locker rooms or restrooms to commit sex crimes because of similar ordinances. He asked for fairness in housing and employment for transgender people.

Phil Osborn, 1451 Flat Mountain Road, Fairbanks – Mr. Osborn thanked the Council for their hard work on Ordinance No. 6093, and he stated he fully supports adoption of the ordinance as soon as possible. He stated he is not worried about any problems arising from its adoption.

Jana Peirce, 1820 Lilac Avenue, Fairbanks – Ms. Peirce asked the Council to pass Ordinance No. 6093 without a religious exemption. She stated that the freedom of religion is already protected under federal and state law, but it does not give a person the right to harm others. She stated that

passage of the ordinance would not change protections for or rights of religious organizations. She stated that many who testified in opposition to Ordinance No. 6093 on December 10 stated, "I don't believe in discrimination, but...", then proceeded to state why they felt they had the right to discriminate. Ms. Peirce stated that the freedom of religion is broad and important, but it is limited; she stated it may not be used to harm others who are entitled to equal protection. She again urged the Council to pass the ordinance without a religious exemption.

Kristen Schupp, 4295 Peartree Loop, Fairbanks – Mx. Schupp spoke in support of Ordinance No. 6093 and stated that they feel it is important to have a community where everyone feels welcome and has equal opportunity to housing and employment. Mx. Schupp stated that diversity makes a community stronger and that Fairbanks should have a zero tolerance policy for discrimination. Mx. Schupp stated religious organizations are already protected. Mx. Schupp spoke against raising the number of employees to 15 in the section of the ordinance that defines an employer and stated it provides far too many opportunities to deny employment to citizens. Mx. Schupp spoke in support of dropping the number of employees down to less than 5 or getting rid of the exemption altogether. Mx. Schupp stated that exemptions send a message that a little discrimination is okay. Mx. Schupp spoke in support of providing a better community for their children and their peers and commented that those in the LGBTQIA+ community are some of the best people in Fairbanks.

Helenmarie Matesi, 3725 Non Road, Fairbanks – Ms. Matesi stated she has been in the community for more than 40 years and has been a teacher all her life. She stated that you cannot legislate morality, but you can pass Ordinance No. 6093. She stated she wants to live in a community where everyone is safe and valued, regardless of sexual identity. She stated she has been Black for 67 years, and she knows a little bit about discrimination; she commented that discrimination has no place in a city where people love each other.

Charlotte Basham, 1049 Red Fox Drive, Fairbanks – Ms. Basham stated she is Co-clerk of the Chena Ridge Friends Meeting, and she spoke in support of Ordinance No. 6093. She stated a cornerstone of her faith is the belief is that God is in everyone, and that she rejects unfair discrimination. She stated the ordinance is not an issue of religious freedom, and that freedom does not give anyone the right to harm others. She stated the ordinance is needed to provide for equal treatment of everyone under the law.

Michael Walleri, 2518 Riverview Drive, Fairbanks – Mr. Walleri addressed the religious freedom issues, and he stated he sent the Council some information. He stated that personal ideas are not really protected under the Constitution; he stated the religious freedom right is based upon whether a person is practicing their religion. He explained that a violation of a person's religious rights would be if they were prohibited from practicing their religion or if they were required to do something in violation of their religious beliefs. Mr. Walleri stated that many religions do not prohibit same-sex relationships. He stated that the Catholic religion prohibits both same-sex relationships and discrimination against others. He stated that no Christian denomination in the United States requires people to discriminate. He stated that the Ordinance No. 6093 does not threaten religious practice.

Becky Anderson, 3725 Mariposa Lane, Fairbanks – Ms. Anderson thanked the Mayor and Council for their hard work. She stated she supports Ordinance No. 6093, and she believes Fairbanks is a special place that has earned its name as The Golden Heart City. She stated that it

was not until she heard the vitriol on December 10 from those opposing the ordinance that she understood what was at stake. She stated that if nothing else convinces Council Members that Ordinance No. 6093 is necessary, the display of hatred, fear mongering, and cruelty at the December 10 meeting by those wanting to protect their right to discriminate against the LGBTQ community should. Ms. Anderson stated she is a Fairbanksan and a Christian and stated the extremists who oppose equal rights based on religious rights seem to be using it as code for intolerance, discrimination, and Christian supremacy. She stated that those fundamentalists do not speak for her or her faith, nor does she believe that they represent the majority of those practicing Christianity in the community. She encouraged everyone to ask themselves, "What would Jesus do?", to love their neighbors, and to display compassion. She implored the Council to pass Ordinance No. 6093.

M. Suzanne Rich, 1451 Flat Mountain Road, Fairbanks – Ms. Rich stated that she cannot help but keep looking at the American flag in the room which stands for "liberty and justice for all." She stated that the adoption of Ordinance No. 6093 seems like a no-brainer, and she compared the issue to the right of women to vote. She stated that she came to Fairbanks as a mid-wife, and she has done births for people of various sexual orientations. She stated that there was a French surgeon who came and spoke to midwives, and he said that being gay may be caused partly by a hormone imbalance in the mother's body due to stress or fear during pregnancy. Ms. Rich stated she has seen that happen in her practice and that there is nothing different about gay people.

Travis Naibert, 289 Rainbow Ridge Road, Fairbanks – Mr. Naibert expressed hope that the Council would adopt Ordinance No. 6093. He shared that he lives in the Borough but comes into the City of Fairbanks on a daily basis. He stated he is a white, straight male in his 30s with no disabilities, and he never worries about losing his job or getting passed over for a new job because of his race or identity; getting kicked out of his rental house because of who he loves; or being deprived of service from a business. He stated, however, that he has friends who have to worry about those things all the time. Mr. Naibert stated he would like to live in a community where no one has to worry about discrimination.

Rose O'Hara-Jolley, 1932 Kittiwake Drive, Fairbanks – Ms. O'Hara-Jolley thanked the City Council for hearing testimony, and she expressed her support for Ordinance No. 6093. She shared that the Reverend Leslie Fails has testified to the Council about her concern with preventing deaths in the community. Ms. O'Hara-Jolley stated that without the love and support of people like Rev. Fails and Mr. Nevill she would not be here. She stated that she came closer to taking her own life than she ever has, and she believes that is a truth the Mayor and Council need to hear. She stated she is not unique, and many members of the community who have felt the pressure and bigotry have thought of ending their own lives. She stated that those individuals are not just statistics but are members of the community who are trying to survive. Ms. O'Hara-Jolley stated she finds it insulting that she has to share something so personal with the Council in order for it to consider her humanity. She stated she is not begging but is demanding that the Mayor and Council vote to promote the dignity of and protect all community members and live up to the name, The Golden Heart City.

Mayor Matherly declared Citizens' Comments closed as the time was 7:30 p.m. He stated that the Council was inundated with feedback on Ordinance No. 6093 the week of December 3 – 10. He stated that Anchorage debated and discussed for 6 months before adopting their ordinance. He stated that the ordinance has been postponed only once, and he feels he has learned so much

during the process. **Mayor Matherly** stated he is happy that there has been more time to consider the issue, and he assured those in the audience that their comments are not falling upon deaf ears. He asked everyone to have faith in the Council, and understand that the Council is trying to get it right. He stated that currently the vote on the ordinance is set for February 25, and the Council takes the issue seriously. He encouraged folks to visit his office and talk.

Ms. Kun thanked every veteran for their service and acknowledged the personal information Ms. O’Hara-Jolley shared. She thanked everyone who attended and spoke to the Council.

APPROVAL OF AGENDA AND CONSENT AGENDA

Mx. Ottersten, seconded by **Mr. Pruhs**, moved to APPROVE the Agenda and Consent Agenda.

Mayor Matherly pulled Resolution No. 4862 from the Consent Agenda.

Ms. Kun pulled Ordinance No. 6094 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.

SPECIAL ORDERS

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

Lic. #	DBA	License Type	Licensee	Premises Address
4880	Friar Tuck’s Hoagie House	Restaurant/ Eating Place	Joshua Roach & Stafford Roach	427 Merhar Avenue, Unit 2
145	Boatel Bar	Beverage Dispensary	Abie Neubaauer, Inc.	3368 Riverside Drive
3020	American Legion Post #57	Club	American Legion Post #57	1634 Cushman Street

Mr. Pruhs, seconded by **Mx. Ottersten**, moved to WAIVE PROTEST on the Liquor License Applications for Renewal.

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

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

YEAS: Pruhs, Kun, Cleworth, Ottersten, Rogers
NAYS: None
ABSENT: Therrien

Mayor Matherly declared the MOTION CARRIED.

b) The Fairbanks City Council heard interested citizens concerned with the following Application for a New Liquor License and Restaurant Designation Permit:

Type: Beverage Dispensary (Duplicate) , License #5734
DBA: The Bakery Restaurant
Applicant: The Bakery Restaurant, Inc.
44 College Road, Suite A, Fairbanks

Mr. Pruhs, seconded by **Mx. Ottersten**, moved to PROTEST the Application for a New Liquor License and Restaurant Designation Permit until a Certificate of Occupancy is issued.

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

Mr. Pruhs stated he thought the business was already open and operating. Clerk Snider stated that she believes that is the case, and the protest of the liquor license for the downstairs portion of the business has been lifted. She explained that this is a duplicate liquor license that would be located upstairs, and that portion is yet unfinished according to the Building Official.

Ms. Rogers stated that she finds it more reasonable to work with business owners when these types of licenses come up for Council consideration. She indicated that she would like owners to be present when the Council is considering their license.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO PROTEST APPLICATION FOR A NEW LIQUOR LICENSE AND RESTAURANT DESIGNATION PERMIT UNTIL A CERTIFICATE OF OCCUPANCY IS ISSUED AS FOLLOWS:

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

c) The Fairbanks City Council heard interested citizens concerned with the following Liquor License Application for Transfer of Ownership, Location, and Restaurant Designation Permit:

Type: Beverage Dispensary, License #4504
DBA: Venue Fairbanks
Applicant: Go Alaska Media, LLC
514 2nd Avenue, Fairbanks
From: Gold Rush Deli / Upriver, Inc.
3399 Peger Road, Suite C

Mx. Ottersten, seconded by **Mr. Pruhs**, moved to WAIVE PROTEST on the Liquor License Application for Transfer of Ownership, Location, and Restaurant Designation Permit.

Isiah Mangum, 514 2nd Avenue, Fairbanks – Mr. Mangum stated it has taken many years to realize the dream of creating a space in the heart of Fairbanks that is a flexible venue for various types of events. He stated that the ability to sell adult beverages to responsible adults will allow more people to enjoy the Venue. He stated that the business intends to limit their alcohol service to craft cocktails using local spirits that are more event-based. He stated they have no intention

of operating as a traditional bar. Mr. Mangum explained that they would like to offer beer and wine during regular business hours and into the evening. He stated that they realize it is a great responsibility.

Ms. Rogers thanked Mr. Mangum for all the attention to detail. She spoke to the importance of working together in a one-on-one relationship. **Mx. Ottersten** thanked Mr. Mangum for the space they have created downtown and echoed the letters of support from others. **Mayor Matherly** commented that it is a great downtown business.

Mr. Mangum stated that he believes the business has already contributed to the downtown area, and he and his family have not taken the responsibility lightly.

Arlette Eagle-Lavelle, 414 2nd Avenue, Fairbanks – Ms. Eagle-Lavelle stated that she is the owner of Lavelle’s Taphouse near the Venue. She expressed support for the Venue liquor license, and she stated she believes it will only bring more sophistication to the downtown community. She commended the Mangum family for the great things they have done.

Ivan Gyaurski, 523 2nd Avenue, Fairbanks – Mr. Gyaurski expressed support for the Venue liquor license. He stated that they are a great downtown business, they do a lot of fun events, and they bring a lot of people into the downtown area.

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

Mr. Cleworth asked the Clerk to speak to what a Restaurant Designation Permit does. Clerk Snider stated she believes that the permit allows the business owner to hire staff under the age of 21 to work in the restaurant portion of the business. **Mayor Matherly** asked Mr. Mangum to come back up to address Mr. Cleworth’s question. Mr. Mangum stated that the restaurant designation permit would allow his business to employ underage staff for the restaurant portion of the business. **Mr. Cleworth** asked whether it is a requirement to have a restaurant designation permit if one owns a beverage dispensary-type license. Mr. Mangum replied that it is not. **Mr. Cleworth** expressed concern with the number of liquor licenses in the downtown area. He clarified that he is not concerned specifically with the Venue liquor license, rather he is more worried about what may happen if liquor licenses in the downtown area are sold to new owners.

Ms. Kun expressed support for the Venue. She echoed Mr. Cleworth’s concerns for the total number of liquor licenses in the downtown area.

Mr. Pruhs spoke to the high cost of liquor licenses as a commodity. He stated it is fortunate that someone like Mr. Mangum acquired the license, and he spoke highly of the Mangum family.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO WAIVE PROTEST ON THE LIQUOR LICENSE APPLICATION FOR TRANSFER OF OWNERSHIP, LOCATION, AND RESTAURANT DESIGNATION PERMIT AS FOLLOWS:

YEAS: Ottersten, Cleworth, Rogers, Kun, Pruhs

NAYS: None

ABSENT: Therrien

Mayor Matherly declared the MOTION CARRIED.

d) 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, #16006
DBA: Arctic Bakery, LLC
Applicant: Arctic Bakery, LLC
Address: 1409 Well Street, Fairbanks, Alaska

Mr. Pruhs, seconded by **Ms. Kun**, moved to PROTEST the Application for a New Marijuana Product Manufacturing Facility License until fire inspections are complete and a Certificate of Occupancy is issued.

Brian Simpson, 734 Chena Ridge Road, Fairbanks – Mr. Simpson stated he is the general manager of the business.

Ms. Kun asked Mr. Simpson what the business will be specializing in. Mr. Simpson stated that they will be making marijuana edibles, and it is a secure facility in the industrial area. He stated that the location will be closed to everyone except employees or invited guests.

Ms. Rogers thanked Mr. Simpson for being present and for the careful detail in his application. Mr. Mangum spoke briefly to those involved with the business. **Mr. Pruhs** spoke to the amount of education and knowledge of those involved and commended Mr. Mangum for the marketing of the business and for improving an old building.

Mr. Ottersten asked how many people would be employed by the business; Mr. Mangum replied that there would be eight fulltime employees.

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

Mr. Pruhs stated that people have set a high standard in the liquor license business in recent years.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO PROTEST THE APPLICATION FOR A NEW MARIJUANA PRODUCT MANUFACTURING FACILITY LICENSE UNTIL FIRE INSPECTIONS ARE COMPLETE AND A CERTIFICATE OF OCCUPANCY IS ISSUED AS FOLLOWS:

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

MAYOR'S COMMENTS AND REPORT

a) Special Reports

Scott McCrea, Explore Fairbanks – Mr. McCrea stated he is the Director of Tourism at Explore Fairbanks. He updated the Council on the activities of his department for the last quarter of 2018; he spoke to what is happening with the China, European, Australian, and U.S. markets. He thanked the Council for reinvesting bed tax dollars into destination marketing.

Mx. Ottersten stated they have not heard of much tourism coming out of Southeast Asia. They asked whether it is a developing market and which countries specifically are showing interest. Mr. McCrea stated they met with people from the following countries: Malaysia, Philippines, Vietnam, and Singapore.

Mayor Matherly stated that he, Mayor Welch, and Mayor Ward had the opportunity to meet with the delegation from China the prior week; he stated it was a great exchange. He stated he appreciated the public testimony in regard to Ordinance No. 6093, and the Council would be setting more work session dates on the issue. **Mayor Matherly** mentioned the recent death of someone close to him, Nick Monroe. He stated he was married to Mr. Monroe's daughter at one time. He stated that Mr. Monroe was a loving, upbeat man, and he will be missed greatly.

COUNCIL MEMBERS' COMMENTS

Mayor Matherly asked the Council for comments; no members had comments to give.

NEW BUSINESS

- a) Resolution No. 4861 – A Resolution Authorizing the City of Fairbanks to Apply for Funds from the State of Alaska DOT&PF for the Alaska Transportation Alternative Grant Program for 5th Avenue Sidewalks. Introduced by Mayor Matherly.

PASSED and APPROVED on the CONSENT AGENDA.

- b) Resolution No. 4862 – A Resolution Authorizing the City of Fairbanks to Apply for Funds from the State of Alaska DOT&PF for the Alaska Transportation Alternative Grant Program for Downtown Sidewalks. Introduced by Mayor Matherly.

Mx. Ottersten, seconded by **Ms. Kun**, moved to APPROVE Resolution No. 4862.

Ms. Kun, seconded by **Mx. Ottersten**, moved to SUBSTITUTE Resolution No. 4862, as Amended, for Resolution No. 4862.

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

Mayor Matherly invited Grants Administrator Carrie Peterson to speak about the changes. Ms. Peterson stated that the length of the sidewalk was increased in the substituted version, and it increased the dollar amount in the fiscal note. She stated that funding for the City's match would come from reimbursed match funds from under-budget projects.

Mr. Cleworth asked which project came in under budget. Ms. Peterson stated there were a several projects with leftover match funds, one of which was the Cushman Street project.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPROVE RESOLUTION NO. 4862, AS AMENDED, AS FOLLOWS:

YEAS: Kun, Ottersten, Pruhs, Cleworth, Rogers

NAYS: None

ABSENT: Therrien

Mayor Matherly declared the MOTION CARRIED and Resolution No. 4862, as Amended, APPROVED.

- c) Resolution No. 4863 – A Resolution Authorizing the City of Fairbanks to Apply for Funds from the Alaska Division of Homeland Security for the FFY2019 State Homeland Security Program. Introduced by Mayor Matherly.

PASSED and APPROVED on the CONSENT AGENDA.

- d) Resolution No. 4864 – A Resolution Authorizing the City of Fairbanks to Accept Funds from the Firehouse Subs Public Safety Foundation Grant Program. Introduced by Mayor Matherly.

PASSED and APPROVED on the CONSENT AGENDA.

- e) Ordinance No. 6094 – An Ordinance Approving the FAST Planning Inter-Governmental Operating Agreement. Introduced by Mayor Matherly and Council Member Cleworth.

Mr. Cleworth, seconded by **Mr. Pruhs**, moved to ADVANCE Ordinance No. 6094.

Ms. Kun asked Mr. Cleworth for some clarification on the operating agreement. **Mr. Cleworth** stated there are many FMATS-related agreements, and it can be confusing. He stated that the ordinance is a placeholder, and there will likely be an amended version to follow. He stated that Deputy City Attorney Danielle Pensley has been working on the proposed agreement, and she pointed out a few issues. **Mr. Cleworth** stated that he would like to see an amended version in the next Council agenda packet and, if the Council adopts it, the agreement would go back to the FMATS Policy Board for review.

Mayor Matherly stated he believes the City of Fairbanks has done well throughout the FMATS transition to FAST Planning.

Mr. Pruhs asked whether the other parties had already reviewed and approved of the agreement. **Mr. Cleworth** stated that the agreement is supposed to be before each of the other bodies. He stated that they may also make some changes, and once everyone has agreed, the document will go to the Governor for final approval. **Mr. Pruhs** thanked Mr. Cleworth and Mayor Matherly for their work on the FMATS Policy Board.

Ms. Rogers referred to a letter the Council received from the previous director of FMATS. **Ms. Rogers** questioned what Fairbanks North Star Borough (FNSB) concerns the former director was referring to in the letter. **Mr. Cleworth** stated that everyone had been on board for the October 1, 2018 deadline until former FNSB Mayor Kassel expressed legal concerns at the September FMATS Policy Board meeting. **Mr. Cleworth** stated he was shocked to hear the Borough's

concerns at that meeting, but in the end the issues were not that big of a deal. He shared that at the October meeting, Mayor Kassel apologized for dropping the ball and causing the process to fall behind. **Mr. Cleworth** stated that new Borough Mayor Ward is working through the process as quickly as possible.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADVANCE ORDINANCE NO. 6094 AS FOLLOWS:

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

DISCUSSION ITEMS

a) Committee Reports

Legislative Committee – **Mr. Pruhs** stated that the Committee will meet again on February 6 at 4 p.m. He stated at the last meeting they reviewed the State’s operating budget and revenues.

Polaris Work Group – **Mr. Pruhs** reported that the Group has held work sessions to draft a request for funding to the U.S. Congress for demolition of the Polaris Building. He stated that before the request is finalized he will bring it before the City Council for review.

Fairbanks Diversity Council (FDC) – **Ms. Rogers** stated that the FDC met on January 8; she stated they approved a resolution and a memorandum, both of which were included in the City Council agenda packet.

Hotel/Motel Discretionary Fund Committee – **Ms. Rogers** reported that the Committee met for its wrap-up meeting on January 9. She stated the meeting went well, and the application has been well-polished. She stated that the Committee will not meet again until November. She thanked City staff for all the work they put into the Committee.

Public Safety Commission (PSC) – **Ms. Kun** stated that the PSC met on January 8 and discussed forming a subcommittee. She stated a guest came and shared a concept for off-road vehicles.

WRITTEN COMMUNICATIONS TO COUNCIL

a) Memo Acknowledging Payment of FPD Employee Lateral Hire Bonus

ACCEPTED on the CONSENT AGENDA.

b) Appointment to the Chena Riverfront Commission

APPROVED on the CONSENT AGENDA.

c) Letter of Recommendation from the Fairbanks Diversity Council

ACCEPTED on the CONSENT AGENDA.

- d) Fairbanks Diversity Council Resolution No. 2019-01 Regarding City Ordinance No. 6093

ACCEPTED on the CONSENT AGENDA.

- e) Hotel/Motel Discretionary Fund Committee Meeting Minutes of December 6, 2018

ACCEPTED on the CONSENT AGENDA.

- f) Fairbanks Diversity Council Meeting Minutes of December 11, 2018

ACCEPTED on the CONSENT AGENDA.

COUNCIL MEMBERS' COMMENTS

Mayor Matherly commended Housing and Homeless Coordinator Mike Sanders and everyone who participated the previous week in Project Homeless Connect. He stated the event was put on nationwide, and the Fairbanks event was a fantastic, well-attended event. He stated it was humbling to see so many people come in that needed help.

Mx. Ottersten stated that the previous day was Holocaust Remembrance Day. They stated they were shocked to read an article that stated 1/3 of Americans do not believe the Holocaust occurred. They commented that there is a part of American oral history that is lost when those types of things are not discussed. **Mx. Ottersten** spoke to survivors of the Holocaust and to how they value life; they stated Americans should feel lucky they have never faced something like that. **Mx. Ottersten** shared that nine languages and cultures died in the death camps during those six years.

Mr. Cleworth referenced the recent report given to the Council by the City Clerk; he suggested that the issue of whether to record Finance Committee Meetings be placed on the next Finance Committee agenda. He stated that he and Mx. Ottersten have spoken about whether other Board and Commission meetings should be recorded, and he expressed concern with the amount of work that goes into the Clerk's Office staff drafting the minutes for the various meetings. He indicated that there may be an ordinance forthcoming to address the issue. **Mr. Cleworth** stated in the late 1980s, nearly all City employees were a part of the Public Employee Retirement System (PERS). He stated that at the time the City's contribution would fluctuate greatly from year-to-year, and it made it difficult to budget. He stated the Council held meetings on the topic and decided to try to remove employees from PERS; he reported they were successful in removing all but Police and Fire Department employees. He stated in 2001, they changed actuaries, and the City was informed that there was no surplus and learned that they were \$80 million in the hole. **Mr. Cleworth** stated that a Council Member at the time, Jeff Johnson, began asking questions of those in Juneau in regard to the computation of rates and whether they had separate accounts for each employee. He stated those questions went unanswered. He explained that Michael Lamb, the Chief Financial Officer (CFO) at the Borough at that time, started investigating the issue and produced reports showing that, in Mr. Cleworth's opinion, the State did not know what they were doing. **Mr. Cleworth** stated that different municipalities were paying different rates up to that time, and the State could not explain why; so the State changed

everyone's rate to \$0.22 on the dollar, the rate that still is in effect today. He stated, however, that the PERS deficit was not addressed, and it kept ballooning. He explained that the whole PERS system was predicated on a return of 8.25% a year, which never materialized. **Mr. Cleworth** stated Juneau addressed the deficit by creating PERS Tier IV for new employees; he indicated that the problem is that a portion of Tier IV funding goes towards funding Tiers I – III. He stated that the earning power of that money has disappeared. He stated that former Governor Parnell put a lot of money into PERS to reduce the deficit, but debt still remains. **Mr. Cleworth** referenced House Bill 11 that City Lobbyist Yuri Morgan recently sent information about to the Council. He explained that the bill proposed to open the PERS defined benefit plan back up to only Alaska State Troopers (AST). He stated he has a problem with the bill because it puts the City at a competitive disadvantage with the AST, and the State has already shown it cannot manage the PERS system. He requested that the issue be placed on the Finance Committee agenda for discussion.

Mr. Pruhs acknowledged and expressed appreciation for City employees who operate in extremely cold temperatures.

Ms. Rogers thanked everyone who attended the meeting and testified to the Council. She stated she appreciates the continued letters from members of the community. She echoed Mr. Pruhs' appreciation to City workers.

Ms. Kun stated she supports having a discussion about Finance Committee Meetings. She spoke to the many of victims of the Holocaust and stated that it was a human atrocity. She thanked the organizations that participated in the Women's March, and spoke to the importance of standing up for what you believe in. **Ms. Kun** spoke to the Race and Climate Justice Seminar and thanked those who organized the event. She stated that the most vulnerable people in the community are the most at risk.

CITY CLERK'S REPORT

- a) Memo Regarding Format for February Work Sessions on Ordinance No. 6093, as Amended

Clerk Snider stated that she and the City Attorney prepared the memo in order to gain direction from the Council on the next Work Session dates for Ordinance No. 6093. She stated tentative dates have been set at February 4, 6, and 7. Attorney Ewers spoke to the various options for reopening public comment on the ordinance. He stated that the Council may choose to reopen public comment on Ordinance No. 6093 at the February 25 meeting.

Council members discussed how to proceed with February Work Sessions on Ordinance No. 6093. **Mr. Pruhs** indicated that he would like to open public testimony on February 25 both during the Regular Meeting and prior to it at a work session. He stated he would like the three morning Work Sessions to be a time for the Council to work on and discuss the ordinance. **Mayor Matherly** spoke to the need for the Council to put in the work and feel comfortable with the result. **Mr. Cleworth** stated he supports the three morning Work Sessions for the Council to work on and discuss the ordinance. He stated it would be ideal if the Council could come up with a product for the public that everyone is in harmony with before holding another public hearing. He asked what time the sign-up sheet is put out for the public. **Mayor Matherly**

replied that the sign-up sheet is put out at 6 p.m. **Mr. Cleworth** expressed concern that one group could come in and sign up 40 people for public testimony which would cause others to not be able to speak. Clerk Snider stated that the public comment sign-up sheet has been put out at 6 p.m. consistently after public comment became limited to one hour. **Mx. Ottersten** stated they would be happy to consider scheduling public hearings for other evenings; they spoke against shutting people down. **Ms. Kun** stated she feels that the Council should allow public comment on the Monday morning Work Session to hear all the public concerns and suggestions prior to more Council work on Ordinance No. 6093. **Ms. Rogers** spoke in support of the Work Sessions. **Mr. Pruhs** stated it is time for the Council to go to work on the ordinance to try to come up with a version to move forward with.

Mr. Pruhs, seconded by **Ms. Rogers**, moved to hold Council Work Sessions without public comment on February 4, 6, and 7 at 7 a.m.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO HOLD COUNCIL WORK SESSIONS WITHOUT PUBLIC COMMENT ON FEBRUARY 4, 6, AND 7 AT 7 A.M. AS FOLLOWS:

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

Mayor Matherly stated that the Council can decide before the end of the morning Work Sessions whether they wish to schedule more sessions.

CITY ATTORNEY'S REPORT

Attorney Ewers encouraged Council Members to contact him if they had specific legal questions in regard to Ordinance No. 6093.

Mr. Pruhs, seconded by **Ms. Kun**, moved to ENTER Executive Session for the purpose of discussing Fairbanks Firefighter Union (FFU), AFL-CIO, and Public Safety Employees Association (PSEA) 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) AFL-CIO Labor Negotiations
- c) PSEA Labor Negotiations

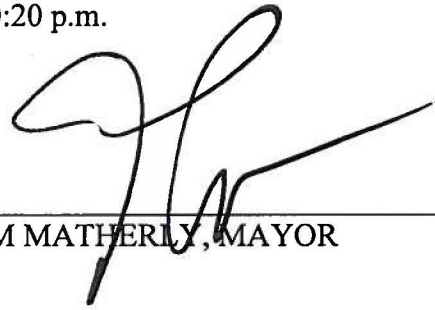
The City Council met in Executive Session to discuss FFU, AFL-CIO, and PSEA Labor Negotiations. Direction was given to the negotiating teams, and no action was taken.

ADJOURNMENT

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

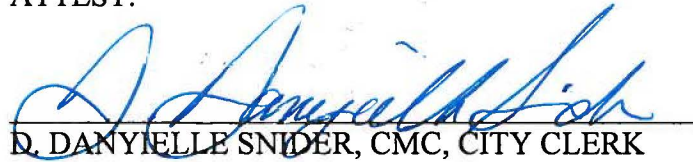
Mayor Matherly called for objection and, hearing none, so ORDERED.

Mayor Matherly declared the meeting adjourned at 10:20 p.m.



JIM MATHERLY, MAYOR

ATTEST:



D. DANYIELLE SNIDER, CMC, CITY CLERK

Transcribed by: DS