



FAIRBANKS CITY COUNCIL
REGULAR MEETING MINUTES, JUNE 24, 2019
FAIRBANKS CITY COUNCIL CHAMBERS
800 CUSHMAN STREET, FAIRBANKS, ALASKA

The City Council convened at 6:30 p.m. on the above date, following a 5:30 p.m. Work Session on Resolution No. 4878 Regarding HB 79 (Defined Benefit Plan for Certain Public Employees), 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
 Valerie Therrien, Seat C
 Kathryn Ottersten, 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
 Jeff Jacobson, Public Works Director
 Kristi Merideth, Dispatch Center Manager
 Nancy Reeder, Police Chief
 Carrie Peterson, Grants Administrator
 Jim Styers, Fire Chief
 Bill Rogers, Engineer II

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 everyone to join him in the Pledge of Allegiance.

CEREMONIAL MATTERS

Mayor Matherly introduced Emilio Garcia as a new Fairbanks Police Officer. He shared about Officer Garcia's background, experience, and training, including service in the U.S. Army.

Mayor Matherly asked Lt. Matt Soden and his family to come forward. He stated that Lt. Soden is retiring, and he commended Lt. Soden for his service to the City, which began in 1994. He stated that Soden was selected within the top three of 350 applicants who applied at that time. Mayor Matherly spoke about the emotional and physical challenges in serving as a police officer,

and he listed the many awards Lt. Soden has received throughout his career. **Mayor Matherly** stated it has been an honor to work with Lt. Soden, and he thanked all the family and friends of Lt. Soden who were in attendance.

Lt. Soden stated it has been a privilege to serve in the City where he grew up. He thanked his family for their support, and he acknowledged the sacrifice of late FPD Officer Kevin Lamb. He stated none of his successes would have been possible without the support of his fellow FPD officers. He stated he has the opportunity now to go into business with his best friend and that Fairbanks is a wonderful community.

CITIZENS' COMMENTS

Richard Lane, 330 3rd Avenue, #316, Fairbanks – Mr. Lane stated that he moved to the area in 2013, and he is a recording artist. He stated he wants to do as much for the community as he can to help make Alaska an example to the rest of the world. He stated he has many talents as a linguist, singer, and artist. He stated that plans to open a used car lot in Fairbanks.

Victor Buberger, PO Box 58192, Fairbanks – Mr. Buberger thanked Public Works for doing their best to keep up. In regard to the City budget, he stated that labor costs have to be cut. He spoke in disfavor of labor unions, and he stated it irks him to see people standing around with their hands in their pockets.

Frank Turney, 1434 Lacey Street, B, Fairbanks – Mr. Turney stated he has been pushing for a Fairbanks Diversity Council (FDC) resolution regarding race discrimination in jury selection. He referenced Supreme Court cases, *Batson v. Kentucky* and the recent Supreme Court ruling involving *Curtis Flowers*. He stated that the ruling stated that jurors cannot be removed strictly based on race. He stated that discrimination against Blacks and Natives in juries happens in Alaska, and data collection is missing. He questioned the purpose of the FDC and stated that he will not let the subject fall away.

John Knott, 1408 Secluded Drive, North Pole – Mr. Knott stated he is the Department Commander of Alaska and the Commander of the Military Order of the Purple Heart, Chapter 675. He stated the Purple Heart medal is the oldest American medal, dating back to the days of George Washington. He stated the Military Order of the Purple Heart is a non-profit organization and is the only veteran organization specifically chartered by Congress. He stated that membership is made up exclusively of those who have been wounded or killed in combat. He stated that Alaska honors Purple Heart members with distinctive license plates and by designating the Alaska Highway from the Canadian border to Fairbanks as the “Purple Heart Highway”. He stated that communities across the nation recognize the sacrifices of Purple Heart recipients through affiliation with their local Purple Heart organization, and he recognized several local businesses and organizations who carry such an affiliation with the local chapter. He asked the City of Fairbanks to publicly and visually express its support by designating Fairbanks as a Purple Heart City. He stated that throughout his years of service, he has never encountered a more military-supportive community than Fairbanks.

Mr. Cleworth asked Mr. Knott if he was involved in the designation of the “Purple Heart Highway”. Mr. Knott replied that he was not, but his predecessors were.

Laurel Sliney, 500 Ketchikan Drive, Fairbanks – Ms. Sliney stated she does not know how many times the people of Fairbanks need to vote to tell the Council that it needs to control spending and stop reaching into the pockets of taxpayers. She stated voters have voted more than a dozen times on the tax cap. She stated she will be helping to defeat the City ordinance regarding the tax cap. Ms. Sliney stated the City budget shows that expeditors and administrative assistants at the City make twice the wage they would make in the private sector. She stated she will assume that all other City wages are at least 25% higher than those of similar jobs in the private sector. She suggested shedding some City services and privatizing the garbage pickup service.

Hearing no more requests for comment, **Mayor Matherly** declared Citizens' Comments closed.

APPROVAL OF AGENDA AND CONSENT AGENDA

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

Mr. Cleworth pulled Ordinance No. 6109 from the Consent Agenda.

Mayor Matherly called for objection to APPROVING the Agenda, as Amended, 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 January 7, 2019.

APPROVED on the CONSENT AGENDA.

b) Regular Meeting Minutes of January 28, 2019

APPROVED on the CONSENT AGENDA.

MAYOR'S COMMENTS AND REPORT

Mayor Matherly spoke about the recent Princess Riverside Lodge fire, and he read a letter of thanks to the community and to first responders from the Holland America Group. He stated that the Midnight Sun Festival over the weekend was a great and well-attended event. He thanked Colonel Peter Gryzen for the recent tour of the construction of the F-35 hangars and flight line.

COUNCIL MEMBERS' COMMENTS

Mx. Ottersten stated they had no comments.

Mr. Cleworth expressed appreciation to Lt. Soden and his family. In reference to Mr. Turney's comments on jury selection, **Mr. Cleworth** asked the City Attorney whether prosecuting and defense attorneys may strike a juror for any reason. Attorney Ewers stated there are Constitutional limits in removing jurors, and there are a certain number of challenges given to each side. **Mr. Cleworth** stated jury selection is an interesting topic, and the Council passed a resolution some years ago in support of fully-informed juries.

Mr. Pruhs stated he has no comments.

Ms. Therrien congratulated Lt. Soden on his retirement and stated the City will miss him. She requested to be added as a sponsor to support Fairbanks as a Purple Heart City. **Mayor Matherly** asked if everyone would like to be added, and all Council Members expressed support.

Ms. Rogers echoed Mr. Cleworth's comments regarding the jury issues. She stated that far too often, difficulties in the community boil down to racial discrimination, and it is not acknowledged.

Ms. Kun thanked Mr. Lane for attending the meeting and stated that she met him downtown recently. She stated she is curious as to why the FDC has not introduced a resolution regarding the jury discrimination issue. She stated she would try to attend the July 9 FDC meeting to address the need for an awareness resolution regarding discrimination in jury selection.

UNFINISHED BUSINESS

- a) Ordinance No. 6108– An Ordinance to Amend Fairbanks General Code Section 2-473, Composition of the Public Safety Commission. Introduced by Mayor Matherly. SECOND READING AND PUBLIC HEARING.

Ms. Kun, seconded by **Ms. Ottersten**, moved to ADOPT Ordinance No. 6108.

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

Ms. Kun stated she is happy to see that the Public Works Director is being added as a resource to the Public Safety Commission (PSC).

Mr. Cleworth stated that the PSC had much different objectives when it was created, and it was a time when there was another position to oversee the Chief of Police. He stated the PSC has been used for political purposes, which bothers him, and he used the PSC's position on the annexation of Fred Meyer as an example. He stated he has no problem with the ordinance, and he appreciates the discussion about the PSC. He indicated that he would like Council members to continue thinking about the purpose and role of the PSC to determine whether it is still needed.

Ms. Rogers asked whether the Council should hold a Work Session to discuss the future of the PSC. Chief of Staff Mike Meeks shared that the PSC will discuss the issue at their July 9 meeting. He explained that there has already been a staff meeting regarding the PSC, but there is no Work Session planned at this time. **Ms. Rogers** asked if it is possible to schedule a Work Session. Clerk Snider stated that, per an earlier request by the Council, she had planned to schedule a Work Session within the next couple of months for a full review of City Boards and Commissions.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 6108 AS FOLLOWS:

YEAS: Therrien, Rogers, Pruhs, Ottersten, Kun, Cleworth

NAYS: None

Mayor Matherly declared the MOTION CARRIED and Ordinance No. 6108 ADOPTED.

NEW BUSINESS

- a) Resolution No. 4887 – A Resolution Authorizing the City of Fairbanks to Apply for Funds from the Alaska Highway Safety Office for FFY20 DUI Traffic Enforcement Unit. Introduced by Mayor Matherly.

PASSED and APPROVED on the CONSENT AGENDA.

- b) Ordinance No. 6109 – An Ordinance to Present to the Qualified Voters of the City of Fairbanks the Question of an Amendment to City Charter Section 6.5 to Alter the Tax Cap. Introduced by Mayor Matherly and Council Members Cleworth, Therrien, Ottersten, Kun, Rogers, and Pruhs.

Ms. Therrien, seconded by **Mx. Ottersten**, moved to ADVANCE Ordinance No. 6109.

Mr. Cleworth stated there was an article in Saturday's newspaper regarding the ordinance. He stated that there are some citizens who are unhappy about the ordinance and indicated that there may be a lot of confusion surrounding it. He stated it is extremely important to educate citizens on what the change would do. **Mr. Cleworth** spoke to his belief in the tax cap, and he explained how the tax cap works. He explained that before the "cap within the cap" was in place, the mill rate fluctuated, partly due to Borough assessments. He stated there is a misconception that, in order to get around the tax cap, local government can raise property assessments to gain more revenue. He explained, however, that if assessments increase by 10%, the mill rate is forced to decrease because of the built-in formula of the tax cap. He stated that the cap can grow each year by only two things: 1) the Consumer Price Index (CPI) calculated in Anchorage, and 2) new construction. **Mr. Cleworth** explained that the cap works in reverse as well; he explained that if there was a recession and assessments went down, the City would have the right to raise the mill rate in order to collect the same amount in property taxes that it collected the year before. He stated the tax cap was amended in 2007, and the mill rate was frozen at a base rate of 4.9%. He explained that the Council soon thereafter created a business license "tax" to offset the frozen mill rate. He stated that, with a fixed mill rate, when there is no inflation the City does not leave any money on the table; however, when there is inflation there is money left on the table. **Mr. Cleworth** stated that in order to recover or "true up" those revenues, the City would have to increase other taxes or create a new tax. He stated that the business license revenue no longer makes up for the loss in revenue, especially since State revenue sharing is dwindling. He stated that Ordinance No. 6109 would present to voters the question of returning to the original tax cap that was implemented in 1988, which would mirror the Borough tax cap. **Mr. Cleworth** stated that he believes in a tax cap, but the "cap within the cap" has complicated it. He shared that the City mill rate was reduced by 1 mill this year, which is a function of the tax cap. He offered to answer any questions the media may have about the tax cap to avoid any public confusion.

Mr. Cleworth, seconded by **Ms. Therrien**, moved to AMEND Ordinance No. 6109 by changing the word "would" to "may" in paragraph 3 of the Information section.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND ORDINANCE NO. 6109 BY CHANGING THE WORD "WOULD" TO "MAY" IN PARAGRAPH 3 OF THE INFORMATION SECTION AS FOLLOWS:

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

Ms. Therrien, seconded by **Mr. Cleworth**, moved to AMEND Ordinance No. 6109, as Amended, by removing the word “that” in line 2, paragraph 3 of the Information section.

Mr. Cleworth stated that he drafted the paragraph originally, but it was edited by the City Clerk and the City Attorney. He stated that the Council has time to consider the language over the next two weeks and introduce any changes they would like to make.

Ms. Kun asked why the percentage increase example is included in the information section if the mill rate would fluctuate. **Mr. Cleworth** explained that the statement will allow property owners to estimate how an increase in the CPI would affect them. **Ms. Kun** stated that the statement seems misleading; she indicated she would like to strike the paragraph. **Mr. Cleworth** stated that he is open to suggestions on how to improve the language.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND ORDINANCE NO. 6109, AS AMENDED, BY REMOVING THE WORD “THAT” IN LINE 2, PARAGRAPH 3 OF THE INFORMATION SECTION AS FOLLOWS:

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

Ms. Therrien, seconded by **Ms. Kun**, moved to AMEND Ordinance No. 6109, as Amended, by adding the phrase, “For example,” to the beginning of paragraph 3 of the Information section.

Mr. Cleworth stated that the placement of the “For example” language may be misleading. He stated the mill rate did not decrease in 2019 because of the proposition.

Mr. Cleworth suggested that the Council look more closely at the ordinance before the second reading. **Ms. Ottersten** suggested that it may also be a good idea to clarify that the mill rate can decrease.

With the concurrence of the Second, **Ms. Therrien** WITHDREW the motion to amend.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADVANCE ORDINANCE NO. 6109, AS AMENDED, AS FOLLOWS:

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

DISCUSSION ITEMS

- a) Committee Reports

Sister City Committee – **Ms. Rogers** stated that the Committee met recently and discussed sending a hockey team to Fairbanks’ Sister City, Fanano, Italy in October. **Mayor Matherly** stated that during Golden Days in July, a film will be shown about Felix Pedro, and he will meet with folks from Fanano on a live feed. **Ms. Rogers** thanked Fairbanksans who have donated to make the hockey trip to Fanano a reality.

Polaris Working Group – **Mr. Pruhs** shared that the group would meet later in the week.

FAST Planning Policy Committee (formerly FMATS Policy Committee) – **Mr. Cleworth** stated that the topic of a “build grant” came up at the recent meeting. He explained that, historically, federal funds were passed through the state, then divvied up to local Metropolitan Planning Organizations (MPOs) on a fair basis. He stated that a change was made in Washington, and “build grants” were put into place, causing the funding process to become competitive. **Mr. Cleworth** stated that FAST Planning will apply for a build grant to cover the reconstruction of Cowles Street. He stated that since the project is already funded through the Transportation Improvement Program (TIP), an award of build grant funds would free up those funds for other projects. He stated that a benefit-cost analysis study is required as part of the grant application, and it was proposed that the City cover the \$7,000 cost of the study since the City would benefit. He stated that a successful grant application would free up funds to be used in other places in the City of North Pole and the Borough, and he did not think it was fair for the City to cover the cost for the study. **Mr. Cleworth** shared that City representatives prevailed, saving the City \$7,000. He stated the cost of the study will be covered by FAST Planning. He expressed hope that FAST Planning staff could be trained to perform the study to save money.

Ms. Rogers shared that the Opioid Task Force will meet at City Hall at 10 a.m. on June 25. She also shared that the Housing and Homeless Coalition would meet at City Hall at noon on June 26.

WRITTEN COMMUNICATIONS TO COUNCIL

- a) Memo Notifying Increase in Matching Funds for Cowles Street Reconstruction Project

ACCEPTED on the CONSENT AGENDA.

- b) Board of Plumber Examiner Meeting Minutes of March 19, 2019

ACCEPTED on the CONSENT AGENDA.

COUNCIL MEMBERS’ COMMENTS

Ms. Kun gave an Indigenous peoples’ land acknowledgement. She stated that the Midnight Sun Festival and Run were good events. She shared that the PSC would meet on Tuesday, July 9 at 11:30 at the City Public Works Department.

Ms. Rogers stated that as she was driving to City Hall for the meeting, she witnessed a fire engine trying to make its way through traffic. She stated she was disappointed to see how few people understand the responsibility to move over and let emergency vehicles through.

Ms. Therrien stated she does not believe the Legislative Committee will be meeting for a while. She wished the State legislature luck in dealing with the Permanent Fund Dividend (PFD) issue and expressed hope that they would not spend the funds to meet in a session in Wasilla.

Mr. Pruhs stated that he is being affected by allergy season.

Mr. Cleworth thanked everyone who participated in the earlier Work Session on Resolution No. 4878. He asked the City Clerk to what date the resolution was postponed. Clerk Snider stated that the resolution was postponed to the first Regular Council meeting in July. **Mr. Cleworth** stated it is a complicated issue, and the resolution should be discussed at the next Finance Committee meeting. He explained that with the PERS program, there is a commitment under the State Constitution to pay benefits, even if the State has no money. **Mr. Cleworth** stated that he had noticed a section of Denali Way between Lathrop Street and Stewart Street that was in bad shape; he stated when he drove by the section of street about a week later, it was repaired, and he thanked the Public Works Department. **Mr. Cleworth** reported that he received two phone calls regarding an outburst at the last FDC meeting. He stated that there is a decorum that should be followed at all City Board and Commission meetings. He stated that the FDC seems to have difficulty establishing a quorum, and he wondered whether it is a problem that needs to be addressed. He requested that the Council schedule a meeting to review City Boards and Commissions. He stated he and his wife recently witnessed F-16s taking off from Eielson AFB and to how impressive those aircraft are.

Mx. Ottersten wished everyone a happy LGBTQ Pride Month and stated there were more local events this year than ever before. They thanked Alex Elliot and the Frozen Sisters organization for their efforts in coordinating events.

ADJOURNMENT

Ms. Kun, seconded by **Mx. Ottersten**, moved to ADJOURN the meeting.

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

Mayor Matherly declared the meeting adjourned at 8:03 p.m.



JIM MATHERLY, MAYOR

ATTEST:



D. DANYIELLE SNIDER, CMC, CITY CLERK

Transcribed by: DS