



FAIRBANKS CITY COUNCIL  
REGULAR MEETING MINUTES, JULY 8, 2019  
FAIRBANKS CITY COUNCIL CHAMBERS  
800 CUSHMAN STREET, FAIRBANKS, ALASKA

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The City Council convened at 6:30 p.m. on the above date, following a 5:30 p.m. Work Session for a presentation on City Employee Life Insurance by David Gonzalez, 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:                        Margarita Bell, Acting Chief Financial Officer  
   Paul Ewers, City Attorney  
   D. Danyielle Snider, City Clerk  
   Jeff Jacobson, Public Works Director  
   Mike Meeks, Chief of Staff  
   Christina Rowlett, Purchasing/Risk Manager  
   Kristi Merideth, FECC Manager  
   Angela Foster-Snow, HR Director  
   Nancy Reeder, Police Chief  
   Jim Styers, Fire Chief  
   Mike Sanders, Housing & Homeless Coordinator

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 Flag Salutation.

**CITIZENS' COMMENTS**

Victor Buberger, P.O. Box 58192, Fairbanks – Mr. Buberger stated the only way for the City to save money is to cut labor and benefit costs. He stated he does not believe that Council members who own private businesses pay their employees that way. He stated the City is wealthy, but it cannot afford to build a public restroom. He stated the City has wasted money on other things.

Frank Turney, 1434 Lacey Street, #B, Fairbanks – Mr. Turney spoke to the issue of racism in the jury pool and to the need for a resolution on the matter. He stated he has been speaking out about the issue for the past 20 years, and nothing is being done to fix the problem. He stated he recently drove to Nenana to see how bad the forest fires were, and he was surprised to see how much of a ghost town it was.

**Ms. Rogers** asked Mr. Turney if he would be attending the Fairbanks Diversity Council meeting the following evening; Mr. Turney replied that he planned to attend.

Lakesha Jordan, Fairbanks – Ms. Jordan stated she has been listening to the community, and there is a lot of outrage about the proposed State budget cuts that will affect the City. She stated she teaches people to take preventative measures to avoid crises, and that is not happening on the Council level. She stated the Council should begin instituting preventative measure to prevent problems. She asked how the City has money in its budget while federal programs are losing funding.

Paige Poston, Fairbanks – Ms. Poston spoke against the State budget cuts. She stated her family works for the University of Alaska (UA), and they will be losing their jobs. She asked the Council to put out a statement that it is not okay to make large cuts, because it will hurt the City of Fairbanks.

Lance Roberts, Fairbanks – Mr. Roberts stated he came from a meeting at the Borough relating to the proposed budget cuts by the Governor. He stated he brought handouts from the meeting that he would share with the Council about the State budget shortfalls. He stated the State cannot balance its budget without making sustainable cuts. He stated the Governor is trying to right the wrongs of the past with his proposed budget, and everyone will have to wait and see how it goes.

**Ms. Kun** asked what a senior citizen is supposed to do if they are unable to pay for their insulin. Mr. Roberts stated he would direct them to local churches and charities that are there to help people. He stated he hears tales of people dying all around, but there are people to help them.

Julie Smyth, 717 9th Avenue, Fairbanks – Ms. Smyth stated she is part of a program called “Permanent Supportive Housing” for women who are disabled and who have been abused. She stated that proposed State budget cuts would take away funding for the program, and women would be out on the street. She stated that some of her neighbors have a hard time getting enough food to eat, and case workers are not allowed to give rides to them. Ms. Smyth stated people will die because of the budget cuts, and churches will not help her because she is pagan. She stated the vetoes are going to affect her and her children.

Kathryn Dodge, 665 8th Avenue, Fairbanks – Ms. Dodge stated the vetoes will decimate the State and devastate the University of Alaska Fairbanks (UAF), which is one of Fairbanks’ largest industries. She stated employees of UAF look like everyone else, so there is not a clear understanding of how many people will lose their jobs due to the cuts. She stated families will have to send their children to college outside, and they may put roots down elsewhere. Ms. Dodge stated medical professionals are talking about moving away because they do not want their children to be left behind by the unfunded education system in the State of Alaska. She

spoke to the likely increase in homelessness if the cuts come to fruition. She stated that people who already have a hard time making ends meet will be crippled by the cuts. She asked for a statement from the Mayor's Office speaking out against the budget cuts because of its heavy impact on citizens.

Shane Hurd, 102 5th Avenue, Fairbanks – Mr. Hurd spoke to the issues he is having with parking at the end of 5th Avenue near the Clay Street Cemetery. He stated he sees newly-posted signs that make the end of his road a “no parking zone” but stated that he has always used the area for parking. He stated his property runs along 47 feet of the fence, and now he is being told he cannot park there. He stated he has been told that a City official had a hard time getting out of the cemetery, and he wants to know why his parking is being taken away as a result.

**Mr. Cleworth** asked Mr. Hurd to stay at the meeting so he could comment on the issue during Council Members' Comments.

**Ms. Rogers** asked Mr. Hurd if he had been granted permission to park there in the past. Mr. Hurd stated he was given permission in 2018 to park there. **Ms. Rogers** asked Mr. Hurd if he was contacted prior to the signs being put up. Mr. Hurd stated he was not contacted.

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

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

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

**Mr. Cleworth** pulled Resolution No. 4888 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 February 11, 2019

APPROVED on the CONSENT AGENDA.

### **SPECIAL ORDERS**

a) The Fairbanks City Council heard interested citizens concerned with the following Liquor License Application for Transfer of Controlling Interest:

Type: Wholesale – General, License #3965  
DBA: K&L Beverage Company  
Applicant: K & L Beverage Company, LLC  
945 Elizabeth Street, Fairbanks

From: K&L Beverage Company / K & L Beverage Company, LLC  
945 Elizabeth Street, Fairbanks

**Mr. Pruhs**, seconded by **Ms. Therrien**, moved to WAIVE PROTEST on the Liquor License Application for Transfer of Controlling Interest.

**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 APPLICATION FOR TRANSFER OF CONTROLLING INTEREST AS FOLLOWS:

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

NAYS: None

**Mayor Matherly** declared the MOTION CARRIED.

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

Lic. #	DBA	License Type	Licensee	Address
10278	GoodSinse, LLC	Retail Marijuana Store	GoodSinse, LLC	2604 Davis Road
10279	GoodSinse, LLC	Standard Marijuana Cultivation Facility	GoodSinse, LLC	2604 Davis Road

**Ms. Kun**, seconded by **Mx. Ottersten**, moved to WAIVE PROTEST on the Marijuana License Applications for Renewal.

Frank Turney – Mr. Turney spoke in support of the renewal. He stated he had joked about being the President of the “Black-Market Cannabis Association,” and he did not realize it may be offensive to cannabis business owners.

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

**Mr. Pruhs** stated the industry has come a long way, and he is glad to see neighboring property owners coming forward to speak. He stated Mr. Peters has done a good job so far, and he hopes he continues on the same path.

**Mx. Ottersten** stated they recalled when the Laborer’s Union down the street had an issue with GoodSinse. **Mx. Ottersten** stated they have not renewed their complaints about the business since it has opened.

**Ms. Rogers** stated there were originally issues between owners but, they worked it out.

**Mr. Cleworth** stated the former President of the Laborer’s Union had an issue with GoodSinse, but there is now a new person in the position who has no issue with the license.

**Ms. Kun** thanked GoodSinse for giving back to the community and for the service they are providing.

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

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

NAYS: None

**Mayor Matherly** declared the MOTION CARRIED.

### MAYOR'S COMMENTS AND REPORT

**Mayor Matherly** stated that his thoughts and prayers are with the wildland firefighters that are combating fires all over the state. He let everyone know that there is a smoke-free respite care room at the hospital for anyone needing relief from the smoky air. In reference to the recent News-Miner article, **Mayor Matherly** stated that being the City Mayor is a 24/7 job, and that is why he uses the City vehicle. He stated he has used the City vehicle for personal use, but he is disappointed and frustrated that a Councilmember who has an issue with the vehicle use did not come and speak with him rather than going to the media first. He stated, however, that he is not surprised because it is an election year. He stated he is often asked to attend meetings, events, and is called out to various other City-related incidents, sometimes after hours and on weekends and holidays. He stated he understood that use of the vehicle was included in his compensation package as Mayor, as use of the vehicle has been past practice. He stated that he has directed his Chief of Staff and the Finance Department to determine the tax liability for the vehicle use, and he will report back to the Council. He respectfully asked Councilmembers to come to him with any personal issues instead of immediately turning to social media or the news media. **Mayor Matherly** spoke to the 182 vetoes by Governor Dunleavy. He stated he has refrained from commenting up to this point because he wanted to learn more before making a statement. He stated he joins the many Alaskans in support of the overriding the vetoes, and he stated the cuts are too much at one time. He spoke to all the people who will be affected and stated the City of Fairbanks stands to lose \$250,000 in community assistance. He expressed concern with cuts to UAF, which will have an effect on rental properties and will hurt Interior Alaska monumentally.

### COUNCIL MEMBERS' COMMENTS

**Ms. Therrien** thanked the Mayor for his comments in support of overriding the vetoes.

**Ms. Rogers** read aloud a Letter to the Editor she wrote which was published in the Fairbanks Daily News-Miner (FDNM); the letter spoke against the State budget cuts.

**Mx. Kun** thanked Mr. Buberger and Mr. Turney for consistently attending City Council meetings and for being actively engaged in the community. She thanked the Mayor for speaking in favor of overriding the Governor's vetoes.

**Mx. Ottersten** thanked the Mayor for addressing his use of the City vehicle. They stated it was the number one thing they were questioned about when they were campaigning. They stated their intentions were not political, and it is something they had addressed with the Mayor prior to the last election. **Mx. Ottersten** stated the vehicle issue is no different than the comp time issue,

which is something that also needs to be addressed. **Mx. Ottersten** commented that there is no reason for a specialty vehicle for the Mayor, and it is wasteful spending.

**Mr. Cleworth** stated the City never spent a dime on the Fairbanks Development Authority, but the City benefited by gaining property when they ceased to exist. He stated traffic signs get changed through the Engineering and Public Works Departments and asked that the parking issue on 5th Avenue be looked at by staff. **Mr. Cleworth** stated when he was Mayor he chose not to use the City vehicle or claim comp time. He spoke to the changes that the Council made a few years ago to the Mayor's compensation package, and he pointed out that Mayor Matherly was a Councilmember at that time who supported that change. He stated salaried employees may earn and use comp time and avoid using regular vacation time so they can cash out their annual leave. He stated the vehicle the Mayor uses is 11 or 12 years old, and it is the Mayor's prerogative whether to use the vehicle. He stated the vehicle use issue could be addressed during budget time or at a Finance Committee meeting.

**Mr. Pruhs** thanked Ms. Jordan for bringing forward her concerns about preventative measures. He spoke to the fiscal challenges for municipal governments due to State budget changes, and he spoke to the importance of being prepared.

#### **UNFINISHED BUSINESS**

- a) Resolution No. 4878 – A Resolution Expressing Concern with HB 79 Which Would Reestablish a Defined Benefit Retirement Plan for Certain Public Employees. Introduced by Council Member Cleworth. POSTPONED from the Regular Meeting of May 13, 2019.

*There was a motion on the floor from the May 13, 2019 Regular Council Meeting, made by Mr. Cleworth, seconded by Mr. Pruhs, to APPROVE Resolution No. 4878.*

**Ms. Therrien**, seconded by **Ms. Kun**, moved to POSTPONE INDEFINITELY Resolution No. 4878.

**Mr. Cleworth** spoke against going back to a defined benefit program when the State is proposing such significant budget cuts.

**Mr. Pruhs** stated it is fiscally reprehensible for the City to not move forward with the resolution.

**Ms. Kun** stated postponing the issue would buy the Council time in order to look into other revenue sources.

**Ms. Rogers** stated she agreed with the motion because she understood that time was not of the essence to pass the resolution.

**Mx. Ottersten** stated the bill has changed greatly over the years, and they prefer to discuss it in the future.

**Mr. Cleworth** stated the changes would devastate the retirement system. He stated that the City should not do nothing.

**Ms. Therrien** stated the Council can introduce something in the future. She stated she could bring the issue back to the legislative committee for discussion.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO POSTPONE INDEFINITELY RESOLUTION NO. 4878 AS FOLLOWS:

YEAS: Kun, Ottersten, Therrien, Rogers

NAYS: Pruhs, Cleworth

**Mayor Matherly** declared the MOTION CARRIED.

- b) Ordinance No. 6109, as Amended – 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, Kun, Rogers, and Pruhs. SECOND READING AND PUBLIC HEARING.

**Ms. Therrien**, seconded by **Ms. Kun**, moved to ADOPT Ordinance No. 6109, as Amended.

Lance Roberts, Fairbanks – Mr. Roberts stated the ordinance does not raise a penny of revenue for the City. He stated he pays a high mill rate because he lives in City limits. He stated there is a cost for everything that is done. He stated the Council has not been doing a good job looking at costs, and he cited the Fairbanks Firefighter Union (FFU) contract as an example.

Lakesha Jordan, Fairbanks – Ms. Jordan stated she has been communicating with senior citizens who are concerned about property taxes. She stated that everything the Council does has consequences, and the elderly property owners need to be supported.

Alex Gagne-Hawes, 1535 Mary Ann Street, Fairbanks – Mr. Gagne-Hawes stated he sees empty commercial space all over the downtown area. He stated that taxes must not be high enough if property owners can afford vacant commercial space. He suggested that the Council start considering how to encourage growth within the City.

David van den Berg, 332 Slater Drive, Fairbanks – Mr. van den Berg stated the ordinance seems forced by pressure to respond to the Governor's budget cuts. He stated that he tends to support the ordinance because of the opportunity for increased revenue and services of the City.

Frank Turney, Fairbanks – Mr. Turney stated he signs to support the tax cap initiative every time it comes around. He stated he has always been told that government cannot spend more than it brings in.

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

**Ms. Therrien** stated there is no reason to debate the issue since Mx. Ottersten already stated they would not support the ordinance.

**Mr. Cleworth** stated he does not think the Council has been good stewards of taxpayers' dollars in recent years. He spoke to the head tax that was being proposed in Juneau. He stated he would not be able to support the ordinance. He again spoke against the proposed defined benefit program at the State level and referred to it as a poorly-managed Ponzi scheme.

**Ms. Kun** thanked Mr. Cleworth for drafting the ordinance. She stated she would vote for the ordinance because she would like to give citizens the opportunity to vote on the issue.

**Ms. Therrien** stated she would support the ordinance.

**Ms. Rogers** stated she agrees with Mr. Cleworth, and she would be voting against the ordinance. She thanked Mr. Cleworth for spending the time to draft the ordinance.

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

YEAS: Kun, Therrien  
NAYS: Cleworth, Pruhs, Rogers, Ottersten  
**Mayor Matherly** declared the MOTION FAILED.

**Mayor Matherly** called for a ten-minute recess. The meeting resumed after the brief recess.

### NEW BUSINESS

a) Resolution No. 4888 – A Resolution Awarding a Contract to Sourcewell to Provide Garbage Vehicles in the Amount of \$726,302. Introduced by Mayor Matherly.

**Mx. Ottersten**, seconded by **Mr. Pruhs**, moved to APPROVE Resolution No. 4888.

**Mr. Cleworth**, seconded by **Ms. Therrien**, moved to SUBSTITUTE Resolution No. 4888, as Amended, for Resolution No. 4888.

**Mayor Matherly** called for objection to the motion to SUBSTITUTE and, hearing none, so ORDERED.

**Mr. Cleworth** asked Public Works Director Jeff Jacobson for clarification on the term “contract” versus “purchase”. Mr. Jacobson apologized and stated he used the wrong language initially. He stated the resolution would authorize purchase of the garbage vehicles, and the additional funds can come from the Mayor’s contingency fund until a budget amendment can be done. **Mr. Cleworth** stated that the Mayor’s Capital contingency funds may not need to be replaced through a budget amendment. Mr. Jacobson stated that there are garbage equipment replacement reserve funds available to replenish the Mayor’s contingency fund if need be. He added that time is of the essence, so the City does not lose its place in line for factory production.

**Ms. Kun**, seconded by **Ms. Rogers**, moved to AMEND Resolution No. 4888 by striking “contract with” and replacing with “purchase from” and by striking the word “for” in the third whereas.



A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND RESOLUTION NO. 4888 BY STRIKING “CONTRACT WITH” AND REPLACING WITH “PURCHASE FROM” AND BY STRIKING THE WORD “FOR” IN THE THIRD WHEREAS AS FOLLOWS:

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

NAYS: None

**Mayor Matherly** declared the MOTION CARRIED.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPROVE RESOLUTION NO. 4888, AS AMENDED, AS FOLLOWS:

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

NAYS: None

**Mayor Matherly** declared the MOTION CARRIED and Resolution No. 4888, as Amended, APPROVED.

**Ms. Therrien**, seconded by **Ms. Kun**, moved to AUTHORIZE the Mayor to contact the State Legislature to advise them that the City Council supports override of the Governor’s vetoes.

**Mr. Cleworth** stated he was not comfortable stating that he supports override of all 182 vetoes because does not know what they all are. He stated he did not know the issue would be addressed by the Council at the meeting, and he still has a lot of homework to do. He indicated that he may be able to support a variation of the motion, but not the override of all the vetoes.

**Mr. Pruhs** stated he would not be voting for the motion but that the Mayor has the authority to write a letter to the legislature.

**Ms. Rogers** spoke to the importance of being unified on the issue, and she urged the Council to support authorizing the Mayor to write a letter to legislators.

**Mayor Matherly** asked City Attorney Paul Ewers about the Mayor’s authority to write such a letter. Mr. Ewers explained that, per FGC 50-461, the Mayor must have the Council’s approval before taking a position on an issue on behalf of the City.

**Mx. Ottersten** stated they would like the Mayor to write the strongest-worded letter possible in support of the overrides because it is devastating to the local economy.

**Mr. Cleworth** criticized the motion because the public has not been able to weigh in on the issue. He stated he would prefer that the Council not vote on the motion; he spoke favorably to a letter of support for the Interior delegation in their decision-making process.

**Mr. Pruhs**, seconded by **Mx. Ottersten**, moved to CALL THE QUESTION on the main motion.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO CALL THE QUESTION ON THE MAIN MOTION AS FOLLOWS:

YEAS: Kun, Ottersten, Therrien, Pruhs, Rogers  
NAYS: Cleworth  
**Mayor Matherly** declared the MOTION CARRIED.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AUTHORIZE THE MAYOR TO CONTACT THE STATE LEGISLATURE TO ADVISE THEM THAT THE CITY COUNCIL SUPPORTS OVERRIDE OF THE GOVERNOR'S VETOES AS FOLLOWS:

YEAS: Rogers, Ottersten, Therrien, Kun  
NAYS: Pruhs, Cleworth  
**Mayor Matherly** declared the MOTION CARRIED.

### **DISCUSSION ITEMS**

a) Committee Reports

Polaris Working Group – **Mr. Pruhs** stated the Polaris Group met and discussed demolition options for the Polaris Building. He stated the group is brainstorming on what can be done with the property, and ideas that have been mentioned include senior assisted-living housing and a vertical garden. He stated Nadine Winters has applied for grants to have specialists come and look at the building.

Housing and Homeless Coalition – **Ms. Rogers** stated the last meeting was well-attended, which is invigorating for the group. She spoke to the collaboration happening with the other committees as a result of the Coalition meetings. She thanked the City for hosting all the meetings, and she stated that she has heard people comment on how helpful City Hall staff is.

### **COUNCIL MEMBERS' COMMENTS**

**Ms. Kun** thanked everyone for attending the meeting and gave an Indigenous peoples' land acknowledgement. She asked that everyone take care of themselves and reminded folks that there is a suicide hotline for people who may need to talk to someone.

**Ms. Rogers** stated there was a family attending the meeting that traveled all the way from Arkansas, and she thanked them for coming.

**Ms. Therrien** stated City Hall and the Police Department flowers look wonderful and thanked everyone for the work they do to beautify the City.

**Mx. Ottersten** stated the Council needs to think about how to help make Alaska a place where people want to stay long-term and make a home.

**Mr. Cleworth** expressed disappointment in the meeting. He spoke to the failure of Resolution No. 4878 which would have expressed the City's concern to the legislature over HB 79 (regarding a State defined benefit plan). He spoke to the State's huge pension liability and to the

State's unrealistic rate of return of 8%. He encouraged the Council to obtain information, do homework, and involve the public before weighing in on State issues.

**Mr. Pruhs** stated he was not happy with the way the News-Miner reported on the Mayor's vehicle use. He stated he did not have an issue with the Mayor using the City vehicle. He stated the only reason the use of the vehicle has become an issue is because it is an election year.

### CITY CLERK'S REPORT

City Clerk Snider reported that candidate filing will open on July 15, 2019. She shared that the local Clerks will walk in the upcoming Golden Days Parade to help promote the municipal election.

### 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 9:10 p.m.



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JIM MATHERLY, MAYOR

ATTEST:



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D. DANYIELLE SNIDER, CMC, CITY CLERK

Transcribed by: EB