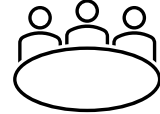




**FAIRBANKS CITY COUNCIL
REGULAR WORK SESSION AGENDA
TUESDAY, JUNE 6, 2023 AT 7 A.M.**



MEETING WILL BE HELD VIA [ZOOM WEBINAR](#)
AND AT FAIRBANKS CITY COUNCIL CHAMBERS
800 CUSHMAN STREET, FAIRBANKS, ALASKA

1. Roll Call
2. Resolution No. 5067 – A Resolution Establishing the Rate of Levy of 2023 Real Property Taxes for the City of Fairbanks, Alaska.
3. Resolution No. 5068 – A Resolution Urging the State of Alaska Department of Revenue to Provide a Tax Payment Hub in the Interior for Marijuana Cultivators.
4. Resolution No. 5069 – Awarding a Contract to Johnson River Enterprises LLC for the Senior Center Renovation Phase III Dining Room Expansion.
5. Ordinance No. 6245 – An Ordinance Amending the City of Fairbanks 2023 Operating and Capital Budgets for the Second Time.
6. Ordinance No. 6247 – An Ordinance Amending Fairbanks General Code Sec. 2-233 to Change the Quorum Requirement for the Fairbanks Diversity Council.
7. Ordinance No. 6249 – An Ordinance Amending Fairbanks General Code Section 2-260(c)(2) by Increasing the Exposure Limit on BBB-Rated Securities in the City Permanent Fund Investment Policy.
8. Ordinance No. 6250 – An Ordinance Amending Fairbanks General Code Chapter 74, Article V, Room Rental Tax, to Change the Allocation to the Fairbanks Economic Development Corporation (FEDC).
9. Ordinance No. 6251 – An Ordinance Amending Fairbanks General Code Chapter 50 Personnel Section 50-209 Training Reimbursement, Section 50-281 Personal Leave, and Section 50-285 Health Insurance Coverage.
10. Finance Committee Report
11. Mayor and Council Member Comments
12. Next Regular Work Session – Tuesday, June 20, 2023
13. Adjournment

RESOLUTION NO. 5067

**A RESOLUTION ESTABLISHING THE RATE OF LEVY OF 2023
REAL PROPERTY TAXES FOR THE CITY OF FAIRBANKS,
ALASKA**

WHEREAS, the real property assessment rolls have been completed, and the Fairbanks North Star Borough Assessor's Office has advised the City Mayor that the net taxable value of real property, as defined by AS 29.71.800, within the City of Fairbanks, Alaska, is estimated at **\$3,051,840,666**.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS, ALASKA, as follows:

Section 1. The rate of levy on the net assessed value of taxable real property is hereby fixed at **6.349** mills for municipal purposes within the City of Fairbanks. The **6.349** mill rate as provided in Fairbanks Charter Section 6.5 is comprised of three parts:

General Fund Expenditures:	5.490 mills
Voter approved services(Prop A):	.228 mills
Claims & Judgments:	.631 mills

Section 2. The taxes levied hereby are due, delinquent, and subject to penalties and interest as provided by Fairbanks General Code Chapter 74, Article II.

Section 3. Taxes in any given year may be paid in two equal installments. The first half of taxes thus levied is due on the first day of September in the year in which the taxes are levied and are delinquent if not paid prior to the close of business on that day. The second half of taxes thus levied is due on the first day of November in the year in which the taxes are levied and are delinquent if not paid prior to the close of business on that day.

Section 4. The sections, paragraphs, sentences, clauses, and phrases of this Resolution are severable. Should any part of this Resolution be declared unconstitutional or otherwise unlawful by a valid judgment or decree of any court of competent jurisdiction, such unconstitutionality or unlawfulness does not affect any of the remaining sections, paragraphs, sentences, clauses, and phrases of this Resolution.

PASSED and APPROVED this 12th day of June 2023.

David Pruhs, City Mayor

AYES:
NAYS:
ABSENT:
APPROVED:

ATTEST:

APPROVED AS TO FORM:

D. Danyielle Snider, MMC, City Clerk

Thomas A. Chard II, City Attorney

**TAX CAP ESTIMATE
FOR YEAR 2023**

Tax Levy

Real Property Tax (Prior Year):	\$	14,766,746
Alcohol Beverage (Prior Year):	\$	2,300,000
Gasoline (Prior Year):	\$	500,000
Tobacco (Prior Year):	\$	900,000
Room Rental (1999 Level):	\$	2,233,308
Tax Cap Subtotal:	\$	20,700,054

Allowable Additions

CPI [8.1%] (x) Tax Cap Subtotal	\$	1,676,704
New Construction (x) Prior Year Mill Rate	\$	310,561
Voter Approved Services	\$	695,380
Claims and Judgements	\$	1,927,934
Tax Cap Total:	\$	25,310,634

Budget Taxation

Alcohol Beverage:	\$	2,300,000
Tobacco:	\$	900,000
Gasoline Excise Tax:	\$	500,000
Room Rental (1999 Level):	\$	2,233,308
Budget Tax Subtotal:	\$	5,933,308

Property Tax Limit

Tax Cap:	\$	25,310,634
Less Budget Taxation	\$	(5,933,308)
Less 2% Surplus	\$	-
Property Tax Limit:	\$	19,377,326

Introduced by: Council Member Sprinkle
Introduced: June 12, 2023

RESOLUTION NO. 5068

A RESOLUTION URGING THE STATE OF ALASKA DEPARTMENT OF REVENUE TO PROVIDE A TAX PAYMENT HUB IN THE INTERIOR FOR MARIJUANA CULTIVATORS

WHEREAS, State Ballot Measure 2, the act to tax and regulate the production, sale, and use of marijuana, was passed on November 4, 2014; and

WHEREAS, pursuant to the ballot measure, the State of Alaska levies a tax on the sale of marijuana from a cultivation facility to a retail store or product manufacturing facility; and

WHEREAS, the State Department of Revenue Tax Division currently only accepts marijuana cultivation tax payments in cash and at one location in the state, which is in Anchorage; and

WHEREAS, in February 2023, the Alcohol and Marijuana Control Office reported that there were 43 active marijuana cultivation facility licenses in the Fairbanks and North Pole area; and

WHEREAS, local cultivators making tax payments must travel with large sums of cash to Anchorage each month, which causes safety concerns and places undue hardship and expense on marijuana cultivators in the Interior; and

WHEREAS, there is a need for a marijuana cultivation tax payment hub in Interior Alaska.

NOW, THEREFORE BE IT RESOLVED that the Fairbanks City Council urges the State of Alaska Department of Revenue to provide a tax payment hub in Interior Alaska for marijuana cultivators.

BE IT FURTHER RESOLVED that the City Clerk is hereby directed to send a copy of this resolution to Governor Dunleavy, Department of Revenue Commissioner Adam Crum, Department of Revenue Tax Division Director Colleen Glover, and the Marijuana Control Board.

PASSED and **APPROVED** this 12th day of June 2023.

David Pruhs, City Mayor

AYES:
NAYS:
ABSENT:
APPROVED:

ATTEST:

APPROVED AS TO FORM:

D. Danyielle Snider, MMC, City Clerk

Thomas A. Chard II, City Attorney

RESOLUTION NO. 5069

**A RESOLUTION AWARDING A CONTRACT TO JOHNSON RIVER
ENTERPRISES LLC FOR THE SENIOR CENTER RENOVATION
PHASE III – DINING ROOM EXPANSION**

WHEREAS, in accordance with FGC Chapter 54, Article IV, Competitive Bidding, bids were solicited for professional services to design–build the Senior Center Kitchen Areas (Base Bid) and Senior Center Dining Areas (Alternate 1) as part of RFP-22-01; and

WHEREAS, the most responsive bidder for the project is Johnson River Enterprises, LLC of Fairbanks in the amount of eight hundred fifty-eight thousand, eighteen dollars and zero cents (\$858,018.00); and

WHEREAS, this project will expand the Senior Center’s existing Dining Room to create additional space that is needed for congregate meal service, educational programs, and exercise classes; and

WHEREAS, available funding for the project is \$860,000, with \$850,000 provided by the FFY2022 Community Development Block Grant and up to \$10,000 provided by the Mayor’s Contingency fund as approved by Resolution No. 5056; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Fairbanks, that the Mayor is hereby authorized to execute a contract and such other documents in a form approved by the City Attorney as may be necessary to effect award of this contract to expand the Senior Center Dining Room.

PASSED and APPROVED this 12th Day of June 2023.

David Pruhs, City Mayor

YEAS:
NAYS:
ABSENT
APPROVED:

ATTEST:

APPROVED AS TO FORM:

D. Danyielle Snider, MMC, City Clerk

Thomas Chard, City Attorney

CITY OF FAIRBANKS
FISCAL NOTE

I. REQUEST:

Ordinance or Resolution No: 5069

Abbreviated Title: Resolution Awarding Contract to Johnson River Enterprises, LLC

Department(s): Engineering Department

Does the adoption of this ordinance or resolution authorize:

1) additional costs beyond the current adopted budget? Yes _____ No X

2) additional support or maintenance costs? Yes _____ No X

If yes, what is the estimate? see below

3) additional positions beyond the current adopted budget? Yes _____ No X

If yes, how many positions? _____

If yes, type of positions? _____ (F - Full Time, P - Part Time, T - Temporary)

II. FINANCIAL DETAIL:

PROJECTS:	Equipment	Building	Personnel	Total
Senior Center Phase III Dining Room Expansion		\$858,018	\$0	\$858,018
				\$0
				\$0
				\$0
				\$0
TOTAL	\$0	\$858,018	\$0	\$858,018

FUNDING SOURCE:	Equipment	Building	Personnel	Total
Grant Fund (Federal)		\$850,000		\$850,000
Mayor's Contingency Fund		\$8,018		\$8,018
				\$0
TOTAL	\$0	\$858,018	\$0	\$858,018

Reviewed by Finance Department:

Initial sf

Date 6/1/2023

Introduced By: Mayor David Pruhs
Finance Committee Meeting: May 11, 2023
Introduced: May 22, 2023

ORDINANCE NO. 6245

**AN ORDINANCE AMENDING THE 2023 OPERATING
AND CAPITAL BUDGETS FOR THE SECOND TIME**

WHEREAS, this ordinance incorporates the changes outlined on the attached fiscal note to amend the 2023 operating and capital budget.

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS, ALASKA, as follows [amendments shown in **bold** font; deleted text in ~~font~~]:

SECTION 1. There is hereby appropriated to the 2023 General Fund and Capital Fund budgets the following sources of revenue and expenditures in the amounts indicated to the departments named for the purpose of conducting the business of the City of Fairbanks, Alaska, for the fiscal year commencing on January 1, 2023 and ending December 31, 2023 (see pages 2 and 3):

GENERAL FUND

<u>REVENUE</u>	APPROVED COUNCIL APPROPRIATION	INCREASE (DECREASE)	PROPOSED COUNCIL APPROPRIATION
Taxes (all sources)	\$ 26,849,410	\$ -	\$ 26,849,410
Charges for Services	5,875,618	300,000	6,175,618
Intergovernmental Revenues	3,204,080	50,000	3,254,080
Licenses and Permits	2,006,050	100,000	2,106,050
Fines and Forfeitures	526,000	-	526,000
Interest and Penalties	365,000	-	365,000
Rental and Lease Income	148,618	-	148,618
Other Revenues	220,000	750,000	970,000
Other Financing Sources	2,084,496	21,971	2,106,467
Total revenue appropriation	<u>\$ 41,279,272</u>	<u>\$ 1,221,971</u>	<u>\$ 42,501,243</u>
<u>EXPENDITURES</u>			
Mayor Department	\$ 758,020	\$ 15,000	\$ 773,020
Legal Department	243,300	-	243,300
Office of the City Clerk	477,255	-	477,255
Finance Department	979,990	-	979,990
Information Technology	2,656,612	27,000	2,683,612
General Account	6,762,525	122,000	6,884,525
Police Department	8,230,366	-	8,230,366
Communications Center	3,410,296	-	3,410,296
Fire Department	8,647,754	46,900	8,694,654
Public Works Department	9,982,003	295,000	10,277,003
Engineering Department	954,350	90,000	1,044,350
Building Department	725,620	-	725,620
Total expenditure appropriation	<u>\$ 43,828,091</u>	<u>\$ 595,900</u>	<u>\$ 44,423,991</u>
2022 unassigned fund balance	\$ 17,221,024	\$ -	\$ 17,221,024
Prior year encumbrances	(229,747)	-	(229,747)
Transfers to other funds	(3,000,000)	-	(3,000,000)
Other changes to the budget	680,928	626,071	1,306,999
2023 estimated unassigned balance	<u>\$ 14,672,205</u>	<u>\$ 626,071</u>	<u>\$ 15,298,276</u>

Minimum unassigned fund balance requirement is 20% of budgeted annual expenditures but not less than \$10,000,000.

\$ 8,884,798

CAPITAL FUND

<u>REVENUE</u>	APPROVED COUNCIL APPROPRIATION	INCREASE (DECREASE)	PROPOSED COUNCIL APPROPRIATION
Transfer from Permanent Fund	\$ 682,937	\$ 2,746	\$ 685,683
Transfer from General Fund	3,000,000	-	3,000,000
Property Repair & Replacement	145,000	-	145,000
Public Works	250,000	-	250,000
Garbage Equipment Reserve	279,000	-	279,000
IT	65,000	-	65,000
Police	210,000	-	210,000
Communications Center	140,000	-	140,000
Fire	290,000	-	290,000
Building	10,000	-	10,000
Total revenue appropriation	<u>\$ 5,071,937</u>	<u>\$ 2,746</u>	<u>\$ 5,074,683</u>
 <u>EXPENDITURES</u>			
Property Repair & Replacement	\$ 1,450,721	\$ 3,204,000	\$ 4,654,721
Public Works Department	1,705,099	-	1,705,099
Garbage Equipment Reserve	593,659	-	593,659
IT Department	111,920	60,000	171,920
Police Department	584,844	-	584,844
Fire Department	1,109,611	15,000	1,124,611
Road Maintenance	1,455,169	-	1,455,169
Total expenditure appropriation	<u>\$ 7,011,023</u>	<u>\$ 3,279,000</u>	<u>\$ 10,290,023</u>
Estimated capital fund unassigned balance	\$ 7,852,597	\$ (451,254)	\$ 7,401,343
Estimated capital fund assigned balance	6,961,080	(2,825,000)	4,136,080
2023 estimated fund balance	<u>\$ 14,813,677</u>	<u>\$ (3,276,254)</u>	<u>\$ 11,537,423</u>

SECTION 2. This ordinance also appropriates the use of emergency snow removal funds in the amount of \$250,000 as designated by the Mayor.

SECTION 3. All appropriations made by this ordinance lapse at the end of the fiscal year to the extent they have not been expended or contractually committed to the departments named for the purpose of conducting the business of said departments of the City of Fairbanks, Alaska, for the fiscal year commencing on January 1, 2023 and ending December 31, 2023.

SECTION 4. The effective date of this ordinance shall be five days after adoption.

David Pruhs, Mayor

AYES:
NAYS:
ABSENT:
ADOPTED:

ATTEST:

APPROVED AS TO FORM:

D. Danyielle Snider, MMC, City Clerk

Thomas A. Chard II, City Attorney

FISCAL NOTE
ORDINANCE NO. 6245
AMENDING THE 2023 OPERATING AND CAPITAL BUDGETS
FOR THE SECOND TIME

GENERAL FUND
\$1,221,971 Increase in Revenue
\$595,900 Increase in Expenditures

Revenue

1. Tax Revenue
2. Charges for Services
 - \$300,000 increase to ambulance services
3. Intergovernmental Revenues
 - \$50,000 increase to SART reimbursement
4. License and Permits
 - \$100,000 increase to business license
5. Other Revenue
 - \$750,000 increase to interest on deposits
6. Other Financing Sources
 - \$21,971 increase to transfer from permanent fund

Expenditures

1. Mayor's Office
 - \$15,000 to travel for training (airline miles are almost depleted)
2. City Attorney's Office
 - Change to salary and benefits for a summer intern position (cost \$15,000 from salary savings)
 - Change to salary and benefits for legal secretary from IBEW level C to level D (annual increase of \$3,690)
3. City Clerk's Office
4. Finance Department

5. Information Technology

- \$27,000 increase to other outside contracts for finance department audit software

6. General Account

- \$50,000 increase to barricade special events (new line item)
- \$12,000 increase to other outside contracts for indigent criminal defense contract
- \$3,000 increase to contingency for Polaris Building incidental costs
- \$57,000 increase for emergency service patrol program for increase in hourly rate (\$20,000) and reduction in contributions (\$37,000)

7. Police Department

8. Communications Center

9. Fire Department

- \$20,000 increase to salaries and benefits for two months overlap for a temporary firefighter to cover for an employee that will be on military leave for seven months; temporary position will end when employee returns from military leave
- \$8,500 increase to salaries and benefits for an additional captain position in lieu of a Deputy Fire Marshal
- \$28,000 increase to operating supplies for the new SUVs to include three radios (\$18,000) and two storage cabinets (\$10,000)
- (\$9,600) decrease to operating supplies for ultrasound equipment; equipment will be capitalized

10. Public Works

- \$5,000 increase to training for nine public works staff to earn the traffic control technician certification and two public works staff to be certified as traffic control supervisors
- \$250,000 increase to fuel, oil, and grease
- \$40,000 increase to non-capital equipment to purchase traffic control devices to maintain inventory needed for special events, road paving,

pothole patching, brushing, and stormwater drainage system maintenance, and other projects

11. Engineering

- \$60,000 increase to salaries and benefits to cover overages due to city projects
- \$30,000 increase to outside contracts for stormwater drain repairs

12. Building Department

CAPITAL FUND
\$2,746 Increase in Revenue
\$3,279,000 Increase in Expenditures

Revenue

1. Other Financing Sources
 - \$2,746 increase to transfer from permanent fund

Expenditures

1. Property Repair & Replacement
 - \$2,750,000 increase for city hall steam heat system project
 - \$250,000 increase for city hall childcare renovation project
 - \$60,000 increase for Polaris Building construction administration
 - \$144,000 increase for police station expansion design (reappropriation)
2. Public Works
3. Garbage Equipment Reserve
4. IT Department
 - \$30,000 increase for network equipment (reappropriation)
 - \$30,000 increase for Police/FECC battery system
5. Police Department
6. Communications Center
7. Fire Department
 - \$15,000 increase for ultrasound equipment
8. Road Maintenance

Introduced By: Mayor David Pruhs
Finance Committee Meeting: May 11, 2023
Introduced: May 22, 2023

**ORDINANCE NO. 6245, AS AMENDED
(PROPOSED SUBSTITUTE)**

**AN ORDINANCE AMENDING THE 2023 OPERATING
AND CAPITAL BUDGETS FOR THE SECOND TIME**

WHEREAS, this ordinance incorporates the changes outlined on the attached fiscal note to amend the 2023 operating and capital budget.

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS, ALASKA, as follows [amendments shown in **bold** font; deleted text in ~~font~~]:

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Fines and Forfeitures	526,000	-	526,000
Interest and Penalties	365,000	-	365,000
Rental and Lease Income	148,618	-	148,618
Other Revenues	220,000	750,000	970,000
Other Financing Sources	2,084,496	21,971	2,106,467
Total revenue appropriation	<u>\$ 41,279,272</u>	<u>\$ 1,221,971</u>	<u>\$ 42,501,243</u>
 <u>EXPENDITURES</u>			
Mayor Department	\$ 758,020	\$ 15,000	\$ 773,020
Legal Department	243,300	-	243,300
Office of the City Clerk	477,255	-	477,255
Finance Department	979,990	-	979,990
Information Technology	2,656,612	27,000	2,683,612
General Account	6,762,525	122,000	6,884,525
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Building Department	725,620	-	725,620
Total expenditure appropriation	<u>\$ 43,828,091</u>	<u>\$ 615,900</u>	<u>\$ 44,443,991</u>
2022 unassigned fund balance	\$ 17,521,835	\$ -	\$ 17,521,835
Prior year encumbrances	(229,747)	-	(229,747)
Transfers to other funds	(3,000,000)	-	(3,000,000)
Other changes to the budget	680,928	606,071	1,286,999
2023 estimated unassigned balance	<u>\$ 14,973,016</u>	<u>\$ 606,071</u>	<u>\$ 15,579,087</u>

Minimum unassigned fund balance requirement is 20% of budgeted annual expenditures but not less than \$10,000,000.

\$ 8,888,798

CAPITAL FUND

<u>REVENUE</u>	APPROVED COUNCIL APPROPRIATION	INCREASE (DECREASE)	PROPOSED COUNCIL APPROPRIATION
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Transfer from General Fund	3,000,000	-	3,000,000
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Garbage Equipment Reserve	279,000	-	279,000
IT	65,000	-	65,000
Police	210,000	-	210,000
Communications Center	140,000	-	140,000
Fire	290,000	-	290,000
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Total revenue appropriation	<u>\$ 5,071,937</u>	<u>\$ 2,746</u>	<u>\$ 5,074,683</u>
 <u>EXPENDITURES</u>			
Property Repair & Replacement	\$ 1,450,721	\$ 3,204,000	\$ 4,654,721
Public Works Department	1,705,099	-	1,705,099
Garbage Equipment Reserve	593,659	-	593,659
IT Department	111,920	60,000	171,920
Police Department	584,844	-	584,844
Fire Department	1,109,611	15,000	1,124,611
Road Maintenance	1,455,169	-	1,455,169
Total expenditure appropriation	<u>\$ 7,011,023</u>	<u>\$ 3,279,000</u>	<u>\$ 10,290,023</u>
Estimated capital fund unassigned balance	\$ 7,852,597	\$ (451,254)	\$ 7,401,343
Estimated capital fund assigned balance	6,961,080	(2,825,000)	4,136,080
2023 estimated fund balance	<u>\$ 14,813,677</u>	<u>\$ (3,276,254)</u>	<u>\$ 11,537,423</u>

SECTION 2. This ordinance also appropriates the use of emergency snow removal funds in the amount of \$250,000 as designated by the Mayor.

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SECTION 4. The effective date of this ordinance shall be five days after adoption.

David Pruhs, Mayor

AYES:
NAYS:
ABSENT:
ADOPTED:

ATTEST:

APPROVED AS TO FORM:

D. Danyielle Snider, MMC, City Clerk

Thomas A. Chard II, City Attorney

FISCAL NOTE
ORDINANCE NO. 6245, AS AMENDED
AMENDING THE 2023 OPERATING AND CAPITAL BUDGETS
FOR THE SECOND TIME

GENERAL FUND
\$1,221,971 Increase in Revenue
\$615,900 Increase in Expenditures

Revenue

1. Tax Revenue
2. Charges for Services
 - \$300,000 increase to ambulance services
3. Intergovernmental Revenues
 - \$50,000 increase to SART reimbursement
4. License and Permits
 - \$100,000 increase to business license
5. Other Revenue
 - \$750,000 increase to interest on deposits
6. Other Financing Sources
 - \$21,971 increase to transfer from permanent fund

Expenditures

1. Mayor's Office
 - \$15,000 to travel for training (airline miles are almost depleted)
2. City Attorney's Office
 - Change to salary and benefits for a summer intern position (cost \$15,000 from salary savings)
 - Change to salary and benefits for legal secretary from IBEW level C to level D (annual increase of \$3,690)
3. City Clerk's Office
4. Finance Department

5. Information Technology

- \$27,000 increase to other outside contracts for finance department audit software

6. General Account

- \$50,000 increase to barricade special events (new line item)
- \$12,000 increase to other outside contracts for indigent criminal defense contract
- \$3,000 increase to contingency for Polaris Building incidental costs
- \$57,000 increase for emergency service patrol program for increase in hourly rate (\$20,000) and reduction in contributions (\$37,000)

7. Police Department

8. Communications Center

9. Fire Department

- \$20,000 increase to salaries and benefits for two months overlap for a temporary firefighter to cover for an employee that will be on military leave for seven months; temporary position will end when employee returns from military leave
- **\$20,000 increase to salaries and benefits to train a temporary firefighter who will replacing an employee that is resigning in August**
- \$8,500 increase to salaries and benefits for an additional captain position in lieu of a Deputy Fire Marshal
- \$28,000 increase to operating supplies for the new SUVs to include three radios (\$18,000) and two storage cabinets (\$10,000)
- (\$9,600) decrease to operating supplies for ultrasound equipment; equipment will be capitalized

10. Public Works

- \$5,000 increase to training for nine public works staff to earn the traffic control technician certification and two public works staff to be certified as traffic control supervisors
- \$250,000 increase to fuel, oil, and grease

- \$40,000 increase to non-capital equipment to purchase traffic control devices to maintain inventory needed for special events, road paving, pothole patching, brushing, and stormwater drainage system maintenance, and other projects

11. Engineering

- \$60,000 increase to salaries and benefits to cover overages due to city projects
- \$30,000 increase to outside contracts for stormwater drain repairs

12. Building Department

CAPITAL FUND
\$2,746 Increase in Revenue
\$3,279,000 Increase in Expenditures

Revenue

1. Other Financing Sources
 - \$2,746 increase to transfer from permanent fund

Expenditures

1. Property Repair & Replacement
 - \$2,750,000 increase for city hall steam heat system project
 - \$250,000 increase for city hall childcare renovation project
 - \$60,000 increase for Polaris Building construction administration
 - \$144,000 increase for police station expansion design (reappropriation)
2. Public Works
3. Garbage Equipment Reserve
4. IT Department
 - \$30,000 increase for network equipment (reappropriation)
 - \$30,000 increase for Police/FECC battery system
5. Police Department
6. Communications Center
7. Fire Department
 - \$15,000 increase for ultrasound equipment
8. Road Maintenance

ORDINANCE NO. 6247

**AN ORDINANCE AMENDING FAIRBANKS GENERAL CODE
SECTION 2-233(c) TO CHANGE THE QUORUM REQUIREMENT
FOR THE FAIRBANKS DIVERSITY COUNCIL**

WHEREAS, the Fairbanks Diversity Council (FDC) was established on March 10, 2014, by the City Council's adoption of Ordinance No. 5939; and

WHEREAS, the FDC is currently comprised of 11 public voting members, one of which is appointed by the Fairbanks North Star Borough, and three non-voting members to include the City Mayor, a City Council Member, and the City Human Resources Director; and

WHEREAS, the FDC has struggled to fill seat vacancies, resulting in difficulty obtaining a quorum to conduct its regular meetings; and

WHEREAS, amending the definition of a quorum from six voting members to a majority of the appointed voting members would allow the FDC to achieve a quorum more easily when there are vacancies.

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS, ALASKA, as follows:

SECTION 1. That Fairbanks General Code Section 2-233(c) is hereby amended as follows [new text in **underlined/bold** font; deleted text in ~~strikethrough~~ font]:

Sec. 2-233. – Chairperson; committees; quorum; meetings.

(c) A quorum shall be necessary to conduct a meeting. A quorum shall consist of **a majority of the appointed** ~~six public~~ voting members of the FDC. The business of the FDC shall be transacted by a majority vote of voting members present after a quorum is established.

SECTION 2. That the effective date of this Ordinance shall be five days after adoption.

David Pruhs, City Mayor

YEAS:
NAYS:
ABSENT:
ADOPTED:

ATTEST:

APPROVED AS TO FORM:

D. Danyielle Snider, MMC, City Clerk

Thomas Chard II, City Attorney

ORDINANCE NO. 6249

AN ORDINANCE AMENDING FAIRBANKS GENERAL CODE SECTION 2-260(c)(2) BY INCREASING THE EXPOSURE LIMIT ON BBB-RATED SECURITIES IN THE CITY PERMANENT FUND INVESTMENT POLICY

WHEREAS, the City Council established the investment policy of the City Permanent Fund by terms codified in Fairbanks General Code Sections 2-260 and 2-261; and

WHEREAS, the City's Permanent Fund Investment Manager, Alaska Permanent Capital Management (APCM), recommends that Sections 2-261(c)(2) be amended to increase the exposure limit on BBB-rated securities from 15% to 20% to achieve the Permanent Fund goals of preserving principal and maintaining purchasing power; and

WHEREAS, the Permanent Fund Review Board supports and recommends this increase to allow additional investments in BBB-rated securities when market conditions are conducive.

NOW THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS, ALASKA, as follows:

SECTION 1. Fairbanks General Code Section 2-260(c)(2) is hereby amended as follows [new text in **bold/underline** font; deleted text in ~~striketrough~~ font]:

Sec. 2-260. Permanent fund investment policy, procedure, and governance.

* * * * *

(c) *Limitations.* The following investment practices are prohibited and shall constitute limitations to fund investments:

* * * * *

(2) Investments in United States dollar denominated obligations of corporations shall be limited to a percentage level as provided for by the city council from time to time. Investment grade to be defined by at least one nationally recognized rating service. The investment in the lowest level of investment grade securities is to be limited to no more than ~~15~~**20** percent of the marketable debt securities;

SECTION 2. That the effective date of this ordinance will be the 1st day of July 2023.

David Pruhs, Mayor

AYES:
NAYS:
ABSENT:
ADOPTED:

ATTEST:

APPROVED AS TO FORM:

D. Danyielle Snider, MMC, City Clerk

Thomas A Chard II, City Attorney

ORDINANCE NO. 6250

**AN ORDINANCE AMENDING FAIRBANKS GENERAL CODE
CHAPTER 74, ARTICLE V, ROOM RENTAL TAX, TO CHANGE
THE ALLOCATION TO THE FAIRBANKS ECONOMIC
DEVELOPMENT CORPORATION (FEDC)**

WHEREAS, generally, the full participation of all council members in every decision before the council is ideal, however, there are times when a conflict of interest precludes a council member's involvement; and

WHEREAS, in accordance with the city's Code of Ethics at FGC Sec. 1-20 and other governing law, a council member declared a conflict of interest regarding a change to the allocation made to the Fairbanks Economic Development Corporation (FEDC) under proposed Ordinance No. 6223, and the Council's presiding officer ruled that the council member did have a conflict of interest, and that ruling was not challenged; and

WHEREAS, Ordinance No. 6223, as Amended, adopted by the Council on May 22, 2023, changed all room rental tax allocations in FGC Chapter 74 except, to avoid the council member's conflict of interest, the allocation to the Fairbanks Economic Development Corporation (FEDC); and

WHEREAS, it is now the council's intent to change the allocation to FEDC.

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS, ALASKA, as follows:

Section 1. FGC Sec. 74-117(b)(3) is amended as follows [new text in **bold/underline** font; deleted text in ~~strikethrough~~ font]:

Sec. 74-117. Room rental tax purpose and limitation.

* * * * *

(b) Subject to annual appropriation, revenues collected under this article will be allocated as follows:

(3) ~~\$600,000.00~~ **\$550,000.00** will be distributed annually as follows:

Fairbanks Economic Development Corporation

~~\$150,000.00~~ **\$400,000.00**

Golden Heart Plaza and Barnette Landing Maintenance \$50,000.00

Discretionary Grants \$400,000.00

Section 2. That the effective date of this Ordinance is five days after adoption.

Section 3. The current distribution will remain in effect until December 31, 2023.

David Pruhs, Mayor

AYES:

NAYS:

ABSENT:

ADOPTED:

ATTEST:

APPROVED AS TO FORM:

D. Danyielle Snider, MMC, City Clerk

Thomas A. Chard II, City Attorney

ORDINANCE NO. 6251

**AN ORDINANCE AMENDING FAIRBANKS GENERAL CODE
CHAPTER 50 PERSONNEL, SECTION 50-209 TRAINING
REIMBURSEMENT, SECTION 50-281 PERSONAL LEAVE,
AND SECTION 50-285 HEALTH INSURANCE COVERAGE**

WHEREAS, Fairbanks General Code Chapter 50 Personnel has sections that have not been updated in over twenty years.

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS, ALASKA, as follows:

Section 1. FGC Sec. 50-209, Sec. 50-281, and Sec. 50-285 is amended as follows [new text in **bold/underline** font; deleted text in ~~strike through~~ font]:

Sec. 50-209. - Training reimbursement.

- (a) A department head or the mayor may authorize an employee to attend training seminars or classes relevant to the employee's duties and responsibilities. All reasonable costs for such training shall be reimbursed by the employer. The term "training" shall mean any educational program, theoretical or otherwise, where the primary purpose is to enhance the employee's skill or proficiency in the performance of the employee's duties.
- (b) Costs incurred by the employee for the maintenance of job proficiency shall be reimbursed provided that the training has been approved by the department head or the mayor.
- (c) In those cases where the elected or appointed official or employee is away on authorized business for less than a 24-hour day not involving overnight lodging, such elected or appointed official or employee shall be reimbursed at the authorized per diem rate. In those cases where the elected or appointed official or employee is away on authorized business involving overnight lodging, such elected or appointed official or employee shall be reimbursed for overnight lodging. An employee's per diem allowance in excess of seven calendar days shall be reimbursed at half the rate of the foregoing rate commencing with the first calendar day thereafter, and shall constitute full reimbursement for all costs incurred, in which case the mayor may authorize higher reimbursement, proven by receipts. No employee shall receive per diem when either the city or another agency, government or private, pays for all meals

and lodging for the employee. The per diem rate shall be \$40.00 per day the same as the State of Alaska rates.

* * * * *

Sec. 50-281. - Personal leave.

- (a) ~~Personal leave shall accumulate at the rate of 120 working hours per calendar year for the first twenty four months of continuous employment, 160 working hours per calendar year for the next twenty four months of continuous employment, and 240 working hours per calendar year for all months of continuous employment thereafter. Personal leave hours shall be credited pro rata per pay period.~~ Personal leave shall accrue as follows:

<u>Employment Period:</u>	<u>Hours:</u>
<u>1 – 2 Years</u>	<u>160 hours per calendar year</u>
<u>3 – 5 Years</u>	<u>200 hours per calendar year</u>
<u>Over 5 Years</u>	<u>240 hours per calendar year</u>

Employment for less than a full pay period shall be prorated for the purpose of computing personal leave.

- (b) ~~[Reserved.]~~ Personal leave in excess of 600 hours will be cashed out on the final check of the calendar year.
- (c) Personal leave may be scheduled by the employee subject to the approval of the employee's department head. Personal leave shall not be unreasonably withheld.
- (d) Scheduled personal leave may be taken in conjunction with approved travel on city business so long as any additional expenses to the city are reimbursed by the employee. When personal leave is used for illness or bereavement, the employee shall notify the supervisor as soon as possible.
- ~~(e) Upon termination of any employee covered by this chapter, accrued personal leave up to a maximum of 500 hours or the cap as established in subsection (f) of this section shall be paid at the rate and manner provided in this chapter.~~
- ~~(f) Employees, who as of effective date of this section have in excess of 500 hours in personal leave will not be subject to the 500 hour limit on cash out of personal leave hours at the time of termination, but instead their hours will be capped at the number of hours they~~

~~have at the effective date of this section; except that if a member exceeds his cap due to the denial of the employee's leave requests or due to work requirements, those hours beyond the employee's cap will be cashed out at 90 percent of full value. Hours in excess of the cap not cashed out on the anniversary date shall be carried into the following year and have no cash value.~~

~~(g) Subject to the cap provision set forth in this subsection and subsection (f), any employee covered by this chapter may cash out his personal leave in accordance with the following schedule. Cash-out requests under this subsection are not a matter of right but must be submitted to the mayor for approval. Competing requests submitted to the mayor shall be subject to seniority status. The cashed out hours will be paid on a separate check due at the same time as the employee's next regular paycheck. Cash-outs are not considered compensable hours for pension benefit payments.~~

~~(h) Employees hired prior to the effective date of this ordinance shall have their leave accrual rate "frozen" as of the effective date of this ordinance, and their leave cap, if greater than 500, will likewise be established as of the effective date.~~

Total Personal Leave Hours

0—200 hours	Cannot cash out
200—500 hours	100% cash out value
Over cap or 500 hours	No cash value

* * * * *

Sec. 50-285. - Health insurance coverage.

The city will provide employees covered by this chapter a group insurance program for medical, dental, life and vision coverage comparable to that provided other city employees ~~provided that the employees will pay plan costs in excess of \$750.00 per employee per month.~~ **Employees covered by this chapter will allocate the health care portion of the package rate increase for health insurance unless the cost is fully covered.**

Section 2. That the effective date of this Ordinance is the 1st day of July 2023.

David Pruhs, Mayor

AYES:
NAYS:
ABSENT:
ADOPTED:

ATTEST:

APPROVED AS TO FORM:

D. Danyielle Snider, MMC, City Clerk

Thomas A. Chard II, City Attorney