



FAIRBANKS CITY COUNCIL
REGULAR MEETING MINUTES, JUNE 12, 2023
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 for discussion regarding Fairbanks Police Department Employee Recruitment and Retention, to conduct a Regular Meeting of the Fairbanks City Council via Zoom webinar and at the City Council Chambers, 800 Cushman Street, Fairbanks, Alaska, with Mayor David Pruhs presiding and with the following Council Members in attendance:

Council Members Present: Jerry Cleworth, Seat A
 June Rogers, Seat B
 Sue Sprinkle, Seat C
 Crystal Tidwell, Seat D
 Lonny Marney, Seat E
 John Ringstad, Seat F

Absent: None

Also Present: Margarita Bell, Chief Financial Officer
 D. Danyielle Snider, City Clerk
 Thomas Chard, City Attorney
 Michael Sanders, Chief of Staff
 Ron Dupee, Police Chief (remotely)
 Nate Warner, Police Captain
 Rick Sweet, Deputy Police Chief
 Scott Raygor, Fire Chief
 Andrew Coccaro, Assistant Fire Chief
 Dominic Lozano, Battalion Chief
 Jake Merritt, Acting FECC Manager
 Robert Pristash, City Engineer
 Colt Chase, Deputy City Clerk
 Jessica Krier, HR Generalist
 Teal Soden, FPD Public Information Officer
 Marsha Oss, Reentry Coordinator (remotely)
 Brenda McFarlane, Crisis Now Coordinator (remotely)
 Ana Gomez-Rodriguez, Accounting Specialist (remotely)
 Benjamin Vandenberg, FPD Officer
 Andrew Wixon, FPD Officer

INVOCATION

The Invocation was given by City Clerk Danyielle Snider.

FLAG SALUTATION

At the request of Mayor Pruhs, M. Sanders lead the flag salutation.

CITIZENS' COMMENTS

Arlette Eagle-Lavelle, 828 8th Avenue, Fairbanks – A. Eagle-Lavelle began by referencing her previous testimony at the March 27 Council meeting, where she discussed the Polaris Building demolition, specifically that the proposed timeline seemed unattainable. She stated she has, however, remained optimistic since then. She shared that the original timeline listed a completion date of May 7, but the contractor (Coldfoot Environmental) did not arrive until May 2, and that on that date, she was copied on an email from City Engineer Bob Pristash, which reiterated a completion date of May 7. Ms. Eagle-Lavelle stated that she just wants someone to be honest and clear with her about the realities of the project timeline and hear her questions, comments, and concerns. She stated she has asked for updates from both the contractor and the City of Fairbanks Engineering Department. She stated that she learned earlier in the day that there has been no change order for the project, and the completion date still shows May 7. She asked whether the City Engineer should be held responsible. She indicated that she has been required to submit change orders for smaller projects in the past, in order to hold all parties accountable when timelines evolve due to various circumstances. Ms. Eagle-Lavelle stated she understands that things happen which can cause delays; she stated she has had some communication with the contractor directly on the matter, but the lack of communication she has experienced has been from the City Engineering Department. She expressed concerns about the upcoming Midnight Sun Festival and asked whether the City will hold the contractor responsible for cleaning up the site prior to the solstice event. She stated she has been trying to fight for what is right and would like signage placed downtown to highlight that her business and other businesses in the area are still open just beyond the construction site. She stated that B. Pristash declined her request, stating that the City would have to do the same for all businesses in the area. She stated she believes that one month of her business's alcohol tax alone should cover the cost, and ultimately, she just wants to advocate for the downtown business community and the impact the project is having on them.

Ms. Sprinkle asked Ms. Eagle-Lavelle if she has spoken with the contractor directly. A. Eagle-Lavelle confirmed that she has spoken with Rod, the owner of Coldfoot. She stated that his answers are brief and not always conclusive. **Ms. Sprinkle** asked whether Rod is onsite. A. Eagle-Lavelle explained that he has been on- and off-site since the start of the project, that he is back now, and she hopes he will stay until completion.

Scott McCrea, President/CEO of Explore Fairbanks – S. McCrea stated that at the last Council meeting, a reference was made to the Fairbanks Daily News-Miner's (FDNM) Visitor's Guide as a marketing piece for Fairbanks. He spoke about the differences between that publication and the guide that Explore Fairbanks produces and stated that he does not mean to disparage the FDNM's guide. He shared that the FDNM's guide has a print run of about 50,000, which is all in-state distribution, and that Explore Fairbanks' guide has a print run of about 150,000, with most of its distribution being outside the state. He stated that ads are placed in various publications that they know cater to demographics that have a high interest in visiting Fairbanks and that visitors to the Explore Fairbanks website can also request a copy to be sent to them directly. He explained that Explore Fairbanks purchases travel leads to target those they know are interested in coming to Alaska. S. McCrea stated that the FDNM's guide is 48 pages, while the Explore Fairbanks guide is 68 pages. He shared that the FDNM's guide has a calendar that focuses on a couple key events, whereas Explore Fairbanks' guide has a year-round event calendar, supplemented with a winter-specific calendar later in the year. He stated that Explore Fairbanks is using its guide to ensure that

people outside the state who are interested in coming to Alaska will visit Fairbanks. S. McCrea stated that the FDNM's guide is more about making sure Alaskans are aware of things happening in the Interior. He concluded by stating that he intends to do a better job of educating the Council on how Explore Fairbanks uses its bed tax funds to market Fairbanks and grow the economy.

Jomo Stewart, President of Fairbanks Economic Development Corporation (FEDC) – J. Stewart indicated that he was not planning to testify but wanted to share a recent observation. He stated that last week, he noticed a couple FPD officers walking in the downtown area and realized that over the last week or two, things have been a bit quieter in the area around the FEDC office. He stated he was unsure if the change was a result of a change to funding, different patrol patterns, or some other reason. He mentioned that as of late, the majority of loud voices heard in the area have been either children laughing or parents corralling their kids, with everyone having a good time.

Mayor Pruhs stated that staff from the Mayor's Office, Public Works Department, or the Fairbanks Police Department (FPD) walk through the downtown area daily.

Ms. Rogers asked J. Stewart if he will be at the Festival Fairbanks summer weekly concerts in the downtown plaza. J. Stewart responded that he is planning to attend.

Tom Pressler – T. Pressler shared that he and his wife, Wendy, purchased the former Alaska Motel on South Cushman about two years ago, which now operates as Fairbanks First Lodging. He stated that they saw in the newspaper that various issues regarding the police department were going to be discussed at the meeting and the associated work sessions. T. Pressler stated that they have had a lot of challenges with vagrants at their motel, and the FPD has been wonderful. He stated that he is attending the meeting to praise the FPD and thank them for being speedy and professional. He stated that he and his wife are trying to clean up that area and often have issues such as vagrancy and break-ins. He shared that he recently asked some officers how he could show his appreciation, and he was encouraged to attend a Council meeting to share his positive feedback.

Ms. Sprinkle asked T. Pressler if his property is the same hotel that used to be Housing First. T. Pressler answered that they are on the other side of the street and not the same building. He stated there is a liquor store on one side of his business and a cannabis store on the other. He shared that at the suggestion of an FPD officer, he recently installed security cameras at his business.

Ms. Rogers asked T. Pressler if he had contacted Explore Fairbanks to let them know about his business being open for visitors. T. Pressler clarified that they are no longer operating as a motel and that they receive primarily elderly and Alaska Native clients through Interior Regional Housing. He stated that their tenants are wonderful and just want to be left alone, but they endure a fair amount of harassment from younger, vagrant crowds that linger in the area, which is why FPD's courteous and professional approach to their challenges has been so appreciated.

Andrew Wixon, FPD – A. Wixon thanked the Council for the ordinances on the agenda and for the work sessions that focus on the current challenges facing the FPD. He stated he was born and raised locally, with a wife who works downtown and two daughters who go to school/daycare in the city. He stated he is hopeful that the situation improves, getting more officers on the streets and keeping the city safe. He thanked everyone who was working toward that goal.

Ms. Sprinkle asked A. Wixon how much his vest weighs. A. Wixon replied that it weighs about 20 pounds.

Mayor Pruhs called for any additional testimony, in-person and online, and hearing none, declared Citizens' Comments closed.

APPROVAL OF AGENDA AND CONSENT AGENDA

Ms. Tidwell, seconded by **Ms. Sprinkle**, moved to APPROVE the Agenda and Consent Agenda.

Mr. Cleworth pulled item 12(a), Resolution No. 5067, from the Consent Agenda.

Mayor Pruhs withdrew item 12(i), Ordinance No. 6252, from the Agenda entirely.

Mayor Pruhs called for objection to the APPROVAL of the Agenda, as Amended 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 application for renewal:

Lic. #	DBA	License Type	Licensee	Address
5816	Ajimi Japanese	Restaurant/Eating Place	Ajimi, Inc.	69 College

Mr. Marney, seconded by **Ms. Sprinkle**, moved to WAIVE PROTEST on the Liquor License application for renewal.

Mayor Pruhs called for testimony 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 RENEWAL AS FOLLOWS:

YEAS: Marney, Ringstad, Cleworth, Sprinkle, Rogers, Tidwell

NAYS: None

Mayor Pruhs declared the MOTION CARRIED.

- b) The Fairbanks City Council heard interested citizens concerned with the following application for a New Marijuana Retail Store License.

Type/License: Marijuana Retail Store, License #33633

DBA: 1717 Cannabis

Applicant: Chubby Girl Confections, Inc.

Location: 1717 College Road, Fairbanks

Mr. Cleworth, seconded by **Mr. Ringstad**, moved to PROTEST the issuance of the New Marijuana Retail Store License until a Certificate of Occupancy is issued.

Mayor Pruhs called for testimony and hearing none, declared Public Testimony closed.

Ms. Rogers expressed disappointment that the applicant was not present to address any issues.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO PROTEST THE ISSUANCE OF THE NEW MARIJUANA RETAIL STORE LICENSE UNTIL A CERTIFICATE OF OCCUPANCY IS ISSUED AS FOLLOWS:

YEAS: Tidwell, Sprinkle, Ringstad, Marney, Rogers, Cleworth

NAYS: None

Mayor Pruhs declared the MOTION CARRIED.

MAYOR'S COMMENTS AND REPORT

Mayor Pruhs asked City Engineer Bob Pristash to provide a report on the Polaris Building project.

Engineer Pristash shared that work has progressed to the point where they are pulling down the wall between the annex and the Taphouse courtyard. He stated that the excavator is now on the basement floor of the annex, which means the entire first floor and most of the second floor has been removed. He shared that he is reluctant to cite a completion date but would say that within a week or two, everything should be cleaned up. He stated he was very surprised to see the amount of reinforcement on the floor of the building – about three inches of reinforcement – which is as much as he has seen in any structure. He confirmed that traffic control plans had been arranged for the Midnight Sun Festival in regard to 5th Avenue work and the Polaris annex demolition. Engineer Pristash noted that the Midnight Sun Festival planners were intending to use 4th Avenue, so he wanted to ensure the plans for all projects and events were being coordinated. He shared that, although he did not want to, he sent the Polaris contractor a “Notice of Direction to Remove Equipment and Materials” after speaking with David van den Berg, the Executive Director of the Downtown Association, who had concerns about certain streets being available for the festival. Engineer Pristash stated he set a meeting with D. van den Berg and the Coldfoot contractor, and he emphasized the importance of the solstice event. He explained that the aforementioned notice, which includes a \$50,000 fine if the contractor fails to clear the right-of-way during the period of the festival, along with an unfavorable consideration for any future project bids, was signed and returned. He stated that the Engineering Department has done all it can to ensure that the right-of-way will be available. He continued by stating that he had crossed paths with Ms. Eagle-Lavelle earlier that day and that she had wanted to place signage on the sidewalks, which he okayed. He stated that she also wanted to place a banner on the construction site fencing, which he had concerns about pertaining to potential obstruction of the view into the site; he stated, however, that he told Ms. Eagle-Lavelle that if the contractor was okay with it, then that would probably be okay with the City. Engineer Pristash mentioned other businesses being impacted by the work on 5th Avenue and explained that special signs, if manufactured by the contractor, can be costly. He stated that of greater concern is sign placement and how the signs interact with all the other signage in the area where so much work is taking place. He stated that there is a sea of orange out there already; however, if a business owner wants to place their own sign, within reason, they can.

Engineer Pristash stated that his department has tried to communicate as best it can throughout the project. He shared that he received a public record request from Ms. Eagle-Lavelle, and his department responded the following day. **Mayor Pruhs** asked Engineer Pristash why the contractor had such a late start. Engineer Pristash responded that he is not sure that they technically had a late start and explained that there was a lot of paperwork and approvals that had to be completed first, such as requirements from the Environmental Protection Agency (EPA). He stated that while there was already paperwork completed related to the funding source, there were other things that had to be completed onsite, only after the official kickoff of the project. **Mayor Pruhs** asked what happened to the contractor who was set to transport the hazmat materials. Engineer Pristash replied that are only two contractors who can move PCB (polychlorinated biphenyl) materials out of state and that there are no Alaska landfills that will take the hazmat materials. He explained that US Ecology was the original contractor, but after they were given a price and schedule, they backed out, and the contractor had to begin demolishing the building with the PCB materials still inside. Engineer Pristash stated that additional effort was required to move the PCB materials to certain locations inside the building during demolition. He stated that the other company, Waste Management, was then contracted to transport the materials to Oregon. He stated that Rod, the Coldfoot owner, modified plans as things evolved and ate the additional cost as the delay was his responsibility. He stated that for those reasons, along with equipment breakdowns and injuries, the contractor has been behind schedule. Engineer Pristash stated that the contractor rented additional equipment and has done his best to continue making progress. **Mayor Pruhs** asked if the contractor gave an estimate for when the annex will be demolished and the lot backfilled. Engineer Pristash shared that he has been told 2 weeks, which does not seem realistic. He noted that the contractor has essentially been temporarily shut down for the solstice events from June 22-25, in order to have the sidewalk areas free of equipment. **Mayor Pruhs** shared from his own conversation with David van den Berg regarding vital parameters for downtown businesses as it pertained to the Midnight Sun Festival. He stated he believes that the Engineering Department is proceeding as best they can so the event can be a success. Engineer Pristash stated that he is following the contract, and he believes a \$50,000 fine is a good incentive to complete the project and not be blacklisted. **Mayor Pruhs** asked whether Engineering has prepared the RFP for the tower. Engineer Pristash answered that it is mostly finished, but they are missing some quantities from the environmental consultant. **Mayor Pruhs** asked about the timeframe for the consultant to have the information. Engineer Pristash explained that they were already supposed to have provided the information a few days prior. **Mayor Pruhs** asked how many times in history the City has knocked down a 98,500 square foot building on a 16,500 square foot lot, with a separation of 6 inches between buildings. Engineer Pristash replied that, to his knowledge, it had never been done. **Mayor Pruhs** pointed out that this is the first time the City has ever done something like this.

Ms. Sprinkle asked whether Coldfoot would be removed from consideration of the demolition of the tower if they do not meet the deadline or do what they have been asked. Engineer Pristash confirmed that is the case.

Ms. Rogers recalled the Cushman Street project, another large project done downtown not many years ago. She stated that many surprising things were discovered along the way, and delays were not uncommon. She stated that it was a “disturbing” project but an incredible move forward to modernize the downtown area. She asked if she was wrong in her recollection of the magnitude and difficulties of that project. Engineer Pristash replied that Ms. Rogers’ recall was correct and

he recounted how a foot of snow had fallen before they got the road paved. He stated that they paved six inches thick in order to get the project completed, and the road is still there and in good condition.

Ms. Sprinkle expressed her appreciation for Engineer Pristash writing a letter to the contractor, as the Midnight Sun Festival brings in a lot of revenue for downtown businesses. She stated that some businesses rely on that revenue throughout the rest of the year.

Mayor Pruhs thanked Engineer Pristash for his report. He gave an update regarding abatements and stated that the topic will be discussed at the next Council meeting where specific staff will be present to provide information.

COUNCIL MEMBERS' COMMENTS

Mr. Marney thanked T. Pressler for coming and sharing his praise for the FPD. He also commended Engineer Pristash for his professionalism.

Ms. Rogers echoed Mr. Marney's comments.

Mr. Cleworth followed up on J. Stewart's comments regarding the police officer presence downtown. He shared that he recently saw Officer Elzey, who is back for a ten-week assignment to patrol downtown. He stated that he believes that is a contributing factor to the perception of an improved atmosphere downtown recently.

UNFINISHED BUSINESS

- a) Ordinance No. 6245 – An Ordinance Amending the City of Fairbanks 2023 Operating and Capital Budgets for the Second Time. Introduced by Mayor Pruhs. SECOND READING AND PUBLIC HEARING.

Mr. Marney, seconded by **Ms. Sprinkle**, moved to ADOPT Ordinance No 6245.

Mr. Cleworth, seconded by **Mr. Ringstad**, moved to AMEND Ordinance No. 6245 by substituting the amended, proposed version.

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

Mayor Pruhs called for public testimony and, hearing none, declared Public Testimony closed.

Mr. Cleworth asked CFO Margarita Bell when the recent changes to the room rental tax allocations will take effect. CFO Bell stated that the effective date of any changes due to recent ordinances will be January 1, 2024. **Mr. Cleworth** asked to confirm that the increase of \$15,000 to the travel budget for the Mayor's Office means a total budgeted amount of \$31,000, and he requested an explanation for the increase. Chief of Staff M. Sanders responded by stating that a few City staff members recently attended training through the Arbinger Institute, and there was additional travel due to the Mayor being on the board for the Alaska Municipal League (AML). **Mayor Pruhs** stated that he travelled twice to Juneau, although he planned to go only once. He

stated that the second trip was needed to secure funding for the Polaris Building demolition. **Mr. Cleworth** next asked to confirm details regarding the increase of fuel oil expense for Public Works, citing past years' actual amounts. He whether the amount listed includes all departments. CFO Bell replied that it does. **Mr. Cleworth** asked if the lower oil prices would impact that line item, or if the \$1MM amount was still accurate. **Mayor Pruhs** answered with a summary of year-to-date Public Works activity that factors into the increase. He stated that in 2023 there was a lot more street plowing, with four rounds of snow removal compared to the expected two, so operational costs were higher. He stated that Public Works is still doing street sweeping, so the increase is catching up to what they expect for a realistic budget. **Mr. Cleworth** acknowledged that they would likely see a more detailed breakdown in a future work session regarding expenditures. **Mayor Pruhs** confirmed that he is anticipating such a session in August to discuss a plan of attack for snow removal and other Public Works activities for the 2023-2024 winter. He stated that he always appreciated those sessions when he was on the Council so that Council members could have a sense of proactiveness each year for those vital City services.

Mr. Ringstad noted that it appears a large portion of the increase in revenues is tied to an increase to deposits. He stated the City has not always seen that kind of interest and, while it is great, there needs to be awareness that it will not always be that way. **Mayor Pruhs** acknowledged that that topic will be included in discussions about the 2024 budget.

Ms. Sprinkle commented on the increase of approximately \$100,000 in business license revenue and inquired for more information. **Mayor Pruhs** answered that the City has been a little aggressive, and the Clerk's Office enforced the \$50 fee for late filling. He reported that he received a fair number of requests for waivers to the penalty, and he held to the standard of only waiving the penalty for those who had been travelling when the renewals were sent out. **Ms. Sprinkle** stated that they should not count on that in future years. **Ms. Rogers** agreed that late fees for business license renewals should not be expected revenue, but the policy should remain.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 6245, AS AMENDED, AS FOLLOWS:

YEAS: Ringstad, Rogers, Marney, Sprinkle, Cleworth, Tidwell

NAYS: None

Mayor Pruhs declared the MOTION CARRIED and Ordinance No. 6245, as Amended, ADOPTED.

- b) Ordinance No. 6247 – An Ordinance Amending Fairbanks General Code Sec. 2-233(c) to Change the Quorum Requirement for the Fairbanks Diversity Council. Introduced by Mayor Pruhs and Council Member Rogers. SECOND READING AND PUBLIC HEARING.

Ms. Rogers, seconded by **Ms. Sprinkle**, moved to ADOPT Ordinance No. 6247.

Mayor Pruhs called for public testimony and, hearing none, declared Public Testimony closed.

Mayor Pruhs spoke to the need for the ordinance. He stated that the goal is to remove impediments to help the Fairbanks Diversity Council (FDC) accomplish more work. He stated that the ordinance

is the result of a discussion with the FDC Chair, who believes the ordinance will help the FDC with its current challenges.

Ms. Sprinkle asked, with attendance having been the issue, if the meetings are available via Zoom. **Mayor Pruhs** explained that the bigger issue has been with vacancies, stating that vacant seats have made it difficult to reach a quorum. He stated that some seats have been filled; however, there is always a chance for more vacancies with this group as it is the largest of any City committee. He explained that the ordinance would remove vacant seats from the quorum equation.

Ms. Rogers stated she spoke about the FDC while recently attending the FNSB Assembly meeting.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 6247 AS FOLLOWS:

YEAS: Cleworth, Marney, Ringstad, Sprinkle, Rogers, Tidwell

NAYS: None

Mayor Pruhs declared the MOTION CARRIED and Ordinance No. 6247 ADOPTED.

- c) Ordinance No. 6248 – An Ordinance Amending the Incentive Bonus Program with the Fairbanks Police Department for Recruitment and Hiring. Introduced by Mayor Pruhs. SECOND READING AND PUBLIC HEARING.

Ms. Sprinkle, seconded by **Mr. Marney**, moved to ADOPT Ordinance No 6248.

Mr. Marney, seconded by **Mr. Cleworth**, moved to AMEND Ordinance No. 6248 by substituting the amended, proposed version.

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

Mayor Pruhs called for public testimony.

Tom Pressler – T. Pressler shared that when he and his wife first bought their business on South Cushman, they learned that the police department was shorthanded, and as a support to the department, he would like to see anything approved that would help with retention of new recruits.

Mayor Pruhs called for any additional public testimony and, hearing none, declared Public Testimony closed.

Mayor Pruhs stated that there comes a time where a person has to make distinct decision. He stated that \$60,000 as a lateral bonus is a very distinct decision in order to be aggressive, and that will help fill the ranks the quickest. He stated that the FPD can only train so many officers at a time, and it takes four months for the City to train a lateral hire. He stated that the lateral bonus expires on December 31, 2024, and he considered other amounts from \$40,000 to \$50,000. **Mayor Pruhs** stated that a \$60,000 bonus makes a statement, and it would put Fairbanks at the highest lateral transfer bonus system in Alaska; he added that Fairbanks likely has the highest critical need

to fill the ranks. He expressed hope that the ordinance would provide immediate help as one of the three “legs” in efforts to help staff the FPD.

Mr. Ringstad stated that he was not clear on the fiscal note and asked for clarification on the timing of payouts, primarily relating to the total annual cost assuming recruitment efforts were successful. **Mayor Pruhs** provided clarity by reminding everyone that the ordinance would expire at the end of 2024, unless extended by the Council. He stated he anticipates a 50-75% success rate with this effort, so the anticipated annual cost is estimated between \$100,000 and \$150,000. **Mr. Ringstad** acknowledged the Mayor’s response and stated that the ordinance, as written, focuses on the next 18 months.

Ms. Sprinkle asked for clarification on the referenced savings of \$150,000 annually. **Mayor Pruhs** explained that the City anticipates that not every lateral hire will stay for the full five years, so there will most likely be more hiring bonuses paid out than retention bonuses. **Ms. Sprinkle** asked Mayor Pruhs to confirm how the bonuses are being funded and whether it is based reduced ranks. **Mayor Pruhs** stated it is not funded from staff reductions; rather, it is funded straight from the FPD budget.

Mr. Cleworth questioned how anyone would know there are budgeted salary savings in January when the budget year is just beginning. He asked whether it would be more logical to approve bonuses on a calendar year basis. **Mayor Pruhs** stated that the bonus program would begin immediately. **Mr. Cleworth** agreed with the logic for the current year but stated that he sees a problem in future years. **Mayor Pruhs** acknowledged Mr. Cleworth’s concern.

Mr. Marney asked to confirm the amount it costs the City to send a new officer to the Sitka academy. **Mayor Pruhs** replied that it costs \$45,000. **Mr. Marney** requested to be added as a co-sponsor to the ordinance.

Ms. Sprinkle asked for further clarification on the budgeted salary savings for 2024. **Mayor Pruhs** stated that the other FPD-related ordinance, which just passed its first reading, would be discussed at the next meeting and would take effect in 2024. He stated that Ordinance No. 6248 applies only to 2023.

Mr. Cleworth requested clarification on some logistics of budgeting for the FPD and asked if the Mayor’s intention was to submit a 2024 budget that includes 37 officers. **Mayor Pruhs** confirmed that is what the FPD will submit for the 2024 budget. He explained that the Chief of Police will have the budget for full staffing in 2024 – even if the FPD is still understaffed – which will provide budgetary savings right from the start to utilize the recruitment incentives within the ordinance.

Mr. Ringstad stated that the money the City saves needs to be known but that it will just go back into the General Fund, which is where the spending also comes from. He stated that the question is how much money is in the General Fund on an ongoing basis. He stated that the City has a surplus now, but that may be short term; he added, however, that the ordinance is also a short-term program, so the current surplus should be sufficient to cover the cost.

Ms. Sprinkle asked to confirm that the money not spent this year on budgeted but vacant positions is what would be funding the recruitment incentives. **Mayor Pruhs** confirmed that Ms. Sprinkle is correct and that they will have numbers for the Council in the near future.

Ms. Rogers concurred with Mr. Ringstad's comments regarding feasibility. She commented that the ordinance goes beyond wishful thinking to solve staffing challenges at the FPD.

Mayor Pruhs called for any additional discussion and, hearing none, called for a vote on Ordinance No. 6248, as Amended.

Clerk Snider requested confirmation on the Council members who wished to be added as sponsors to the ordinance. All members of the Council expressed desire to be listed as sponsors.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 6248, AS AMENDED, AS FOLLOWS:

YEAS: Ringstad, Tidwell, Rogers, Sprinkle, Marney, Cleworth

NAYS: None

Mayor Pruhs declared the MOTION CARRIED and Ordinance No. 6248, as Amended, ADOPTED.

NEW BUSINESS

- a) Resolution No. 5067 – A Resolution Establishing the Rate of Levy of 2023 Real Property Taxes for the City of Fairbanks, Alaska. Introduced by Mayor Pruhs.

Ms. Sprinkle, seconded **Mr. Ringstad**, moved to APPROVE Resolution 5067

Mr. Cleworth thanked CFO Bell for the information and acknowledged how informative yet confusing the supporting document labeled "Property Tax Computation for Mill Levy" can be. He explained that, under the tax cap, the City can grow taxes based on the consumer price index (CPI) out of Anchorage. He expressed concern with using Anchorage's CPI for Fairbanks as Anchorage has historically had cheaper energy than Fairbanks. He stated that, given the volatility of energy costs over the last few years, he feels that the number listed in the resolution is high. He stated that CPI has dropped rapidly, and he believes the levy should be slightly lower.

Mr. Cleworth, seconded by **Mr. Ringstad** moved to replace 8.1%, referenced in Section D of the computation sheet, with 7.5%.

Note: The effect of this amendment is that the mill rate in Section 1 of the resolution would be reduced to 6.178 mills, and the "General Fund Expenditures" line in the Section 1 table would be reduced to 5.319 mills.

Ms. Sprinkle asked for additional insight on the difference Mr. Cleworth referenced regarding energy costs between Anchorage and Fairbanks. She commented that costs go up and down in both areas. **Mr. Cleworth** explained the difference in energy sources that Anchorage enjoys. **Mayor Pruhs** highlighted the rapid drop of these values as a reason for the suggested adjustment.

Mr. Cleworth asked CFO Bell for more information on the impact of the change proposed by his amendment. CFO Bell highlighted the associated amounts and how they would change. **Mr. Cleworth** stated that the mill levy rate would adjust from 6.218 mills to 6.178 mills, which he believes is more realistic given current trends in energy costs.

Ms. Sprinkle asked Mr. Cleworth where he came up with 7.5%. **Mr. Cleworth** admitted he pulled it somewhat out of the air, trying to guess what the difference between Anchorage and Fairbanks might be. He concurred with what Mayor Pruhs had stated, that the CPI is trending down rapidly. He acknowledged that it is not a huge adjustment, but he felt 8.1% was a little too high. He pointed out a recent proposition that has given a slight break to taxpayers for certain exemptions and, without that, the impact of the increase in the resolution would be significantly higher to taxpayers.

Mr. Ringstad pointed out the Council is setting the 2023 mill rate, although the year is nearly half over. He spoke to the fact that homeowners have seen significant increases to assessed property values over the last two years, some as much as 25%, and with an increase in the mill rate being, it seems as though taxpayers are getting hit twice. **Mayor Pruhs** pointed out that the City has no control over assessed property values, so even if the Council reduces the mill rate, there might still be a tax increase.

Mr. Cleworth responded to Mr. Ringstad's question to highlight the balance between assessed values, the tax cap, and the mill rate. He stated that the mill rate goes down when values increase, and the cap goes up when property values drop. He stated that this is intended as a system of checks and balances. He explained that the City is back to the original formula from the 1980s, which alleviates some of the more inconsistent changes in recent years. **Mr. Cleworth** discussed how, in the prior year, residential owners were hit hard while commercial property values got a little bit of a break. He stated he is unsure what has happened for the current year but suggested assuming that it is the same across the board. He asked for additional information on how revenues are broken down. CFO Bell replied by explaining that the fixed rate is split into subcategories of claims and judgements, voter-approved services, and General Fund expenditures, and a budget amendment would need to be done if the value in Section 1 of the resolution was adjusted to 6.178 mills.

Mr. Marney asked for details on the room rental tax referenced in the computation sheet. CFO Bell explained that the amount shown on that line under item G is the maximum amount that would be deducted.

Mr. Ringstad asked what impact there is on future years when the City sets the mill rate. CFO Bell explained that each year, the prior year's rate is used as a starting point, with increases only possible based on CPI calculations, including that of new construction, plus any voter-approved taxes. **Mr. Ringstad** reiterated that the previous year's rate is the floor and that for future years, it is possible that the rate could remain flat.

Clerk Snider asked what specific values would change within the resolution if Mr. Cleworth's proposed amendment passed. CFO Bell stated that a change of 8.1% to 7.5% in the computation sheet would change the rate in the resolution from 6.218 mills to 6.178 mills, and the specific line item for General Fund expenditures would change from 5.359 mills to 5.319 mills. She stated that the other two categories of voter-approved services and claim and judgments would not change.

Ms. Sprinkle asked what the bottom-line for total property taxes would be with the amendment. CFO Bell replied that the property tax amount shown in the computation sheet would change to \$18,853,126.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND RESOLUTION NO. 5067 BY REPLACING 8.1%, REFERENCED IN SECTION D OF THE COMPUTATION SHEET, WITH 7.5% AS FOLLOWS:

YEAS: Rogers, Marney, Sprinkle, Ringstad, Cleworth

NAYS: Tidwell

Mayor Pruhs declared the MOTION CARRIED

Note: The effect of this amendment was a reduction in the mill rate in Section 1 of the resolution to 6.178 mills, and a reduction of the "General Fund Expenditures" line in the Section 1 table to 5.319 mills.

Mayor Pruhs called for any additional amendments or discussion and, hearing none, called for a vote on Resolution No. 5067, as Amended.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPROVE RESOLUTION NO. 5067, AS AMENDED, AS FOLLOWS:

YEAS: Marney, Cleworth, Ringstad, Tidwell, Rogers, Sprinkle

NAYS: None

Mayor Pruhs declared the MOTION CARRIED and Resolution No. 5067, as Amended, APPROVED.

- b) 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. Introduced by Council Members Sprinkle and Tidwell.

PASSED and APPROVED on the CONSENT AGENDA.

- c) Resolution No. 5069 – A Resolution Awarding a Contract to Johnson River Enterprises LLC for the Senior Center Renovation Phase III Dining Room Expansion. Introduced by Mayor Pruhs.

PASSED and APPROVED on the CONSENT AGENDA.

- d) Resolution No. 5070 – A Resolution Amending the City Schedule of Fees and Charges for Services by Changing the Deadline for Special Event Permit Applications to Align with the Fairbanks General Code. Introduced by Mayor Pruhs.

PASSED and APPROVED on the CONSENT AGENDA.

- e) Resolution No. 5071 – A Resolution Authorizing the City of Fairbanks to Provide a Retention Bonus to FECC Employees. Introduced by Mayor Pruhs.

PASSED and APPROVED on the CONSENT AGENDA.

- f) 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. Introduced by Council Member Ringstad.

ADVANCED on the CONSENT AGENDA.

- g) 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). Introduced by Council Members Ringstad and Marney.

ADVANCED on the CONSENT AGENDA.

- h) 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. Introduced by Council Member Cleworth.

ADVANCED on the CONSENT AGENDA.

- i) Ordinance No. 6252 – An Ordinance Amending Schedule B of the Collective Bargaining Agreement Between the City of Fairbanks and the Public Safety Employees' Association (PSEA) and Amending the 2023 Operating Budget. Introduced by Mayor Pruhs.

ADVANCED on the CONSENT AGENDA.

- j) Ordinance No. 6253 – An Ordinance Establishing a Permanent Life Insurance Plan for Commissioned Officers Within the Fairbanks Police Department to Enhance Recruitment and Hiring. Introduced by Mayor Pruhs.

ADVANCED on the CONSENT AGENDA.

DISCUSSION ITEMS (Information and Reports)

- a) Committee Reports

Ms. Rogers gave a summary of the recent Symposium on Opioids (this event was discussed in greater detail at the previous Council meeting). She reiterated the show of strength that the symposium was, bringing together many individuals, agencies, and groups.

WRITTEN COMMUNICATIONS TO THE CITY COUNCIL

- a) Chena Riverfront Commission Meeting Minutes of April 26, 2023

ACCEPTED on the CONSENT AGENDA.

- b) Clay Street Cemetery Commission Meeting Minutes of May 3, 2023

ACCEPTED on the CONSENT AGENDA.

- c) Reappointment to the Discretionary Fund Committee

APPROVED on the CONSENT AGENDA.

- d) Reappointment to the Board of Plumber Examiners

APPROVED on the CONSENT AGENDA.

COUNCIL MEMBER COMMENTS

Mr. Ringstad stated that he hopes that the FPD takes note of the efforts the Council has put into addressing the department's challenges. He expressed hope that the Council's work is received as good news. In regard to the room rental tax, he shared some additional thoughts he had during the recent review process and pointed out that the applicable Fairbanks General Code (FGC) section references "other economic development." He stated that tourism is not the only economic development in Fairbanks and stated that there are large projects currently underway and others on the horizon. He stated there are billions of dollars that will be spent by various companies in the near future, and the City will benefit from those kinds of activities. He stated he believes that the phrase "other economic development" should be viewed in a larger sense.

Mr. Marney echoed Mr. Ringstad's sentiments regarding FPD's challenges and the efforts being put forth to address them. He stated that the department is in crisis mode and cannot afford to kick the can further down the road.

Ms. Tidwell thanked all the individuals from the FPD who attended the meeting. She stated she looks forward to the next area of discussion as the Council addresses the remaining issues.

Ms. Sprinkle thanked the FPD members who attended the meeting. She stated she wants to show appreciation through support in the ways the department needs. She questioned whether the Council could hold another Executive Session rather than wait for another two weeks. **Ms. Sprinkle** expressed gratitude for the work and discussion on the Polaris Building project. She reminded everyone about the upcoming Midnight Sun Festival and stated that the event is a wonderful example of economic development. She stated she looks forward to upcoming talks regarding abatements.

Ms. Rogers echoed the appreciation for the FPD. She stated she is glad that communication is happening so everyone can work together to solve problems. She spoke to how fortunate it is to have so many resources in the community, and she stated that there are many creative thinkers present. She shared information about the Juneteenth event being hosted by the NAACP at Aldrich Park on Saturday from noon to 4 p.m. **Ms. Rogers** concluded by sharing her thoughts on the need to stay on top of the various components of economic development within the city.

Mr. Cleworth sympathized with Arlette Eagle-Lavelle and the thoughts she shared during Citizens' Comments. He recalled a two-year utilidor project that occurred right outside his own business and stated that, in addition to the challenge of getting customers into the store, he had to worry about vibrations caused by the work being done which made things fall off shelves. He acknowledged that A. Eagle-Lavelle will have more challenges when the larger tower portion of the building is demolished. **Mr. Cleworth** spoke to Ordinance No. 6253, which addresses the permanent life insurance incentive for the FPD. He stated he would like as much detail as possible on that item in future meetings so that the mechanics can be clearly understood. He acknowledged that other action the Council took was designed to help the Fairbanks Emergency Communications Center (FECC), which is also struggling with staffing issues; he expressed hope that the life insurance ordinance would help the FECC as well. **Mr. Cleworth** stated that at the last meeting, he asked the City Attorney for information on what authority the City has once the water service has been turned off at a property and whether the City could then abate the property. Attorney Chard responded that he needs to confirm some information with Building Official Clouten to ensure that all appropriate steps are being taken. He stated that he is making progress with the topic of nuisance properties, but he still needs to confirm certain aspects with the FPD. He stated that he has prioritized the topic in order to provide good information at upcoming meetings. **Mr. Cleworth** recalled that years ago, the City had excessive police calls to the old Fairview Manor, and, at that time, it was within the City's authority to fine them for excessive calls. He stated the business hired private security, and the amount of calls the City received went down dramatically. He questioned whether that provision was still in the Code.

CITY CLERK'S REPORT

Clerk Snider acknowledged newly hired Deputy City Clerk Colt Chase who was in attendance and encouraged those who had not yet had a chance to meet him to do so.

CITY ATTORNEY'S REPORT

Attorney Chard stated that he had nothing to report but thanked the members of the police department who had attended the meeting and for their service to the community.

Mr. Ringstad, seconded by **Mr. Ringstad**, moved to ENTER Executive Session to discuss Malloy v. City of Fairbanks (S. 18739), Settlement Negotiations; Marvin Roberts, Eugene Vent, Kevin Pease, and George Frese v COF, Settlement Negotiations; and IBEW Labor Negotiation Strategy.

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

Mayor Pruhs called for a brief recess. The Council reconvened in Executive Session following the brief recess.

EXECUTIVE SESSION

- a) *Malloy v. City of Fairbanks (S. 18739), Settlement Negotiations (Executive Session entered at 8:17 p.m.)*

- b) *Marvin Roberts, Eugene Vent, Kevin Pease, and George Frese v COF, Settlement Negotiations (Executive Session entered at 8:31 p.m.)*
- c) *IBEW Labor Negotiation Strategy (Ms. Rogers left before the start of the session; Executive Session entered at 9:07 p.m.)*

The City Council met in Executive Sessions to discuss the above items. Each item was discussed, but no action was taken. The regular meeting resumed at 9:47 p.m.

Ms. Sprinkle, seconded by **Ms. Tidwell**, moved to SCHEDULE A SPECIAL CITY COUNCIL MEETING on Monday June 19, 2023, for the purpose of holding an Executive Session under Alaska Statute 44.62.310(c)(1)(a) to provide direction to the City's bargaining team on potential changes to the current CBA between PSEA and the City of Fairbanks to increase FPD officer wages.

Mayor Pruhs stated that he would not be ready by Monday with the necessary resources for that meeting to work as intended. He stated that he would need until the following Thursday or Friday to be ready with information from the CFO and Chief of Staff. He added that he does not want to rush the item. **Ms. Sprinkle** acknowledged Mayor Pruhs' comments but expressed concern that with the current schedule, the Council is at least two weeks away from an Executive Session, and an ordinance would still have to have two readings. **Mayor Pruhs** reiterated that there needs to be a few extra days to prepare.

Mr. Ringstad, seconded by **Ms. Tidwell**, moved to AMEND the motion to schedule a special meeting by changing the proposed date to Thursday, June 22, 2023, at 7 a.m.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND THE MOTION TO SCHEDULE A SPECIAL MEETING BY CHANGING THE PROPOSED DATE TO THURSDAY, JUNE 22, 2023, AT 7 A.M. AS FOLLOWS:

YEAS: Tidwell, Ringstad, Marney, Sprinkle
NAYS: Cleworth
ABSENT: Rogers
Mayor Pruhs declared the MOTION CARRIED.

Mr. Cleworth spoke against the motion and stated he believes the issue is being rushed. He stated that the next ordinance the Council is working on pertains to a \$10,000 benefit, which is a big deal. He stated that the Council needs to see the ramifications of each component before moving on. **Ms. Sprinkle** stated she hoped that the numbers to be provided by the Mayor will show the full picture, so the Council could see the ramifications. **Mayor Pruhs** replied that the Council will have financial information for components two and three of the overall process. **Ms. Sprinkle** expressed appreciation for all the work being done but stated that she would like to have an Executive Session as soon as possible and have all the associated financials available. She indicated that there are a lot of moving parts and that she would not like to see the issue delayed.

Attorney Chard advised that the Executive Session being entertained needs to be very narrowly focused on direction to the bargaining team for any changes to the collective bargaining agreement

(CBA). He stated that, in that session, the Council could consider some of the issues being discussed only as those items may affect the Council's direction to the bargaining team. He stated that the session cannot involve a fully encompassing presentation and that such a presentation would need to be done during a public meeting.

Ms. Sprinkle stated that the Council never got to be a part of a bargaining effort and was only provided some charts and other general information. **Mayor Pruhs** clarified that they are looking to either open up the CBA or enter into a Letter of Agreement (LOA) on a very narrow course; he stated that at the next Executive Session, he intends to ask the Council which to pursue. **Ms. Sprinkle** acknowledged that plan but reiterated that she would like an earlier Executive Session; she expressed frustration with the complexity of the nuances.

Attorney Chard offered insight in order to navigate the matter. He stated that if the Council would like to hold a public work session, to discuss any and all of the issues, then immediately enter into an Executive Session to provide instruction to the bargaining team, be it updates to the CBA or pursuing an LOA, that would be an appropriate use of an Executive Session. He explained some of the legal constraints of topics that can be discussed at Executive Sessions.

Mr. Cleworth asked why it had to be so narrowly focused in this instance. Attorney Chard cited the statute referenced in the original motion. He explained that there are four qualifiers for Executive Sessions and that the statute states that those closed sessions must be narrowly and specifically focused. He stated that in this particular case, the discussion would fall under "...matters, the immediate knowledge of which would have an adverse effect on the finances of the government unit." **Mr. Cleworth** summarized his understanding of the legal explanation. He asked for confirmation that anything could be on the table at that point, as long as it pertains to reopening the CBA, not that they can only discuss one item. Attorney Chard stated that is correct, but the challenge will be that two of the three components of the overall effort regarding FPD recruitment and retention have already been introduced in a public setting. He stated that if the Council tried to wedge discussion about those other ordinances into an Executive Session, that would be inappropriate. **Mr. Cleworth** replied that those two matters have been dealt with outside of the CBA, so such a constraint should not be a problem. **Ms. Sprinkle** pointed out that it would be difficult to not reference those items, because they are part of an overall package. Attorney Chard explained that referencing those items in an Executive Session, in the context of how they would shape the Council's direction to the bargaining team, would not be considered inappropriate. He stated that the Council would not be discussing or debating the components or merits of the ordinances or having presentations on them.

Mayor Pruhs commented that there have been many conversations with the Legal Department on the issue. He stated that his thought for an Executive Session would be a discussion on whether to reopen the entire CBA or enter into a LOA with the union, then hold a work session to discuss any financial ramifications. **Mayor Pruhs** commented that the many numbers are not easy and that time is needed to work with the CFO to ensure as much accuracy as possible. He stated that the other two FPD-related topics are significant and have long-term implications to the remaining third topic. He stated he plans to call for an Executive Session for these very issues.

Clerk Snider provided clarity on the subject of meetings being scheduled. She stated that the Council has the authority to call a Special Meeting and an Executive Session, as long as it fits legal

parameters. She stated that the motion on the floor is proper, but she needs specific guidance on the topic of the Executive Session for advertising purpose. She recapped what was stated within the original motion and how the discussion implies that the motion may need updated.

Mr. Cleworth stated that he believes the Council needs to keep the topic more general. **Ms. Sprinkle** asked if the Council needs to redo the motion. **Mayor Pruhs** confirmed that he would like to have an Executive Session so they can decide which direction to take in a work session.

Ms. Tidwell suggested amending the motion to state a subject matter referencing what Mayor Pruhs outlined. Attorney Chard provided more advice.

Ms. Tidwell, seconded by **Ms. Sprinkle**, moved to AMEND the motion to schedule a special meeting to state that the subject for the Executive Session to be held at the Special Meeting is to discuss potential changes to the current CBA between the PSEA and the City of Fairbanks, or whether to enter into a Letter of Agreement to address recruitment and retention challenges.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND THE MOTION TO SCHEDULE A SPECIAL MEETING TO STATE THAT THE SUBJECT FOR THE EXECUTIVE SESSION TO BE HELD AT THE SPECIAL MEETING IS TO DISCUSS POTENTIAL CHANGES TO THE CURRENT CBA BETWEEN THE PSEA AND THE CITY OF FAIRBANKS, OR WHETHER TO ENTER INTO A LETTER OF AGREEMENT TO ADDRESS RECRUITMENT AND RETENTION CHALLENGES AS FOLLOWS:

YEAS: Tidwell, Ringstad , Marney, Sprinkle, Cleworth
NAYS: None
ABSENT: Rogers
Mayor Pruhs declared the MOTION CARRIED.

Mayor Pruhs called for any further discussion and hearing none, called for a vote on the original motion, as amended.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO SCHEDULE A SPECIAL CITY COUNCIL MEETING ON MONDAY JUNE 19, 2023, AT 7:00 A.M., FOR THE PURPOSE OF HOLDING AN EXECUTIVE SESSION UNDER ALASKA STATUTE 44.62.310(C)(1)(A) TO PROVIDE DIRECTION TO THE CITY’S BARGAINING TEAM ON POTENTIAL CHANGES TO THE CURRENT CBA BETWEEN THE PSEA AND THE CITY OF FAIRBANKS, OR WHETHER TO ENTER INTO A LETTER OF AGREEMENT TO ADDRESS RECRUITMENT AND RETENTION CHALLENGES AS FOLLOWS:

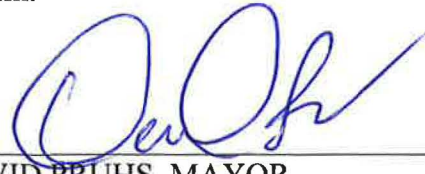
YEAS: Marney, Sprinkle, Ringstad, Tidwell
NAYS: Cleworth
ABSENT: Rogers
Mayor Pruhs declared the MOTION CARRIED.

Mayor Pruhs shared his thoughts of appreciation for everyone for their patience throughout a long night of discussion.

Ms. Tidwell, seconded by **Ms. Sprinkle**, moved to ADJOURN the meeting.

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

Mayor Pruhs declared the meeting adjourned at 10:07 p.m.



DAVID PRUHS, MAYOR

ATTEST:



D. DANYELLE SNIDER, MMC, CITY CLERK

Transcribed by: CC