



FAIRBANKS CITY COUNCIL
SPECIAL MEETING MINUTES, MARCH 18, 2024
FAIRBANKS CITY COUNCIL CHAMBERS
800 CUSHMAN STREET, FAIRBANKS, ALASKA

The City Council convened at 5:30 p.m. on the above date to conduct a Special Meeting of the Fairbanks City Council at the City Council Chambers, 800 Cushman Street, Fairbanks, Alaska, with Mayor David Pruhs presiding and with the following Council Members in attendance:

Councilmembers 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: D. Danyielle Snider, City Clerk
 Thomas Chard, City Attorney
 Michael Sanders, Chief of Staff
 Margarita Bell, Chief Financial Officer
 Andrew Coccaro, Fire Chief

CITIZENS' COMMENTS – None

EXECUTIVE SESSION

Mr. Cleworth, seconded by **Ms. Sprinkle**, moved to ENTER Executive Session to discuss Fairbanks Firefighters Union (FFU) labor negotiation strategy.

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

a) Fairbanks Firefighters Union Labor Negotiation Strategy (*entered at 5:30 p.m.*)

Mr. Cleworth brought the City Council out of the Executive Session noting that the City Council met in Executive Session to discuss FFU labor negotiation strategy. He stated that no action was taken.

The regular meeting resumed at 6:49 p.m.

Ms. Sprinkle expressed a desire to have a discussion in the near future about the increase in Borough tobacco taxes, remarking that the combined rate of 40% is high.

Mr. Cleworth shared that he carried forward the Council's concerns about double taxation during his comment period at the last Assembly meeting, where they spent two hours on the topic. He

reported that Assemblymember LaJiness had suggested a compromise to keep the Borough's rate at 8% and add vaping products, but the idea did not get traction. **Mr. Cleworth** stated that the Assembly is aware that the increase would result in businesses in the cities of Fairbanks and North Pole paying double the taxes as those outside city limits. He stated the meeting was interesting, with a final vote of 5-4 in favor of the increase, which he believes will result in a loss of sales within the city.

Mr. Marney acknowledged that he may have gotten more involved with the issue than he should have and explained that he reached out to one of the sponsors, Assemblymember Crass, to discuss his concerns. He shared that S. Crass acknowledged that the taxes are stacked, 20% plus 20% for businesses within the city, and stated that he would offer an amendment to exempt businesses within the city. **Mr. Marney** reported that no such amendment was made.

Mayor Pruhs stated that Assemblymember Crass did not follow through with what he said he would do.

Ms. Sprinkle asked what the City has the power to do in regard to the situation.

City Attorney Chard reminded the Council that the public notice for the meeting did not include reference to the tobacco tax topic. He indicated that while a general, brief conversation about a desire to discuss a certain issue in the future would be acceptable, it would be prudent to end discussion on the matter until a future time when the topic can be publicly noticed.

ADJOURNMENT

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

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

Mayor Pruhs declared the meeting adjourned at 6:52 p.m.



DAVID PRUHS, MAYOR

ATTEST:



D. DANIELLE SNIDER, MMC, CITY CLERK

Transcribed by: CC