



FAIRBANKS CITY COUNCIL  
REGULAR MEETING MINUTES, DECEMBER 4, 2017  
FAIRBANKS CITY COUNCIL CHAMBERS  
800 CUSHMAN STREET, FAIRBANKS, ALASKA

---

The City Council convened at 7:00 p.m. on the above date, following a 6:00 p.m. Work Session with the Interior Delegation on 2018 City Legislative Priorities, to conduct a Regular Meeting of the Fairbanks City Council at the City Council Chambers, 800 Cushman Street, Fairbanks, Alaska, with Mayor Jim Matherly presiding and with the following Council Members in attendance:

Council Members Present:        June Rogers, Seat B  
   Valerie Therrien, Seat C  
   Jonathan Bagwill, Seat D  
   Jerry Cleworth, Seat E  
   David Pruhs, Seat F

Absent:                                Joy Huntington, Seat A (Excused)

Also Present:                        Margarita Bell, Controller  
   Paul Ewers, City Attorney  
   D. Danyielle Snider, City Clerk  
   Mike Meeks, Chief of Staff  
   Carmen Randle, Chief Financial Officer  
   Christina Rowlett, HR Admin  
   Tom Borce, Risk Manager  
   Jim Styers, Fire Chief  
   Pat Smith, Development Manager  
   Eric Jewkes, Police Chief  
   Kristi, Merideth, Dispatch Shift Lead

City Clerk Danyielle Snider read aloud the Mission Statement of the City of Fairbanks.

**INVOCATION**

The Invocation was given by City Clerk Danyielle Snider.

**FLAG SALUTATION**

Mayor Matherly asked Mr. Pruhs to lead the Flag Salutation.

**CITIZENS' COMMENTS ON CONSENT AGENDA ITEMS**

Buzzy Chiu, 204 Front Street, Fairbanks – Ms. Chiu stated she is the Chair of the Public Safety Commission (PSC) and spoke in support of the “as amended” version of Resolution No. 4817. She stated the PSC also supports the resolution. She stated that the bonus would be a good use of salary savings.

**Mr. Bagwill** asked Ms. Chiu if the level of staffing is her only concern. Ms. Chiu stated not having enough staff affects all members of the public. She stated there needs to be enough staff on call to help in an emergency and to keep the City safe. She stated that as people get overworked they choose to leave their position for other jobs.

Victor Buberger, P.O. Box 58192, Fairbanks – Mr. Buberger spoke against a retention bonus for police and dispatch personnel. He stated that police officers make enough money and suggested putting any extra funds towards snow removal on 9th Avenue. He stated the City is making millionaires out of some FPD staff every few years. He stated that police officers always cry for more money and compared them to crackheads always wanting more money.

Frank Turney, 329 6th Avenue, Fairbanks – Mr. Turney stated he would like to know why the Factfinding Commission has not met and what it is intended for. He stated he recalls that Mr. Cleworth originally proposed the Factfinding Commission, and he would like the public to know more about it.

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

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

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

**Mr. Cleworth** pulled Resolution No. 4817 from the Consent Agenda and stated that there is no need for a discussion on IBEW Labor Negotiations during the Executive Session.

**Mayor Matherly** called for objection 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 Transfer of Ownership:

Type:	Beverage Dispensary, License #725
DBA:	Midnight Mine
Applicant:	Midnight Mine, LLC 308 Wendell Avenue, Fairbanks
From:	Midnight Mine/Borealis Investments, Inc. 308 Wendell Avenue, Fairbanks

**Ms. Therrien**, seconded by **Mr. Pruhs**, moved to PROTEST the Liquor License Application for Transfer of Ownership.

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

**Ms. Therrien** stated that there were quite a few police complaints for the Midnight Mine and many more for Kodiak Jacks; she indicated that the bar owners are related. **Ms. Therrien** stated the Council should seriously consider whether the establishment needs to be in Fairbanks.

**Mr. Cleworth** questioned whether the Council should be looking at Kodiak Jack's as part of the discussion on the Midnight Mine since the establishments are owned by two different people.

Police Chief Eric Jewkes stated he does not know about the relationship between the owners. He stated it is his understanding that Rick Mensik was actively involved in the purchase of the Midnight Mine and will be actively involved in the operation of the liquor license. He stated the concern is that Mr. Mensik has not done a very good job in operating a similar establishment.

**Mayor Matherly** asked Chief Jewkes about his communication with Mr. Mensik; Chief Jewkes stated Mr. Mensik is always amenable and polite, but he criticized his business model.

**Mr. Pruhs** asked what a "field contact" means, as referenced on the call out report; Chief Jewkes stated a field contact could be an officer-initiated visit for preventative measures. **Mr. Pruhs** asked about the "shots fired" call to the Midnight Mine during June of 2017; Chief Jewkes stated that at the time of the call, the Midnight Mine was under different ownership.

**Ms. Therrien**, seconded by **Mr. Pruhs**, moved to POSTPONE the Liquor License Application for Transfer of Ownership until the Regular City Council Meeting of December 11, 2017.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO POSTPONE THE LIQUOR LICENSE APPLICATION FOR TRANSFER OF OWNERSHIP UNTIL THE REGULAR CITY COUNCIL MEETING OF DECEMBER 11, 2017 AS FOLLOWS:

YEAS: Pruhs, Therrien, Cleworth, Bagwill, Rogers

NAYS: None

ABSENT: Huntington

**Mayor Matherly** declared the MOTION CARRIED.

b) The Fairbanks City Council heard interested citizens concerned with the following application for a New Standard Marijuana Cultivation Facility License:

Type: Marijuana Cultivation Facility, License #13329

DBA: RCH Cultivation

Licensee/Applicant: Ryan A Hallsten; Charles R Hnilicka

Physical Location: 2745 Hanson Road, Unit A, Fairbanks, Alaska

**Mr. Pruhs**, seconded by **Ms. Therrien**, moved to PROTEST the Cultivation Facility License until a Certificate of Occupancy is issued by the Building Department.

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

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO PROTEST THE CULTIVATION FACILITY LICENSE UNTIL A CERTIFICATE OF OCCUPANCY IS ISSUED BY THE BUILDING DEPARTMENT AS FOLLOWS:

YEAS: Therrien, Rogers, Pruhs, Cleworth  
NAYS: Bagwill  
ABSENT: Huntington  
**Mayor Matherly** declared the MOTION CARRIED.

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

Type: Retail Marijuana Store, License #10113  
DBA: Great Alaskan Bud Company  
Licensee/Applicant: SP&C Enterprises, LLC  
Physical Location: 1905 Livengood Avenue, Fairbanks, Alaska

**Mr. Pruhs**, seconded by **Ms. Therrien**, moved to WAIVE PROTEST on the New Retail Marijuana Store License.

Frank Turney, 329 6th Avenue, Fairbanks – Mr. Turney stated he supports the new retail store and questioned how many stores will survive due to the high cost of getting up and running.

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

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO WAIVE PROTEST ON THE NEW RETAIL MARIJUANA STORE LICENSE AS FOLLOWS:

YEAS: Cleworth, Rogers, Therrien, Pruhs  
NAYS: Bagwill  
ABSENT: Huntington  
**Mayor Matherly** declared the MOTION CARRIED.

### **MAYOR'S COMMENTS AND REPORT**

**Mayor Matherly** wished everyone a happy holiday and spoke to the tree lighting at City Hall. He stated the downtown area looks prettier than he can ever recall it looking. He thanked everyone for their patience with the snow removal process. He spoke to the Homeless Symposium that Housing & Homeless Coordinator Mike Sanders is working on. **Mayor Matherly** thanked the Council Members for all of the hard work they have put into the 2018 budget. He thanked the Interior Delegation for attending the Work Session and for providing good information to the Council.

a) Special Reports

Brittany Smart, 907 Terminal Street, Fairbanks – Ms. Smart encouraged action on Ordinance No. 6066 because it would make needed clarifications before property tax billing. She spoke to the air quality alerts that have been being monitored and stated that some residents have been cited for improper burning. She asked people to call the Air Quality Division if they are having a hard time keeping their home warm while staying compliant, and she encouraged everyone to sign up for air quality text alerts online.

**UNFINISHED BUSINESS**

- a) Ordinance No. 6066 – An Ordinance Amending Fairbanks General Code Section 74-34 Residential Property Tax Exemption to Clarify Amount of Exemption. Introduced by Council Members Pruhs, Cleworth, Bagwill, and Huntington. SECOND READING AND PUBLIC HEARING.

**Mr. Pruhs**, seconded by **Mr. Bagwill**, moved to ADOPT Ordinance No. 6066.

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

**Mr. Cleworth** asked City Attorney Paul Ewers if the property tax exemption affects the Senior Citizen tax rate. Mr. Ewers stated that the ordinance does not affect it in any way.

**Mayor Matherly** asked the Chief Financial Officer Carmen Randle for a staff report. Ms. Randle stated the Borough has asked the City to change the wording to “20% discount up to a maximum of \$20,000” because that is the way their programming is set up.

**Mr. Cleworth** stated he did not think the intent was to complicate anyone’s life that it was just wording that would help maintain the status quo.

**Mr. Cleworth**, seconded by **Ms. Therrien**, moved to POSTPONE Ordinance No. 6066 until after the Council has voted on Ordinance No. 6067 so Ms. Randle could find the exact language the Borough requested.

**Mayor Matherly** called for objection to POSTPONING Ordinance No. 6066 until after the Council has voted on Ordinance No. 6067, and hearing none, so ORDERED.

- b) Ordinance No. 6067 – An Ordinance Approving Amendments to the 1997 Wastewater Treatment Plant Lease Agreement Between the City of Fairbanks and Golden Heart Utilities. Introduced by Mayor Matherly. SECOND READING AND PUBLIC HEARING.

**Mr. Pruhs**, seconded by **Mr. Bagwill**, moved to ADOPT Ordinance No. 6067.

Mr. Ewers stated that Golden Heart Utilities (GHU) asked that the title of Lease Amendment No. 1 be revised to include the language, "(Modification of the Lease Dated the 6th Day of October, 1997)."

**Mr. Bagwill**, seconded by **Ms. Therrien**, moved to AMEND the title of Lease Amendment No. 1 by adding GHU's suggested language.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND THE TITLE OF LEASE AMENDMENT NO. 1 BY ADDING GHU'S SUGGESTED LANGUAGE AS FOLLOWS:

YEAS: Pruhs, Therrien, Cleworth, Bagwill, Rogers

NAYS: None

ABSENT: Huntington

**Mayor Matherly** declared the MOTION CARRIED.

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

**Mr. Cleworth** thanked Development Manager Pat Smith for the information he sent via email. Mr. Smith stated the ordinance is a win-win for everyone and that he is available to answer any questions.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 6067, AS AMENDED, AS FOLLOWS:

YEAS: Cleworth, Pruhs, Rogers, Bagwill, Therrien

NAYS: None

ABSENT: Huntington

**Mayor Matherly** declared the MOTION CARRIED and Ordinance No. 6067, as Amended, ADOPTED.

*The Council resumed discussion on Ordinance No. 6066 per the motion approved on page five.*

**Ms. Therrien**, seconded by **Mr. Bagwill**, moved to AMEND Ordinance No. 6066 by changing the maximum tax exemption language in Sec. 74-34(b) to read, "...shall be 20% of the assessed value, up to a maximum of \$20,000."

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND ORDINANCE NO. 6066 BY CHANGING THE MAXIMUM TAX EXEMPTION LANGUAGE IN SEC. 74-34(b) TO READ, "...SHALL BE 20% OF THE ASSESSED VALUE, UP TO A MAXIMUM OF \$20,000" AS FOLLOWS:

YEAS: Therrien, Rogers, Pruhs, Bagwill, Cleworth

NAYS: None

ABSENT: Huntington

**Mayor Matherly** declared the MOTION CARRIED.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 6066, AS AMENDED, AS FOLLOWS:

YEAS: Rogers, Bagwill, Therrien, Pruhs, Cleworth  
NAYS: None  
ABSENT: Huntington  
**Mayor Matherly** declared the MOTION CARRIED and Ordinance No. 6066, as Amended, ADOPTED.

### NEW BUSINESS

- a) Resolution No. 4816 – A Resolution Supporting the Nomination of an FMATS Transportation Improvement Program Project for the Reconstruction of 5th Avenue Between Barnette and Noble Street. Introduced by Mayor Matherly.

PASSED and APPROVED on the CONSENT AGENDA.

- b) Resolution No. 4817 – A Resolution Authorizing a Retention Bonus for Dispatch and Police Department Employees. Introduced by Council Members Bagwill and Therrien.

**Ms. Therrien**, seconded by **Mr. Bagwill**, moved to APPROVE Resolution No. 4817.

**Ms. Therrien**, seconded by **Mr. Bagwill**, moved to SUBSTITUTE Resolution No. 4817, as Amended (Hand-carried) for Resolution No. 4817.

**Mayor Mathelry** called for objection, and hearing none, so ORDERED.

**Mr. Cleworth** stated Mayor Matherly has done as much as he can to mend fences between City Hall and the Police Department. He stated he believes it was a good thing to help to improve morale in the department and spoke to the department's bonus about a year ago. He stated some of the other City employees were upset that only one department received a bonus and a 4% increase while they received nothing. **Mr. Cleworth** stated if Police and Dispatch employees receive another bonus it would equate to a 5-6% pay increase, and he expressed concern about being fair with all unions. He stated things have not been even and equitable across the board for City unions, and the Council has created tiers within the City. He stated that giving bonuses while the City is in a budget crisis is wrong. He stated the Council is getting into a public relations nightmare with other City employees.

**Mr. Pruhs** stated he is holding a document from the Public Safety Employees Association (PSEA) suing the City of Fairbanks, and he asked why a bonus was on the table. He stated the Mayor acted in good faith and tried to rectify union issues with the PSEA. **Mr. Pruhs** stated the City should quit enabling them with bonuses and pay increases. He added that the resolution enables incompetency, and he spoke against its approval.

**Mr. Cleworth** asked the sponsors of the ordinance to speak with other department heads to see what their employees are saying about the bonuses for PSEA employees. He stated that last summer the Council was so concerned about running short on funds that they asked the voters to approve a property tax increase; he stated it sends mixed messages to the public.

**Ms. Therrien** spoke in support of the resolution and stated that the Dispatch Director and Police Chief asked the Council to support their employees. She stated the bonuses would be paid from salary savings, and she spoke of how dispatchers and police officers picked up the slack for all the vacancies. She stated that they have earned bonuses by working so much overtime.

**Mr. Cleworth**, seconded by **Ms. Rogers**, moved to AMEND Resolution No. 4817 by changing the “remain employed through” date from June 1, 2018 to December 31, 2018.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND RESOLUTION NO. 4817 BY CHANGING THE “REMAIN EMPLOYED THROUGH” DATE FROM JUNE 1, 2018 TO DECEMBER 31, 2018 AS FOLLOWS:

YEAS: Pruhs, Therrien, Cleworth, Bagwill, Rogers

NAYS: None

ABSENT: Huntington

**Mayor Matherly** declared the MOTION CARRIED.

**Mr. Bagwill** stated it is his first budget season with the City and that he has learned an incredible amount in a short time. He stated the funds that will pay for the bonuses are from salary savings and that the department cannot hire people fast enough to fill the vacancies. He stated FPD employees are working a lot of overtime, and they are getting burnt out. He stated the bonus would help retain those employees. He stated while it may be hard to explain to other City departments, the bonuses are deserved.

**Ms. Rogers** spoke in support of the resolution.

**Mr. Cleworth** stated the Council is setting a precedent, and now all department heads will be coming to the Council requesting to give bonuses to their employees using salary savings. He stated year-end bonuses are not standard at the City. He stated the upcoming year is going to be tough and the excess funds being discussed should be used elsewhere. He stated the police do work a lot of overtime but that treating one department better than another is hard to justify.

**Mr. Pruhs** stated he is going on the record to state that the bonuses are almost discriminatory toward other departments and bargaining units at the City.

**Mayor Matherly** stated when he came into office he replaced the Chief of Police from within the ranks at the department, and within a week of being elected Sergeant Brandt was shot. He stated he tries to be an involved Mayor and that he does not see the bonus as a PSEA issue. He stated he appreciates what Mr. Pruhs has to say about the PESA suing the City but not every City employee has to worry about being shot each day when they come to work. He stated there was a beheading the previous week, and the police are the ones called upon to run to danger. **Mayor Matherly** stated he is accessible 24 hours a day in his office and on Facebook. He stated he



respects all the employees of the City of Fairbanks. He added that the police department deserves bonuses because they have dealt with 13 homicides in 2017, and there are still three weeks left in the year. **Mayor Matherly** stated the department is down seven officers, and some of the people in training may not pass through the test rounds.

**Mr. Cleworth** stated the City is not saving money; he explained that if they pay out bonuses, that money will not go to the Capital Fund. He stated that Capital Funds are used to purchase needed equipment, and he reminded everyone that City residents deserve the best service that can be provided.

**Ms. Therrien** stated the fiscal note shows that there is plenty of money in the police budget to fund necessary Capital projects.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPROVE RESOLUTION NO. 4817, AS AMENDED, AS FOLLOWS:

YEAS: Bagwill, Therrien, Rogers, Matherly  
NAYS: Pruhs, Cleworth  
ABSENT: Huntington  
**Mayor Matherly** declared the MOTION CARRIED and Resolution No. 4817, as Amended, APPROVED.

- c) Ordinance No. 6065 – An Ordinance Adopting the 2018 Operating and Capital Budgets. Introduced by Mayor Matherly.

ADVANCED on the CONSENT AGENDA.

- d) Ordinance No. 6068 – An Ordinance Amending the 2017 Operating Budget for the Sixth Time. Introduced by Mayor Matherly.

ADVANCED on the CONSENT AGENDA.

**WRITTEN COMMUNICATIONS TO COUNCIL**

- a) Appointment to the Fact-finding Commission

APPROVED on the CONSENT AGENDA.

**CITIZENS' COMMENTS**

**Victor Buberger, P.O. Box 58192, Fairbanks** – Mr. Buberger stated he misses the professional way Mayor Eberhart used to run City Council meetings. He read aloud a portion of the FDC meeting minutes relating to the potty project. He stated he gave comments about the issue at the previous Council meeting, and he stated that HR Director Foster-Snow tried to make the transgender restroom idea something other than what it was. He stated the minutes clearly state that the restrooms are for transgender people—not for those needing special assistance in the restroom.

Frank Turney, 329 6th Avenue, Fairbanks – Mr. Turney distributed a handout about the bathroom mandate being a bad idea, because it allows people to use the restroom of their identity. He scolded Mayor Matherly for not following the rules of order and decorum by interrupting citizens' comments at the previous meeting. He spoke against transgender restrooms and stated that the issue leads to threats against children's safety, is an invasion of privacy, and is government overreach. He harshly criticized Mayor Matherly for his support of the FDC's involvement in the potty project.

**Ms. Therrien** called a POINT OF ORDER. She stated that Mr. Turney is personally attacking the Mayor.

Mr. Turney stated that he and Mr. Buberger have pushed for years to get public restrooms in the City and shared that he is disgusted that the Mayor would advocate for transgender restrooms but not public restrooms for all.

Christian Hood, P.O. Box 83091, Fairbanks – Ms. Hood stated she represents Good, LLC and reminded the City Council of the activities her company has been involved with throughout the community. She stated her employees work with the Stone Soup Café and thanked the Council for not protesting their retail license. She stated they held another First Friday event recently and donated the proceeds of the sales that evening to the Interior Alaska Cancer Association.

**Mr. Pruhs** thanked Ms. Hood for keeping her business well-kept and for providing much needed contributions to the community.

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

**Mayor Matherly** shared that the person who brought information on the potty project to the FDC called afterwards and asked that the letter not be sent out; he stated that they indicated that the project was not ready to proceed. He explained that is why the issue never came before the City Council and that the purpose of the project is to make restrooms accessible to everyone.

**Ms. Rogers** stated she is a non-voting member of the FDC and that universal restrooms are commonplace; she shared that she does not have any issue with them.

### COUNCIL MEMBERS' COMMENTS

**Mr. Bagwill** stated he learned a lot about the City budget in a short amount of time. He asked when and where the Homeless Coalition meeting would be held on Wednesday, December 6. **Mayor Matherly** reported the meeting is at the Westmark Gold Room from 8 a.m. till 5 p.m.

**Mr. Cleworth** stated there were some difficult discussions at the meeting and that he appreciates each City Department Head. He stated he takes issues seriously and that his only goal is to provide safety to the community and to use citizens tax dollars in the best possible way.

**Mr. Pruhs** predicted that the City will win the Supreme Court case and that the PSEA will continue to sue the City. He stated he believes the FPD will ask for bonuses again next year.

**Ms. Therrien** stated the Work Session with the Interior Delegation went very well, and she encouraged everyone to attend the Homeless Coalition event at the Westmark.

**Ms. Rogers** stated she appreciates the new format for Council meetings and thanked Ms. Snider for writing the invocations for the meetings. She thanked Mr. Cleworth for his contemplative look at all issues and shared that she has valued his opinion for decades. She stated she appreciates his calmness and consistency in serving the residents of the City of Fairbanks. She stated while she may not always agree with him, she admires him for the job he does for citizens.

**Mr. Bagwill**, seconded by **Mr. Cleworth**, moved to go into Executive Session for the purpose of discussing AFL-CIO Labor Negotiations.

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

**Mayor Matherly** called for a brief five minute recess.

### **EXECUTIVE SESSION**

a) AFL-CIO Labor Negotiations

The City Council met in Executive Session to discuss AFL-CIO Labor Negotiations. Direction was given to the negotiating team, and no action was taken.

### **ADJOURNMENT**

**Mr. Pruhs**, seconded by **Mr. Bagwill**, moved to ADJOURN the meeting.

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

**Mayor Matherly** declared the meeting adjourned at 9:04 p.m.



\_\_\_\_\_  
JIM MATHERLY, MAYOR

ATTEST:



\_\_\_\_\_  
D. DANYIELLE SNIDER, CMC, CITY CLERK

Transcribed by: EB