



FAIRBANKS CITY COUNCIL
AGENDA NO. 2017-10
REGULAR MEETING MAY 22, 2017
FAIRBANKS CITY COUNCIL CHAMBERS
800 CUSHMAN STREET, FAIRBANKS, ALASKA

REGULAR MEETING

7:00 P.M.

1. ROLL CALL
2. INVOCATION
3. FLAG SALUTATION
4. CITIZENS COMMENTS, oral communications to Council on any item not up for Public Hearing. Testimony is limited to five minutes. Any person wishing to speak needs to complete the register located in the hallway. Normal standards of decorum and courtesy should be observed by all speakers. Remarks should be directed to the City Council as a body rather than to any particular Council Member or member of the staff. In consideration of others, kindly silence all cell phones and electronic devices.
5. APPROVAL OF AGENDA AND CONSENT AGENDA

Approval of Consent Agenda passes all routine items indicated by an asterisk (*). Consent Agenda items are not considered separately unless a Council Member so requests. In the event of such a request, the item is returned to the General Agenda.
6. APPROVAL OF PREVIOUS MINUTES
 - *a) Regular Meeting Minutes of March 20, 2017
7. SPECIAL ORDERS

8. MAYOR'S COMMENTS AND REPORT
9. UNFINISHED BUSINESS
10. NEW BUSINESS
 - *a) Resolution No. 4791 – A Resolution Approving the Real Estate Appraiser's Valuation for the Sale of City Property to Tanana Chiefs Conference. Introduced by Mayor Matherly.
 - *b) Ordinance No. 6049 – An Ordinance Ratifying a Collective Bargaining Agreement Between the City of Fairbanks and the AFL-CIO Crafts Council and Amending the 2017 General Fund Operating Budget. Introduced by Mayor Matherly.
11. DISCUSSION ITEMS (INFORMATION AND REPORT)
 - a) Committee Reports
12. COMMUNICATIONS TO COUNCIL
 - *a) Permanent Fund Review Board Meeting Minutes of January 23, 2017
 - *b) Fairbanks Diversity Council Meeting Minutes of April 11, 2017
 - *c) Memorandum Regarding Incentive Bonus for Lateral Hire
13. COUNCIL MEMBERS' COMMENTS
14. CITY CLERK'S REPORT
15. CITY ATTORNEY'S REPORT
16. EXECUTIVE SESSION
 - a) Sale of City Property to Tanana Chiefs Conference
17. ADJOURNMENT



**FAIRBANKS CITY COUNCIL
REGULAR MEETING MINUTES, MARCH 20, 2017
FAIRBANKS CITY COUNCIL CHAMBERS
800 CUSHMAN STREET, FAIRBANKS, ALASKA**

The City Council convened at 7:00 p.m. on the above date 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: Joy Huntington, Seat A
June Rogers, Seat B
Valerie Therrien, Seat C (Telephonic)
Jerry Norum, Seat D (Telephonic)
Jerry Cleworth, Seat E
David Pruhs, Seat F

Absent: None

Also Present: Clem Clooten, Building Official
Mike Meeks, Chief of Staff
Paul Ewers, City Attorney
D. Danyielle Snider, City Clerk
Angela Foster-Snow, HR Director
Michael Sanders, Housing & Homeless Coordinator
Jackson Fox, City Engineer
Donna Gardino, MPO Coordinator
Eric Jewkes, Police Chief
Margarita Bell, Controller
Jim Styers, Fire Chief
Kurt Allen, Police Officer

At Mayor Matherly's request, 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 led the Flag Salutation.

CITIZEN'S COMMENTS

Darlene Supplee, 1424 Moore Street, Fairbanks – Ms. Supplee stated she is present to speak on behalf of the Fairbanks Senior Center, and she thanked the Council for the good work that they do. She gave an update on the construction project underway at the facility. She stated that

asbestos was found onsite and that it could increase project costs by \$10,000. She stated that Johnson Rivers, the contractor, has worked very hard to keep the project on budget anyway. Ms. Supplee spoke to some of the other issues they have encountered during the remodel. She stated she would like to communicate the accomplishments of the Meals-on-Wheels program, and she asked the Council for advice as to how the program could continue serving the community.

Mr. Pruhs spoke to the importance of getting the stove pipe issue fixed during the summer months. Ms. Supplee agreed that it would have to be fixed or the building would be shut down.

Mr. Cleworth asked whether the asbestos in the linoleum could be covered up or if it had to be removed. Ms. Supplee stated the carpet has to be removed and it is attached to the linoleum, so the contractor told her it also needs to be removed.

Mayor Matherly stated he took a tour of the facility with Chief of Staff Mike Meeks and that the issues will be discussed at the next Finance Committee meeting.

Frank Turney, 329 6th Avenue, Fairbanks – Mr. Turney thanked Ms. Therrien for introducing a resolution in support of House Bill (HB) 127. He stated the Fairbanks Four should be compensated by the Permanent Fund Office for all of the back Permanent Fund Dividend (PFD) checks. Mr. Turney stated he testified at the Senate Judiciary Committee on the industrial hemp bill that passed earlier in the day. He provided his phone number and told everyone to give him a call if they need help shoveling their sidewalks.

Zachary Mason, 610 Cushman Street, Fairbanks – Mr. Mason stated he is the President and Chairman of the Board of Directors for the North Star Youth Court. He stated the program teaches young members of the community about the legal system and aims to reduce juvenile crime in the community. Mr. Mason stated some of the sentences are given in the form of community work service, essays and grade requirements. He stated if the students complete their sentence for a misdemeanor crime they can go back to having a clean record. He stated that overall the recidivism rate is below 5%, much lower than the adult recidivism rate of 56%.

Mr. Cleworth asked Mr. Mason where his office is located; Mr. Mason replied that the office is located inside the Sadler's Building.

Mr. Pruhs asked how much time Mr. Mason puts into the program in a typical year. Mr. Mason stated he worked 160 hours last year but that he will be working more in 2017 because he has taken on a bigger workload. **Mr. Pruhs** asked how many cases went through the program last year; Mr. Mason reported that they took 60 cases last year.

Ms. Rogers asked each member present to give a brief introduction of themselves.

Brian Eley, Fairbanks – Mr. Eley stated he is the NSYC Treasurer and has been part of the organization for over four years.

Sierra Tisdale, Fairbanks – Ms. Tisdale stated she is the NSYC Vice President and that she is a trained mediator for the program.

Jevon Gordon-Woolf, Fairbanks – Mr. Gordon-Woolf stated he is the NSYC Chief Judge. He stated he is an attorney, and he tries to put as much time as possible into the youth court program.

Ms. Huntington asked about the hours of operation; Mr. Mason stated they depend on case load.

Helen Renfrew, 1915 Central Avenue, Fairbanks – Ms. Renfrew stated she is present to speak about the Week of the Arctic, May 8-12, 2017, and she spoke of the various activities that will take place. She spoke about the Arctic Council Ministerial meeting that will be held on May 11, 2017. She reminded everyone about cleanup day scheduled for Saturday, April 29, 2017.

Lance Roberts, P.O. Box 83449, Fairbanks – Mr. Roberts reported a problem with the traffic light at Gaffney and Cushman; he stated that there is no reason to have a red arrow for a left turn onto a one-way street. He stated he is happy with the rest of the work done on Cushman Street.

Michael Sanders, 800 Cushman Street, Fairbanks – Mr. Sanders introduced Scott Weiser, the new VISTA Volunteer that will be working with the him, the Housing & Homeless Coordinator.

Scott Weiser, 800 Cushman Street, Fairbanks – Mr. Weiser expressed his hopes of making a difference in the community through his work with the Housing & Homeless Coalition.

Megan Sheerer, 1845 Caribou Way, Fairbanks – Ms. Sheerer stated she represents Access Alaska. She stated she is very pleased to welcome Mr. Weiser because she has worked with him before. She spoke to the mission of Access Alaska and to their goals for the community.

Christine Charron, 1214 20th Avenue, Fairbanks – Ms. Charron stated she is an Americore VISTA, and her job is partnership in the community and helping introduce youth to the workforce.

Kara Carlson, 782 7th Avenue, Fairbanks – Ms. Carlson spoke highly of Mr. Sanders and Mr. Weiser. She commended the Council for looking carefully at liquor license applications. She stated that April is sexual assault awareness month and spoke to the violence in the community. She encouraged everyone to get involved in preventing violence in the community.

Victor Buberger, P.O. Box 58192, Fairbanks – Mr. Buberger thanked Public Works Director Jeff Jacobson and his department for snow removal efforts. He spoke to the importance of getting public restrooms in the downtown area. Mr. Buberger complained that the City comes up with money for all sorts of things when necessary but that it will not fund a public restroom. He stated the Polaris Building is more of a priority to the Council than public restrooms.

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

APPROVAL OF AGENDA AND CONSENT AGENDA

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

Mr. Pruhs pulled Ordinance No. 6043 from the Consent Agenda.

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

City Clerk Snider read the Consent Agenda, as Amended, into the record.

APPROVAL OF PREVIOUS MINUTES

- a) Regular Meeting Minutes of January 23, 2017.

APPROVED on the CONSENT AGENDA.

SPECIAL ORDERS

- a) The Fairbanks City Council, Sitting as a Committee of the Whole, heard interested citizens concerned with the following Liquor License Applications for Renewal:

Lic #	DBA	License Type	Licensee	Premises Address
3050	Gambardella's Pasta Bella	Restaurant/ Eating Place	Gambardella's II, Inc.	No Premises
3965	K & L Beverage Company	Wholesale – General	K & L Beverage Company, LLC	945 Elizabeth Street
1966	Loyal Order of Moose #1392	Club	Fairbanks Lodge #1392	98 10th Avenue

Mr. Pruhs, seconded by **Ms. Huntington**, moved to WAIVE PROTEST on the Liquor License Applications for Renewal.

Frank Turney, 329 6th Avenue, Fairbanks- Mr. Turney asked the Council how much City revenue comes from alcohol tax.

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

Ms. Huntington asked about the police department call report that stated “no match found.”

Mr. Cleworth stated there would not be police callouts to a wholesale distributor, and that is why there is nothing to report.

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

YEAS: Huntington, Norum, Therrien, Pruhs, Cleworth, Rogers
NAYS: None

Mayor Matherly declared the MOTION CARRIED.

- b) The Fairbanks City Council, Sitting as a Committee of the Whole, heard interested citizens concerned with the following application for a new Marijuana Cultivation Facility License:

Type: Marijuana Cultivation Facility, License #11051
DBA: Northlink, LLC
Licensee/Applicant: Northlink, LLC
Physical Location: 1550 Cushman Street, Fairbanks, Alaska

Mr. Pruhs, seconded by **Ms. Huntington**, moved to WAIVE PROTEST on the Marijuana Cultivation Facility License.

Francis Furrow, 1617 Mary Ann Street, Fairbanks – Mr. Furrow stated she spoke at the Borough Assembly meeting but that it got him nowhere. He stated he did not understand what legalizing marijuana was going to do for society. He stated Northlink is close to a daycare facility and Housing First, a rehabilitation center. He stated the new US President does not agree with legal marijuana and will write an executive order that takes federal funds from the City and State.

Frank Turney 329 6th Avenue, Fairbanks – Mr. Turney spoke in favor of the Northlink license and stated that the real problem in the City is alcohol.

Lance Roberts, P.O. Box 84339, Fairbanks – Mr. Roberts stated there is a youth facility within 500 feet of the Northlink business, which is in violation of State law. He stated the area in which Northlink is proposing to operate its business does not need the destructive influences of a cultivation facility. He asked the City Council to protest the license.

Victor Buberger, P.O. Box 58192, Fairbanks – Mr. Buberger stated he visited the cultivation facility off of Davis Road, and it did not bother him at all. He said the only thing that bothered him while he was there was that they are charging \$20 per gram for their product.

Travis Frasier, P.O. Box 10974, Fairbanks – Mr. Frasier stated that he is the owner of both the building and the business that is being discussed. He stated the business is not in a residential area; he clarified that it is near a daycare, not a youth facility. He stated that he has spent a lot of time and money to be compliant with regulations and bring legal marijuana to local citizens.

Ms. Rogers asked Mr. Frasier to share his thoughts on Housing First being across the street from his facility. Mr. Frasier stated there were a lot of people who were opposed to his business but that he has invested heavily into security cameras and monitoring services. He stated he thought it would help clean up the neighborhood, and as a local business owner that is his main goal.

Mr. Pruhs pointed out that the application is for only a cultivation facility, not a retail business. Mr. Frasier stated he has applied for the retail license as well as a cultivation facility. He stated he is concerned about the different buffer distances that the State and Borough require. Mr. Frasier stated he has spent a lot of time and money, and he has had lawyers go over his paperwork to make sure he complies with all laws before investing in the building.

Ms. Huntington observed that the AMCO office states that a daycare is a youth facility; she stated that they seem to have gone back and forth on the issue.

Christine Nelson, 907 Terminal Street, Fairbanks – Ms. Nelson stated that she had provided everyone with two memos, one dated March 3 and one dated March 20. She stated that the one she wrote earlier in the day has the more recent interpretation from the AMCO office. She stated that Mr. Frasier's facility meets all the requirements of the Borough Zoning Department. Ms. Nelson stated that she was advised by the legal department at the Borough that they could not interpret State regulations and statutes. She stated there is a proposed Borough ordinance that would change how buffer zones are measured.

Mayor Matherly stated that when Goodsense came to the Council there was some back and forth about the church and day care in close proximity. Ms. Nelson stated that the Borough measures as the crow flies and that they are opposed to the shortest pedestrian path measurement that the State later adopted.

Mr. Pruhs stated he read Mr. Roberts' letter which states that a church is within 485' feet of the proposed facility. **Mr. Pruhs** spoke to the exhibits that Ms. Nelson provided the Council relating to buffer zones. He spoke to the AMCO office changing the definition regarding day care facilities. Ms. Nelson stated that the State had not definitively included a day care before in the youth center definition but is specifically calling it out on this particular license.

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

Mr. Cleworth asked Police Chief Eric Jewkes to come forward for a Staff Report; he spoke to his concern about the activity on Stacia Street near the facility. Chief Jewkes stated there is a high call volume down South Cushman, and he shared that he is less concerned with the cultivation license. He stated that he does have concern about a retail facility.

Ms. Huntington asked what percentage of all of the problems over the years was related to marijuana. Chief Jewkes stated that it is likely not a very high percentage but that there is a paradigm shift with the legalization of marijuana. He stated issues most often are caused by alcohol use but that there are a number of factors that go into police call outs.

Mayor Matherly asked Chief Jewkes about his thoughts on Mr. Frasier having cameras all around the facility. Chief Jewkes stated that without visiting the facility to observe the span of camera range and control he could not speak to the issue. He stated his application appeared to meet the requirements, but outside cameras could not hurt anything.

Mr. Cleworth asked if there are any other cultivation licenses that will be coming before the Council. Chief Jewkes stated they are flowing in at a relatively steady rate, and he worries about saturation. **Mr. Cleworth** stated the location is the worst possible location that he can think of because it is next to Stacia Street and across from Housing First.

Ms. Huntington stated the Council has been careful in the past in differentiating between cultivation and retail licenses. She reminded the Council that at the present time, they are only discussing the cultivation license.

Mr. Pruhs stated he does not agree with the State's definition of a youth facility and suggested that the battle should be fought at the State level.

Mr. Cleworth asked City Attorney Paul Ewers if the license complies with State law. Mr. Ewers stated per the memo, the State is taking the position that the Little Thinkers daycare is a youth Facility. He again shared his concern with the area of the cultivation facility because the applicant will want to also open a retail facility.

Ms. Rogers suggested postponing discussion on the license.

Ms. Huntington stated that she agreed with Ms. Rogers that the discussion of the license should be postponed until the applicant has time to discuss the issue with the AMCO board.

Mr. Cleworth stated that it is a State issue and that postponing would not help the applicant.

Mr. Pruhs stated the applicant deserves to have the item postponed so he has the ability to discuss it with the AMCO board. He stated if the Council protests or rejects it, it would carry a lot of weight.

Mr. Pruhs, seconded by **Mr. Norum**, moved to POSTPONE the Marijuana Cultivation Facility License to the April 3, 2017, Regular City Council Meeting.

Ms. Therrien stated that Northlink does not have a Certificate of Occupancy for the property.

Mr. Pruhs suggested that someone should contact the State to ask whether they would allow the Council more time to consider the Northlink, LLC license. Mr. Pruhs stated the Council owes careful consideration to Mr. Frasier because their decision could determine his livelihood.

Mayor Matherly directed City Clerk Snider to contact the AMCO office to see if they would allow for an extension of time to receive the City Council's recommendation. He asked Mr. Ewers if it would be legal to do so; Mr. Ewers stated it would not be an issue from a legal standpoint.

Mayor Matherly stated that cultivation facility locations matter to him and that he has concerns with the South Cushman location. He stated that the Council should consider the location because it is in a very populated area that already has criminal problems.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO POSTPONE THE MARIJUANA CULTIVATION FACILITY LICENSE TO THE APRIL 3, 2017, REGULAR CITY COUNCIL MEETING AS FOLLOWS:

YEAS: Norum, Rogers, Huntington Therrien, Pruhs
NAYS: Cleworth

Mayor Matherly declared the MOTION CARRIED.

Mayor Matherly called for a five minute recess.

MAYOR'S COMMENTS AND REPORT

Mayor Matherly stated that the Tanana Chief Conference annual meeting took place recently and that he was honored to speak at the opening ceremony. He commended Mike Sanders for jumping into his position with both feet and reported that he had already visited some homeless camps. **Mayor Matherly** stated he would speak with Donna Gardino and Jackson Fox regarding Mr. Roberts' issue with the Cushman intersection. He stated he cannot afford to build a public restroom with the budget shortfalls. He stated he has spoken with many downtown businesses who do not seem to find public restrooms a very high priority. **Mayor Matherly** asked Police Chief Eric Jewkes to come forward to give a Staff Report on recruitment at the Fairbanks Police Department (FPD).

Chief Jewkes stated three new recruits are in the Police Academy in Sitka and one officer is already working a swing shift on his own. He stated the Investigations Division just arrested a suspect in the Bojangles homicide. Chief Jewkes reported that Deputy Chief Dan Welborn graduated the FBI academy and would return to work the following week.

Mayor Matherly commended Chief Jewkes for the wonderful job he is doing at the FPD. He stated there was an article in the Anchorage Daily News about the Polaris Building that was spot on. He spoke to the health hazard that the Polaris Building has become and shared his hopes that progress can be made.

UNFINISHED BUSINESS

- a) Resolution No. 4768 – A Resolution Adopting a City of Fairbanks Diversity Action Plan. Introduced by Mayor Matherly. POSTPONED from the Regular Meeting of February 27, 2017.

Mr. Pruhs, seconded by **Ms. Rogers**, moved to APPROVE Resolution No. 4768.

Ms. Rogers asked Human Resource Director Angela Foster-Snow to speak to the evolution of the Diversity Action Plan (DAP).

Ms. Foster-Snow spoke briefly to the drafting process of the DAP and stated that the document serves as marching orders for the Diversity Council.

Mr. Cleworth stated he appreciates all of the time taken in creating the DAP.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPROVE RESOLUTION NO. 4768 AS FOLLOWS:

YEAS:	Rogers, Norum, Therrien, Pruhs, Cleworth, Huntington
NAYS:	None

Mayor Matherly declared the MOTION CARRIED and Resolution No. 4768 ADOPTED.

NEW BUSINESS

- a) Resolution No. 4782 – A Resolution Authorizing the City of Fairbanks to Accept Funds from the AMLJIA Ballistic Vest Reimbursement Program. Introduced by Mayor Matherly.

PASSED and APPROVED on the CONSENT AGENDA

- b) Resolution No. 4783 – A Resolution Authorizing Execution of a Maintenance Agreement for 3rd Street in Exchange for Local Matching Funds for the Minnie Street Upgrade Project. Introduced by Mayor Matherly.

Ms. Therrien, seconded by **Mr. Norum**, moved to APPROVE Resolution No. 4783.

Mr. Cleworth requested a Staff Report from MPO Director Donna Gardino. Ms. Gardino stated 3rd Street has been under development for many years and recently the City was tasked with creating the utility design for the project. She spoke to the Minnie Street reconstruction in 2020.

Ms. Rogers and **Ms. Therrien** expressed support for the project.

Mr. Cleworth spoke to the history of how projects were done with DOT in the past. He spoke against Resolution No. 4783, stating that it is not a good deal for City taxpayers.

Ms. Rogers asked about the history of State roads inside City limits and how they are maintained.

Mr. Cleworth stated that the State would build a road, then turn maintenance over to the City after its completion. He stated they want to pass State roads on to the City so they will not have to maintain them.

City Engineer Jackson Fox spoke to how developer agreements work if roads are built according to City standards. He stated the City gets reimbursed via tax revenue when a new subdivision is built.

Mr. Cleworth questioned what would happen if the City did not get the tax dollars; he commented that the DOT has duped the City before.

Ms. Huntington asked for Ms. Gardino and Mr. Fox to speak to the compelling arguments that Mr. Cleworth was making.

Ms. Gardino stated that when a new road is built it saves the City money because the maintenance costs decrease. She stated the City would not be responsible for the entire cost of the road replacement and that FMATS would help out.

Mr. Cleworth stated there is no way to know if FMATS would be around for another 20 years and that the City should go along with the plan they have on the books already.

Mayor Matherly asked if the State maintains Third Street according to City standards or if they do a better job. Mr. Fox stated he has not heard complaints about Third Street and that the State spends \$32,000 per year in maintenance costs on for the street, \$6,000 of which is the electric bill for the street lights. Mr. Fox stated maintenance costs will go down by switching to LED lights. He stated the State has asked for many years for the City to take over the maintenance of Third Street but the deal has never been so good.

Ms. Therrien asked City Controller Margarita Bell to go over the memo from Chief Financial Officer Carmen Randle relating to capital projects. Ms. Bell spoke to the obligations for Capital projects in the City.

Mr. Fox spoke to various matching fund projects that are projected out over the next five years.

Mr. Cleworth stated the City would be creating an expense with no offsetting revenue source.

Mr. Norum asked Mayor Matherly if he was in favor of the resolution. **Mayor Matherly** stated he had mixed feeling on the issue because he can see why it should be funded and also why it should not be funded. **Mr. Norum** spoke in favor of Resolution No. 4783.

Ms. Huntington stated she is struggling with the decision; she stated that she will not be voting in favor of the resolution.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPROVE RESOLUTION NO. 4783 AS FOLLOWS:

YEAS: Therrien, Norum, Rogers
NAYS: Pruhs, Huntington, Cleworth, Matherly
Mayor Matherly declared the MOTION FAILED.

c) Resolution No. 4784 – A Resolution Authorizing Matching Funds and Execution of a Maintenance Agreement for the Minnie Street Upgrade Project. Introduced by Mayor Matherly.

Mr. Pruhs, seconded by **Ms. Huntington**, moved to APPROVE Resolution No. 4784.

Mr. Fox explained the match requirement in Resolution No. 4784 for the Minnie Street project. He stated the tasks would take a half a year to complete, and survey work is included.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPROVE RESOLUTION NO. 4784 AS FOLLOWS:

YEAS: Therrien, Rogers, Norum, Huntington, Cleworth
NAYS: Pruhs

Mayor Matherly declared the MOTION CARRIED and Resolution No. 4784 APPROVED.

- d) Resolution No. 4785 – A Resolution in Support of HB 127, an Act Relating to Permanent Fund Dividends for an Individual Whose Conviction Has Been Vacated, Reversed, or Dismissed. Introduced by Council Member Therrien.

PASSED and APPROVED on the CONSENT AGENDA

- e) Ordinance No. 6043 – An Ordinance to Amend Fairbanks General Code Chapter 2, Article VIII, Financial Disclosure. Introduced by Mayor Matherly.

Mr. Cleworth, seconded by **Ms. Huntington**, moved to ADVANCE Ordinance No. 6043.

Mr. Pruhs spoke in favor of Resolution No. 6043.

City Clerk Danyielle Snider explained that the ordinance takes away a redundant financial disclosure requirement. Ms. Snider stated that now Council Members will only be required to file a financial disclosure once a year.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADVANCE ORDINANCE NO 6043 AS FOLLOWS:

YEAS: Huntington, Norum, Therrien, Pruhs, Cleworth, Rogers

NAYS: None

Mayor Matherly declared the MOTION CARRIED.

DISCUSSION ITEMS

Ms. Therrien signed off of the telephone at 10:13 p.m.

- a) Committee Reports

Legislative Group – **Mr. Pruhs** stated the Legislative Group met and discussed the Transportation Network Company (TNC) bills that will likely pass at the State level. He spoke to the rules that are included in House Bill (HB) 132 for TNC drivers and the company they will be working for. He stated he believes cheaper transportation will be good for City residents but may not be so good for City coffers. **Ms. Rogers** expressed concern that municipalities were not included in the process so far.

Polaris Group – **Mr. Pruhs** reported that the Polaris Group will be holding a summit with FEMA, HUD, GSA and others on Saturday, April 29, 2017, to discuss the demolition of the Polaris Building. He stated there would be a reception put on by Lisa Murkowski's Office in order to continue the conversation.

Fairbanks Diversity Council – **Mayor Matherly** stated that he recently attended an FDC meeting and that they will be working to streamline meetings in the future.

FMATS Policy Committee – **Mr. Cleworth** stated the group recently took a field trip to the Cushman Street Bridge and are looking at ideas for reconstruction. He stated it is an exciting project because there is lots of room since the bridge was widened when it was reconstructed.

COMMUNICATIONS TO COUNCIL

- a) Memo Approving Workers’ Compensation Settlement (W. Cummings)

Mr. Pruhs, seconded by **Ms. Huntington**, moved to APPROVE the Memo Approving the Workers Compensation Settlement of former Fire Chief Warren Cummings.

City Attorney Paul Ewers provided a history on the settlement and advised that it was a reasonable settlement amount. He commended Zane Wilson for representing the City’s interest in a fair and reasonable way.

Mayor Matherly echoed Mr. Ewers comments relating to Mr. Wilson.

Ms. Huntington asked if there was a process which determined Chief Cummings’ cancer was caused on the job.

Mr. Ewers stated the Workers’ Compensation Board tends to be employee-friendly, so the City decided to not risk going before the Board to contest the settlement.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPROVE THE MEMO APPROVING THE WORKERS’ COMPENSATION SETTLEMENT OF FORMER FIRE CHIEF WARREN CUMMINGS AS FOLLOWS:

YEAS: Cleworth, Pruhs, Rogers, Huntington, Norum

NAYS: None

Mayor Matherly declared the MOTION CARRIED.

- b) Memo Regarding Lead Spokesperson for Labor Negotiations

APPROVED on the CONSENT AGENDA.

- c) Fairbanks Diversity Council Meeting Minutes of January 10, 2017

ACCEPTED on the CONSENT AGENDA.

COUNCIL MEMBERS’ COMMENTS

Mr. Norum was attending telephonically, and his comments were inaudible.

Mr. Cleworth stated he noticed Public Works crews on Second Avenue cleaning areas by the Marriott Hotel that were privately-owned. He stated he stopped to speak to them to ask why they were cleaning in the area, and they stated they were cleaning it because it is a safety hazard. **Mr.**

Cleworth asked the Mayor to contact the property owner and request that they clean up their own mess rather than using City resources. **Mr. Cleworth** spoke to the need for the sobering center, and he spoke of the substance abuse problems in Fairbanks.

Mr. Pruhs thanked members of the City Council, Staff and the Mayor for the hard work they do for the City. He expressed appreciation that the City has not had a fight regarding the invocation at Council meetings. **Mr. Pruhs** thanked Ms. Snider for reading invocations at each meeting.

Ms. Rogers stated she agrees with Mr. Pruhs and that she is glad to be part of a body that respects one another.

Ms. Huntington echoed Mr. Pruhs' and Ms. Rogers' sentiments regarding the invocation. She stated the Council should start working on rules to regulate marijuana density.

Mr. Cleworth stated that the Borough spent a lot of time defining what a vocational school is, then the ordinance was ultimately voted down.

ADJOURNMENT

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

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

Mayor Matherly declared the meeting adjourned at 10:39 p.m.

JIM MATHERLY, MAYOR

ATTEST:

D. DANYIELLE SNIDER, CMC, CITY CLERK

Transcribed by: EB

Introduced by: Mayor Jim Matherly
Date: May 22, 2017

RESOLUTION NO. 4791

**A RESOLUTION APPROVING THE REAL ESTATE APPRAISER'S
VALUATION FOR THE SALE OF CITY PROPERTY TO TANANA CHIEFS
CONFERENCE IN THE AMOUNT OF \$725,000.00.**

WHEREAS, Ordinance No. 6028, As Amended, authorized sale of 3.5 acres of City land, being a portion of the Arctic Park Snow Storage Site, to Tanana Chiefs Conference for future expansion of the Chief Andrew Isaac Health Center; and

WHEREAS, under Ordinance No. 6028, As Amended, the tentative sales price was set at \$1,052,000.00, subject to independent appraisal; and

WHEREAS, the City commissioned Northern Appraisers for this purpose, who valued the property at \$725,000.00; and

WHEREAS, under Ordinance No. 6028, As Amended, the appraiser's estimate of value is subject to approval by the City Council.

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

SECTION 1. That the appraised value of \$725,000.00 is hereby approved as the final sales price for the purchase by Tanana Chiefs Conference of 3.5 acres of City real property as described in Exhibit A of Ordinance No. 6028, As Amended.

SECTION 2. That the Mayor is hereby authorized to such documents in a form approved by the City Attorney as may be necessary to finalize this transaction.

PASSED, APPROVED and EFFECTIVE this 22nd day of May 2017.

Jim Matherly, City Mayor

AYES:
NAYS:
ABSENT:
APPROVED:

ATTEST:

APPROVED AS TO FORM:

D. Danyielle Snider, CMC, City Clerk

Paul J. Ewers, City Attorney

RESOLUTION NO. 4791 FISCAL NOTE

As per section 8.8 of the Municipal Code, the Permanent Fund was created from the sales of municipal real property and utility assets.

The net proceeds below will be deposited into the Permanent Fund upon sale.

<u>Permanent Fund</u>	
Sale Price	\$725,000
Appraiser Fee	(1,500)
Rezoning Fee	(500)
Re-Platting Fee	(250)
Net Proceeds	\$722,250

ORDINANCE NO. 6049

**AN ORDINANCE RATIFYING A COLLECTIVE BARGAINING
AGREEMENT BETWEEN THE CITY OF FAIRBANKS AND THE AFL-CIO
CRAFTS COUNCIL AND AMENDING THE 2017 GENERAL FUND
OPERATING BUDGET**

WHEREAS, the AFL-CIO Crafts Council represents several unions, including Operators Local 302, Laborers Local 942, Teamsters Local 959, Carpenters Local 1243, and Pipefitters Local 375, and negotiates one collective bargaining agreement (CBA) with the City for these unions; and

WHEREAS, the current CBA between the City and the Crafts Council was effective from January 1, 2014, through December 31, 2016; and

WHEREAS, the negotiating teams for the Crafts Council and the City have reached a tentative agreement on a replacement CBA; and

WHEREAS, the union membership ratified the tentative agreement on May 8; and

WHEREAS, ratification of the tentative agreement by the City Council by ordinance is required.

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

SECTION 1. That the attached collective bargaining agreement between the City and the AFL-CIO Crafts Council is hereby ratified.

SECTION 2. That the City’s 2017 operating budget be amended to include the increased expenditures as reflected in the attached fiscal note.

SECTION 3. That this ordinance becomes effective upon ratification by the membership of the unions making up the AFL-CIO Crafts Council and upon adoption of this ordinance by the City Council.

Jim Matherly, Mayor

AYES:
NAYS:
ABSENT:
ADOPTED:

ATTEST:

APPROVED AS TO FORM:

D. Danyielle Snider, CMC, City Clerk

Paul J. Ewers, City Attorney

CITY OF FAIRBANKS
FISCAL NOTE

I. REQUEST:

Ordinance or Resolution No: _____

Abbreviated Title: Ordinance Ratifying the AFLCIO CBA

Department(s): Public Works

Does the adoption of this ordinance or resolution authorize:

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

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

If yes, what is the estimate? _____

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:	2016	2017	2018	Total
1.4% Wage Increase	\$48,920	\$48,920	\$48,920	\$146,760
Increase Dispatcher to 95% Operators Wage	\$3,194	\$3,194	\$3,194	\$9,582
Increase Dispatch Clerk to 75% Operators Wage	\$3,194	\$3,194	\$3,194	\$9,582
Mechanic Tool Allowance \$200 for 7 Mechanics	\$1,400	\$1,400	\$1,400	\$4,200
TOTAL	\$56,708	\$56,708	\$56,708	\$170,124

\$55,308

FUNDING SOURCE:	2016	2017	2018	Total
General Fund	\$56,708	\$56,708	\$56,708	\$170,124
				\$0
TOTAL	\$56,708	\$56,708	\$56,708	\$170,124

The 1.4% increase is applied to the 2016 package rate. Parties may agree reopen negotiations for economic issues concerning calendar years 2018 and 2019.

Reviewed by Finance Department: Initial CR Date 5/11/2017

GENERAL FUND

<u>REVENUE</u>	<u>ORDINANCE 6047</u>	<u>REVIEW PERIOD INCREASE (DECREASE)</u>	<u>ORDINANCE XXXX PROPOSED COUNCIL APPROPRIATION</u>
Taxes, (all sources)	\$ 20,166,237	\$ -	\$ 20,166,237
Charges for Services	5,017,284	-	5,017,284
Intergovernmental Revenues	3,407,349	-	3,407,349
Licenses & Permits	1,609,092	-	1,609,092
Fines, Forfeitures & Penalties	595,515	-	595,515
Interest & Penalties	98,600	-	98,600
Rental & Lease Income	126,234	-	126,234
Other Revenues	221,000	-	221,000
Other Financing Sources	2,394,009	-	2,394,009
Total revenue appropriation	<u>\$ 33,635,320</u>	<u>\$ -</u>	<u>\$ 33,635,320</u>
<u>EXPENDITURES</u>			
Mayor and Council	\$ 600,093	\$ -	\$ 600,093
Office of the City Attorney	219,914	-	219,914
Office of the City Clerk	353,135	-	353,135
Finance Department	997,087	-	997,087
Information Technology	1,774,780	-	1,774,780
General Account	6,565,608	-	6,565,608
Police Department	7,268,983	-	7,268,983
Dispatch Center	2,289,966	-	2,289,966
Fire Department	6,528,702	-	6,528,702
Public Works Department	8,206,852	56,708	8,263,560
Engineering Department	691,567	-	691,567
Building Department	684,743	-	684,743
Total expenditure appropriation	<u>\$ 36,181,430</u>	<u>\$ 56,708</u>	<u>\$ 36,238,138</u>
12/31/16 estimated general fund balance	\$ 8,968,767	\$ -	\$ 8,968,767
Increase (Decrease) to fund balance	(208,079)	(56,708)	(264,787)
12/31/17 Unassigned balance	<u>\$ 8,760,688</u>	<u>\$ (56,708)</u>	<u>\$ 8,703,980</u>

Minimum unassigned fund balance requirement is 20% of budgeted annual expenditures but not less than \$4,000,000.

\$ 7,247,628

COLLECTIVE BARGAINING AGREEMENT

Between

THE CITY OF FAIRBANKS

and

FAIRBANKS AFL-CIO CRAFTS COUNCIL

January 1, 2017 – December 31, 2019

AGREEMENT

This Agreement, made and entered into effective January 1, 2017, between the **CITY OF FAIRBANKS**, hereinafter referred to as “the City” or “Employer,” and the **FAIRBANKS AFL-CIO CRAFTS COUNCIL**, hereinafter referred to as “the Union.” The parties have mutually agreed as follows:

PURPOSE OF AGREEMENT

The purpose of this Agreement is to assure a supply of competent and capable workers, to promote the settlement of labor disagreements by conference, to prevent strikes and lockouts, to avoid interruption or interference with the efficient operation of the City, to promote fair, safe, and healthful working conditions, to assure amicable labor-management relations, to encourage the growth and development of City employees, and to record the terms of agreement with respect to rate of pay, hours of work, and other conditions of employment arrived at through the process of collective bargaining.

1. DURATION, MODIFICATIONS AND CHANGES

- 1.1 This agreement shall become effective on January 1, 2017, and shall remain in effect until December 31, 2019. Any retroactivity contained herein shall affect only those employees covered by this Agreement and actually employed by the Employer on the effective date of this Agreement.
- 1.2 (a) Either party desiring a change or modification in this Agreement shall notify the other party in writing between 120 days and prior to the anniversary date of this Agreement. Upon receipt of such notice, negotiations shall begin within 15 days. Changes or modifications mutually agreed to may be made at any time during the life of the agreement subject to member ratification and City Council approval.

(b) In the event that the parties commence negotiations for a new contract or for amendment of the current contract, each party craft may have a negotiator present at negotiations. Three represented employees may attend such negotiations on duty, and others are free to attend if off duty on approved leave.
- 1.3 In the event that the termination date of this Agreement shall occur during the course of negotiations for a renewal of the Agreement, the terms and conditions of this Agreement shall be binding upon the parties until the renewal Agreement is negotiated and executed.
- 1.4 If retroactive pay is negotiated, it will be paid within 30 days of contract signing.

2. COVERAGE

The City recognizes the AFL-CIO Crafts Council as the bargaining representative for all classifications listed under Article 23, Schedule A, of this Agreement. All personnel matters for Union members covered by this contract will be controlled and regulated by this Agreement.

3. EMPLOYER-UNION RELATIONS

- 3.1 The City has and will retain the sole right to represent and manage the City and to direct the working forces, including, but not limited to, the right to determine the City's mission, policies, and to set forth all standards of service offered to the public; the right to plan, direct, control, and determine the operations and services to be conducted by employees of the City; the right to determine the methods, means, and number of personnel needed to carry out the City's mission; the right to hire, to promote and demote, to discipline, to reclassify and/or discharge any personnel in its employ for good and just reason in the interest of the City, provided it does not conflict with the provisions of this Agreement. Nothing in this Agreement is intended to, or is to be construed in any way, to interfere with the recognized prerogative of the City to manage and control the business.
- 3.2 (a) The Union assumes the responsibility to supply the City with competent qualified workers with no discrimination **on the basis of an individual's** of race, sex, sexual orientation, age, **if the individual is 18 years of age or older**, color, religion, disability, **genetic information, marital status, gender identity**, or national origin for those classifications listed in Article 23 of this Agreement. Recognizing the mutual benefits derived from the process of democratic collective bargaining, the City will not discourage new employees from joining the Union. The City may reject any employee it finds unsatisfactory.
- (b) It is hereby agreed that there shall be no discrimination by the City, or the Union, against any employee **on the basis** because of race, sex, sexual orientation, age, **if the individual is 18 years of age or older**, color, religion, disability, **genetic information, marital status, sexual orientation, gender identity**, or national origin or because of membership in or lawful activity on behalf of the Union. To the extent allowed by law, the City further agrees to give priority of hire and job tenure to residents of the Fairbanks area when such residents possess the requisite skills and abilities and are available.

- 3.3 The City will recognize five Shop Stewards, including one Teamster, one Operator, one Trade Specialist, and two Laborers. Stewards will be selected by the Union and recognized by the City as authorized representatives of the Employees or groups for whom they are selected. The Union shall notify the City within 24 hours as to the appointment or official status of any Shop Steward.
- 3.4 The City shall furnish bulletin boards for the use of the Union.
- 3.5 The authorized Union Business Representatives shall be granted access to the City's premises when any employees represented by this Agreement are on duty but shall not interfere with operations.
- 3.6 The Union agrees that its members, who are employees of the City, shall individually and collectively perform loyal and efficient service and that they shall use their influence and best efforts to protect the property and interests of the City and to cooperate with the City to this end at all times.
- 3.7 It is agreed that work shall be assigned in accordance with craft jurisdiction. Any jurisdictional disputes between labor organizations affiliated with the AFL-CIO Crafts Council shall be settled in accordance with the rules and procedures established by the Council. However, it is recognized by the parties that conditions of public employment do not always permit work to be performed on the basis of strict craft lines.
- (a) Employees may be required to work out of classification for a period of up to, but not exceeding, three work days in any one calendar month per classification (Trade Specialist, Operator, Teamster, and Laborer). If it is deemed that the project/work will take longer than three days, the City must contact the affected labor organization and mutually agree on an extension or request a member from the Union Hall with adequate job skills. Nothing in this subsection authorizes work to be performed in an unsafe manner in violation of Section 17.1.
 - (b) It is also understood that to promote maximum efficiency on certain operations/projects, the composite crew concept may be employed by the City where it does not conflict with Section 3.7(a) above.
 - (c) Periodic review of such work assignments shall be made for purposes of adjusting such assignments, as appropriate, to take care of changing needs.
- 3.8 Any provision of the Agreement or subsequent amendments thereto, found to be in violation of any applicable State or Federal law shall be null and void, but all other provisions of the Agreement shall remain in full force and effect. In the event any provision of this Agreement is declared

unlawful, in a manner described above, the parties agree to meet within 15 days and for a reasonable period thereafter until final negotiations or appropriate substitute clauses have been ratified by the parties.

- 3.9 The feminine pronoun as used herein shall be equally applicable to both women and men, and words used in the singular are intended to include the plural form, whenever appropriate.
- 3.10 The Union agrees that it will not engage in any work stoppage because of any jurisdictional dispute with any labor organization.
- 3.11 **The parties agree to adopt, via Letter of Agreement, a work study program for the Public Works Department similar to the programs adopted by other City Departments.**

4. GRIEVANCE PROCEDURES

- 4.1 It is the mutual desire of the City and the Union to provide for the prompt adjustment of grievances in a fair and reasonable manner, with a minimum amount of interruption of the work schedules. Every reasonable effort shall be made by both the City and the Union to resolve grievances at the earliest step possible. In the furtherance of this objective, the City and the Union have adopted the following procedures.
- 4.2 A grievance is defined as any dispute involving the interpretation, application, or alleged violation of any provision of this Agreement. However, any dispute involving the commencement date or termination date of this contract shall not be considered a grievance, and shall not be submitted to the grievance-arbitration procedure set forth herein, but any such questions concerning commencement or termination of this Agreement shall be specifically reserved for judicial review. A grievance may be initiated by the Union or the City as hereafter specified.
- 4.3 **FIRST STEP.** When an employee has a grievance, the employee (accompanied by the steward, if the employee so chooses) shall verbally discuss the matter with the immediate supervisor and attempt to resolve the problem. The grievance must be brought to the attention of the immediate supervisor within 30 calendar days after its occurrence or within 30 calendar days of the employee having, through the exercise of reasonable diligence, gained knowledge or should have gained knowledge, that a grievance exists. If the grievance cannot be resolved through verbal discussion, the grievance shall be reduced to writing, signed by the employee, and presented to their immediate supervisor. The immediate supervisor shall investigate the grievance and shall indicate thereon, in writing, their response to the grievance within three working days following the day on which the written grievance was presented. The

written grievance containing the response of the immediate supervisor shall be delivered to the Union, with a copy to the aggrieved employee(s), for further handling at the next step of this procedure.

4.4 SECOND STEP. If the grievance is not settled to the satisfaction of all concerned parties in the first step, the written grievance and response thereto, along with a written statement as to why the response to Step One was not acceptable, shall, within five working days, be delivered to the department head, who shall attempt to settle the grievance. If the grievance is not settled, the department head shall deliver their written response, with the original grievance and all previous responses attached, to the appropriate Union, to the President of the Fairbanks AFL-CIO Crafts Council, and to the aggrieved employee(s) within five working days after the submission of the grievance. If the written answer of the department head is not satisfactory, then the employee shall have five working days to decide if they wish to appeal the grievance to the third step of this procedure.

4.5 THIRD STEP.

(a) If the dispute is not settled to the satisfaction of all concerned parties, then the written grievance with responses thereto shall be submitted by the Union's business agent to the Human Resources ~~personnel~~ Director, who shall investigate and report her findings and recommendations to the Mayor within five working days after the matter has been submitted to her. The Mayor shall attempt to settle the grievance, but if not successful, the Mayor shall have seven~~five~~ working days after the grievance has been submitted to ~~him~~ by the ~~personnel~~ Human Resources Director to answer. If the answer of the Mayor is not satisfactory, and before going to arbitration as provided in 4.6 below, those matters which are unresolved shall be discussed at a meeting between the parties (the employee involved, the Union's business agent, the Mayor, the ~~personnel~~ Human Resources Director, the department head, and such other persons as may be mutually agreeable to the parties) during which time all pertinent facts and information will be reviewed in an effort to resolve the matter through conciliation.

(b) An employer grievance will be filed with the Union's business agent at the Third Step. A grievance may be filed by the Union at the Third Step. A grievance initiated by the Union or the City shall be in writing and shall state the section number of this Agreement alleged to have been violated and the manner it has been violated.

4.6 ARBITRATION. The moving party shall make demand in writing upon the other party for binding arbitration within 14 calendar days from the date of

delivery of the final response of the Mayor or of the Union, as the case may be. Such notice shall include the nature of the matter to be arbitrated and the contract provisions(s) allegedly violated.

- (a) ARBITRATOR SELECTION. When a grievance is submitted to binding arbitration, the Union and the City shall meet at a mutually agreeable date and time, within 14 calendar days, to select an arbitrator.
 - (1) Upon the failure of the parties to agree upon an arbitrator, both parties agree to request the Federal Mediation and Conciliation Service or the American Arbitration Association to submit a list of seven names of persons who are available for service as arbitrators.
 - (2) Within five working days of receipt of the list, the City and the Union representatives shall alternately strike one name from the list until one name remains. The side to strike the first name shall be chosen by lot. The person whose name has been chosen shall become the Arbitrator.
- (b) TIME LIMITS OF ARBITRATION. ~~Unless mutually agreed otherwise, arbitration shall commence within forty-five (45) days after first notification that the grievance is to be submitted to binding arbitration or the arbitrator shall hear the case within thirty-five (35) working days after the arbitrator has been selected, whichever is the earlier.~~ Arbitration shall commence as soon as **possible at a date and time acceptable to the parties and the arbitrator** ~~the selected arbitrator is available.~~ The arbitrator shall make a written report of their findings to the Union and the City within 30 working days after the hearing is concluded, unless mutually agreed otherwise.
- (c) RULES GOVERNING THE ARBITRATION. said arbitrator will be governed the Voluntary Labor Arbitration Rules of the American Arbitration Association as amended. The decision of the arbitrator shall be final and binding on both parties to the dispute.
- (d) IMPLEMENTATION OF DECISION. The final decision of the arbitrator shall be implemented as soon as possible, but no later than 30 days after the final decision is rendered.
- (e) AUTHORITY OF ARBITRATOR. The authority of the arbitrator shall be limited to the application and interpretation of this Agreement. They shall have no authority to amend, alter, modify, or otherwise change the terms or scope of this Agreement.

However, by mutual agreement of the City and the Union, the grievance procedure set forth above may be used in other matters.

- 4.7 SEPARATE ARBITRATORS. Each grievance or dispute will be submitted to a separately convened arbitration proceeding, except where the City and the Union mutually agree to have more than one grievance or dispute submitted to the same arbitrator. Multiple grievances filed over the same issue will be combined.
- 4.8 ARBITRATION EXPENSE. The City and the Union shall equally share the expense of the arbitrator and shall share equally the other expenses involved in such arbitration proceedings, including stenographic expenses, except each party shall bear the expense of their respective non-employee witnesses.
- 4.9 WITNESS EXPENSE. Any City employee called as a witness by either side will continue to receive their regular rate of pay while attending such hearings, not to exceed regular working hours. Should such meetings be scheduled outside of regular working hours, or extended beyond such regular working hours, no compensation shall be paid by the City for the time outside such hours.
- 4.10 WORKING CONDITIONS/AWARD LIMITS. When any matter in dispute has been referred to the Grievance Procedure set forth above, the conditions and provisions prevailing prior to the time the dispute arose shall, insofar as it is possible and consistent with normal operations, not be changed until the decision is rendered. When the subject matter warrants, the decision shall be made retroactive to the time the dispute began. In cases where it is determined an employee has been discharged unjustly and without cause, the Arbitrator shall order the City to return the employee to their position without loss of seniority or pay.
- 4.11 DEFAULT. In the event that the City fails to answer a grievance within the time required at any step of the Grievance Procedure, or the Union fails to appeal the answer given to the next step of the Grievance Procedure within the time allowed, then the grievance will be considered settled against the side which has defaulted. However, any of the time limits to the grievance or arbitration procedures may be extended by mutual agreement. Grievances resolved by default cannot be the basis of establishing precedent for the settlement of any other grievances. **No default may be declared unless the defaulting party has been given notice by the other party and a chance to correct the default.**
- 4.12 Any grievance that originates from a level above the first step of the Grievance Procedure shall be submitted directly to the step or level from which it originates.

5. EMPLOYEE BENEFITS

- 5.1 RETIREMENT. Employees covered under this Agreement shall participate in their respective unions' retirement trust funds.

The City agrees to contribute to the applicable trust funds the amount set forth in Schedule A for each compensable hour credited to employees for the purpose of retirement benefits as specified in said trust agreements. **Contributions shall be submitted by the City on or before the 15th day of the month following the month in which the contributions were earned.** It is understood and agreed that the contributions are to be computed solely on the total number of compensable hours, including personal leave and paid holidays, and are not to be included in wages or the computations of overtime. Except for the making of hourly contributions under this agreement, the City has no responsibility or liability for the administration or operation of the trust funds, eligibility for employees to receive pension benefits, or future payment of pension benefits to retirees. The AFL-CIO Crafts Council and each member Union further agrees that the employer trustees named in the trusts and those successors in trust are and shall be the City's representatives and consent to be bound by the actions and determinations of the trustees.

The City agrees to allow employees to participate in the City's deferred compensation plan. Employees will designate the amount to be deducted from their paycheck ~~each week~~. Deductions will be deposited in the employee's deferred compensation account at least monthly.

- 5.2 The City agrees to make available to the employee and also, with the employee's permission, to the Union Business Manager or the Manager's appointed representative, the employee's individual records, upon reasonable notification.
- 5.3 HEALTH AND SECURITY. The City agrees to make a monthly contribution, as set forth in Schedule A, to the respective Union Health and Welfare Trusts. Except for the making of monthly contributions under this agreement, the City has no responsibility or liability for the administration or operation of the Health & Welfare Health Trusts, eligibility for employees to receive plan benefits, or the level or terms of future plan benefits. The AFL-CIO Crafts Council and each member Union further agrees that the employer trustees named in the trusts and those successors in trust are and shall be the City's representatives and consent to be bound by the actions and determinations of the trustees. The City's contribution to each Union's respective Health and Welfare Trust will be as specified on Schedule A of this agreement, **and shall be submitted by**

the City on or before the 15th day of the month following the month in which the contributions were earned.

- 5.4 **PREPAID LEGAL.** The City agrees to participate in the various Union-Employer prepaid legal trust plans and to be bound by the Trust Agreements creating and controlling such plans, as may be amended from time to time. Contributions, in an amount designated by the participating crafts involved, shall be submitted by the City on or before the 15th day of the month following the month in which the contributions were earned. The contribution reduces the rate of that particular craft. Said contribution, and any subsequent increases in contributions, shall be deducted from the employee's negotiated wage.
- 5.5 **PHYSICAL EXAMINATIONS.** Employees' Union health care plans may provide for physical examinations. A yearly physical examination is offered to employees of the City, beginning during their second year of employment and subject to the approval of specific application for such physical examination by the Mayor. The inclusion or exclusion of any tests or procedures will be determined by the physician conducting the physical after consultation with the employee. The results of these tests shall be confidential between the employee and the examining physician.

When in the opinion of the City there arises specific questions as to the physical or mental ability of an employee to perform **their** ~~his~~ normal work assignment, an **appropriate** ~~physical~~ examination may be ordered by the City. If such examination demonstrates, in the opinion of the examining **medical professional** ~~physician~~, that the employee is physically **or mentally** incapable of performing **their** ~~his~~ normal work assignment, the employee shall be allowed to seek a second opinion from a local licensed **medical professional** ~~physician~~ of **their** ~~his~~ choice. If the results of these two examinations are not in agreement, then a third opinion shall be solicited from a **medical professional** ~~physician~~ mutually agreeable to the City and the employee. The results of this third examination shall be final and shall be binding on both parties. The employer shall pay for all physical examinations and connected expenses involved with this section.

- 5.6 **If an employee is prevented from performing their normal work assignment due to a physical condition, the City agrees to make an effort to place the employee in a classification the employee can perform within their craft under this agreement.** ~~For any employee whose physical condition prevents him from performing his normal work assignment, the Employer agrees to make an effort to place him in a classification he can perform within his craft under this Agreement.~~
- 5.7 **CLOTHING AND TOOL REIMBURSEMENT.** The City will compensate eligible employees (employees working more than 1,000 hours per year)

as follows for reimbursement of the expense of replacing work boots, ~~and work clothing, and tools,~~ in recognition of the wear and tear due to City employment. The ~~clothing, and boot, and tool~~ allowances will be paid in a single lump sum with the first payroll in July, without the need for employees to provide receipts ~~for all regular employees with the first payroll in July.~~

- (a) Gloves and coveralls will be provided for employees engaged in road oiling, sewer work, garbage collection, vehicle repair, and maintenance operations, or other similar types of work.
- (b) The employees assigned to vehicle repair, oiling, and patching for 40 hours will be reimbursed by the City for the cost of one pair of boots, per person, per year, as approved by the City and not to exceed \$200.00 dollars.
- (c) ~~Employees assigned to work in conditions that damage or permanently soils personal clothing will be reimbursed the cost of replacing clothing used at work, provided that the items for which reimbursement is requested shall be at the discretion of the Public Works Director and will~~ receive a not exceed \$200.00 per year clothing allowance.
- (d) A washer/dryer and detergent will be furnished by the employer for those employees wishing to launder the above-listed items of clothing during their off-duty hours or the employer may, at its option, provide cleaning for gloves and coveralls.
- (e) Permanent Mechanics will receive a \$200 per calendar year tool allowance.

5.8 The City shall furnish lockers for clothes and equipment and space reserved for drying personal effects and other equipment for public works employees.

6. WORKING RULES

6.1 WORK WEEK.

- (a) The work week may be either “unmodified” or “modified”. The “unmodified” work week shall consist of five consecutive days of eight hours per day, Monday through Friday. The “unmodified” work day shall be eight consecutive hours, exclusive of a lunch break. Regular starting times of 7 a.m. shall be established for ~~each employee~~ operators, mechanics, laborers, and specialized trades, which may be adjusted for operational needs.

- (b) The work week schedule may be modified by the City (i.e. four tens, Tues.-Sat., Sun.-Thur., or some variation thereof). The 4-10 schedule shall consist of four consecutive days of ten hours per day, exclusive of a lunch break with regular starting times of 7 a.m. that may be adjusted for operational needs. Prior to establishing a modified work week, volunteers in the needed classifications will be sought. Volunteers being assigned to the modified work week will be equitably rotated based on seniority. If insufficient employees in the needed classifications volunteer, the required number of least senior employees will be assigned. The provisions of Sec. 6.13 shall apply.
- (c) By mutual agreement, between the Union and the City, variations of the normal unmodified work week may be established (i.e. flex schedule, split shift, etc.).

6.2 SHIFTS.

- (a) The day shift is any shift with starting times between the hours of 6:00 a.m. and 11:59 a.m.
- (b) The swing shift is any shift with starting times between the hours of 12:00 noon and 6:59 p.m.
- (c) The graveyard shift is any shift with starting times between the hours of 7:00 p.m. and 5:59 a.m.
- (d) With prior mutual agreement between the Union and the City, other shifts may be worked and/or scheduled.

6.3 OVERTIME.

Overtime shall be paid for all work performed outside the regularly scheduled workweek, in quarter hour increments; however, overtime shall not be pyramided. For example, if overtime performance is less than 1/4 hour, the time shall be considered at 1/4 hour and paid accordingly. If overtime performance is more than 1/4 hour, but less than 1/2 hour, the extent of time shall be considered as 1/2 hour and paid accordingly.

- (a) For those employees working under the unmodified schedule as outlined in 6.1(a), overtime will be paid at the time and one half rate for hours worked in excess of eight hours per day or 40 hours per week ~~when employees work a five day per week eight hour per day~~

~~schedule.~~ After 40 hours of work during a week, overtime will be paid at 1.5 times the employee's pay.

- (b) For those employees working under a "4-10" modified schedule as outlined in 6.1(b), overtime will be paid at the time and one half rate for hours worked in excess of 10 hours per day or 40 hours per week ~~when employees work a four (4) day per week ten (10) hour per day schedule.~~ After 40 hours of work during a week, overtime will be paid at 1.5 times the employees pay rate.
- (c) Regardless of hours worked during a week, all work performed on Sunday shall be paid at the 1.5 rate, unless that employee is assigned to a modified work schedule that includes Sundays.
- (d) Employees who work overtime may elect, in lieu of being paid overtime, to accrue compensatory time at the rate of 1.5 hours for every hour of overtime. Compensatory time may be taken and used in the same manner and terms as Personal Leave (when mutually agreeable by the employee and Department Head). Employees may carry 80 hours of comp time into the next calendar year. Any comp time over 80 hours that is not full scheduled or used by December 31 of each year will be paid by the City to the employee by January 31.
- (e) It is recognized that due to the nature of municipal operations, employees may be required from time to time to work overtime to accomplish pressing public needs, such as snow removal, pumping during spring thaw, removal of construction hazards, and other public needs as may be determined by the City. The City agrees to give reasonable notice to employees that overtime is necessary to accomplish pressing public needs and further agrees that when such emergency situations are corrected, overtime shall not be mandatory. The City agrees to give recognition to situations which may arise from time to time which may prohibit an employee from working overtime.
- (f) The City agrees to fairly distribute overtime to its employees **within each seniority group** and agrees that regular employees shall have first refusal of overtime, if the safety and welfare of employee or public are in question (examples; prescribed medication or 14 hours of continuous operation), the Foreman must assess the situation and assign the overtime in a fair and equitable manner. However, it is understood that when employees have been assigned to tasks during the course of the day and overtime is required to complete those tasks, employees assigned to those

tasks shall have the right to work the overtime necessary to complete the assigned task.

- 6.4 REPORTING TIME. Employees required to report to work and not put to work shall receive two hours pay at their regular straight time rate, unless notified not to report at the end of their previous shift or two hours prior to the start of the shift.
- 6.5 LUNCH BREAK. Lunch periods will be at least 30 minutes in duration and will be scheduled at the midpoint of the shift. If the work requires the lunch period to start at a time before or after 30 minutes of the midpoint of the shift, then the employee shall be paid for such period at the applicable overtime rate. Poor weather lunch periods shall be taken in a ~~the~~ warm, and dry place, normally at the nearest employer facility or in heated enclosed vehicles, at the discretion of the craft Foreman. Except, because of special conditions which exist that are not compatible with the above clause concerning lunch periods, by mutual agreement between the Employer and the Union, those particular lunch periods may be altered to fit a specific purpose. Whenever an employee is required to work more than 10 hours, not including their lunch break, or is required to work more than two hours before or after their regular scheduled shift, the employee shall be allowed the necessary time to complete a meal, not to exceed 30 minutes, while remaining on the payroll at the applicable rate and at intervals of not more than four hours thereafter while they continue to work any hours not a part of their regular shift.
- 6.6 RELIEF PERIOD. All employees shall be allowed one relief break not to exceed 15 minutes in duration during the first half of the shift and 15 minutes during the second half of the shift. The Union and the Employer shall mutually agree on reasonable rules governing the taking of such relief periods as provided herein. When working other than the regular shift, relief breaks shall be taken each two hours.
- 6.7 In Public Works, when three or more union personnel work on one job location without a foreman (excepting maintenance workers and packer crews), one of the employees will be designated as a working lead worker, and it will be their responsibility to direct the work force. The City may at its option, designate a working lead worker for a lesser number of employees. There shall be permanent craft foremen for each of the following classifications: laborers, operators, mechanics, and all Trade Specialists (collectively only when the City employs more than four regular trade Specialists). Under the following occasional workload demands foremen may work in the craft as long as no other dispatch craft employees are displaced: (1) Training; (2) Emergencies, including heavy snow fall, earthquake, flood, wild land fire, and other events as determined by Department Head and Union (SOP procedure will be to first consult the

Foreman); (3) Regularly scheduled crews do not show up; (4) Scheduled crews are present but a task comes up that needs immediate attention. If fewer than five regular Trade Specialists are employed, one shall be selected and paid as a lead worker who will take direction as designated by the City. Each craft supervisor foreperson shall have a permanent lead worker who will replace the foreman when on personal sick leave and cover the shift when double-shifting. A minimum of one lead worker will be appointed in the absence of the permanent lead worker for the following classifications: laborers, operators, mechanics, and trade specialists. A foreman with vehicular access to several crews will be considered to have direct supervision over those crews. Employees shall take instructions from whichever supervisor, foreman or lead worker, is designated by management. See Schedule A for pay of foreman and lead workers.

- 6.8 The employer agrees to use employees within their respective classifications. Should it become necessary to work an employee in a higher rated classification; said employee will be paid at the higher rate of pay for working in said classification. An employee will be paid one-half shift at the higher rate of pay for any period of work not exceeding one-half shift duration and will be paid the whole shift at the higher rate of pay for work in excess of one-half shift duration. Should it become necessary to work an employee in a lower rated classification, said employee will continue to be paid at their regular rate of pay.
- 6.9 No permanent employees covered by this Agreement shall, as a result of inclement weather, be caused to lose any pay, provided they report to work in the regular manner contained herein. If, due to inclement weather, employees are unable to perform their regular work, they shall, at the option of the City, perform other miscellaneous work as directed.
- 6.10 CALL BACK. A minimum of two hours at the applicable overtime rate shall be paid when employees are called back to work after the regular shift.
- 6.11 CALL OUT. If an employee is called **by a Public Works supervisor** to report to work on a scheduled day off, the employee will be paid a minimum of two hours at the applicable overtime rate. **All work over two hours will be paid in 1/4 hour increments. De minimis time (such as answering a phone call) will be paid in 1/4 hour increments.**
- 6.12 ON CALL. An employee on call (standby) will be paid two hours at the applicable overtime rate for covering the phone or radio, with the further understanding that this time will be in addition to call out time. ~~Call-out time will be a minimum of one (1) hour.~~

6.13 SHIFT CHANGE.

- (a) An employee changing shifts, when the employer requests it with less than 48 hours prior notification, shall receive 1.5 times the employee's regular rate of pay for all hours worked on the first shift. The premium pay does not apply when changing back to the employee's normal shift from short term changes. For the purpose of this provision, an employee's shift is changed when their starting time is moved to one of the other defined shifts.
- (b) Unless mutually agreed otherwise by the City and employee, starting times for employees shall not be changed without 48 hours prior notification. Should an employee's regular starting time be changed without 48 hours' notice to the employee, all hours worked on the employee's first new workday shall be paid at one and one-half times the employee's regular rate of pay. This premium pay does not apply when changing back to the employee's normal starting time from short term changes. For the purpose of their provision, an employee's starting time is changed if their starting time is moved to a time different from their regular starting time, within the hours of any given shift listed in 6.2.

6.14 Shift premiums for classification under this contract will be five percent of swing shift, ~~and~~ five percent for a work week which includes work on Saturday, ten percent for graveyard shift, and ten percent for a work week that includes work on Sunday. **[NOTE: previously Sec. 19.1]**

7. HOLIDAYS

7.1 The following days shall be considered holidays: New Year's Day, Dr. Martin Luther King, Jr. Day (~~which shall be observed as a floating holiday in the same manner as a personal holiday~~), President's Day, Memorial Day, Fourth of July (Independence Day), Labor Day, Alaska Day (~~which shall be observed as a floating holiday in the same manner as a personal holiday; not on the actual date of the State holiday~~), Veteran's Day, Thanksgiving Day, and Christmas Day, **and such other days as the City Council may fix for all City employees. Dr. Martin Luther King, Jr. Day and Alaska Day will be observed as floating holidays in the same manner as a personal day and not on the day of the actual state holiday.** Floating holidays must be used in the year accrued or otherwise **are** lost without cash value, ~~and such other days as the City Council, by resolution may fix for City employees.~~

7.2 When a holiday falls on an employee's first scheduled day off, or second day for employees working a four day a week schedule, the preceding non-premium work day shall be considered to be the employee's holiday

and paid as such. When a holiday falls on an employee's last scheduled day off, the following non-premium work day shall be considered the employee's holiday and paid as such.

- 7.3 Holiday pay, in the amount of eight hours for each holiday, shall be paid to regular employees at the employee's regular rate of pay. ~~if not worked;~~ **E**mployees working on a 4-10 schedule may use personal leave or leave without pay for two hours on such holiday. If mutually agreeable, the City will schedule two extra straight time work hours during a work week **that includes a holiday**, not to exceed 11 hours a work day. Temporary employees shall not receive holiday pay.
- 7.4 All employees, who work on any of the above named holidays shall be paid at the rate of one and one half times their regular rate of pay. In addition, regular employees shall receive holiday pay as set forth above.
- 7.5 Employees on leave with pay shall receive pay for a recognized holiday occurring during such leave with pay at their regular rate.
- ~~7.6 Employees on leave without pay shall not receive pay for a holiday occurring during such leave without pay.~~
- 7.67** **ELIGIBILITY FOR HOLIDAY PAY.** In order to receive pay for an observed holiday an employee must not **be on leave without pay or** have been absent without authorized leave on the workday before or after the holiday.

8. PERSONAL LEAVE

- 8.1 All employees covered by this Agreement shall be entitled to Personal Leave in accordance with the following.
- 8.2 Personal leave will be paid for at the employee's contract regular rate for his regular classification.
- 8.3 ~~(a) PERSONAL LEAVE ACCRUAL. For those employed as regular employees prior to June 1, 2007, Personal leave shall accumulate as follows at the rate of two hundred forty (240) working hours per calendar year. Ten (10) hours shall be credited per pay period.~~
- (ab) Employees** ~~Persons hired after June 1, 2004 of this agreement shall accrue leave according to the following schedule:~~
- 1) One – Two Years: 160 hours per calendar year;

- 2) Three – Five Years: 200 hours per calendar year;
- 3) Over Five Years: 240 hours per calendar year

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

- (b) Employees working on a 4-10 schedule may use personal leave or leave without pay for two hours per day on days that leave exceeds eight hours.

8.4 LEAVE REQUESTS. Personal leave shall be taken at any time mutually agreeable to the department head and the employee and shall not be unreasonably withheld by the employer. Requests for leave exceeding 160 continuous hours will not be granted unless approved by the Department Head. An employee shall notify their department head at least one day in advance when not more than two days leave are desired, except in the case of any emergency. When longer periods of leave are desired, at least one week advance notice shall be given. Notification of scheduled personal leave shall be made at least 30 days in advance. (Scheduled annual leave is defined as any leave which is scheduled 30 or more days in advance). Leave will be granted if, in the opinion of the department head, the employee can be spared from their job for the time requested, however, such leave shall not be unreasonably withheld. Upon notification of scheduled personal leave to the City by the employee, the City agrees to approve or disapprove the employee's scheduled personal leave in writing within 10 working days of submittal. If the City fails to reply to a leave request within 10 days, such leave request will be considered approved. Scheduled personal leave may also 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 foreman as soon as possible, but in no case later than 8:00 a.m. on a day they are scheduled to work. Leaving a message on the assigned voice mail number satisfies this notice requirement. If the City believes an employee is abusing the use of sick leave, the union agrees to meet with the City and the employee to discuss leave usage with the goal of correcting any perceived abuse.

8.5 No employee shall be absent from the job without providing good and sufficient reasons, unless they have complied with the provisions of Section 8.4. Nothing in this section shall preclude the employer from exercising reasonable restraints on excessive absences and lateness from work. Employees arriving late for work as scheduled, without complying with Section 8.4, will be placed on personal leave (or LWOP if personal leave is exhausted) in quarter hour increments, provided that an absence over a quarter hour shall be assessed to the next full quarter hour.

8.6 TERMINATION CASH-OUT. Upon termination of any employee covered by this agreement, accrued leave shall be paid in accordance with Section 8.7 at the employee's then current rate of pay. In the case of termination, leave in excess of 160 hours will not be granted. All remaining personal leave hours will be cashed out with pension contributions as provided by Section 8.7

8.7 DRAW DOWN OF PERSONAL LEAVE. Subject to the "cash-out value cap" provision set forth below, any employee covered by this agreement may cash out their personal leave in accordance with the following schedule. Member "cash-out" requests must be submitted to the Department Head. The cashed out hours will be paid on a separate check within 15 days. In addition, the City will contribute pension payments to the appropriate trust at the rate in effect on the date of approval for all hours cashed out.

Leave Usage. All personal leave hours have full leave usage and leave usage is not reduced at any time regardless of the total number of hours accrued.

Total Personal Leave Hours for Draw Down:

0 - 200 hours	Cannot cash out without Mayor's approval (except in case of emergency hardship, or at termination 100%).
200+	100% cash out value.

8.8 PERSONAL LEAVE DONATIONS. The parties recognize that it is desirable from time to time to have a means for employees to assist other employees in time of need. The following shall be the vehicle for that purpose.

- (a) Each employee wishing to donate personal leave will fill out, date, and sign a leave slip showing the amount of leave the employee wishes to donate, in increments of not less than four hours, and deliver said leave slip to the Finance Department.
- (b) Each leave slip will have written or typed along the bottom, "Leave donated to (employee name)."
- (c) The City will convert the hourly rate to a dollar value and transfer that amount to the recipient's personal leave account, where it will be converted into the recipient's hourly rate for use as personal leave.

- (d) All personal leave donation requests are subject to the approval of the Mayor.
 - (e) Once personal leave is donated and approved, it is irretrievable by the donor.
- 8.9 LEAVE VALUE CONVERSION. A laid off or reclassified employee who has bumped or moved into a lower paying job classification shall be credited with personal leave at the value it accrued prior to reclassification. The dollars will be converted to leave at the lower hourly rate of the reclassified employee and the appropriate hours of leave will be added to the employee's personal leave account.
- 8.10 Employees serving a probationary period on an original appointment leaving the city service without satisfactory completion of the probationary period shall not be compensated for any accrued personal leave.
- 8.11 Employees serving a probationary period on an original appointment shall accrue personal leave in accordance with the provisions of this section. Such employees shall not be granted paid personal leave until they have completed their probationary period as defined in Section 13.7, but may take unpaid leave upon mutual agreement.
- 8.12 Only earned personal leave may be taken by an employee.
- 8.13 At the expiration of all personal leave, an additional period of leave, as required, without pay may be granted at the request of the employee, and such leave privilege will be subject to verification by a doctor's certificate.
- 8.14 Seniority rights accrued by an employee up to the date of commencement of a sickness or disability which requires absence from work shall not accrue during any period of leave without pay attributable to a non-work related sickness or disability, except as provided for under the family leave provisions of this agreement.
- 8.15 In the event of a job-incurred injury or serious illness to a regular employee, within the coverage of the Alaska Workers' Compensation Act in effect at the time of injury, the employee's position shall be held for the employee until it has been established that they will be unable to return to work or for one year, whichever is sooner, and their seniority shall be in full force during the period. An award to the employee of Workers' Compensation Permanent Disability shall be deemed to establish that the employee will be unable to return to work, unless the employee, by actually returning to work, or by the report of a competent physician establishes that a permanent partial disability will not preclude their return to the job in question.

The City will compensate regular employees that portion of the difference between Workers' Compensation, as required by State Statute, and eighty percent (80%) of the employee's regular rate of pay until the employee is able to return to duty or is medically retired; provided, however, that such time does not exceed nine months. The employee shall be required to submit to their foreman a weekly report from the attending physician.

9. OTHER APPROVED ABSENCES

All employees covered by this Agreement shall be entitled to paid personal leave in conformity with the following:

- 9.1 MATERNITY/PATERNITY/FAMILY LEAVE shall be granted when the employee can be certified for such leave by a competent physician. A pregnant employee may work as long as she is certified to be in good health by a competent physician. Absences due to or contributed to by "pregnancy, miscarriage, abortion, childbirth, and recovery" are the same as any other temporary disability and should be treated that way under health and disability insurance or sick leave plans. The Mayor may grant a regular employee leave without pay. The employee must either return to full employment status at the end of such leave without pay or terminate. Approved leave without pay shall not constitute a break in service, and the employee shall be restored to the same job classification without loss of seniority.
- 9.2 ELECTIONS. Any employee shall be given the necessary time off, without loss of pay, for the purpose of voting, when polls are not open at least two hours before or after the employee's scheduled hours of work.
- 9.3 BEREAVEMENT LEAVE. All regular employees shall be permitted to use personal leave in the event of illness or death in the immediate family of the employee to make household adjustments, arrange for medical services or to attend funeral services. "Immediate family" is defined as: husband, wife, daughter, son, mother, father, sister, brother, step-mother, step-father, step-children, foster children, mother-in-law, father-in-law, grandparents and grandchildren. Nothing in this section shall preclude the use of leave for such bereavement when approved in advance by the City.
- 9.4 MILITARY RESERVE TRAINING OR EMERGENCY NATIONAL GUARD SERVICE. All employees covered under this Agreement shall be entitled to administrative leave without pay for any active duty in any Armed Forces component including units of the National Guard or Reserve. Provided that, in accordance with applicable State and Federal laws and regardless of any language or provision of this Agreement to the contrary, there shall be no adjustment of any affected employee's anniversary date

for any active duty period up to the Federal statutory limit so as to cause loss of seniority or longevity, or to deny the accrual of sick or annual leave as provided by law. Employees are to present a copy of official orders for active duty as soon as possible to the City to comply with the law and to allow the City to reschedule the work force.

9.5 LEAVE WITHOUT PAY. The City Mayor, or designee, may grant to a permanent employee leave without pay not to exceed 90 calendar days when it is in the best interest of the City to do so and if the employee can be spared from their job for the time requested. During the employee's approved leave of absence their position may be filled by temporary promotion or temporary reassignment of any employee. At the expiration of the leave without pay, the employee has the right to, and shall be reinstated to, the position they vacated, if the position still exists or, if not, to any other vacant position in the same class. Approved leave without pay shall not constitute a break in service. Longevity credits for the purpose of completing probation, pay anniversary date, and accumulation of leave benefits shall be suspended during the periods of leave without pay exceeding one work day.

9.6 Personal leave shall be granted to employees for the birth or adoption of a child. In addition, employees will be entitled to use personal leave or LWOP in accord with the Family and Medical Leave Acts.

10. PAY DAYS

10.1 Pay days shall be established covering payroll periods from the first to the 15th day of the month inclusive (for which the payday is by month end) and from the 16th day of the month to the last day of the month (for which the payday is the 15th of the following month, except when pay day falls on a Saturday or a holiday. When the payday falls on a Saturday, Sunday, or Monday City Holiday, the payday will be Friday.

10.2 Each paycheck shall have a stub or duplicate itemizing all legal and authorized deductions, hours worked, and rate of pay for straight time and overtime hours worked.

10.3 The City reserves the right to establish a bi-weekly pay period upon 30 calendar days' notice to the Union. If established, pay days shall fall on every other Friday. If the designated pay day falls on a holiday, pay checks will be available for distribution the day preceding the holiday. However, no employee shall lose any wages or benefits accruing under this Agreement as a result of the change from semi-monthly to bi-weekly pay periods.

10.4 The parties agree to adopt, via Letter of Agreement, an early paycheck hardship exception for temporary employees.

11. UNION MEMBERSHIP AND DUES

11.1 The Union shall assume all obligations and responsibilities for the collection of any Union dues, fees, or assessments, except as agreed to by the City and set forth herein.

The City will deduct membership working dues from the employees' pay checks for each compensable hour in an amount so designated by the particular Unions involved, with proper authorization submitted to the City by the employees so affected.

All moneys collected for working dues by the City shall be paid to the appropriate Unions. The working dues which are deducted shall be paid monthly by the 15th of the month following the month in which they were deducted.

11.2 No employee shall be discriminated against for the upholding of Union principles, and any employee who heeds the instructions of the Union, or who serves on a committee, shall not lose their position or be discriminated against for this reason. The Union shall not discourage any employee from carrying out their work assignment for the City.

11.3 The City agrees that it will not in any manner, directly or indirectly, attempt to interfere between any of the employees covered under the terms of this Agreement and the Union, and that it will not in any manner, restrain or attempt to restrain any employee from belonging to the Union or from taking an active part in Union affairs, and that it will not discriminate against any employee because of the employee's Union membership or lawful Union activity.

11.4 All employees covered by this Agreement shall be required as a condition of continued employment, to apply for and become members of, and to maintain membership in the appropriate craft union within 31 days following the beginning of their employment or the effective date of this Agreement, whichever is later.

11.5 The City will, within five working days after receipt of written notice from the Union, discharge any employee who is not in good standing in the Union as required in Section 11.4. If the employee signs an authorization to the City to withhold working dues and pays their initiation fee and monthly dues to the Union before the expiration of the five working days, they shall be considered in good standing with the Union, and not be discharged for that reason.

12. HIRING HALL

- 12.1 The Union agrees to maintain a hiring hall and to solicit qualified workers, both Union and non-Union, in order to fill necessary requisitions for workers. The City agrees to use the services of such hiring hall and will call upon the Union to furnish all the qualified workers it may require in the classifications herein mentioned, subject to the following terms and conditions.
- 12.2 Selection of applicants for referral to jobs shall be on a non-discriminatory basis and shall not be based on, or in any way affected by, Union membership, by-laws, rules, regulations, constitutional provisions, or any other aspect or obligation of Union membership, policies or requirements.
- 12.3 The City retains the right to reject any job applicant referred by the Union. **If requested by the Union, the City shall give a written reason for the rejection of any applicant.** The City will apply the terms of its current nepotism policy, as provided in the Fairbanks General Code.
- 12.4 All employees covered by this Agreement that operate heavy equipment and packers shall be required, as a condition of employment, to possess and maintain a Commercial Driver's License as required by law. The City will annually reimburse permanent employees for the cost of renewal of any licenses or training required by law or required by the City to perform their duties while in City employ, with the exception of personal drivers licenses.
- 12.5 The Union agrees that it will not discriminate against non-Union workers in referring workers to the City, and the City agrees that it will not discriminate against Union workers in selecting job applicants referred to it by the Union.
- 12.6 The Union and the City agree to post, in places where notices to employees and applicants for employment are customarily posted, all provisions relating to the functioning of these hiring arrangements.
- 12.7 In the event the Union is unable to supply the City with qualified workers when called upon by the City within 72 hours, exclusive of Saturdays, Sundays, and holidays, the City may procure workers from other sources; provided, however, that in such instances the City shall furnish the Union with the names of workers, their classifications, and date of hiring.

13. SENIORITY

- 13.1 Seniority shall be established by craft for the following seniority groups:

- (a) laborer
- (b) operator
- (c) mechanic
- (d) electrician
- (e) carpenter
- (f) plumber
- (g) dispatcher & network coordinator
- (h) engineering employees
- (i) supply specialist/expediter
- (j) warehouse/records coordinator
- (k) custodian
- (l) inventory specialist/material handler
- (m) or other seniority groups mutually agreed to by the City and the Craft Council.

The employee having the longest term of service with the City shall be number one on the seniority list, subject to the provisions of Section 13.7, and all other employees, likewise, shall be listed according to length of service with the City; such lists shall be posted. Date of hire as a permanent employee will be the criterion used to establish the length of service for new employees.

- 13.2 Lay-offs due to reduction in force shall be made in reverse order of seniority, subject to Section 13.1. In rehiring, seniority shall apply. When calling back laid-off employees, the City will recall, through the Union, the employees in the proper order of seniority recall rights.
- 13.3 Promotions, including promotions to newly created jobs and reclassification to positions of different responsibilities, shall be in order of seniority, provided the employee is qualified and competent to perform the work in the proposed classification. This provision shall not apply to the selection of General Foreman and Office Manager (if these two positions used), or Craft Foreman. Lead worker and Craft Foreman shall be selected by the City from among the regular permanent employees. The City shall be the judge of the employee's qualifications and competency.
- 13.4 Employees under this Agreement shall be allowed to transfer into another bargaining unit with the City, provided they are qualified to perform the work and the position vacancy has been first offered to existing employees in that bargaining unit and no employees are interested or qualified. It is understood that such transferring shall be within the appropriate unions and all parties in the bargaining unit(s) concur. Employees transferred thus shall carry continuous service credits (longevity) but will lose division or unit seniority.

- 13.5 City seniority shall be terminated and the employer-employee relationship shall be severed by the following conditions:
- (a) Discharge for cause
 - (b) Lay-off of eighteen (18) months duration
 - (c) Resignation or retirement
- 13.6 In the event an employee is not worked in their rightful position of seniority pursuant to Section 13.1, 13.2, or 13.3, they shall be compensated in the amount that was earned by the employee who has worked in their stead, unless otherwise mutually agreed upon by the Union and the City.
- 13.7 Each new employee shall be hired as a probationary employee and shall not have seniority until the end of a probationary period of 120) days; ~~unless the employee has worked in a position in the bargaining unit within eighteen (18) months of the appointment. The employee who has worked in a position in the bargaining unit within eighteen (18) months of the appointment shall have his probationary period reduced by the amount of time he has worked in a position in the bargaining unit within eighteen (18) months of his appointment, but in no case shall the probationary period be less than ninety (90) calendar days.~~ Upon completion of such period, the employee shall have seniority from date of hire with full accrual of personal leave. A probationary employee shall not be terminated for the sole purpose of defeating the accrual of such.

14. LAY-OFF AND DISCHARGE

- 14.1 When an employee is terminated, or effects a separation, they shall be paid all accrued earnings in accordance with State law or within 48 hours, whichever is earlier, excluding Saturdays, Sundays, and holidays.
- 14.2 Written notice of lay-off will be given to the affected employees by the City. Employees having less than 90 days continuous service shall receive two days' notice prior to termination. Employees having 90 days continuous service but less than 12 months continuous service shall receive six working days' notice prior to termination. Employees having 12 months or more continuous service shall receive 12 working days' notice. In instances where notice is not given by the City prior to termination, the employee shall receive in lieu thereof, pay at the basic rate for the time established herein. Employees effecting a separation without prior notice to the City shall forfeit severance pay. Temporary employees hired for 21 days or less will receive 24 hours' notice prior to termination.

15. SHOP STEWARD

- 15.1 A Shop Steward shall be appointed from among the employees of the City at any given point by the Union at the Union's discretion and shall be the last employee terminated, unless such employee is discharged for cause.
- 15.2 The Shop Steward shall be allowed to handle requests, complaints, and grievances arising under this Agreement during the Shop Steward's working hours, without loss of compensation for time spent in the pursuit of Shop Steward's duties. There may be occasions when the work load will prevent the granting of such times until a later time. In the absence of compelling circumstances to the contrary, the employee will be made available. The Steward will be the last employee terminated in the respective craft as long as there is work available which such employee is capable of performing.
- 15.3 Shop Stewards and aggrieved employees shall, upon notification to their foreman or immediate supervisor, be given time during working hours and without loss of pay to handle grievances. It is further agreed that Shop Stewards shall be given time during working hours and without loss of pay to attend Union negotiations and other authorized joint employer-Union conferences.

16. JURY DUTY

Employees required to serve on jury duty will suffer no loss in regular earnings, but shall be compensated during their service at the rate of 40 hours per week. Fees paid the employee while serving such jury duty will be returned to the City by the employee. An employee, other than a regular day shift employee, shall be considered to be a regular day shift employee while serving on jury duty. Such an employee who was required to serve on jury duty on their previously scheduled day off shall not be required to work on the following Saturday or Sunday. It is agreed that an employee reporting for jury duty who is then released for the day shall return to work for the rest of the work shift.

A certificate of attendance shall be obtained by the employee from the jury clerk and made available to the department head upon request.

Temporary employees will only be paid for jury duty if they are not granted a deferral to a later date.

17. SAFETY

- 17.1 All work should be executed in a safe and proper manner. The "Alaska State General Safety Code" will serve as minimum standards.

- 17.2 The City shall furnish such safety equipment as is necessary for the safety of the employees. Safety devices and first-aid equipment as may be needed for safety and proper emergency medical treatment, shall be provided and be available for employees working under adverse conditions.
- 17.3 When any work is being done in a manhole, there shall be an employee stationed at the street level as a minimum safety precautionary measure in accordance with "Alaska State General Safety Code" regulations and City of Fairbanks Safety Policy Manual.
- 17.4 A Safety and First-Aid Program, as required by the State Safety Code, shall be instituted and regular safety meetings for each department shall be held once each month during working hours, without loss of pay to the employee.
- 17.5 It shall not be considered a violation of this Agreement where employees refuse to work with or ride in unsafe equipment or where safeguards are not provided, or when the facilities are not being maintained in a reasonable sanitary condition.
- 17.6 It is agreed that when one employee is on shift alone the employees supervisor will call to check on the employee should the employee fail to report every two hours. It will be the employee's responsibility to notify public works dispatch that they are working alone that shift. Nothing in this subsection applies to work in a confined space or other hazardous conditions.

18. TRAINING - EMPLOYEE UPGRADING

The parties agree that it is in their mutual interest and in the interest of the industry that employees be trained in the fields of work and equipment covered by this Agreement.

The City may use training courses, technical publications, specifications, and training schools of equipment manufacturers and vendors, as the City deems necessary, to develop and upgrade their employees to the state of the art skills regarding the latest products, equipment, systems, and their operation, maintenance, and repair. When specialized training is provided by the City, seniority will be considered when offering such training to employees. When training for a specialized skill is provided by the City to a junior employee, senior employees will not be laid off because they lack such specialized skill. When an employee is sent for special training or to work outside the Fairbanks North Star Borough, the City will pay all authorized expenses as provided in the Travel Policy effective 9/3/2013. Upon prior written approval, the costs for any training

beneficial to job requirements, and after satisfactory completion, will be reimbursed to the employee.

19. MAINTENANCE OF PRIVILEGE AND REMUNERATION

It is understood and agreed by and between the City and the Union that, except as provided by this agreement, no employee covered by this Agreement will suffer a loss in privileges or rights which they now enjoy due to signing of this Agreement. Any future changes in working conditions that will affect the employees covered under the terms of the Agreement will be mutually agreed to between the City and the Union prior to implementation. This clause does not preclude the parties from negotiating changes to the Agreement.

~~19.1 Shift premiums for classification under this contract will be five percent (5%) for swing shift and five percent (5%) for a work week which includes work on Saturday. Ten percent (10%) for graveyard shift, and ten percent (10%) for a work week that includes work on Sunday. [Note: moved and renumber as 6.14]~~

20. MISCELLANEOUS

20.1 The parties agree that all permanent employees hired prior to January 1, 1996, will receive longevity pay on the basis of three percent of the employee's basic wage rate for three years of service and an additional one percent for each year's service thereafter, up to a maximum \$2.72 dollars an hour without regard to any changes in the CPI.

Permanent employees hired after January 1, 1996, shall not receive longevity pay as specified in the preceding paragraph.

20.2 Mechanics, carpenters, and electricians shall furnish their own tools and provide a complete inventory but shall not be required to furnish special tools as follows: Air or electric wrenches, gear and bearing pullers, electric drills, reamers, taps dies, oxyacetylene hoses, gauges, torches and tips, thirty-six inch pipe wrenches, socket wrench drives over 3/4", wrenches over 2", coffin hoists, hydraulic jacks, etc. The City agrees to reimburse employees for tools lost provided that such loss was not intentional or due to recklessness. Such reimbursement shall be for the full amount of the prior agreed inventory of such tools lost, and will be based upon the current price for tools of the same brand. Such tools will be replaced with tools of the same brand. Tools broken in the course of employment shall be replaced with tools of the same brand at no cost to the employee, provided the broken tool is turned in to the City and further provided that such damage was not intentional or due to recklessness.

- 20.3 PARKING. The City will make every effort to provide adequate parking facilities and electrical connections for head-bolt heaters at existing installations. Such facilities shall be provided at any newly constructed installation.
- 20.4 Upon the proper written authorization by an employee, the City agrees to deduct the amount so designated from the employee's wages and submit the amount so indicated to the appropriate union's political, educational, or charitable committee. Forms shall be supplied by the employee's union. Such amount shall be submitted to the union on the 15th day of the month following the month in which the deductions were made.
- 20.5 (a) Except in the case of an emergency, the City agrees to refrain from transferring work normally being performed by employees in job classifications falling within the scope of this agreement to any supervisor or unrepresented position, unless mutually agreed upon between the City and the Union. The foregoing shall not operate to prohibit the employees of a manufacturer or supplier from warranty work, trouble-shooting, or working on equipment or apparatus supplied or leased to the City. No regular employee shall be laid off, terminated, or discharged by the City as a result of the City subcontracting any work currently performed by the bargaining unit.
- (b) Efforts by community groups, such as Festival Fairbanks or the Downtown Association, to improve the community are encouraged and supported by both the City and the Union. Such efforts will not result in the layoff of any craft employees.

21. PERSONNEL RECORDS

- 21.1 An employee's personnel record shall include, but shall not be limited to, the employee's application, reports of results of employment investigations, reports of work performance, progress and disciplinary actions, personnel actions, and survivor benefit forms. The employee's personnel file shall be maintained by the Mayor or designee.
- 21.2 Employees shall be given access to their personnel file upon reasonable request. Copies of additions or other date changes to their individual personnel files shall be provided to the employee upon request and upon reasonable time notifications.
- 21.3 Personnel records will not be used as a private dossier on employees nor shall they contain any materials which an employee has not seen.
- 21.4 Recognizing the City's need to discipline and the employee's desire for fair and equal discipline the City agrees to remove letters of reprimand, not

related to public safety, from an employee's personnel file 24 months after being placed in such file.

22. TEMPORARY EMPLOYEES

- 22.1 A temporary employee is one who is called for occasional work or for a limited period not to exceed eight **consecutive** calendar months in any **12-month period** year. **Eight consecutive months shall be calculated on the actual day the employment began, e.g., for an employee starting on 1/18/17, the eight consecutive months runs through 9/17/17.** Unless mutually agreed otherwise by the Union and the City, at the end of this period, the employee shall be placed in a regular position or laid off. The City agrees it will not attempt to bypass this section by using layoffs/rehires to circumvent the intent of the eight-month maximum. **If, by agreement of the parties, a temporary employee is retained as a temporary employee after eight consecutive months, then that employee will be eligible to accrue personal leave and be paid holiday pay for any subsequently occurring holidays.**
- 22.2 (a) Temporary employees shall be paid in accord with Schedule "A" for their classification, plus per hour pension contributions and Health & Welfare (H&W) contributions, and be paid overtime as provided in Section 6.3. Temporary Employees that work 120 hours or more in a month may elect to make a monthly H&W contribution. When a participating temporary employee's per hour H&W contribution is less than the monthly H&W contribution, then the difference shall be deducted from their gross pay as a payroll deduction. ~~Either party may elect to re-open negotiations on the temporary employee H&W deduction option after 12 months of the effective date of this agreement.~~
- (b) Whenever temporary employees are needed under this provision, the City shall first attempt to contact and hire their trained and experienced temporary workers **from the previous season** before hiring workers new to the City system. Should such workers decline employment, or not be available for employment, the City shall contact the appropriate hiring hall for referrals. **The City reserves the right to name request any employee that has previously worked at Public Works, as long as such request does not conflict with the Union's hiring hall rules.**
- 22.3 Temporary employees shall not accrue seniority, **or, unless the last sentence of Section 22.1 applies,** be paid holiday pay, or receive paid personal leave, but shall be eligible for unpaid leave upon mutual agreement.

- 22.4 Temporary employees shall not be hired if there is a permanent employee of the appropriate craft on lay-off who has seniority recall rights and is available.
- 22.5 Temporary employees shall be considered for regular positions which are created or become vacant after the position has been closed to all regular employees and before the City places a call to the Union.

23. SCHEDULE "A" WAGES

- 23.1 On January 1 2017, employees shall be compensated as provided in the attached **Schedule** Appendix "A", which provides a ~~one and a half (1.5%)~~ **1.4** percent increase over the 2016 package rate. ~~Additionally the Trade Specialist classifications shall receive a onetime fifty (\$0.50) cent adjustment to their total package rate. By January 31, 2014, regular employees employed on the date of mutual ratification shall receive a "signing" payment of nine hundred thirteen dollar (\$913.00) dollar less IRS tax withholding with dues but without health & welfare contribution deduction.~~
- 23.2 Application of the Package Rate Concept. The parties recognize that computing a full package rate, in which actual wages, health care, and pension costs are computed on the basis of annual compensable hours, is a more accurate method of reflecting the actual cost to the City. The parties agree that future percentage increases will be applied to the package rate. Except as provided in this section or in addenda specifically addressing allocation, each Local may allocate the package rate to wages, pension, and health and welfare as it sees fit.
- (a) The Pension Protection Act of 2006 (PPA) requires an annual actuarial status determination for multiemployer pension plans. An actuarial finding that a pension plan is underfunded can trigger, depending on the severity of the underfunding, the implementation of a plan to improve the funding and/or rehabilitate the plan. Because the funding improvement/rehabilitation plans mandated by the PPA impose certain mandatory contributions to underfunded pension plans, the parties agree that the allocation discretion of Article 23.2 will need to be limited to insure compliance with the requirements of the PPA and any improvement/rehabilitation plan.
- (b) Upon notification of a finding of underfunding, the parties agree to promptly meet and confer regarding the underfunded plan. Generally, the provisions of an improvement/rehabilitation plan must be implemented only after the CBA then in place expires. The parties may agree to implement the provisions of the improvement/rehabilitation plan earlier than required if the parties determine it

would be advantageous to do so. The parties will prepare a separate addendum for each pension plan found to be underfunded. During the term of any addendum, the parties agree to meet and confer if either party believes there has been a change in circumstances that would warrant amendment of the addendum.

- (c) Any increase to the contribution rate for an underfunded pension plan required under an improvement/rehabilitation plan must be paid out of the package rate negotiated by the parties. The City will not be required to provide any additional funds or make any additional contributions to a pension plan above the negotiated package rate amount. No portion of the package rate may be allocated to any other purpose unless and until contributions and supplemental contributions to the underfunded pension plan have been satisfied.
- (d) If at any point the underfunded pension plan emerges from its underfunded status and additional contributions under an improvement/rehabilitation plan are no longer required, the allocation restrictions imposed by this section will be lifted.

23.3 This agreement is effective until December 31, 2019. The parties agree to reopen negotiations on economic issues only for 2018 and 2019. Such negotiations will commence in October of 2017 for 2018 and 2018 for 2019. The parties agree to use mediation and arbitration if the re-opened negotiations result in impasse.

23.4 Office Manager and Dispatcher Rates.

The Office Manager positions, if used by the City, will be paid at a wage rate to be agreed upon by the City and Union in light of the skills and qualifications of the selected employee(s). The IUOE Dispatcher shall be paid at ~~95~~90 percent of scale. The Assistant Dispatcher will be paid at ~~75~~70 percent of scale.

Agreement ratified by Union membership on May 8, 2017, and approved by the City Council by approval of Ordinance _____ on _____.

SIGNED FOR THE FAIRBANKS
AFL-CIO CRAFTS COUNCIL:

SIGNED FOR THE CITY OF
FAIRBANKS:

Lake Williams
President AFL-CIO Crafts Council
Business Representative, IUOE 302

Date: _____

Jim Matherly
Mayor, City of Fairbanks

Date: _____

Kevin Pomeroy
Business Manager, Laborers 942

Paul J. Ewers
City Attorney

Laird Grantham
Business Manager, Carpenters 1243

JB Brainerd
Deputy City Attorney

Kirk Jackson
Business Representative, Pipefitters 375

City of Fairbanks
Permanent Fund Review Board
(Quarterly Meeting Minutes)
January 23, 2017

The Permanent Fund Review Board (PFRB) convened at 3:30 P.M. on the above date in the Council Chambers to conduct a quarterly meeting with the following board members in attendance.

Board Members Present: Council Member Valerie Therrien
Jennifer Imus
Jeff Johnson
Dave Owen

Board Members Absent: Patty Mongold

Also Present: Carmen Randle, Chief Financial Officer
Bernard Gatewood, Former Council Member
Mike Meeks, Chief of Staff
Jason Roth, Senior Vice President, Investments – APCM
Brandy Niclai, Chief Investment Officer-APCM

Dave motioned and Jeff seconded to approve the October 19, 2016 minutes and the board unanimously agreed.

Carmen reviewed the account's performance through December 31, 2016:

- \$119,265,903 - December 31, 2016 balance including accrued income
- \$ 3,759,569 - Dividend and interest earnings
- \$ 456,690 - Realized gain
- \$ 3,084,825 - Unrealized gains
- \$ 150,000 - Management and custodial fees
- \$ 7,171,923 - 2016 Earnings - net of expenses

Carmen reported the City deposits into the Permanent Fund consist of the \$501,427 transfer from the City's General Fund, the GHU lease payment for \$396,900, sale of City real property for \$40,950 and receipt on outstanding G2 and G3 notes of \$30,747.

The 2017 draw is expected to be made in December 2017. The budgeted appropriations to the general and capital funds are shown below, respectively:

- 2016 \$4,469,551 and \$558,694
- 2017 \$4,672,448 and \$584,056

Reported Performance							
4th Quarter		Year to Date		Last 12 Months		Inception to Date	
Account	Benchmark	Account	Benchmark	Account	Benchmark	Account	Benchmark
-0.59%	-0.56%	5.93%	6.32%	5.93%	6.32%	5.25%	4.90%
	0.13% ¹		0.50%		0.50% ²		
<u>-0.59%</u>	<u>-0.43%</u>	<u>5.93%</u>	<u>6.82%</u>	<u>5.93%</u>	<u>6.82%</u>	<u>5.25%</u>	<u>4.90%</u>

1 12.5 bps - per quarter rounded
2 50 bps hurdle -annual
3 50 bps hurdle codified in March, 2009. Inception performance begins January 31, 1998.

Brandy reported the fund was around \$120,790,000 on January 23, 2017.

Brandy reviewed the market return with the PFRB. She reported the portfolio was up 5.9% year-to-date, and 5.25% since inception. She indicated that markets are pricing in support through fiscal policy in the form of tax cuts. The anticipated tax breaks should benefit U.S. mid and small cap stocks and focus on U.S. production.

APCM expects two increases of rates by the Federal Reserve in 2017. This will likely drive short yields higher and make holding additional cash attractive. Holding more cash will help APCM deal with volatility and take advantage of the different options in the market.

Jason reported that staying true to the benchmarks allow the fund to recover from the volatility.

Jason reviewed APCM compliance activity and reemphasized the need to increase the BAA threshold from 10 percent to 15 percent. This change will allow inclusion of BAA rated securities at levels similar to that of fixed income benchmark while continuing to protect the overall investment grade of the fixed income securities held in the permanent fund. The PFRB unanimously agreed to propose this change to the City’s investment policy.

The PFRB discussed the changes to the annual draw and investment policy that would be presented to the City Council. In order to change the asset mix from 45 percent equities and 55 percent fixed income to 60 percent equities and 40 percent fixed income, the target weighting and ranges within the asset classes would need to be modified.

Brandy proposed two different target weightings and ranges for the PFRB to consider. After much discussion, David motioned and Jennifer seconded to select the first target weighting and range presented by Brandy. The PFRB unanimously agreed:

Asset Class	Target % Weighting	Range %
Equities-Overall	60	45-75
Large Cap	24	15-35
Mid Cap	9	0-15
Small Cap	6	0-10
International	10	0-20
Emerging Markets	5	0-10
Real Estate	6	0-15
Total	60	
Fixed Income-Overall		
US Bonds meeting Ordinance Criteria	25	15-55
International Bonds	5	0-10
U.S. Treasury Inflation Protected Securities (TIPS)	5	0-10
Cash/1-3 month Treasuries	5	0-10
Total	40	
Commodities	0	0-20

Jennifer motioned and Dave seconded to propose a decrease in the annual draw by 1/10 percentage point each year for five years (starting in 2018), after which the annual draw will be 3.5% of the five-year market value of the fund. The PFRB agreed unanimously.

- 2018-3.9 percent of the average five prior years' year end audited market value
- 2019-3.8 percent of the average five prior years' year end audited market value
- 2020-3.7 percent of the average five prior years' year end audited market value
- 2021-3.6 percent of the average five prior years' year end audited market value
- 2022-3.5 percent of the average five prior years' year end audited market value

In addition to the changes mentioned above, the PFRB agreed with APCM's recommendation to extend the "substantially similar" language utilized for the international equities. This change will allow APCM to incrementally adjust the portfolio's strategic asset class exposure based upon the assessment of current market conditions and/or valuation. The language provides an appropriate level of risk control to ensure the exchange traded funds (ETFs) and/or mutual funds selected provide adequate exposure to asset classes specified in the strategic asset allocation designed to meet the City's long term investment goals. It will also allow APCM to purchase ETFs and/or mutual funds which have the potential to incrementally enhance return and/or reduce risk relative to the strategic asset allocation benchmark.

The PFRB and APCM will present the proposed changes to the City Council during the 6:00 p.m. work session immediately following today's PFRB quarterly meeting. *Ordinance 6041 Amending the Fairbanks General Code Sections 2-260 and 2-261 Regarding the Authorized Index Language and Asset Allocations in the City Permanent Fund Investment Policy and Ordinance 6042 Modifying the Annual General Fund Transfer From the Permanent Fund* will be open for first reading on February 6th and, if Council agrees with the changes, the second reading and passage should be on February 27, 2016.

The PFRB set the next quarterly meeting for Wednesday May 4, 2017 at 1:30 P.M.

The PFRB meeting adjourned at approximately 5:45 P.M.

Minutes will be placed on the May 4, 2017 agenda for approval.



FAIRBANKS DIVERSITY COUNCIL
 REGULAR MEETING MINUTES
 APRIL 11, 2017 – 5:30 PM
 FAIRBANKS CITY COUNCIL CHAMBERS
 800 CUSHMAN STREET, FAIRBANKS, ALASKA



The **Fairbanks Diversity Council** (FDC) convened at 5:30 p.m. on the above date to conduct a Regular Meeting at the City Council Chambers, 800 Cushman Street, Fairbanks, Alaska, with Mayor Jim Matherly presiding and with the following members in attendance:

Members Present: Shirley Lee, Seat B Rita Davis, Seat L (arrived at 5:36)
 Travis Cole, Seat E (arrived at 5:42) Jeff Walters, Seat M
 Rosalind Kan, Seat H (arrived at 5:44) Amber Taylor, Seat N
 Marna Sanford, Seat I Kelvin Lee, Seat O
 Douglas Toelle, Seat J Angela Foster-Snow, HR Director
 Jo Ann Borges, Seat K June Rogers, City Council Member

Members Absent: Ana Maria Richards, Seat A (excused) Trina Bailey, Seat F (unexcused)
 Montean Jackson, Seat C (excused) Vacant, Seat G
 Vacant, Seat D

Also Present: D. Danyielle Snider, City Clerk Eric Jewkes, Police Chief
 Mike Meeks, Chief of Staff Dave Elzey, Police Officer
 Stephanie Johnson, Dispatch Manager

CALL TO ORDER & READING OF THE FDC MISSION STATEMENT

Chair Matherly welcomed everyone and read aloud the FDC mission statement.

Since there was no quorum at the start of the meeting, Chair Matherly began Citizens Comments and came back to the Approval of Agenda and Approval of Previous Minutes.

CITIZENS COMMENTS (Limited to 3 Minutes)

Frank Turney, 329 7th Avenue – Mr. Turney spoke to jury discrimination at the local level, and he asked the FDC to look into the issue. He stated that while Mayor Matherly was running for Mayor, he said he would look into whether the rights of the Fairbanks Four were violated by the Fairbanks Police Department (FPD) during interrogations in 1997.

Ms. Sanford asked Mr. Turney what he is seeking from the FDC. Mr. Turney replied that he would like the body to investigate and find out whether minorities are being discriminated against in jury selection. **Ms. Sanford** stated that since jury discrimination is dealt with by appealing to a higher court, the FDC would not have recourse to make a change. She added that if an appeal is not brought up at the time of the incident, the appeal opportunity is waived.

Mr. Walters stated that the FDC advises the Assembly and Council and that he would feel more comfortable with approaching the issue at a local level if there are specific cases. **Ms. Borges** suggested that the item be included on the next meeting agenda. She stated that she would like to know the criteria that determines who may serve on a jury. **Ms. Sanford** requested that someone from the District Attorney’s Office be present at the next meeting.

Mr. Turney questioned whether the Mayor would follow up on the Fairbanks Four issue. **Chair Matherly** stated that he has not spent time on the issue, but that he has met with the State of Alaska and The Innocence Project. He confirmed that he has not written a letter to the Justice Department, and he stated that he does not recall promising to do so if elected as Mayor.

APPROVAL OF AGENDA

Mr. Toelle, seconded by **Mr. Lee**, moved to APPROVE the Agenda.

Chair Matherly called for objection to APPROVING the Agenda and, hearing none, so ORDERED.

APPROVAL OF PREVIOUS MINUTES

a) Regular Meeting Minutes of March 14, 2017

Mr. Toelle, seconded by **Mr. Walters**, moved to APPROVE the Regular Meeting Minutes of March 14, 2017.

Chair Matherly called for objection to APPROVING the Minutes and, hearing none, so ORDERED.

CITIZENS COMMENTS CONTINUED

Jazzanne Gordon-Fretwell, PO Box 74967, Fairbanks – Ms. Gordon-Fretwell expressed interest in joining the FDC. She stated that she is the Executive Director of the North Star Youth Court and that she is involved with the Homeless Coalition and the Wellness Coalition. She spoke to the diversity within her family and stated that she feels she has somewhat of a unique perspective. Ms. Gordon-Fretwell confirmed that she is also a member of the School Board Diversity Committee.

Ms. Foster-Snow gave a brief update on FDC vacancies.

Wendy Tisland, 5145 Klondike Drive, Fairbanks – Ms. Tilsand stated that she is the Executive Director of Human Resources at the school district. She stated that the district recently honored Black History Month with a contest for students. She stated that projects have been on display at the district building. She stated she brought flyers to share about the upcoming America's Cultures Week Potluck.

Ms. Foster-Snow asked whether City Hall could host some of the student's artwork. Ms. Tisland stated that there are coordinators at the district who could help facilitate that.

Herb Butler, PO Box 70295, Fairbanks – Mr. Butler stated that he applied to serve on the FDC. He spoke to his past experience serving on the Williams Company's Diversity Council. He stated that there is a significant difference between what happened in their meetings versus what happens at FDC meetings. He stated that the Williams Diversity Council was an influential body and that the company eventually created a Diversity Department. He asked how the FDC gives advice to the governing body. **Mr. Walters** stated that the FDC has approved several resolutions

which were passed on to the City Council. **Ms. Lee** stated that the meeting minutes memorialize the FDC's advice and actions, and those minutes are forwarded to the City Council.

Heidi Shepard, 1043 Pasque Street, Fairbanks – Ms. Shepard stated that she applied to serve on the FDC, and she stated that she has looked over the Diversity Action Plan (DAP). She shared that she currently works as the Student Involvement Coordinator for UAF and that she runs a program called L.I.V.E.: Leadership, Involvement, and Volunteer Experience. Ms. Shepard stated that prior to that, she worked for the Alaska State Legislature as an aide. She added that getting involved in City government seemed like a great way to pull those things together. She stated that she is a lifelong Fairbanksan, and she spoke to her community involvement. Ms. Shepard asked what a “Courageous Conversation” is. Members informed Ms. Shepard that Courageous Conversations provide a forum for people to communicate in a positive way about issues that may be difficult or uncomfortable to discuss.

Marilyn Russell, 221 Well Street, Fairbanks – Ms. Russell expressed her belief that the FDC should weigh in on the issue of whether invocations should be allowed in public meetings. She suggested that different cultural groups could give invocations at public meetings.

Several members agreed that it would not be inappropriate for the FDC to address the issue. **Ms. Davis** requested that the item be added to the next agenda under Diversity Topic of the Month.

Hearing no more requests for testimony, **Chair Matherly** declared Citizen's Comments closed.

FAIRBANKS POLICE DEPARTMENT & HUMAN RESOURCES REPORTS

Chief of Police Eric Jewkes stated that Officer Elzey is retiring and it would be Ofc. Elzey's last FDC meeting.

Ofc. Dave Elzey stated that he has had a long career, and it was a tough decision to retire. He spoke to his love for the City. He stated that he owns property in Washington State and will eventually relocate there.

Members commended Ofc. Elzey for his work in the community.

Chief Jewkes provided a report on current staffing levels, training statuses, and future plans for the FPD.

Ms. Foster-Snow gave an update on current vacancies at the City of Fairbanks. She stated that the most important thing for people to do if they are interested in working for the City is to submit a job application. She asked Dispatch Manager Stephanie Johnson to talk about job openings at the Fairbanks Emergency Communications Center (FECC).

Ms. Johnson stated that there are five vacancies at Dispatch, but four individuals are already in the background check stage. She stated that she is looking for individuals who work well under pressure. She stated that minimum requirements include a high school diploma and a typing speed of 50 wpm.

Chair Matherly spoke highly of emergency dispatchers and stated that it is National Telecommunicators Week.

NEW BUSINESS

a) Committee Assignments and Meeting Schedules

Members discussed current FDC Committee assignments and Chairs. **Ms. Lee** requested to be removed from all FDC Committees due to her workload. **Ms. Rogers** nominated Ms. Sanford to Chair the Policies & Procedures Committee; **Ms. Sanford** accepted the position.

Members briefly discussed whether to select a new Chair for the Education & Outreach / Media & Communications Committee. **Chair Matherly** stated that he would contact Ms. Bailey to see what her intent is for future involvement with the FDC. He stated that he and Ms. Foster-Snow would be happy to serve as Alternate Co-Chairs for the Education & Outreach / Media & Communications Committee. **Ms. Foster-Snow** stated that she and Chief of Staff Mike Meeks will help with the Policies & Procedures Committee.

b) Appointment of Vice Chair

Mr. Cole, seconded by **Mr. Toelle**, nominated Mr. Jeff Walters to be the Vice Chair of the FDC. **Mr. Walters** expressed his intent to remain on the FDC beyond his term expiration in June.

Hearing no objection, **Chair Matherly** declared the appointment of Mr. Walters to the position of Vice Chair APPROVED.

Mr. Walters requested to revisit the prior agenda item to discuss Committee meeting schedules. Committee Chairs were tasked with working with City staff to set meeting dates and times. City Clerk Snider encouraged members to contact the Clerk's Office to coordinate dates and times so that proper public notice could be given for meetings.

FDC MEMBERS COMMENTS

Mr. Toelle stated that it will be good to have working Committees.

Ms. Davis stated that she had no comments.

Ms. Sanford congratulated Ofc. Elzey on his upcoming retirement. She stated that there will be an opportunity on April 13 at 3:30 p.m. for people to testify on a State bill that would recognize Indigenous People's Day on the same day as Columbus Day.

Ms. Taylor stated that she had no comments.

Ms. Rogers thanked everyone for a good meeting. She asked about the State legislation Mr. Walters mentioned to her prior to the meeting. **Mr. Walters** replied that the bill pertains to language on sexual orientation/gender identity in the State's non-discrimination policies. **Ms. Rogers** spoke to the importance of contacting legislators.

Ms. Lee apologized for missing last meeting; she stated that she forgot about the meeting until about 8:30 that evening. She invited everyone to the Gathering of Remembrance at St. Matthew's Episcopal Church on April 26. She stated that the event is held annually to remember

all the victims of unsolved homicides. She stated that she will be becoming more involved with St. Matthew's Church as the new Rector is seated, and she has not made a final decision about her future involvement with the FDC.

Ms. Kan stated that she is glad to see the FDC revive its Committees. She stated that the FDC is ready to make moves now that the DAP is approved.

Mr. Lee congratulated Ofc. Elzey and stated that he is also happy and proud to see what the FDC is doing.

Ms. Borges stated that it was a productive meeting. She reminded everyone to be mindful of each other and to be aware of their surroundings.

Mr. Walters invited input and feedback from FDC members. He thanked Ms. Foster-Snow and Chief Jewkes for the hiring updates, and he expressed appreciation to Chief Jewkes for attending FDC meetings. He asked for confirmation that the topics of jury discrimination and public meeting invocations would be on the next agenda. Clerk Snider confirmed.

Ms. Foster-Snow stated that she had no comments.

Mr. Cole thanked Ofc. Elzey for his work. He stated that his son wants to become a police officer, and he was inspired by police officers like Jewkes and Elzey. He stated that he likes where the FDC is going, and he thanked members for showing up to make a quorum.

Ms. Rogers stated that it would be a good idea to include public members on FDC Committees. **Chair Matherly** thanked members of the public for coming, and he stated that Ms. Foster-Snow could contact those who may be interested.

MEETING DATES

The next Regular Meeting of the FDC is scheduled for May 9, 2017.

ADJOURNMENT

Mr. Toelle, seconded by **Mr. Walters**, moved to ADJOURN the meeting.

Hearing no objection, **Chair Matherly** declared the meeting
ADJOURNED at 7:20 p.m.

Mayor Jim Matherly, Chair

D. Danyielle Snider, CMC, City Clerk

Transcribed by: DS



City of Fairbanks


City Mayor's Office-Human Resources

800 Cushman Street
Fairbanks, AK 99701

Phone (907) 459-6780
Fax (907) 459-6731

Memorandum

To: Fairbanks City Council

From: Angela Foster-Snow, Human Resources Director 

Through: Jim Matherly, Mayor
Eric Jewkes, Fairbanks Police Chief
Carmen Randle, CFO

Subject: Spencer Dewaele, Police Officer / Lateral Incentive

Date: 5/5/2017

RE: Request Approval of Payment

Dear Council,

Congratulations to Officer Spencer Dewaele for his completion of the Fairbanks Police Department Hiring and FTO Process. Officer Dewaele is awarded the \$5,000.00 one-time "Sign- on Bonus" for a lateral hire within the Fairbanks Police Department as per Ordinance No. 6005. Officer Dewaele signed a conditional offer on September 1, 2016.

This Ordinance No. 6005; SECTION 1 allowed for a \$5,000.00 bonus for "an applicant who is a certified police officer in the State of Alaska or is able to meet Alaska Police Standards Council (APSC) certification standards without attending a basic officer academy will be paid a \$5,000 "sign-on bonus" in their first paycheck, subject to the payback provisions specified in the attached Sign- on Bonus Agreement".

Thank you to Officer Dewaele for his dedication and commitment to the Fairbanks Police Department. We look forward to many years of exceptional service.