



**FAIRBANKS CITY COUNCIL
REGULAR MEETING MINUTES, MAY 8, 2017
FAIRBANKS CITY COUNCIL CHAMBERS
800 CUSHMAN STREET, FAIRBANKS, ALASKA**

The City Council convened at 7:00 p.m. on the above date, following a 6:10 p.m. Work Session to discuss Proposed Amendments to the Solid Waste Code, 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
 Jerry Norum, Seat D
 Jerry Cleworth, Seat E
 David Pruhs, Seat F

Absent: None

Also Present: Clem Clooten, Building Official
 Stephanie Johnson, Dispatch Center Manager
 Angela Foster-Snow, HR Director
 Paul Ewers, City Attorney
 D. Danyielle Snider, City Clerk (arrived at 9:30 p.m.)
 Emily Braniff, Deputy City Clerk II (left at 9:30 p.m.)
 Jeff Jacobson, Public Works Director
 Mike Meeks, Chief of Staff
 Carmen Randle, Chief Financial Officer
 Christina Rowlett, HR Admin
 Jim Styers, Fire Chief
 Brad Johnson, Deputy Police Chief
 Catherine Hoyos, Fire Department Clerk

At Mayor Matherly's request, Deputy City Clerk Emily Braniff read aloud the Mission Statement of the City of Fairbanks.

INVOCATION

The Invocation was given by Deputy Clerk Braniff.

FLAG SALUTATION

Mayor Matherly led the Flag Salutation.

CITIZEN'S COMMENTS

Donna Gardino, P.O. Box 85056, Fairbanks – Ms. Gardino spoke in favor of the City Council funding IBEW members' insurance premiums; she commented that the membership is not being

supported by the Council. Ms. Gardino stated she asked her union shop steward if the Council would retaliate against her for testifying at the meeting, and she claimed that there were threats to IBEW employees from the City administration. She stated it is time for the Council to approve increases for well-deserving employees. She stated that one of her staff members takes home less pay than her health insurance costs.

Ms. Therrien asked who made the threats. Ms. Gardino stated that she was not present, so she could not say. She indicated that it was City management.

Mr. Cleworth commented that there are ground rules set forth with labor negotiations and that, typically, neither side is supposed to posture until a contract is ready for public hearing and ratification. Ms. Gardino stated that she believed the IBEW employees' testimony was eloquent and non-confrontational. She stated that they did not address specific negotiation items.

Greg Allison, 1949 Frank Avenue, Fairbanks – Mr. Allison spoke of behalf of Good, LLC. He introduced the company's General Manager, Trevor Haines, and Owner, Christian Hood. He stated that they are going to have a new marijuana store inside City limits. He stated he wants to give back to the community and that he wants to build positive relationships in the City.

Brittany Smart, 907 Terminal Way, Fairbanks – Ms. Smart spoke to the Air Pollution Control Commission and their desire to clean up the air in Fairbanks. She stated the Fairbanks North Star Borough (FNSB) has eight VISTA volunteers working toward getting a sobering center up and running. She spoke to the activities that will be taking place during the Arctic Council visit.

Kelvin Lee, 253 Romans Way, Fairbanks – Mr. Lee stated there will be an open house at the old Ranch Motel on May 19 at 2:00 p.m.; he encouraged Council Members to attend. He spoke to the importance of housing and stated that his program is really taking off.

Jeff Whipple, 441 Keeling Road, North Pole – Mr. Whipple spoke to the lack of support from the Council for the City employees. He questioned why the Council keeps transferring all the surplus funds into other funds instead of putting it towards employees. He stated the Council brags about the City having no debt but that they are not treating employees fairly. He stated that City Engineer Jackson Fox is the best boss he has ever had. He stated that the Engineering Department helps make the City money, and they should be treated better by the Council. Mr. Whipple encouraged the Council to support the professional employees of the City by approving the Fairbanks Firefighters Union (FFU) Arbitration Award.

Ms. Therrien asked Mr. Whipple when he was told that the City/IBEW labor negotiations were suspended; she indicated that the Council had not been told that negotiations were suspended. Mr. Whipple stated that he was told a couple days prior.

John George, 4389 York Avenue, Fairbanks – Mr. George stated that he is an Associate Professor of Fire Science at the UAF Community and Technical College (CTC), a Commissioner with the University Fire Service Area, and a firefighter with the Ester Volunteer Fire Department. He stated he was a firefighter for 26 years, and he thanked the Council for their partnership with the CTC. He stated the program graduated nearly 30 new firefighters in 2017.

Michelle Gutierrez, 465 Goldstreak Road, Fairbanks – Ms. Gutierrez thanked the Council for affording the opportunity to speak. She stated that she is one of the newer IBEW members. She stated that out-of-pocket healthcare costs are very high, and she asked for fairness and equality.

Frank Turney, 329 6th Avenue, Fairbanks – Mr. Turney spoke in favor of Good, LLC; he stated he is glad to hear about another cannabis store in the City. He stated that the Diversity Council would be discussing discrimination in jury selection at their next meeting. Mr. Turney stated that a female City employee contacted him in regard to an issue that she did not feel comfortable bringing forward. Mr. Turney accused a Council Member of dressing inappropriately, and he commented that the Council Member's appearance is "disgusting" and "repulsive."

Jennifer Eskridge, 1255 Sundance Loop, Fairbanks – Ms. Eskridge spoke to the road construction that will be taking place on Noble Street and to how it will negatively impact her place of business. She stated she would like to follow the same plan as Lavelle's Taphouse and do business outside. Ms. Eskridge stated that businesses located on 2nd Avenue in that block are all newer businesses, and the closure makes their businesses vulnerable. She stated she and other business owners in the area would like to revitalize Downtown Fairbanks.

Ms. Therrien asked Ms. Eskridge if she could give examples of what she is planning to do. Ms. Eskridge stated the businesses on that block would have scheduled events encouraging foot traffic to their location. She stated placing barriers at either end of the block and outside of the parking garage door would help create a safe place to conduct business outside.

John Stowman, 1101 Hayes Avenue, Fairbanks – Mr. Stowman was in support of Ms. Eskridge's comments, and he stated that safety is of utmost concern to the local business owners.

Floyd Terry, P.O. Box 73514, Fairbanks – Mr. Terry spoke to the need for the City of Fairbanks to have a roller-skating rink. He spoke in support of the City forming a Roller Rink Commission aimed at opening a new rink inside the City.

Brenda Riley, 312 7th Avenue, Fairbanks – Ms. Riley spoke in support of the Council approving funding for the firefighters' health insurance.

Victor Buberger, P.O. Box 58192, Fairbanks – Mr. Buberger stated the City should hire volunteer firefighters instead of regular, full-time staff to save money. He stated it is sad that the unions run the City into the ground by not allowing for volunteer staff. He stated every year union members require raises; he added that enough is never enough for them.

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

APPROVAL OF AGENDA AND CONSENT AGENDA

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

Ms. Therrien, seconded by **Mr. Norum**, moved to AMEND the Agenda by switching the order of Unfinished Business items (a) and (b).

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND THE AGENDA BY SWITCHING THE ORDER OF UNFINISHED BUSINESS ITEMS (a) AND (b) AS FOLLOWS:

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

Deputy Clerk Braniff read the Consent Agenda into the record.

SPECIAL ORDERS

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

Lic #	DBA	License Type	Licensee	Address
3467	Lin's Asian Bistro	Restaurant/Eating Place	Lin's Panda Garden, Inc.	1900 Airport Way

Ms. Huntington, seconded by **Ms. Therrien**, moved to WAIVE PROTEST on the Liquor License Application for Renewal.

Frank Turney – Mr. Turney asked how many liquor stores and bars are in the City of Fairbanks.

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

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

YEAS: Cleworth, Pruhs, Rogers, Huntington, Norum, Therrien
NAYS: None
Mayor Matherly declared the MOTION CARRIED.

b) Request by Lavelle’s Taphouse, LLC (Arlette Eagle-Lavelle) for a temporary extension of premises of alcohol service area.

Type: Beverage Dispensary, License #270
DBA: Lavelle’s Taphouse
Licensee/Applicant: Lavelle’s Taphouse, LLC
Physical Location: 414 2nd Avenue, Fairbanks, Alaska

Mr. Cleworth, seconded by **Ms. Huntington**, moved to WAIVE PROTEST on the temporary extension of premises of alcohol service area.

Arlette Eagle-Lavelle, 828 7th Avenue, Fairbanks – Ms. Eagle-Lavelle stated that access to her business has been completely cut off by the construction on Noble Street. She asked the Council

to allow her to operate her business on the closed street in an effort to increase business. She stated that the contractor stated they expect the block closure to last about six weeks.

Ms. Therrien asked if the Alcohol and Marijuana Control Office (AMCO) had an opportunity to respond to her license request. Ms. Eagle-Lavelle stated AMCO is waiting on the City's response before making a decision.

Mr. Pruhs asked if traffic would still be able to drive down Second Avenue; he suggested a row of jersey barriers to help create a safer environment. Ms. Eagle-Lavelle stated she would do whatever it takes to create a safe space in order to operate outside of her establishment. She stated bringing attention to her block would help keep her business operating at full steam.

Ms. Rogers stated the goal of the Council is to promote the safety of the City residents, and she wished Ms. Eagle-Lavelle luck.

Jennifer Eskridge – Ms. Eskridge stated she spoke with some of the contractors, and they gave her several ideas as to how to safely open the street for business. She stated concrete barriers could be placed at the end of either side of the block to keep pedestrians and customers safe.

Mr. Pruhs stated that having all of the construction equipment onsite would make it easy to move the barriers if an emergency were to occur.

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

City Engineer Jackson Fox stated that he is recommending protest on the extension because of the fence barriers and that are unsafe for patrons. He stated if there are concrete barriers at either end of the street, he would lift his protest. Mr. Fox offered to allow use of some of the flower boxes off of Cushman Street for barriers. He stated he would be comfortable withdrawing his protest so long as the barriers are concrete and would stop a car.

Deputy Police Chief Dan Welborn stated jersey barriers would be an acceptable solution for the Police Department, and that they would feel comfortable lifting their recommended protest.

Ms. Therrien, seconded by **Mr. Pruhs**, moved to AMEND the main motion by adding a condition that jersey barriers must be installed.

Mr. Cleworth pointed out that it may be best to leave it up to City staff as to what specific types of barriers are used.

Ms. Therrien, with concurrence of the Second, moved to AMEND the motion to amend by striking the word "jersey."

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND THE MAIN MOTION BY ADDING A CONDITION THAT BARRIERS MUST BE INSTALLED AS FOLLOWS:

YEAS: Rogers, Norum, Therrien, Pruhs, Cleworth, Huntington
NAYS: None
Mayor Matherly declared the MOTION CARRIED.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO WAIVE PROTEST ON THE TEMPORARY EXTENSION OF PREMISES OF ALCOHOL SERVICE AREA WITH THE CONDITION THAT JERSEY BARRIERS MUST BE INSTALLED AS FOLLOWS:

YEAS: Norum, Cleworth, Rogers, Huntington, Therrien, Pruhs
NAYS: None
Mayor Matherly declared the MOTION CARRIED.

MAYOR'S COMMENTS AND REPORT

Mayor Matherly spoke to the events that took place during the Arctic Council. He reported that clean-up day went well, and he thanked everyone who participated.

Mayor Matherly called for a five-minute recess.

UNFINISHED BUSINESS

The order of items (a) and (b) were switched during the approval of the agenda.

- a) Ordinance No. 6047 – An Ordinance Amending the 2017 Operating Budget to Fund the Fairbanks Firefighters Union Arbitration Award. Introduced by Council Members Therrien and Norum. SECOND READING AND PUBLIC HEARING.

Ms. Therrien, seconded by **Mr. Norum**, moved to ADOPT Ordinance No. 6047.

Jeanne Ringstad, 316 Slater Drive, Fairbanks – Ms. Ringstad spoke in favor of funding the Firefighters Arbitration Award and supported increased training and pay. She stated that when she had to call 9-1-1 to help her son the responders were there within four minutes. She stated that her son still passed away but not because of the actions of the first responders.

Robert Warren, 1101 Cushman Street, Fairbanks – Mr. Warren stated that he is a firefighter for the City of Fairbanks, and he spoke to the issue of employee retention. He stated he respects that the City is conservative, but that the Department cannot retain employees because of the high cost of health insurance.

John Ferree, 2711 Chief Alexander Drive, Fairbanks – Mr. Ferree spoke in support of Ordinance No. 6047.

William Soen, 835 Chena Hills Drive, Fairbanks – Mr. Soen spoke to the need for the Council to fund the Arbitrator's Award. He stated the Department cannot retain staff because of the cost of healthcare. He asked the Council to give the employees a return on their investment, and fund the contract.

Zach Rittel, 4461 Chena Hot Springs Road, Fairbanks – Mr. Rittel stated he has been talking with his wife about moving out of Fairbanks because the cost of healthcare at the City is unaffordable; he stated it is unsustainable without cost of living increases. He stated there is a retention issue at the Department, especially with new recruits.

Forrest Kuiper, 1283 Ridgepointe Drive, Fairbanks – Mr. Kuiper stated that he works at the University Fire Department, and he is in the same union as the Fairbanks Fire Department (FFD) employees. He stated that the perception of the FFD has changed over the past 15 years. He stated that new recruits use the FFD as a resume builder and do not intend to stay at the City.

Greg Taylor, 928 Wood Way, Fairbanks – Mr. Taylor thanked the Mayor and Council for taking public testimony on the ordinance and asked that they not postpone it. He spoke against the City's tax cap within the cap and shared that it is not a sustainable plan for the future. He spoke to the millions of dollars that the Council has transferred to the Permanent Fund instead of helping City employees with healthcare costs. He stated it is time for the Council to tend to the employees starting with the vote on the ordinance.

Nick Clark, 249 Bretton Drive, Fairbanks – Mr. Clark thanked the Council for hearing the ordinance and asked that they not postpone it. He stated that the FFD needs help now. He commented that morale at the Department is low, and getting help with healthcare would lift spirits. He stated he is tired of seeing his friends leave the Department for jobs with better benefits. He stated that in 2016, the FFD had \$228,000 in salary savings which was put into the Permanent Fund.

Scott Raygor, 2615 Allen Adale Road, Fairbanks – Mr. Raygor stated he is the President of the FFU. He stated that members are not allowed to strike, but they are in need of help. He stated the Council has an employee problem due to not fairly funding union contracts. He stated the firefighters followed the rules and now they are asking the Council to follow them. He explained the history of labor negotiations between the City and the Union.

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

Ms. Therrien asked the Council to work on a solution and to not postpone the ordinance.

Ms. Rogers spoke in support of identifying what the Council can do instead of speaking about what they cannot do.

Mr. Cleworth spoke against using one-time funds and to the reasons why it is important to save funds. He spoke to the Mayor's obligation to present the City Council with a balanced budget. He stated that every year the Council takes a drawdown from the Permanent Fund to the maximum amount. He stated there is no more revenue sharing coming from the State, and it is creating a budget nightmare. He stated he did not understand why employees complain about putting money in the Permanent Fund, because part of the annual drawdown pays for their wages. **Mr. Cleworth** spoke to the importance for the Council to be consistent with bargaining units as well as with non-union employees. He spoke to the need for Capital funds which allow the City to purchase equipment when it is needed. He stated if the Council funds all unions'

medical at 80/20, it would create millions of dollars of deficit. He asked how the Council could afford to make that kind of a decision. He stated the City is not allowed to have volunteer firefighters, which is a problem. **Mr. Cleworth** stated the funds that the arbitrator cites were lost because the State is no longer sharing revenue. He stated going to mandatory arbitration has become a rigged game, and arbitrators are terrible for municipalities. He stated if the Council funds the arbitrator's award, they will be forced to let some City employees go.

Mr. Pruhs asked Chief Financial Officer Carmen Randle how much money the City had in non-directed funds. Ms. Randle stated there will be \$4,527 in non-dedicated funds if the unamended version of the ordinance passes. She reported that if the Council approves the substituted version, there would be \$118,000 left to work with. **Mr. Pruhs** stated they have spoken during the Finance Committee meeting, and the funds are just not available. He stated that in order to cover the terms of the firefighters, the Council will have to lay off employees or decrease City services. He asked City Attorney Paul Ewers if it would be legal for the Council to fund the contract knowing that funds are not available. Attorney Ewers stated the Council is able to spend the unreserved fund balance without any legal ramifications. **Mr. Pruhs** stated the average income of the firefighters who have been employed for less than five years is \$133,000, and he questioned why they would leave if the contract is not funded. He stated the FNSB is laying off teachers, and the firefighters are asking for raises. He stated nobody brought ideas for increasing revenues to fund the ordinance and that he does not see how the City can afford it.

Mr. Cleworth asked Mr. Ewers how the Council could fund the contract if it violates the section of Code that requires the identification of a funding source for a multi-year contract. Mr. Ewers stated the ordinance identifies that savings would pay for the contract. He stated when the Mayor prepares the 2018 budget, he will have to find a way to present a balanced budget.

Ms. Huntington stated she is not pro- or anti-union, but she is pro-City employee. She stated that she wants to be forward-thinking and not contribute to a negative relationship with the departments. She stated she understands the crunch in the City budget and that the Council needs to solve City revenue problems. **Ms. Huntington** spoke against employee lay-offs. She stated the decision on Ordinance No. 6047 is one of the hardest decisions she has encountered since taking office. She stated that non-funding an arbitrator's award would be a very hard decision for the Council to make. She stated she would not vote to non-fund and that she wants to put forth a positive relationship with the FFU going forward.

Mr. Cleworth stated that once the Council funds healthcare 80/20, all other unions will expect the same. He spoke to the history of labor negotiations and to how backwards it would be for the Council to fund the award. He asked Council Members if they would buy a Cadillac if they knew they would not be able to afford the payment. He stated Ordinance No. 6047 is not affordable.

Ms. Therrien stated the Council needs to be productive and forward-thinking in the decision-making process. She stated there is money in the fund balance for the contract and that the Council should do the right thing and fund it.

Mr. Pruhs stated that there is not enough money to fund the contract going into the future, and he advised the Council not to approve the ordinance.

Ms. Huntington stated that she understood that terms of the contract could not be negotiated after the arbitrator's award was issued; she stated that the only question before the Council is to fund or non-fund the award. She asked Mr. Ewers if her understanding was accurate; Mr. Ewers confirmed that Ms. Huntington was correct. He stated that if the parties cannot reach an agreement, they may go to mediation and arbitration. **Ms. Huntington** asked Ms. Randle for a financial report. Ms. Randle explained the limitations of the tax cap within the cap, and she stated she is working with Chief of Staff Mike Meeks on revenue-generating ideas.

Mayor Matherly stated messaging needs to change, and the public should be able to trust in their City government. He spoke to revenue sharing funds drying up and to the need to find new revenue sources. He stated he does not want to lay off any employees and that deficit spending is going to lead to that. **Mayor Matherly** stated each department in the City runs on a tight budget and that Mr. Meeks is looking into alternative health insurance plans to help employees with the cost of healthcare.

Mr. Norum stated the Council is in a difficult situation. He spoke out about promises that have not been kept and unfair labor practices. He stated the City cannot afford an undermanned police department. He stated that when you negotiate and you agree to resolve negotiations through arbitration, you ought to fund the arbitrator's award.

Mr. Cleworth stated he believes the Council will fund the award and will be forced to deficit spend for the rest of the year. He stated that he would take offense to the City coming to him and asking for more tax money after making the decision to deficit spend.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 6047 AS FOLLOWS:

YEAS: Therrien, Huntington, Norum, Rogers

NAYS: Pruhs, Cleworth

Mayor Matherly declared the MOTION CARRIED and Ordinance No. 6047 ADOPTED.

- b) Ordinance No. 6046, as Amended – An Ordinance Amending the 2017 Operating and Capital Budgets for the First Time. Introduced by Mayor Matherly. SECOND READING AND PUBLIC HEARING.

Mr. Cleworth, seconded by **Mr. Pruhs**, moved to ADOPT Ordinance No. 4046, as Amended.

Mr. Pruhs, seconded by **Ms. Huntington**, moved to SUBSTITUTE the proposed version of Ordinance No. 6046, as Amended.

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

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

Mr. Cleworth, seconded by **Ms. Therrien**, moved to AMEND Ordinance No. 6046, as Amended, by moving the \$48,253 increase under Information Technology to the Capital Fund.

Mr. Norum asked **Mr. Cleworth** why he wanted to move the funds; **Mr. Cleworth** stated he is trying to find money in the budget. He asked Dispatch Manager Stephanie Johnson for a staff report. **Ms. Johnson** stated the Dispatch radio system is from the nineties and needs to be replaced. She stated the Voice Processing Module needs to be purchased because there are some calls that do not get recorded, which is out of compliance. She spoke to the importance of adding the component to the radio system. She stated that the life expectancy of the radio system Dispatch has now is 10-15 years.

Mr. Norum asked if **Ms. Johnson** has looked into leasing versus purchasing the equipment. **Ms. Johnson** stated she did not look into leasing, because it is a small component of a larger, existing system.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND ORDINANCE NO. 6046, AS AMENDED, BY MOVING THE \$48,253 INCREASE UNDER INFORMATION TECHNOLOGY TO THE CAPITAL FUND AS FOLLOWS:

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

NAYS: None

Mayor Matherly declared the motion CARRIED.

Mr. Cleworth spoke to his desperation in trying to identify Capital Funds for the next year.

Mr. Cleworth, seconded by **Ms. Therrien**, moved to AMEND Ordinance No. 6046, as Amended, by eliminating the changes proposed in the Police Department and Dispatch budgets and making the intent known that the \$128,000 increase to Public Works will come forward in a separate ordinance under the emergency provisions of the tax cap. .

Mr. Cleworth asked about the cost of the snow removal issues that started in March. **Ms. Randle** stated that \$128,000 would true up the temporary labor account through March. **Mr. Cleworth** stated Public Works needs to be made whole.

Public Works Director Jeff Jacobson explained that making his department whole would cost more than \$128,000. He stated that it would bring that item to zero, but will not allow for any temporary hires. He stated he does not have the authority to spend money to bring on more staff.

Ms. Therrien asked if the Council came up with a new ordinance that helped fund his department if he would be able to hire additional staff. **Mr. Jacobson** stated he would not be able to because the additional \$128,000 brings him to a zero balance.

Mr. Cleworth, with the concurrence of the Second, moved to AMEND the motion to amend by striking the second part of the motion regarding the \$128,000.

Mr. Norum stated he remembers the meeting where the Council discussed using emergency snow removal funds, and he asked if those funds could go toward Public Works. Mr. Ewers stated the money is there to be spent, but it would take an ordinance.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND ORDINANCE NO. 6046, AS AMENDED, BY ELIMINATING THE CHANGES PROPOSED IN THE POLICE DEPARTMENT AND DISPATCH BUDGETS AS FOLLOWS:

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

NAYS: None

Mayor Matherly declared the motion CARRIED.

Mr. Cleworth asked what the Downtown Core Parking project is under the Capital Fund. **Mayor Matherly** called City Engineer Jackson Fox up to give a staff report. Mr. Fox stated the line item is to increase parking in the downtown core area east and west of Cushman Street. He stated he hopes he does not need to use all the funds but that it should remain in the budget.

Mr. Cleworth stated the Public Works department has \$150,000 set aside in their budget for street striping. He called Mr. Jacobson back to speak to the street striping line item. Mr. Jacobson stated Public Works partnered with DOT to perform striping in the past. He stated that he is unsure when DOT will be doing striping, and he indicated that Public Works could buy the paint and schedule the striping themselves. **Mr. Cleworth** asked if there needs to be two line items of funding for the parking project and the striping. Mr. Jacobson stated he believes they are two separate projects with different focuses. Mr. Fox stated that 2016 was the first time street striping went out for bid and was completed by a contractor. He stated the contractor tries to follow the old lines to save money. Mr. Fox stated the \$30,000 will be used to grind off the old street lines, to add signage, and to paint parking spots.

Ms. Huntington, seconded by **Ms. Therrien**, moved to AMEND Ordinance No. 6046, as Amended, by reducing the transfer from the General Fund to the Capital Fund by \$250,000.

Mayor Matherly expressed some concern in reducing Capital Funds. Ms. Randle stated that the City does not have extra Capital Funds set aside for new projects or items that may come up. Mr. Fox stated he does not see a problem with reducing the amount from \$750,000 to \$500,000 because the rate for matching FMATS funds is 9%, and the dollars go far. He stated the only projects that were Council-approved were FMATS projects because of the low match. He stated he would not be proposing any other new street projects in 2017.

Mayor Matherly stated he does not want to overreact by cutting too much in a panic. He asked Mr. Fox if he believes the Council is cutting too much out of the Capital budget. Mr. Fox stated roads are always a problem and that many subdivisions are overdue for improvements. He stated that since revenue sharing is drying up, the focus is on FMATS and federal dollars.

Ms. Therrien asked Ms. Randle whether the \$250,000 transfer reduction in the proposed amendment would stay in the General Fund balance. Ms. Randle stated that the amendment would need to note the change in both the General Fund and in the Capital Fund.

The maker of the motion and the second agreed to have the change reflected to both the General Fund and the Capital Fund (pages 5 and 8 of Ordinance No. 6046, as Amended).

Mr. Cleworth stated that there is only money for potholes; he stated that many subdivisions need major overlays. He stated that the funding can be reduced but that the City will pay dearly for it down the road.

Mr. Jacobson cautioned the Council on reducing road maintenance funds because many of the roads in the City are falling apart and need to be fixed.

Mr. Pruhs spoke against using road maintenance funds to help offset the arbitration award.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND ORDINANCE NO. 6046, AS AMENDED, BY REDUCING THE TRANSFER FROM THE GENERAL FUND TO THE CAPITAL FUND BY \$250,000 (CHANGES TO BE REFLECTED ON PAGES 5 AND 8 OF THE ORDINANCE) AS FOLLOWS:

YEAS: Rogers, Norum, Therrien, Huntington

NAYS: Pruhs, Cleworth

Mayor Matherly declared the motion CARRIED.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 6046, AS AMENDED, AS FOLLOWS:

YEAS: Therrien, Rogers, Norum, Huntington

NAYS: Pruhs, Cleworth

Mayor Matherly declared the MOTION CARRIED and Ordinance No. 6046, as Amended, ADOPTED.

Mayor Matherly called for a five minute recess.

- c) Ordinance No. 6048, as Amended – An Ordinance Authorizing and Directing Retention of the Property Known as the Polaris Building for Public Purpose Upon Tax Foreclosure. Introduced by Mayor Matherly and Council Member Pruhs. SECOND READING AND PUBLIC HEARING.

Mr. Pruhs, seconded by **Ms. Huntington**, moved to ADOPT Ordinance No. 6048, as Amended.

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

Mr. Norum, **Ms. Rogers**, **Ms. Huntington** and **Ms. Therrien** asked to be added as sponsors of Ordinance No. 6048, as Amended.

Mr. Cleworth stated that if the owner does not pay the back taxes owed on the property before August, the property will foreclose. He questioned what would happen at that point; he asked if the Borough would take the building.

Mr. Pruhs acknowledged Mr. Cleworth's point but stated that the Borough has agreed to give the City \$750,000 to \$1.2 million in tipping fees for free. He stated that he does not want to risk losing the offer from the Borough, and the gamble is too high. **Mr. Pruhs** explained that the City would pay the tax balance and the Borough will waive tipping fees. He stated that paying off the taxes would save money in the long run and that backing out would be disrespectful to the Borough.

Mayor Matherly stated the City cannot get the Brownsfield grant funds unless the City has a tax deed to the building. **Mr. Cleworth** argued that it does not hurt to wait.

Mr. Ewers stated that based on Borough history, there is a chance that they might deed the abated property back to Mr. Marlow if the City does not want it upon foreclosure. He explained how the "retention for public purpose" process works.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 6048, AS AMENDED, AS FOLLOWS:

YEAS: Pruhs, Therrien, Huntington, Norum, Rogers

NAYS: Cleworth

Mayor Matherly declared the MOTION CARRIED and Ordinance No. 6048, as Amended, ADOPTED.

DISCUSSION ITEMS

a) Committee Reports

Permanent Fund Review Board – **Ms. Therrien** stated the Permanent Fund Review Board recently met; she reported that as of the date of the meeting, the Fund balance was \$125 million. She stated there will be soon be an ordinance introduced to amend the investment policy.

COMMUNICATIONS TO COUNCIL

a) Chena Riverfront Commission Meeting Minutes of March 8, 2017

ACCEPTED on the CONSENT AGENDA.

b) Appointments to the Fairbanks Diversity Council

APPROVED on the CONSENT AGENDA.

COUNCIL MEMBERS' COMMENTS

Mr. Norum stated he was pleased with the work that was done during the meeting. He stated that the Council needs to have a serious talk about new forms of revenue.

Mr. Cleworth stated that he is happy to hear that Building Official Clem Clooten is on board with the abatement of the old dairy. He commended the police department for working with Officer Elzey who decided to stay on with the City instead of retiring.

Mr. Pruhs thanked the Council members for voting to approve the ordinance regarding the Polaris Building. He stated the Council needs to find a way to make ends meet.

Ms. Therrien thanked the Council for approving the firefighters arbitration award. She commented that the City should be taking steps to retain police officers, and she spoke to the monthly bonus that Chief Jewkes had mentioned recently.

Mayor Matherly stated the Department does have retention issues and that he is looking at some ways to help the situation.

Ms. Therrien stated she is concerned about the testimony that was given by MPO Coordinator Donna Gardino; she stated she would like a report on it.

Ms. Rogers asked Mr. Pruhs if he had made it to the bridge downtown to follow up with the person who testified at the last meeting. **Mr. Pruhs** stated he went by the location. He said he did not see any needles there, but he did see alcohol bottles strewn about. He spoke of the need to tear down the old dairy because it attracts a nefarious crowd.

Ms. Huntington stated she agonized over the firefighters award but that she is glad the Council made the decision to fund it. She stated she is committed to finding new sources of revenue.

Mayor Matherly stated he drives around in the evening looking for troubled areas, and he brought up the property on Bunnell Street. He spoke to the difficulty he faces in preparing the 2018 budget; he stated he will need the help of all Department Heads to shrink the budget.

Ms. Huntington, seconded by **Ms. Therrien**, moved to ENTER Executive Session for the purpose of discussing Wastewater Treatment Plant, GHU's Option to Purchase Negotiations and IBEW Labor Negotiations.

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

Mayor Matherly called for a ten minute recess.

EXECUTIVE SESSION

- a) Wastewater Treatment Plant, GHU's Option to Purchase Negotiations
- b) IBEW Labor Negotiations

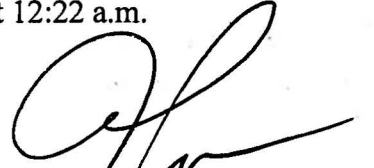
The City Council met in Executive Session to discuss Wastewater Treatment Plant, GHU's Option to Purchase Negotiations and IBEW Labor Negotiations. Reports were given, and direction was given to staff and Legal; no action was taken.

ADJOURNMENT

Ms. Therrien, seconded by **Mayor Matherly**, moved to ADJOURN the meeting.

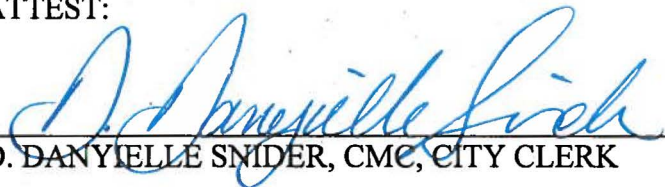
Mayor Matherly called for objection and, hearing none, so ORDERED.

Mayor Matherly declared the meeting adjourned at 12:22 a.m.



JIM MATHERLY, MAYOR

ATTEST:



D. DANYIELLE SNIDER, CMC, CITY CLERK

Transcribed by: EB