



FAIRBANKS CITY COUNCIL
AGENDA NO. 2015-15
REGULAR MEETING AUGUST 10, 2015
FAIRBANKS CITY COUNCIL CHAMBERS
800 CUSHMAN STREET, FAIRBANKS, ALASKA

PRELIMINARY MEETING

6:00 p.m. Work Session – Interior Gas Utility (IGU) Report and Discussion

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 April 6, 2015
 - *b) Regular Meeting Minutes of April 20, 2015

*c) Regular Meeting Minutes of May 11, 2015

7. SPECIAL ORDERS

- a) The Fairbanks City Council, Sitting as a Committee of the Whole, will hear interested citizens concerned with the following Appeal of Denied Application for New Chauffeur License. Public Testimony will be taken and limited to five minutes.

Applicant: David E Button

8. MAYOR'S COMMENTS AND REPORT

9. UNFINISHED BUSINESS

10. NEW BUSINESS

- *a) Resolution No. 4681 – A Resolution Increasing a Contract to Exclusive Paving, Inc. for the Helmericks Avenue Extension and Bentley Trust Road Upgrade Project. Introduced by Mayor Eberhart.
- *b) Resolution No. 4682 – A Resolution Supporting Fairbanks, Alaska, as the United States' Host Community for Arctic Meetings and Conferences. Introduced by Mayor Eberhart and Council Member Pruhs.
- *c) Resolution No. 4683 – A Resolution Authorizing the City of Fairbanks to Accept Funds from the Alaska Division of Homeland Security for the FFY2015 Emergency Management Performance Grant. Introduced by Mayor Eberhart.
- *d) Resolution No. 4684 – A Resolution Declaring the City of Fairbanks' Interest in Becoming the Local Control Entity (LCE) for a Combined Fairbanks North Star Borough Natural Gas Utility and Directing City Administration to Form a Task Force to Evaluate LCE Feasibility. Introduced by Council Member Pruhs.
- *e) Resolution No. 4685 – A Resolution Awarding a Contract to [Contractor] for the Public Works Fuel Tank Project RFP-15-27 in the Amount of \$XXX,XXX.XX. Introduced by Mayor Eberhart.
- *f) Ordinance No. 5987 – An Ordinance Amending Fairbanks General Code Sections 2-260 and 2-261 Regarding the Authorized Investment Selections of the City Permanent Fund Investment Policy. Introduced by Council Member Gatewood.

- *g) Ordinance No. 5988 – An Ordinance to Amend Ordinance No. 5986, as Amended, an Ordinance Enacting a Retail Sales Tax on Marijuana and Referring the Ordinance for Ratification at the Next General Election. Introduced by Council Member Pruhs.
- *h) Ordinance No. 5989 – An Ordinance Amending the 2015 Operating and Capital Budgets for the Sixth Time. Introduced by Mayor Eberhart.

11. DISCUSSION ITEMS (INFORMATION AND REPORT)

- a) Committee Reports

12. COMMUNICATIONS TO COUNCIL

- *a) Re-appointment to the Hotel/Motel Discretionary Fund Committee
- *b) Permanent Fund Review Board Meeting Minutes of May 6, 2015
- *c) Clay Street Cemetery Commission Meeting Minutes of July 1, 2015
- *d) Memo Regarding Write-off for Comfort Inn Hotel/Motel Tax

13. COUNCIL MEMBERS' COMMENTS

14. CITY CLERK'S REPORT

15. CITY ATTORNEY'S REPORT

17. EXECUTIVE SESSION

- a) Workers' Comp Case (W. Cummings)
- b) Fairbanks Firefighters Union (FFU) Labor Negotiations

17. ADJOURNMENT



FAIRBANKS CITY COUNCIL
REGULAR MEETING MINUTES, APRIL 6, 2015
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 John Eberhart presiding and with the following Council Members in attendance:

Council Members Present: Renee Staley, Seat A, (telephonic)
Perry Walley, Seat B
Bernard Gatewood, Seat C
Jim Matherly, Seat D
Jerry Cleworth, Seat E
David Pruhs, Seat F

Absent: None

Also Present: Warren Cummings, Fire Chief
Amber Courtney, Communications Director/PIO
Ernie Misewicz, Assistant Fire Chief
Paul Ewers, City Attorney
D. Danyielle Snider, City Clerk
Jim Williams, Chief of Staff
Angela Foster-Snow, HR Director
Pat Smith, Development Manager
Jim N. Soileau, Chief Financial Officer
Randall Aragon, Police Chief

INVOCATION

The Invocation was given by City Clerk Danyielle Snider.

FLAG SALUTATION

Mayor Eberhart led the Flag Salutation.

APPROVAL OF AGENDA AND CONSENT AGENDA

Mr. Matherly, seconded by Mr. Cleworth, moved to APPROVE the Agenda and Consent Agenda.

Mr. Gatewood pulled Ordinance No. 5973 from the Consent Agenda.

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

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

CITIZEN'S COMMENTS

Frank Turney 329 6th Avenue, Fairbanks – Mr. Turney addressed the Council regarding Resolution No. 4286. He advocated for private funding for a fishing dock for the handicap. Mr. Turney stated that the dock secured by Festival Fairbanks does not grant handicap access and he wanted to know if that issue had been brought up during the planning of the new dock. He shared his concern for discriminating against people who are wheelchair bound, particularly for veterans. Mr. Turney stated he researched other docks in the State and stated that other cities have docks that are wheelchair accessible. Mr. Turney stated that he was happy to see Chief Aragon downtown earlier in the day and stated he wished he had a camera with him. Mr. Turney reported he was pleased to walk down 2nd Avenue next to the Chief of Police. Mr. Turney stated he believes that the FPD needs to have an internal affairs department. Mr. Turney stated his disappointment over no public bathrooms in the City.

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

APPROVAL OF PREVIOUS MINUTES

- a) Regular Meeting Minutes of January 5, 2015.

APPROVED on the CONSENT AGENDA

- b) Regular Meeting Minutes of January 19, 2015.

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 below-referenced Liquor License Application for Transfer of Ownership (stock only):

Type: Beverage Dispensary, License #3969
To: BoomTown Grill and Bar / JSR, Inc.
537 Gaffney Road, Fairbanks, Alaska
From: BoomTown Grill and Bar / JSR, Inc.
537 Gaffney Road, Fairbanks, Alaska

Mr. Matherly, seconded by **Mr. Gatewood**, moved to WAIVE PROTEST of the Liquor License Transfer of Ownership.

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

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO WAIVE PROTEST ON THE LIQUOR LICENSE TRANSFER OF OWNERSHIP AS FOLLOWS:

YEAS: Staley, Matherly, Gatewood, Pruhs, Cleworth, Walley
NAYS: None

Mayor Eberhart declared the MOTION CARRIED.

- b) The Fairbanks City Council, Sitting as a Committee of the Whole, heard interested citizens concerned with the below-referenced Liquor License Application for Transfer of Ownership (stock only):

Type: Beverage Dispensary, License #4232
To: Kodiak Jack's / JSR, Inc.
537 Gaffney Road, Fairbanks, Alaska
From: Kodiak Jack's / JSR, Inc.
537 Gaffney Road, Fairbanks, Alaska

Mr. Matherly, seconded by **Mr. Walley**, motioned to WAIVE PROTEST of the Liquor License Transfer of Ownership.

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

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO WAIVE PROTEST ON THE LIQUOR LICENSE TRANSFER OF OWNERSHIP AS FOLLOWS:

YEAS: Cleworth, Pruhs, Walley, Staley, Matherly, Gatewood
NAYS: None

Mayor Eberhart declared the MOTION CARRIED.

- c) Oath of Office – City Clerk

City Attorney Paul Ewers swore into office recently-appointed City Clerk Danyielle Snider.

MAYOR'S COMMENTS AND REPORT

Mayor Eberhart congratulated Ms. Snider for her new position as City Clerk; he stated she has done a great job so far and will continue to do so. **Mayor Eberhart** stated that April is national volunteer month; he thanked all the people who volunteer throughout the community. He presented a proclamation and called for C.B. Bettisworth to come forward; he listed the vast projects that Mr. Bettisworth has worked on throughout the City. **Mayor Eberhart** proclaimed Mr. Bettisworth as Outstanding Citizen of 2014 throughout the City of Fairbanks and he then

congratulated him on his retirement. He presented Mr. Bettisworth with a gold pan and offered him the opportunity to speak.

Mr. Bettisworth stated he was honored and humbled by the recognition. He stated he and his wife retired the past fall and he introduced his wife, Ms. Karen Perdue. Mr. Bettisworth stated they will not be moving out of State because their roots are in Fairbanks. He stated his concern for the loss of population in the City of Fairbanks. He stated his concern for Fairbanks having the highest housing vacancy rating within the State. He stated that one of the reasons population is waning in Fairbanks is because it not an attractive place; he said it lacks an economically vibrant downtown. He announced his excitement for the Cushman Complete Street project and applauded the Mayor for attending the Mayor's Institute of City Design. He encouraged the Council to focus on economic development with a specific focus on public/private partnerships. He stated the project he is most proud of is the Fairview Manor/Raven Landing project as it is an example of a good public/private partnership.

Mayor Eberhart introduced new HR Director Angela Foster-Snow and asked her to share a little bit about herself with the Council. Ms. Foster-Snow stated she has lived in Alaska for ten years and that during that time, she worked as senior management with the Fairbanks Native Association (FNA). Ms. Foster-Snow stated she was the director of Head Start and most recently the Director of Planning & Development. She stated that prior to moving to Alaska she was the housing director for the South Eastern Idaho Community Action Agency. She stated her supervisory experience and training are in the areas of reflective supervision. Ms. Foster-Snow stated she has experience with goal setting and was the primary grant writer at FNA. She stated she is excited about working for the City and that she is happy to be part of the team.

Mayor Eberhart addressed Mr. Turney's request for the FPD to have an internal affairs department. He stated that he and Chief Aragon have been in intense discussions about forming an Office of Professional Responsibility. **Mayor Eberhart** stated a person has been designated for the position. He stated that person will take citizen complaints and requests for internal affair reviews and work directly with the Police Chief. He stated working directly with the Police Chief will create a point of contact and eliminate confusion.

Mayor Eberhart emphasized the importance of the F-16 and F-35 scoping meetings and encouraged the Council and public to attend. He stated that if the community can keep the F-16's and get the F-35's then military construction over a four-year period would be in excess of \$300 million dollars and would bring a \$2 billion a year financial injection to the community. He stated the addition of the two squadrons would bring more than 3,000 new personnel to the community and that the life of the aircraft is 30 to 40 years.

Mayor Eberhart provided a summary of events, meetings and activities he and his staff had been involved in since the last City Council Meeting. He stated the cold case relating to the murder of Mahogany Davis 12 years ago has been reexamined, and he thanked Chief Aragon for the attention to the case.

UNFINISHED BUSINESS

- a) Ordinance No. 5967 – An Ordinance Amending the 2015 Operating and Capital Budgets for the Second Time. Introduced by Mayor Eberhart. SECOND READING AND PUBLIC HEARING.

Mr. Gatewood, seconded by **Mr. Cleworth**, moved to ADOPT Ordinance No. 5967.

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

Mr. Cleworth requested that Mr. Soileau come forward. **Mr. Cleworth** asked Mr. Soileau to provide an update regarding encumbrances in the budget. Mr. Soileau stated that encumbrances in the budget happen when cash is committed to a vendor but does not change hands during that calendar year. Mr. Soileau stated that incorporating encumbrances in the budget is done so that the current year's budget is not affected; he stated the funds carry over from the previous year. Mr. Soileau stated the encumbrance accounting has been approved by the auditors and it follows the principals of accounting. **Mr. Cleworth** thanked Mr. Soileau for clarifying what was in the budget.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 5967 AS FOLLOWS:

YEAS: Pruhs, Gatewood, Staley, Cleworth, Matherly, Walley

NAYS: None

Mayor Eberhart declared the MOTION CARRIED and Ordinance No. 5967 ADOPTED.

- b) Ordinance No. 5968 – An Ordinance Repealing Fairbanks General Code Chapter 14, Article VII Massage Practitioners Effective July 1, 2015. Introduced by Mayor Eberhart. SECOND READING AND PUBLIC HEARING.

Mr. Pruhs, seconded by **Mr. Gatewood**, moved to ADOPT Ordinance No. 5968.

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

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 5968 AS FOLLOWS:

YEAS: Gatewood, Walley, Pruhs, Matherly, Staley, Cleworth

NAYS: None

Mayor Eberhart declared the MOTION CARRIED and Ordinance No. 5968 ADOPTED.

- c) Ordinance No. 5969 – An Ordinance Amending Fairbanks General Code Section 54-102 Change Orders by Increasing the Amounts Allowed for Change Orders by

Administration. Introduced by Mayor Eberhart. SECOND READING AND PUBLIC HEARING.

Mr. Matherly, seconded by **Mr. Cleworth**, moved to ADOPT Ordinance No. 5969.

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

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 5969 AS FOLLOWS:

YEAS: Matherly, Cleworth, Walley, Staley, Gatewood, Pruhs

NAYS: None

Mayor Eberhart declared the MOTION CARRIED and Ordinance No. 5969 ADOPTED.

d) Ordinance No. 5970 – An Ordinance Amending Fairbanks General Code Section 46-42 Disturbing the Peace by Adding a New Subsection Relating to Marijuana Smoke. Introduced by Council Member Pruhs. SECOND READING AND PUBLIC HEARING.

Mr. Pruhs, seconded by **Mr. Cleworth**, moved to ADOPT Ordinance No. 5970.

Mayor Eberhart called for Public Testimony.

Frank Turney 329 6th Avenue, Fairbanks – Mr. Turney stated he did not know how the Ordinance could be workable and he hoped the Council would reconsider passing it. Mr. Turney stated the term marijuana is racist and that he prefers to call it cannabis. Mr. Turney stated there is no scientific proof that airborne byproducts of cannabis cause any harm in close proximity. Mr. Turney stated there is scientific data released by the Harvard Medical School and the National Institute of Health relating to the harmful effects of barbeque smoke. He asked if the Council would consider a disturbing the peace violation for barbeque smoke. He stated that Ordinance No. 5970 is a waste of police time. Mr. Turney stated a person should talk to their neighbor if they are offended by cannabis smoke and not send the police over. Mr. Turney stated that if Joe Vogler were here he would call it a posy sniffer Ordinance.

Mr. Gatewood stated the issue was not the smell of marijuana but that a person could possibly be affected by a contact high as a result of smelling it. Mr. Turney stated he was not buying it; he stated something that is airborne outside cannot result in a person getting a contact high. **Mr. Gatewood** clarified he has heard people complain about getting a contact high from marijuana smoke and that is what the Ordinance is addressing. Mr. Turney stated he wanted scientific data to prove that airborne smoke can cause a contact high.

Mayor Eberhart hearing no more requests for public comment declared Public Testimony closed. He called upon the Council for questions or comments.

Mr. Pruhs stated Ordinance No. 5970 was an extension of a prior Ordinance; he stated that it bans the use of marijuana in public but allows use on private property. **Mr. Pruhs** read aloud

from the Ordinance, Section 46-42 (1)(g), “in a private place, consume marijuana with the intent to disturb or in reckless disregard of the peace and privacy of others after having been informed that the conduct is disturbing the peace and privacy of others not in the same place.” He noted Mr. Turney’s request to speak with a neighbor and stated that would be the correct thing to do; he clarified the Ordinance was not designed so that if one smells marijuana it is wrong. He stated the intent is to address use with reckless disregard for others. **Mr. Pruhs** stated Section 46-42 (h)(4) of the Ordinance explains that an individual using marijuana would first be informed by a police officer that the marijuana was reported as a disturbance and only then if they refused to abate would they be issued a disturbing the peace violation. **Mr. Pruhs** directed attention to item four of the Ordinance and read, “to disturb the peace and privacy of others, the consumption of marijuana must be of such a nature that it would disturb a not unduly sensitive individual.” He stated that if the consumption of marijuana was to disturb, a \$100 fine would be issued and could be paid to the Clerk or fought in Court.

Mr. Gatewood in reference to Section 46-42 (h)(4) asked Mr. Pruhs if the disturbing the peace violation could be issued if the person making the request to cease and desist was in the same place as the user. **Mr. Pruhs** stated the intent of that language was to address use and disturbances across property lines. **Mr. Gatewood** questioned what might happen in a condo situation that would be considered the same place and not a public location. **Mr. Pruhs** responded the owner of the condo could call the police and report a disturbing the police violation.

Mr. Cleworth thanked Mr. Pruhs for the work he had done on Ordinance No. 5970; Mr. Cleworth handed out an amended version the Ordinance. **Mr. Cleworth** stated that when he was Mayor had a hard time with disturbing the peace reports; he explained they were usually regarding multiple animals on a property with an owner that would not clean up after them. He stated property owners would call and report the overwhelming odors were disturbing the peace and would want the City to fix the problem. **Mr. Cleworth** stated he would research the code to see what grounds the City stood on to tackle the issue but the language was not specific enough. He stated another complaint he ran into was of people littering in their yards and trash blowing across property lines causing property owners to call in about the public nuisance. **Mr. Cleworth** stated it was difficult because he would not want to go overboard making all types of rules because he believes it to be counterproductive for government. He stated that over the years many things had been eliminated from the code book that did not need to be regulated. **Mr. Cleworth** stated that a violation based on smell is a dangerous path and recommended an amended version of the Ordinance. He cited the smell of the coffee roasting companies stating that some are offended by it while others are not. He stated he did not want to create a quagmire by approving an Ordinance that did not make sense to everyone. He requested the Council take a holistic approach to disturbing the peace and have marijuana fall under a broader category.

Mr. Cleworth, seconded by **Mr. Walley**, moved to POSTPONE Ordinance No. 5970 to the Regular Meeting of April 20, 2015.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO POSTPONE ORDINANCE No. 5970 TO THE REGULAR MEETING OF APRIL 20, 2015 AS FOLLOWS:

YEAS: Staley, Matherly, Gatewood, Pruhs, Cleworth, Wallet

NAYS: None

Mayor Eberhart declared the MOTION CARRIED and Ordinance No. 5970 POSTPONED.

- e) Ordinance No. 5971 – An Ordinance Authorizing a Limited Real Property Tax Exemption for the Retirement Community of Fairbanks – Raven Landing Expansion Project and Setting an Effective Date. Introduced by Mayor Eberhart. SECOND READING AND PUBLIC HEARING.

Mr. Matherly, seconded by **Mr. Gatewood**, moved to ADOPT Ordinance No. 5971.

Karen Parr, 949 McGown Street #3E, Fairbanks – Ms. Parr stated Raven Landing was built by a non-profit named Retirement Community of Fairbanks that was incorporated in 2004. Ms. Parr stated Raven Landing was built to provide independent living for unsubsidized seniors in the community. Ms. Parr stated Raven Landing was a good example of public/private partnership and used the 10% tax exemption the City granted over a 10-year period as an example. Ms. Parr stated the people involved in the planning were all volunteers and that many businesses helped as well. She stated that without the help of CB Bettisworth the project may never have come to fruition. Ms. Parr spoke about the success of Raven Landing and noted it has been at full occupancy since the time the project was complete. Ms. Parr stated there is a 100-person waiting list and as soon a unit vacates it is immediately occupied by another senior from the community. Ms. Parr stated Raven Landing is a great resource to help prevent the decline in the Fairbanks population because seniors have a decent place to live in the community. Ms. Parr expressed appreciation for the help and support the City Council has provided. Ms. Parr stated the Ordinance the City Council passed in 2010 only covered the four existing buildings and Raven Landing is now struggling for funding to build the final apartment building. Ms. Parr requested that the City Council extend the exemption until the project is complete for the rest of the property. Ms. Parr stated Community Development, Inc. (CDI) is not the correct owner as is listed on page three of the ordinance; she stated the correct owner is SWELL, LLC.

Mr. Cleworth asked Ms. Parr if the developer of the project was successful in finding additional commercial property. Ms. Parr stated Mr. Bettisworth would be a better person to answer the question. Mr. Bettisworth stated the developer never planned to use the property for any commercial development outside of affordable senior housing. Mr. Bettisworth stated one of the goals of the development is to build an assisted living facility on the property. Mr. Bettisworth stated retail and commercial units were never intended for construction on the property due to the limited access off Cowles Street. Mr. Bettisworth stated SWELL, LLC owns the property because CDI, an Idaho based company, sold their interest in Weeks Field Development. **Mr. Cleworth** asked if any future expansion was planned. Ms. Parr stated the plan is to complete one more senior living facility that would house 35 apartments for local seniors and, if her dreams could come true, eventually build an assisted living facility would be constructed. Mr.

Bettisworth stated the goal is to get the Retirement Community of Fairbanks in property control for the development of the remainder of the property.

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

Mayor Eberhart requested Pat Smith come forward and give a staff report. Mr. Smith stated he likes to take a step back and look at this project as a whole while also considering the City's bottom line. Mr. Smith spoke in favor of Ordinance No. 5971. He stated that when Fairview Manor was occupying the property it was a constant drain of City funds due to the high volume of police visits. He stated that the final calendar year that Fairview Manor paid taxes the City's tax share was \$19,470.00. Mr. Smith stated that for the year of 2014 the City's tax share was \$70,000.00, he noted that was including the 50% tax exemption. Mr. Smith stated that amount was an astonishing return on the investment. Mr. Smith stated that if the Ordinance passes and new building is constructed, that \$85,000.00 in tax revenue will be the City's proposed share. Mr. Smith shared the other positive impacts of the Weeks Field project to include affordable and safe housing, the community center and the injection of funds to the construction industry.

Mr. Cleworth stated Mr. Smith's testimony brought forth many memories of the Fairview Manor. He stated that it was the premier housing facility when he was growing up in Fairbanks. **Mr. Cleworth** stated that in his 10 years working in accounting he saw many retired couples moving away from the community, specifically to the Seattle area. **Mr. Cleworth** stated school enrollment is declining but the Fairbanks population is remaining stagnant due to seniors staying within the community. **Mr. Cleworth** stated when he looks around his neighborhood many homeowners are staying even after their children leave because there is an option for affordable care after retirement.

Mr. Pruhs, seconded by **Mr. Walley**, moved to AMEND Ordinance No. 5971 by replacing "Community Development, Inc. with "SWELL, LLC" in Section 7.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPROVE ORDINANCE NO. 5971 by replacing "Community Development, Inc. with "SWELL, LLC" in Section 7 AS FOLLOWS:

YEAS: Cleworth, Pruhs, Walley, Staley, Matherly, Gatewood
NAYS: None

Mayor Eberhart declared the MOTION CARRIED.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 5971, AS AMENDED, AS FOLLOWS:

YEAS: Walley, Staley, Cleworth, Gatewood, Matherly, Pruhs
NAYS: None

Mayor Eberhart declared the MOTION CARRIED and Ordinance No. 5971, as Amended, ADOPTED

NEW BUSINESS

- a) Resolution No. 4663 – A Resolution Authorizing the City of Fairbanks to Apply for Funds from the United States Department of Homeland Security for the FFY2014 Fire Prevention and Safety Grant. Introduced by Mayor Eberhart.

PASSED and APPROVED on the CONSENT AGENDA.

- b) Resolution No. 4664 – A Resolution Authorizing the City of Fairbanks to Apply for Funds from the Alaska Division of Homeland Security for the FFY2015 Emergency Management Performance Grant. Introduced by Mayor Eberhart.

PASSED and APPROVED on the CONSENT AGENDA.

- c) Resolution No. 4665 – A Resolution to Accept Funding from the Alaska Division of Homeland Security and Emergency Management for SFY2016 Local Emergency Planning Committee Grant. Introduced by Mayor Eberhart.

PASSED and APPROVED on the CONSENT AGENDA.

- d) Ordinance No. 5972 – An Ordinance Amending the Collective Bargaining Agreement Between the City of Fairbanks and the Fairbanks AFL-CIO Crafts Council. Introduced by Mayor Eberhart.

ADVANCED on the CONSENT AGENDA.

- e) Ordinance No. 5973 – An Ordinance Amending Fairbanks General Code Chapter 2-119. Order of Business; Citizens Addressing City Council. Introduced by Mayor Eberhart.

Mr. Cleworth, seconded by **Mr. Gatewood**, moved to ADVANCE Ordinance No. 5973.

Mr. Gatewood asked for clarification as to what has changed in the Ordinance. **Mayor Eberhart** requested Ms. Snider to explain to the Council what was changing. Ms. Snider stated that the current order of business does not allow citizens to comment on Resolutions prior to the approval of the Consent Agenda. She stated there is a need to amend the order of business to allow citizens comments before the Council approves the consent agenda. **Mr. Gatewood** stated he understood and that he did not have a problem with the change. **Mr. Cleworth** asked when the order of business was changed because a year ago that was not the sequence of the meetings. Mr. Ewers stated the former City Clerk made a change because she noticed the agenda did not comply with City Code; as a result of that correction the order of business changed to comply with the Code. Mr. Ewers stated that passing Ordinance would correct the sequence of the Council agenda. **Mr. Pruhs** asked Mr. Ewers if the change stating citizens are allowed to speak for 5 minutes per topic meant that if a citizen had 3 topics they could speak for 15 minutes. Mr. Ewers stated that the interpretation has been that a citizen only gets 5 minutes to speak.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADVANCE ORDINANCE NO. 5973 AS FOLLOWS:

YEAS: Gatewood, Walley, Pruhs, Matherly, Staley, Cleworth

NAYS: None

Mayor Eberhart declared the MOTION CARRIED and Ordinance No. 5973 ADVANCED.

COUNCIL MEMBERS' COMMENTS

Mr. Gatewood stated he had no comments.

Mr. Walley stated he had no comments.

Mr. Matherly stated he had no comments.

Mr. Cleworth asked the Council to consider an abatement project at the old dairy on 3rd Avenue if an abatement project has not been assigned for the year. He stated it is time to address the abatement issues and requested a work session to discuss. **Mr. Cleworth** stated he is concerned with the additional \$4,450 election cost the Borough is charging; he stated he does not think the amount is justified. **Mr. Cleworth** asked Mayor Eberhart if he had been in talks with the Borough regarding the increase. **Mayor Eberhart** stated he had not been in contact with the Borough but Ms. Hovenden had been in contact with Borough Clerk's Office. **Mayor Eberhart** asked Ms. Snider if she had been in communication with the Borough about the municipal election charges. Ms. Snider stated she had not been in contact with the Borough; she stated she had spoken with Ms. Hovenden about increased charges for of the election. Ms. Snider stated it is her recommendation the Council pay the bill but that she understands that it is up to the Council. **Mr. Cleworth** stated he was concerned that after decades of holding joint elections the Borough is unilaterally changing the arrangement. **Mr. Cleworth** stated he did not believe the bill was appropriate. **Mr. Cleworth** requested Engineering to look at the dock plans to see if there is any way the dock could be made handicap accessible.

Ms. Staley stated she had no comments.

Mr. Pruhs stated if the Borough is going to send the City a bill that an amount needs to be agreed to prior to services rendered. Ms. Snider stated the Borough is at this time quoting for the 2015 elections; and that the bill is not for the 2014 election. Ms. Snider stated the Borough is requesting the increase or that the City provides staff to work in preparation for the elections. Ms. Snider stated she did not have the staff to support the man hours the Borough would require of the City Clerk's Office. **Mr. Pruhs** requested that Mr. Ewers review the City Charter regarding elections to verify the Borough is able to make this change.

CITY CLERK'S REPORT

City Clerk Snider stated she had no comments.

CITY ATTORNEY'S REPORT

City Attorney Ewers stated he had no comments.

Mr. Matherly, seconded by **Mr. Walley**, moved to go into Executive Session for the purpose of discussing Labor Negotiations for the Fairbanks Firefighters Union (FFU) and the International Brotherhood of Electrical Workers (IBEW).

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

Mayor Eberhart called for a five minute recess.

EXECUTIVE SESSION

a) Labor Contract Negotiations – FFU and IBEW

The City Council met in Executive Session to discuss FFU and IBEW labor negotiations. Direction was given to staff and no action was taken.

ADJOURNMENT

Mr. Pruhs, moved to ADJOURN the meeting.

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

Mayor Eberhart declared the Meeting adjourned at 10:33 P.M.

JOHN EBERHART, MAYOR

ATTEST:

D. DANYIELLE SNIDER, CMC, CITY CLERK

Transcribed by: EB



FAIRBANKS CITY COUNCIL
REGULAR MEETING MINUTES, APRIL 20, 2015
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 John Eberhart presiding and with the following Council Members in attendance:

Council Members Present: Renee Staley, Seat A (Telephonic)
Perry Walley, Seat B
Bernard Gatewood, Seat C
Jim Matherly, Seat D
Jerry Cleworth, Seat E
David Pruhs, Seat F

Absent: None

Also Present: Warren Cummings, Fire Chief
Margarita Bell, Grants Administrator
Paul Ewers, City Attorney
D. Danyielle Snider, City Clerk
Jim Williams, Chief of Staff
Carmen Randle, Controller
Ben Barrio, IT Director
Annie Witt, Public Works Warehouse/Records Clerk
Eric Jewkes, Deputy Police Chief
Jeff Whipple, Engineer II

INVOCATION

The Invocation was given by City Clerk Danyielle Snider.

FLAG SALUTATION

Mayor Eberhart led the Flag Salutation.

APPROVAL OF AGENDA AND CONSENT AGENDA

Mr. Gatewood, seconded by Mr. Matherly, moved to APPROVE the Agenda and Consent Agenda.

Mr. Cleworth pulled Resolution No. 4666 and 4669 and Ordinance No. 5974 from the Consent Agenda.

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

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

CITIZEN'S COMMENTS

Dawn Murphy, 101 Dunkel Street, Fairbanks – Ms. Murphy stated Explore Fairbanks passed an official audit of the books. Ms. Murphy stated June Rogers of the Fairbanks Arts Association won the Golden Heart Award for her support of the visitor industry. Ms. Murphy stated Mayor Luke Hopkins won the Aurora Award for his contributions toward the developments of the Fairbanks visitor industry. Ms. Murphy stated the Jim and Mary Binkley Award went to Hoodoo Brewery for their creation and innovation of the new attraction they have opened in the community. Ms. Murphy stated the Raven Award went to Alaska Skylar Travel for promoting a distinct local, statewide, national and international interest in Alaska among travelers. Ms. Murphy stated Hilda McDonald was awarded the Golden Heart Greeter Award for her dedication to making sure visitors' experience is special and memorable. She stated Explore Fairbanks won silver in the Destination Video category from the North American Travel Journal Association. Ms. Murphy stated that the Annual Walk for Charity will take place May 8, 2015, and that all funds from the proceeds will go to local non-profits. Ms. Murphy thanked the Council for reinvesting City bed tax funds into destination marketing.

Marylee Bates, 1290 St. Anton Drive, Fairbanks – Ms. Bates stated she is the Director of Fairbanks Youth Advocates; she stated The Door is a facility that houses homeless youth ages 12-18. Ms. Bates shared the various reasons youth come to stay at the shelter. Ms. Bates stated that many of the youth that come to the shelter do not have supportive adults in their lives and so the staff steps in and helps fill that role. Ms. Bates stated on behalf of the Fairbanks Youth Advocates that she would like to publically thank the City of Fairbanks for making a difference in the lives of teens and families in the area. Ms. Bates invited the Council to the public presentation hosted by the Greater Fairbanks Women's Club on April 28, 2015 at the Noel Wien Library.

Mr. Gatewood thanked Ms. Bates for her community service. **Mr. Gatewood** asked Ms. Bates how she determines a youth's need for shelter. Ms. Bates stated that it is a process over time that determines why a youth has sought The Door for shelter.

Jeff Whipple, 441 Keeling Road, North Pole – Mr. Whipple stated he was in attendance to share his disappointment in the IBEW negotiations and the proposal the Council has offered employees. Mr. Whipple stated he was offended that City employees were not offered cost of living raises. Mr. Whipple stated that when Mr. Cleworth was Mayor he sent out an email titled swan song, in which he broke down how the City should be operated. Mr. Whipple stated Mr. Cleworth's email sited the good financial standing of the City. Mr. Whipple stated he did not understand why City employees are forced to pay an astronomical amount for no opt-out, required insurance. Mr. Whipple stated he was disappointed that the Council does not take care of valued, professional employees.

Mr. Cleworth asked Mr. Whipple if the package the Union offered employees four years ago would have better spent if it was applied to healthcare rather than a wage increase. Mr. Whipple stated this year alone his out of pocket medical cost went up 5% and the 2.5% package that the Union offered would not cover the cost of that increase. **Mayor Cleworth** asked Mr. Whipple if he would be interested in plans outside of the IBEW plan. Mr. Whipple stated the IBEW has a no

opt out clause and that he would be interested in hearing other options to the IBEW healthcare plan.

Dominic Lozano, 1101 Cushman Street, Fairbanks – Mr. Lozano stated he was the president of the Fire Fighters Union and that he was attending the Council meeting to urge the members to allow for changes to the current insurance contract. Mr. Lozano expressed his disappointment in the Council for not holding good faith arbitration tactics. Mr. Lozano stated the high cost of health care has nullified and voided any promotion pay he has received.

Doug Fournier, 105 Oak Drive, Fairbanks – Mr. Fournier stated he has worked for the Fire Department for 22 years. He stated he likes to look at life with a “glass-is-half-full” kind of attitude but that some of the recent decisions of the Council he is developing negative feelings. Mr. Fournier stated that when he was hired in 1993, he was immediately given a pink slip because the City hid money in an attempt to only fund the Fire Department for half of the year. He stated that he has a lack of trust for the members of the Council. Mr. Fournier stated that when he got hired his healthcare was funded at 100%; he stated that his paycheck amount has not gone up because of the increased cost of employee paid insurance premiums. Mr. Fournier stated that the fire department and police department are continually at risk while on the job and that the City should fund more of their healthcare. Mr. Fournier stated that when the Council takes away an employee’s ability to care for themselves, they are putting that employee at risk.

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

APPROVAL OF PREVIOUS MINUTES

- a) Regular Meeting Minutes of February 9, 2015.

APPROVED on the CONSENT AGENDA.

MAYOR’S COMMENTS AND REPORT

Mayor Eberhart stated he was going to make a presentation to thank Mike Schmetzer for his years of service to the City of Fairbanks. **Mayor Eberhart** stated that the F-16’s would be staying at Eielson Air Force Base. **Mayor Eberhart** expressed the importance of revenue sharing and stated his concern for future fiscal declines. **Mayor Eberhart** spoke to the healthcare issues that are affecting employees, specifically the firefighters’ Superior Court case and the arbitrator’s suggestions. **Mayor Eberhart** spoke to the various meetings and activities he had participated in since the last Council Meeting.

Mayor Eberhart expressed his gratitude to Mike Schmetzer for his 9 years of service to the City of Fairbanks. He stated Mr. Schmetzer was a tremendous asset and that he will present Mr. Schmetzer with his goldpan at a future date.

UNFINISHED BUSINESS

- a) Ordinance No. 5970 – An Ordinance Amending Fairbanks General Code Section 46-42 Disturbing the Peace by Adding a New Subsection Relating to Marijuana Smoke. Introduced by Mr. Pruhs. PUBLIC HEARING was held on April 6, 2015. POSTPONED from the Regular Meeting of April 6, 2015.

NOTE: Because Ordinance No. 5970 was postponed, the motion to ADOPT was already on the floor (the motion to ADOPT) was made by **Mr. Pruhs**, seconded by **Mr. Cleworth** at the Regular Meeting of April 6, 2015.

Mr. Gatewood, seconded by **Mr. Matherly**, moved to ADOPT Ordinance No. 5970.

Mr. Cleworth stated he was the person who requested a postponement and that he shared his concerns at the Finance committee meeting and shared his concerns. He stated he spoke with Public Safety and that he no longer has an issue with the Ordinance; he stated his concern was that of the warning process prior to ticketing.

Mr. Pruhs spoke to the existing Code on disturbing the peace and that it speaks only to noise violations. He stated that marijuana smoke would be treated like noise if it transfers from one property line to another. **Mr. Pruhs** stated he did not believe it would be a commonly used tool but that the police do get phone calls from citizens in regard to the matter. He stated that this Ordinance gives a citizen their right of life and peaceful enjoyment to not be disturbed.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 5970 AS FOLLOWS:

YEAS: Pruhs, Gatewood, Staley, Cleworth, Matherly, Walley

NAYS: None

Mayor Eberhart declared the MOTION CARRIED and Ordinance No. 5970 ADOPTED.

- b) Ordinance No. 5972 – An Ordinance Amending the Collective Bargaining Agreement Between the City of Fairbanks and the Fairbanks AFL-CIO Crafts Council. Introduced by Mayor Eberhart.

Mr. Matherly, seconded by **Mr. Cleworth**, moved to ADOPT Ordinance No. 5972.

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

Mr. Pruhs thanked City Chief of Staff Mr. Williams for all the work he did in preparing Ordinance No. 5972.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 5972 AS FOLLOWS:

YEAS: Gatewood, Walley, Pruhs, Matherly, Staley, Cleworth
NAYS: None
Mayor Eberhart declared the MOTION CARRIED and Ordinance No. 5972 ADOPTED.

- c) Ordinance No. 5973 – An Ordinance Amending Fairbanks General Code Chapter 2-119. Order of Business; Citizens Addressing City Council. Introduced by Mayor Eberhart. SECOND READING AND PUBLIC HEARING.

Mr. Matherly, seconded by **Mr. Walley**, moved to ADOPT Ordinance No. 5973.

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

Mr. Pruhs shared his concern with the language in the Ordinance regarding a five minute time limit per topic. **Mr. Pruhs** asked Mr. Ewers if a citizen would they get multiple five minute increments to testify if they had multiple topics to speak about. Mr. Ewers stated that the practice has always been limited to five minutes in total.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 5973 AS FOLLOWS:

YEAS: Matherly, Cleworth, Walley, Staley, Gatewood, Pruhs
NAYS: None
Mayor Eberhart declared the MOTION CARRIED and Ordinance No. 5973 ADOPTED.

NEW BUSINESS

- a) Resolution No. 4666 – A Resolution Authorizing the City of Fairbanks to Apply for Funds from the Alaska Highway Safety Office for the FFY2016 DUI Traffic Enforcement Unit. Introduced by Mayor Eberhart.

Mr. Cleworth requested that Deputy Police Chief Jewkes to come forward to answer some questions. **Mr. Cleworth** stated he has some confusion about personnel positions at FPD. He asked Mr. Jewkes to clarify which positions have been eliminated and what positions are still active. Mr. Jewkes stated there are two Clerks in the data management office and one Clerk in the administrative office. **Mr. Cleworth** asked Mr. Jewkes which positions were eliminated by the Union; Mr. Jewkes replied one-and-a-half officers were eliminated in exchange for the Clerk positions. **Mr. Cleworth** asked Chief of Staff Williams if he could clarify which positions were current and which had been eliminated. Mr. Williams stated at the end of 2014, three temporary Public Safety Assistants (PSA) were eliminated. **Mr. Cleworth** stated that in looking at the grants the Student Resource Officers' (SRO) funding stopped in May of 2014; Mr. Jewkes stated they are funded through August of 2015. **Mr. Cleworth** stated his confusion at the grant-funded positions and shared his concern that the SRO's went from grant-funded to payroll employees. Mr. Jewkes stated there are two officers retiring in May of 2015 and that the grant funding is

hard to track. **Mr. Cleworth** stated he no longer believes the grant-funded positions are lucrative for the City.

Mr. Gatewood expressed confusion with Mr. Cleworth's comments regarding the grant-funded positions. **Mr. Cleworth** stated that the positions that were added several years ago were funded at 90% by the grant and now the positions are funded at 25%. **Mr. Gatewood** agreed that it did not make good sense to him either.

Mr. Walley asked whether the 2015 budget would need to be increased by \$45,000 if Resolution No. 4666 were approved. He also asked how much the budget would increase for 2016. Mr. Jewkes quoted a \$137,500 increase for 2016. Mr. Jewkes also stated that it would be a shame to hire someone, train them, increase then give them a pink slip on January 1; he said it would make more sense to look to the future and fund them for 2016.

Mr. Cleworth stated the traffic unit is a four person unit; he asked if the City could apply for the grant and use it toward the two existing officers that are on the force now. City Grants Administrator Margarita Bell stated that would not be possible.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPROVE RESOLUTION NO. 4666 AS FOLLOWS:

YEAS: None
NAYS: Walley, Matherly, Gatewood, Pruhs, Cleworth, Staley
Mayor Eberhart declared Resolution 4666 was FAILED.

- b) Resolution No. 4667 – A Resolution Authorizing the City of Fairbanks to Accept Funds from the Alaska Highway Safety Office for the FFY2016 Traffic Safety Programs. Introduced by Mayor Eberhart.

PASSED and APPROVED on the CONSENT AGENDA.

- c) Resolution No. 4668 – A Resolution Authorizing the City of Fairbanks to Accept Funds from the United States Department of Justice for the FFY2015 Bulletproof Vest Partnership Grant. Introduced by Mayor Eberhart.

PASSED and APPROVED on the CONSENT AGENDA.

- d) Resolution No. 4669 – A Resolution Authorizing the City of Fairbanks to Apply for Funds from the Alaska Division of Homeland Security for the FFY2015 State Homeland Security Program. Introduced by Mayor Eberhart.

Mr. Walley, seconded by **Mr. Gatewood**, moved to APPROVE Resolution No. 4669

Mr. Cleworth spoke to the list of rankings for the most important projects that need to be completed. **Mr. Cleworth** stated he did not agree with the list of rankings and he thought police car video cameras and portable radio replacements for the fire department should be moved up on the list. **Mr. Cleworth** suggested a shuffle of the order of importance of the projects.

Mr. Cleworth, seconded by **Mr. Walley**, moved to AMEND Resolution No. 4669 by changing the project ranking so that Item #1 is moved down to become #4 and the other Items are moved up accordingly.

Mr. Gatewood stated his understanding of the ranking was that it did not matter what order the projects were in just that they were important projects that were important and needed attention.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND RESOLUTION NO. 4669 AS FOLLOWS:

YEAS: Cleworth, Pruhs, Walley, Staley, Matherly

NEYS: Gatewood

Mayor Eberhart declared the MOTION CARRIED.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPROVE RESOLUTION NO. 4669, AS AMENDED, AS FOLLOWS:

YEAS: Staley, Matherly, Gatewood, Pruhs, Cleworth, Walley

NEYS: None

Mayor Eberhart declared Resolution No. 4669, as Amended, APPROVED.

- e) Resolution No. 4670 – A Resolution Authorizing the City of Fairbanks to Accept Funds from the Alaska Division of Homeland Security for the FFY2014 Pre-Disaster Mitigation Competitive Grant Program. Introduced by Mayor Eberhart.

ADVANCED on the CONSENT AGENDA.

- f) Ordinance No. 5974 – An Ordinance Amending the 2015 Operating and Capital Budgets for the Third Time. Introduced by Mayor Eberhart.

Mr. Gatewood, seconded by **Mr. Cleworth**, moved to ADVANCE Ordinance No. 5974.

Mr. Cleworth spoke to the financial matters regarding revenues and expenses. He spoke to what adopting Ordinance No. 5974 would do to the City's budget. He stated that if all obligations were met there would only be \$22,000.00 left in the General Fund. **Mr. Cleworth** stated there is a real problem leaving the General Fund so close to the bottom line and that Ordinance No. 5974 would leave the City with virtually nothing to work with on a day-to-day basis. **Mr. Cleworth** stated the City needs to be more self-sufficient and needs to not dip into savings. **Mr. Cleworth** spoke to Mr. Lozano's comments during public testimony; he quoted his statement that no effort was made by the City to meet the FFU halfway. **Mr. Cleworth** stated that the City made a proposal and the Union made a proposal; the City rejected the Union's pricey proposal. **Mr. Cleworth** stated that the City did make a second offer to pay 80% of the expenses that would incur in 2013, which the Union again rejected. **Mr. Cleworth** stated that the City funds all unions equally and that the FFU proposal would have been an astronomical increase in costs leaving other City employees out. **Mr. Cleworth** stated that the City's proposal was not allowed to be presented to the arbitrator. **Mr. Cleworth** stated that the City made an

effort to negotiate but that the Union refused to respond to the City's counter-offer. **Mr. Cleworth** stated that the PSEA contract proposal the past calendar year included a force reduction of 10% with a City healthcare contribution increase of \$250 a month per person, equating to \$3,000 per year per employee. **Mr. Cleworth** stated if the City approved that increase they would have to increase all healthcare contributions for all employees by the same amount to make it equal and fair. **Mr. Cleworth** stated that if every employee was funded at that rate that would create a \$600,000 a year increase to the City budget; he stated it is not a sustainable increase. **Mr. Cleworth** stated that the Code requires a balanced budget and shared his concern for funding Ordinance No. 5974 because it would create an unbalanced budget. **Mr. Cleworth** stated his disapproval of the Ordinance.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADVANCE ORDINANCE NO. 5974 AS FOLLOWS:

YEAS: Gatewood, Staley

NEYS: Pruhs, Cleworth, Matherly, Walley

Mayor Eberhart declared Ordinance No. 5974 FAILED TO ADVANCE.

- g) Ordinance No. 5975 – An Ordinance Authorizing the Release of an Easement in Lemita Subdivision. Introduced by Mayor Eberhart.

ADVANCED on the CONSENT AGENDA.

- h) Ordinance No. 5976 – An Ordinance Authorizing the Engineering Department to Enter into a Developer's Agreement for the Construction of the Bentley Retail Area Loop Road and for the Public Works Department to Take and Additional Road Maintenance Responsibility in the Bentley Retail Area. Introduced by Council Member Pruhs.

ADVANCED on the CONSENT AGENDA.

- i) Ordinance No. 5977 – An Ordinance Amending Fairbanks General Code Section 2-118.1 to Provide for Council Appointment of Public Members of the Finance Committee. Introduced by Council Member Matherly.

ADVANCED on the CONSENT AGENDA.

DISCUSSION ITEMS

- a) Committee Reports

FMATS Policy Committee - **Mr. Walley** stated the FMATS Policy Committee agreed to convert Federal Community Transportation Program (FCTP) funds that FMATS uses to operate the office and the Unified Planning Work Program (UPWP) into planning funds. **Mr. Walley** shared his concern of low funding. **Mr. Walley** spoke to plans for a bike path from Fairbanks to North Pole. **Mr. Walley** stated he is in support of rebuilding bridges that have structural deficiencies.

Fairbanks Diversity Council (FDC) - **Mr. Gatewood** stated that the FDC met on April 14, 2015; he stated it was a good informative meeting but that there was not a quorum in attendance. **Mr. Gatewood** stated that the Chief of Police spoke about community oriented policing and that he captured the attention of attendees with the information he provided. **Mr. Gatewood** thanked Chief of Staff, Jim Williams and Communications Director Amber Courtney for their work dedicated to the Diversity Action Plan (DAP). **Mr. Gatewood** stated the FDC has been aggressive in identifying the six main goals they want included in the DAP and the importance of diversifying the work force of the City. **Mr. Gatewood** stated the next meeting would be on the second Tuesday in May and that he hoped the FDC would have a quorum to vote on the DAP. **Mr. Gatewood** stated the FDC wants to make a difference in cross cultural relations and they hope to live up to that expectation.

COMMUNICATIONS TO COUNCIL

- a) Board of Plumber Examiner Meeting Minutes of January 6, 2015.

ACCEPTED on the CONSENT AGENDA

- b) Chena Riverfront Commission Meeting Minutes of March 11, 2015.

ACCEPTED on the CONSENT AGENDA

COUNCIL MEMBERS' COMMENTS

Mr. Gatewood requested to be excused from the Regular Council Meeting of May 18, 2015.

Mayor Eberhart called for objection to Mr. Gatewood's request to be excused on May 18, 2015 and, hearing none, so ORDERED.

Mr. Walley stated his concern for the increasing cost of healthcare. **Mr. Walley** thanked Mr. Cleworth for sharing the numbers and stated that it helped put into perspective what the actual cost would be. **Mr. Walley** stated he would miss Mr. Schmetzer and that he had relied on his wealth of knowledge on the FMATS Committee; he wished Mr. Schmetzer the best.

Ms. Staley apologized for being out of town so long; she stated it is flooding on the east coast. **Ms. Staley** echoed Mr. Walley's statements on Mr. Schmetzer and shared that she too would miss him. **Mr. Staley** spoke to funding issues for the Community Service Patrol (CSP) and that she was concerned that the funding will go away. She stated that she wants to explore measures that could be taken to extend funding.

Mayor Eberhart stated he had a discussion with Mr. Vandenberg and the Chief of Police at the Downtown Association Mixer regarding CSP. He shared that they discussed having a meeting and inviting top-level businesses in Fairbanks in the hopes of raising funds to support CSP for FY2016. **Mayor Eberhart** shared his disappointment that Ordinance No. 5974 was struck down.

Mr. Matherly gave condolences to the family of Dale Carlson. **Mr. Matherly** shared that he was given a wonderful recommendation for Jackson Fox by a citizen who worked on an issue with him. **Mr. Matherly** shared another citizen's story who had an issue with standing water on their property the year before. He stated the City took care of the issue last year and showed up this year without being called. **Mr. Matherly** attributed that great service to Mr. Schmetzer and shared that he hated to see him leave. **Mr. Matherly** stated the weather has been nice but that there are still icy spots; he cautioned the public to drive safe.

Mr. Cleworth echoed the Council's comments on Mr. Schmetzer and stated he was a great asset and had excellent customer service skills. **Mr. Cleworth** asked if the IBEW and the City were still in negotiations; Mr. Whipple replied affirmatively. **Mr. Cleworth** stated the IBEW chooses to put the CPI increases toward hourly wages and has never put an increase toward healthcare. **Mr. Cleworth** stated that the issue is the Union's problem, not the City Council's. **Mr. Cleworth** stated the CPI is generated in Anchorage and that it does not properly address the cost of living in Fairbanks. **Mr. Cleworth** stated he hoped to go back and revisit proration to get the amount adjusted. **Mr. Cleworth** asked Mayor Eberhart if he addressed Explore Fairbanks when he attended the gathering a few weeks ago. **Mayor Eberhart** stated he attended the awards banquet. **Mr. Cleworth** asked if Mayor Eberhart made a comment expressing his disappointment that no City Council members attended the F-35 hearing. **Mayor Eberhart** stated he did make a comment of that nature. **Mr. Cleworth** spoke to his defense and that he has attended so many military scoping meetings over the years that he could no longer track. **Mr. Cleworth** stated Ms. Staley presented at one of the meetings and that she did a great job. He stated that the F-16 Scoping meetings became Mayor Eberhart's responsibility with office and that he appreciated his attendance. He asked that he not state his disappointment because he cannot attend every single meeting because of other conflicts. **Mr. Cleworth** asked Mayor Eberhart if the PSEA grievance for the use of outside contractors for background checks had been filed yet. **Mayor Eberhart** stated it has been filed and that the City has responded to the grievance.

Mr. Pruhs spoke to the Polaris Building and how to secure funding to demolish the building down. He discussed the legalities of taking the property back and to future possibilities for the property. **Mr. Pruhs** stated Mr. Marlow has been given plenty of time to do something with the building and that nothing has been done. **Mr. Pruhs** stated he thought it would be a good idea to hold a future work session that at the Pioneer Home.

Mr. Matherly stated he meant to say during his comments that he had spoken with Mr. Marlow earlier in the day; he stated he remains skeptical that he will be able raise the necessary funds.

Mr. Matherly, seconded by **Mr. Walley**, moved to go into Executive Session for the purpose of discussing Labor Negotiations: Fairbanks Firefighters Union (FFU) and the International Brotherhood of Electrical Workers (IBEW).

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

Mayor Eberhart called for a five minute recess.

EXECUTIVE SESSION

a) Labor Contract Negotiations – FFU & IBEW

The City Council met in Executive Session to discuss labor negotiations. Direction was given to staff and no action was taken.

ADJOURNMENT

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

Mayor Eberhart declared the Meeting adjourned at 11:30 P.M.

JOHN EBERHART, MAYOR

ATTEST:

D. DANYIELLE SNIDER, CMC, CITY CLERK

Transcribed by: EB

being placed downtown. Mr. Turney stated he believes it is a racial issue that the City does not have public restrooms. Mr. Turney voiced his amazement that cannabis can be made legal but that a \$100 fine could be imposed if the smoke travels off private property. He stated barbeque smoke is more harmful than cannabis; Mr. Turney stated he believed the cannabis ordinance to be a waste of time.

Mr. Cleworth asked Mr. Turney if he has seen people living over night at the old dairy. Mr. Turney stated he did not spend all day every day there and in turn asked Mr. Cleworth when he last visited the old dairy. Mr. Turney stated that the problem with the old dairy has spanned five Mayors and that something needs to be done with the structure. **Mr. Cleworth** stated that the dairy was discussed in the work session just before the meeting and that the Dairy was a low priority because nobody was inhabiting it or camping out in the structure.

Victor Buberger, P.O. Box 58192, Fairbanks – Mr. Buberger stated what a loss the City has experienced by losing Mr. Schmetzer and that he will really miss him. Mr. Buberger reported a few potholes he has seen around town. Mr. Buberger spoke about the old dairy; he stated that he has a few friends that live near there and that it was always a mess. Mr. Buberger stated he has seen too many political payoffs and that it has become expected. Mr. Buberger stated he believed there should be an Ordinance against crack, cigarette and cigar smoke. Mr. Buberger spoke to the lack of public restrooms in the City limits; he stated there are nice vandal-proof restrooms and that he has given Council Members information on them. He stated the City does not want chronic inebriates sleeping in restrooms but that he thought it would be a safer place for them to sleep.

Jerry Evans, 1641 Kassi Court, Fairbanks – Mr. Evans stated he used to go to school in The City Hall building. Mr. Evans spoke on behalf of Explore Fairbanks and talked about the services they offer. Mr. Evans stated that he became the Public Relations Manager on December 1, 2014. He stated the two most important things he deals with in his position are press releases (locally, nationally and internationally) and media tours. He stated that he is the liaison for writers, reporters and others coming to Fairbanks. Mr. Evans stated he has done six press tours since he started working at Explore Fairbanks. He stated that everyone that has come to town has been very impressed with what the City has to offer.

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

APPROVAL OF AGENDA AND CONSENT AGENDA

Mr. Matherly, seconded by **Mr. Walley**, moved to APPROVE the Agenda and Consent Agenda.

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

City Clerk Snider read the Consent Agenda into the record.

APPROVAL OF PREVIOUS MINUTES

a) Regular Meeting Minutes of February 23, 2015.

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 Application for Transfer of Ownership, Location and Name Change:

Type: Beverage Dispensary, Lic #4547
To: No DBA / North Star Dining, LLC
No Premises
From: Chili's Grill & Bar / Duke Investments, LLC
506 Merhar Avenue, Fairbanks

Mr. Matherly, seconded by **Mr. Gatewood** moved to WAIVE PROTEST on the Liquor License Transfer.

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

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO WAIVE PROTEST ON THE TRANSFER OF LIQUOR LICENSE #4547 AS FOLLOWS:

YEAS: Gatewood, Walley, Pruhs, Matherly, Staley, Cleworth
NAYS: None
Mayor Eberhart declared the MOTION CARRIED.

- b) The Fairbanks City Council, Sitting as a Committee of the Whole, heard interested citizens concerned with the following Liquor License Application for Transfer of Ownership and Restaurant Designation Permit:

Type: Restaurant / Eating Place, Lic #4772
To: Ajimi Japanese Restaurant / J & BY, Inc.
550 Third Street, Fairbanks
From: Ajimi Japanese Restaurant / Kwang Yul Lee
Same Location

Mr. Matherly, seconded by **Mr. Walley** moved to WAIVE PROTEST on the Liquor License Transfer.

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

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO WAIVE PROTEST ON THE TRANSFER OF LIQUOR LICENSE #4772 AS FOLLOWS:

YEAS: Matherly, Cleworth, Walley, Staley, Gatewood, Pruhs
NAYS: None
Mayor Eberhart declared the MOTION CARRIED.

- c) The Fairbanks City Council, Sitting as a Committee of the Whole, heard interested citizens concerned with the following Abatement Issue:

Determination of demolition costs and method of recovery for the property located at 2022 Rickert Street, (Tax Lot 5, Tract A, Bjerremark East), Fairbanks, Alaska.

NOTE: The purpose of this hearing was to:

- 1) Hear and pass upon the demolition expense report prepared by the Public Works Department;
- 2) Hear any objections or protests to the proposed report;
- 3) Make such revision, correction or modification to the report or the charges as the City Council may deem just, and;
- 4) Determine whether to assign a personal obligation of the property owner or to create a lien against the property.

City Building Official Clem Clooten reported the total cost to the City to demolish the structure located at 2022 Rickert Street was \$34,947.15.

Mr. Pruhs, seconded by **Mr. Walley**, moved to ACCEPT the Demolition Costs Report.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ACCEPT THE DEMOLITION COSTS REPORT AS FOLLOWS:

YEAS: Walley, Matherly, Gatewood, Pruhs, Cleworth, Staley

NAYS: None

Mayor Eberhart declared the MOTION CARRIED.

Mr. Matherly, seconded by **Mr. Pruhs**, moved to PLACE A LIEN against the property for the full cost of abatement.

Mr. Pruhs questioned what the timeline for repayment of the costs would be. Mr. Ewers stated the lien typically rides until ownership changes hands. **Mr. Pruhs** asked if the City typically bills an individual. Mr. Ewers stated that the City does not bill individuals because the property owner has no resources. **Mr. Pruhs** asked if the City has an annual interest rate. Mr. Ewers responded that it does not. **Mr. Pruhs** stated he did not believe the City would ever be able to collect the abatement costs because the property is assessed at less than what is owed.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO PLACE A LIEN AGAINST THE PROPERTY FOR THE FULL COST OF ABATEMENT AS FOLLOWS:

YEAS: Staley, Matherly, Gatewood, Pruhs, Cleworth, Walley

NAYS: None

Mayor Everhart declared the MOTION CARRIED.

MAYOR'S COMMENTS AND REPORT

a) 2014 Independent Audit Presentation

Garry Hutchison came forward to present the 2014 Audit information. He stated he was pleased to be in attendance and report that the audit is complete. Mr. Hutchison reported no compliance deficiencies and that all financials were in good working order. Mr. Hutchison gave an overview of the financial reports from 2014. He commended the City employees for their organization and timeliness.

Mayor Eberhart thanked Mr. Hutchison for the financial presentation. **Mayor Eberhart** congratulated Mr. Soileau and Ms. Randle for earning their certificate of achievement in financial reporting. **Mayor Eberhart** reported the Mayor's Office has been very busy and listed many meetings and events he has attended since the last Council Meeting. **Mayor Eberhart** stated the downtown foot patrol will begin very soon. He reported that a group of high school students walked to City Hall to raise awareness for youth suicide. **Mayor Eberhart** spoke against Ordinance No. 5977 and stated he hopes there is not a motion or a second to adopt the ordinance.

UNFINISHED BUSINESS

a) Ordinance No. 5975 – An Ordinance Authorizing the Release of an Easement in Lemeta Subdivision. Introduced by Mayor Eberhart. SECOND READING AND PUBLIC HEARING.

Mr. Pruhs, seconded by **Mr. Matherly**, moved to APPROVE Ordinance No. 5975.

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

Mr. Pruhs stated Mr. Smith did a good job of preparing the ordinance.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 5975 AS FOLLOWS:

YEAS: Cleworth, Pruhs, Walley, Staley, Matherly, Gatewood

NAYS: None

Mayor Eberhart declared the MOTION CARRIED and Ordinance No. 5975 ADOPTED.

b) Ordinance No. 5976 – An Ordinance Authorizing the Engineering Department to Enter into a Developer's Agreement for the Construction of the Bentley Retail Area Loop Road and for the Public Works Department to Take on Additional Road Maintenance Responsibility in the Bentley Retail Area. Introduced by Council Member Pruhs. SECOND READING AND PUBLIC HEARING.

Mr. Pruhs, seconded by **Mr. Gatewood**, moved to ADOPT Ordinance No. 5976.

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

City Engineer Robert Pristash and Property Manager Pat Smith provided a Staff Report. Mr. Pristash stated the Ordinance allows for the continuation of the project to alleviate congestion in the area of the Old Steese Highway. He stated it was in the original plan but it was dropped because the Northern Region Director did not think the Loop Road would be built. Mr. Smith stated that at the first reading of the ordinance, the Developer's Agreement was not ready; he stated they are now ready to move forward. Mr. Smith stated the City will be issued a bond for the entire cost of construction of the loop and that is assurance that no matter what the Loop Road will be constructed.

Mr. Pruhs asked Mr. Pristash if the road design will be built to City standard. Mr. Pristash stated it would be and it would be inspected by City Engineers. **Mr. Pruhs** stated he looked at the ordinance and weighed out the cost versus the revenue income and came to the conclusion that he supports the Ordinance because it makes economic sense.

Mr. Walley asked what the maintenance cost of the new Loop Road would be. **Mr. Pruhs** replied that it would be roughly \$1,200-\$1,500 per year.

Mr. Cleworth complimented Mr. Pruhs on his work on the Ordinance. **Mr. Cleworth** stated he had issues that go way back because when the area was developed the roads were to remain private. **Mr. Cleworth** stated that all of the businesses that bought property in that area knew that the roads were to be constructed by the private developers. **Mr. Cleworth** shared his frustration with the DOT for pulling the roundabout from the original project. **Mr. Cleworth** stated that the City then agreed to take over the Bentley Trust Road and Helmricks maintenance in exchange for a new snow dump area. **Mr. Cleworth** stated that in the trade some money was left over and now the developers are concerned that the money will be used for a different project. **Mr. Cleworth** stated that now that the property is the City's that the roundabout should be put in to tie the roads together and that no stipulations should be put on the developer except that the cost should be on the developer. **Mr. Cleworth** stated he is not excited about the City taking on additional road maintenance without any kind of remuneration.

Mr. Gatewood stated that he thought that Lowe's had a contract with an outside agency and that the maintenance with the outside company was poor. **Mr. Gatewood** stated it is the City's residents that are driving on those roads and that they should be maintained to the City's standard. **Mr. Gatewood** stated he would be supporting the Ordinance.

Ms. Staley stated she thinks taking on the additional maintenance project would benefit the citizens of Fairbanks.

Mayor Eberhart stated he attended meetings and work sessions and that many big box stores will not come to Fairbanks without natural gas. He stated that Fairbanks is closer than it has ever been before to that happening. **Mayor Eberhart** stated this economic development would attract new businesses and that there would be an eight to ten percent increase in tax revenue each year.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 5976 AS FOLLOWS:

YEAS: Pruhs, Gatewood, Staley, Matherly, Walley
NAYS: Cleworth
Mayor Eberhart declared the MOTION CARRIED and Ordinance No. 5976 ADOPTED.

- c) Ordinance No. 5977 – An Ordinance Amending Fairbanks General Code Section 2-118.1 to Provide for Council Appointment of Public Members of the Finance Committee. Introduced by Council Member Matherly. SECOND READING AND PUBLIC HEARING.

Mr. Matherly, seconded by **Mr. Cleworth**, moved to ADOPT Ordinance No. 5977.

Mayor Eberhart called for Public Testimony.

Frank Turney – Mr. Turney stated that he thinks this Ordinance looks like grandstanding by Mr. Matherly because he will be running for Mayor.

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

Mr. Pruhs asked Mr. Ewers if there any other committees where the City Council chooses the members. Mr. Ewers replied that he did not believe so.

Mr. Matherly stated that long before he spoke of running for Mayor that the subject of having two public people on the Finance Committee came up. **Mr. Matherly** stated everyone was excited about the suggestion and that it was not his intent to grandstand. **Mr. Matherly** stated he would support the ordinance at any time and that its intent was just to get two citizens appointed by the Council, not just by nomination of only the Mayor.

Mr. Gatewood stated he remembered the discussion about having a second Finance Committee Member but that he was not clear as to why they could not be appointed by the Mayor and confirmed by the Council.

Mayor Eberhart stated that this Ordinance would take away the power of the Mayor to nominate the members, which is unlike any other board or commission.

Mr. Cleworth stated the Finance Committee was formed in the early 2000's with only two Council Members and that others were added later. **Mr. Cleworth** stated the controversy came in several months ago after Jeff Johnson was not asked to remain on the Finance Committee; he expressed his disappointment with the situation. **Mr. Cleworth** stated that the Mayor nominated someone to the Committee that nobody on the Council knew and the Council voted it down. **Mr. Cleworth** stated that Mr. Matherly presented a compromise of the nomination of two members when the nomination was introduced again. **Mr. Cleworth** stated he has been frustrated with the process because normally when a member's term is up they are given a courtesy offer to keep serving; he stated now that is not the case. **Mr. Cleworth** stated that Mr. Johnson has done so many good things that have saved the City money. **Mr. Cleworth** reported several cost savings that came from Mr. Johnson's intuitional knowledge; he expressed disappointment that Mr. Johnson was overlooked for the nomination.

Mr. Gatewood agreed with Mr. Cleworth's assessments of Mr. Johnson and that he should have been offered the opportunity to continue to serve. **Mr. Gatewood** stated that developing new talent is also important because institutional knowledge eventually moves on. **Mr. Gatewood** stated that Mayor Eberhart has done a good job of bringing in new blood and that it is a good thing. **Mr. Gatewood** stated that he did not believe that every time a member of a committee terms out that they should automatically be reappointed. He stated that is how one would end up on a committee for 30 years. **Mr. Gatewood** stated he sees value in both institutional knowledge and with new blood; he complimented Mr. Matherly on the great idea for compromise he came up with. **Mr. Gatewood** stated he was not interested in punishing the mayor for not automatically reappointing Mr. Johnson to the Finance Committee.

Mr. Cleworth stated nobody is being punished and that the Mayor is part of the Council. He stated everyone gets a vote and that the whole Council is part of the decision.

Mr. Pruhs stated he has issues with the separation of powers. **Mr. Pruhs** stated the Mayor has the power to nominate a person and the Council has the power to reject the candidate. He stated the process as it stands is the best way to operate because it is much easier for one person to nominate than an entire Council coming to an agreement on a candidate. **Mr. Pruhs** stated that Mr. Johnson was an excellent source of knowledge but that it is time for fresh blood on the Finance Committee.

Ms. Staley stated she was uncomfortable with the fact that they were not able to appoint someone to the Finance Committee during the last round of appointments. She stated she liked the idea of adding a second public member. **Ms. Staley** agreed with all members that Mr. Johnson was a wonderful source of knowledge and he helped the City immensely; she also agreed that it is time for fresh blood and that is why she thinks adding a second member would be vital for the community. **Ms. Staley** agreed that it is not a punishment but that the body needs to pull together and make the decision as a unit.

Mr. Walley spoke to all Council Members' points of view and stated he sees where everyone is coming from. **Mr. Walley** stated creating the second position would allow the new blood to be mentored by the person with institutional knowledge.

Mayor Eberhart stated that when Mr. Johnson's term expired that he had made the decision to look for someone new for the position. He shared that the City is in good shape and that now would be a good time to bring in new blood. **Mayor Eberhart** stated he asked Ms. Snider to advertise on the City website and also on social media for the open position and that Ms. Sisto applied. **Mayor Eberhart** stated that he was not present at the meeting that she was to be nominated and that it was his understanding that it was pulled from the Consent Agenda but that no action was taken. **Mayor Eberhart** stated that in the meantime Mr. Matherly came up with the Ordinance that adds a second public member. **Mayor Eberhart** stated that Mr. Woolf applied and that the Council approved his appointment so now the issue of the additional member is moot. **Mayor Eberhart** stated he asked Ms. Courtney how previous mayors found candidates for boards and commissions and she told him by picking up the phone and calling who you know might be interested in the position. He declared that he wanted every citizen to know of the position and have the opportunity to apply. **Mayor Eberhart** stated as the Mayor he can receive multiple applications and meet with multiple possible candidates. He stated that Council Member's can only meet with two other members and any more than that would violate the Open Meetings Act.

Mr. Matherly asked Mr. Ewers if Mayor Eberhart's comments about the Open Meeting Act were correct. Mr. Ewers stated that there would have to be a public meeting to hold interviews of the candidates if the Council wished to make nominations.

Mr. Cleworth stated that when he became Mayor his Council seat was left open. He stated that he gave the Council Members the applications for the open seat and had them choose who the best candidate was. He stated at that time they chose Mr. Eberhart.

Mayor Eberhart stated that if there is a vacancy on the Finance Committee in the future he would love to hear input and feedback from the Council Members. He stated Mr. Johnson did a wonderful job but that it was not right to have the same person serve indefinitely. **Mayor Eberhart** stated that the Council still has the power to turn down someone that he nominates. He stated the normal procedures for boards and commissions should be no different for the Finance Committee.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 5977 AS FOLLOWS:

YEAS: Matherly, Staley, Cleworth
NAYS: Gatewood, Walley, Pruhs, Eberhart
Mayor Eberhart declared Ordinance No. 5977 FAILED.

NEW BUSINESS

- a) Resolution No. 4671 – A Resolution Authorizing the City of Fairbanks to Apply for Funds from the Alaska Highway Safety Office for the FFY2016 DUI Traffic Enforcement Unit as Revised by Grantor. Introduced by Mayor Eberhart.

PASSED and APPROVED on the CONSENT AGENDA.

- b) Resolution No. 4672 – A Resolution Authorizing the city of Fairbanks to Accept Funds from the United States Department of HOME Land Security for Driver Certification Training. Introduced by Mayor Eberhart.

PASSED and APPROVED on the CONSENT AGENDA

- c) Ordinance No. 5978 – An Ordinance Amending the 2015 Operating and Capital Budgets for the Third Time. Introduced by Council Member Cleworth.

ADVANCED on the CONSENT AGENDA.

- d) Ordinance No. 5979 – An Ordinance Authorizing Lease of Space in City Hall to the Boys & Girls Club of Alaska, Inc. Introduced by Mayor Eberhart.

ADVANCED on the CONSENT AGENDA.

DISCUSSION ITEMS

a) Committee Reports

Permanent Fund Review Board (PFRB) – **Mr. Gatewood** stated the PFRB met and that the balance of the City’s Permanent Fund as of May 5, 2015 was \$124,131,980.00. He stated the Fund is performing decently and spoke to how the funds were invested. **Mr. Gatewood** stated the funds are in safe, low risk investments and the plan managers are doing a good job. He stated the next meeting will be July 22, 2015.

Mr. Cleworth asked if there is any discussion of taking some of the profits and reinvesting them. He questioned, for example, whether there is any talk of investing while the price of oil is so low.

Mr. Gatewood stated the committee did not discuss reinvesting because he believed it to be too risky. **Mr. Gatewood** stated that Jason Roth is the lead and that he is not as conservative as the past person in charge but that they do not discuss high-risk/high-reward investing.

Mr. Cleworth spoke to more investment strategies. He suggested that capitalizing on an investment that is at the top of its market in order to purchase something that is at the bottom of the market is a good investment strategy.

Mr. Gatewood stated he gets the feeling that the investors are intrigued by international markets but that the City is not in the position to dump a lot of money in that area.

COMMUNICATIONS TO COUNCIL

a) Appointment to the Public Safety Commission

APPROVED on the CONSENT AGENDA

b) Appointment to the Fairbanks Diversity Council

APPROVED on the CONSENT AGENDA

c) Appointment to the Council Finance Committee

APPROVED on the CONSENT AGENDA

d) Permanent Fund Review Board Meeting Minutes of January 21, 2015

ACCEPTED on the CONSENT AGENDA

COUNCIL MEMBERS’ COMMENTS

Mr. Pruhs requested to be excused from the Regular City Council Meeting of June 8, 2015.

Mayor Eberhart called for objection to Mr. Pruhs' request to be excused on June 8, 2015 and, seeing none, so ORDERED.

Mr. Pruhs stated he thinks the Council should look into the cost for the City of Fairbanks to be self-insured. He stated he did not know if it would be a viable alternative but it should be checked into. **Mr. Pruhs** stated he would send Mayor Eberhart a request for staff to put together a cost/benefit analysis of becoming self-insured by November 1, 2015. **Mr. Pruhs** spoke to the amount of money employees have to pay for health care and that it would be cost prohibitive to find out if there are other options. **Mr. Pruhs** stated the City was self-insured up until the mid-1990's and it is something that should be revisited.

Ms. Staley stated she will be back in town on May 22, 2015 and thanked the Mayor and the Council for their patience while she calls in.

Mr. Cleworth stated Mr. Williams has been looking into the City becoming self-insured and that he may already have some information about it. **Mr. Cleworth** asked if there was a Finance Committee meeting the following morning. Ms. Snider stated there was and read the agenda for the meeting. **Mr. Cleworth** asked the status of the Buzz Otis property off Badger Road. Mr. Ewers stated that paperwork has been filed with the Local Boundary Commission (LBC) and that it is under review. Mr. Ewers stated it has been a slow process but that it is now up to date and it should not take too much longer because it is a smaller matter than annexation. **Mr. Cleworth** asked if hours spent on this project were being tracked and Mr. Ewers replied affirmatively. **Mr. Cleworth** stated the Abatement Work Session went well and shared his frustration with the old dairy property. He stated he heard what the Building Official had to say but that it is time to abate that structure. **Mr. Cleworth** stated the email he received on revenue sharing was scary because of the 4% hit that the City will be taking next year and possibly more the in the future. **Mr. Cleworth** stated that the City has become dependent on that money.

Mr. Matherly stated he attended the Borough Assembly meeting where he pitched funding for the Community Service Patrol (CSP) but that no vote was called on it. He encouraged the City Council to attend the Borough Assembly meetings and visa-versa. **Mr. Matherly** reported that Clean-up Day was well attended but that there is still more work to do. **Mr. Matherly** spoke to the Senior Citizens lunch that the Borough puts on every year and how well organized and fun it was. He stated Mr. Buberger was correct that Mr. Schmetzer is a tough guy to lose with big shoes to fill. **Mr. Matherly** stated he appreciated the Mayor sharing great news about the Apache helicopters.

Mr. Walley stated he was pleased by the efforts of the community to clean up Fairbanks. **Mr. Walley** shared his excitement for the Bentley Trust area project going forward. **Mr. Walley** stated he was happy to see the Permanent Fund growth and shared Mr. Cleworth's concern for the decline of State funds. **Mr. Walley** asked if the Chili's building had been purchased yet and **Mr. Pruhs** confirmed that it is still up for sale. **Mr. Walley** stated he hopes to attend the Town Hall meeting the following evening at Pioneer Park.

Mr. Gatewood stated he would not be at the Finance Committee meeting the following day because he is heading out of town. He reminded the Council that he would not be at the next Regular Council Meeting because he has a graduation to attend that evening. **Mr. Gatewood** congratulated all the graduates and their proud parents and wished them the best on the new chapter in their lives.

Mr. Pruhs, seconded by **Mr. Matherly**, moved to go into Executive Session for the purpose of discussing Labor Negotiations: Fairbanks Fire Fighters Union (FFU) and the International Brotherhood of Electrical Workers (IBEW).

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

Mayor Eberhart called for a five minute recess.

EXECUTIVE SESSION

a) Labor Contract Negotiations

The City Council met in Executive Session to discuss labor negotiations. Direction was given to staff and no action was taken.

ADJOURNMENT

Mr. Matherly, seconded by **Mr. Gatewood**, moved to ADJOURN the meeting.

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

Mayor Eberhart declared the Meeting adjourned at 10:02 p.m.

JOHN EBERHART, MAYOR

ATTEST:


D. DANYIELLE SNIDER, CMC, CITY CLERK

Transcribed by: EB

MEMORANDUM

City of Fairbanks Clerk's Office

D. Danyielle Snider, City Clerk

Date: August 6, 2015
To: Mayor John Eberhart
City Council Members
From: D. Danyielle Snider, CMC, City Clerk 
Re: Denial of Application for New City of Fairbanks Chauffeur
License – David E. Button

Attached is a copy of **Mr. Button's** application for a new City of Fairbanks Chauffeur License. The City Clerk has denied this request for licensure pursuant to FGC 86-79 (attached). Mr. Button does not meet the minimum 30-day FNSB residency requirement of the City Code, as he has most recently resided in Haines, Alaska. The attached criminal background and driving record report reveals that Mr. Button has no driving or criminal-related convictions that would warrant a denial of a City Chauffeur License.

Mr. Button was informed of the option to appeal the decision of the City Clerk to the City Council and requested to be placed on this agenda for your consideration.

If you have any questions, please call me at 459-6774

Attachments: Chauffeur Application Packet
FGC Sec. 86-79

Visit us on the Web at www.fairbanksalaska.us



City of Fairbanks

Office of the City Clerk

800 Cushman Street

Fairbanks, AK 99701

(907)459-6715

Fax (907)459-6710

REQUEST FOR APPEAL FORM

DATE: August 10, 2015

TO: D. Danyielle Snider, CMC City Clerk

FROM: David E. Button
(Please Print)

RE: Request for Appeal Hearing

Please consider this document a request for an APPEAL HEARING before the Fairbanks City Council in regards to the denial of my Occupational License Application. I can be present at the City Council Meeting scheduled for:

Monday, August 10, 2015 at 7:00 P.M.

(Meetings are held in the Council Chambers located at 800 Cushman Street, 2nd Floor)

By signing below, I understand that the information and supporting documentation contained in my application will be copied and provided to the Fairbanks City Council. I understand that there will be a public hearing, on the above date, at which time the Council will discuss my appeal. I understand that the public hearing may be reproduced electronically, digitally, and/or transmitted over the air waves. I understand that I have no right to expect privacy of the records or information contained in my application, or of any discussions that may occur during the public hearing.

David E. Button
Acknowledgement by Applicant

Official Use Only: Clerk's Initials: TC

Date Received: 08/06/15

Ordinance No. 5982 – FGC 86-79. Residency.

An applicant for a chauffeur's license must have resided within the Fairbanks North Star Borough for a minimum of 30 days immediately prior to application. This residency requirement may be waived by the city clerk if the applicant has had a city chauffeur's license within the last five years or if the applicant lives within 250 miles of the City of Fairbanks.



CITY OF FAIRBANKS

RECEIVED

AUG 06 2015

CITY OF FAIRBANKS

CHAUFFEUR LICENSE APPLICATION

800 Cushman Street, Fairbanks, AK 99701
(907) 459-6702 | cityclerk@ci.fairbanks.ak.us

TYPE OF LICENSE: NEW RENEWAL FEES DUE/COLLECTED: \$75.00

Name: David BUTTON		Other Name(s) Used:	Year(s) of Name Change:
Physical Address: [REDACTED]		Home Phone:	[REDACTED]
City, State, Zip: [REDACTED]		Work/Cell Phone:	[REDACTED]
Mailing Address: [REDACTED]		AK Driver's License No:	[REDACTED]
City, State, Zip: [REDACTED]		E-mail Address:	[REDACTED]
Date of Birth: [REDACTED]	SSN: [REDACTED]	Place of Birth:	[REDACTED]

Application Requirements

\$75.00 Non-Refundable Application Fee for New Applications and Renewals
\$100.00 Biennial License Fee for New Applications and Renewals
Complete Application, Including Authorization to Obtain Criminal History Record
Copy of Current State of Alaska Driver's License

Length of Residency

Length of Alaska Residency in Consecutive Years 0 Length of FNSB Residency in Consecutive Years _____

If you are not a FNSB resident, where do you currently hold residency? Washington How long? _____

Previous Address(es)

Previous City and State of residence, other than Fairbanks, for the past 8 years:

<u>Haines, Alaska</u>	From: <u>1999</u>	To: <u>2015</u>
<u>Sedro Woolley, WA</u>	From: <u>1992</u>	To: <u>1999</u>
<u>Ketchikan, AK</u>	From: <u>1989</u>	To: <u>1992</u>

Employment

Cab Company Applying To or Employed By: Air-Link

Address: _____

Date Employment Began or Will Begin: 8/6/15 Phone: 907-322-3821

Record of Conviction(s)

PLEASE ANSWER YES OR NO TO THE FOLLOWING QUESTIONS

Within the past 24 months, have you had a conviction for any of the following?	YES	NO
•Any offense which resulted in the suspension or revocation of your driver's license?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
•Reckless or negligent driving?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
•Driving while license is canceled, suspended, revoked or in violation of a limitation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Within the past 5 years (or within the past 8 years if a felony conviction), have you received a conviction for either of the following?		
•Driving a vehicle while intoxicated?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
•Refusing to submit to a chemical test as defined in AS 28.35.032?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Within the past 8 years have you had a felony conviction or within 4 years a misdemeanor conviction for any of the following?		
•Prostitution or promotion of prostitution?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
•Any offense involving a controlled substance under AS Title 11, Chapter 71 or the laws of another jurisdiction having substantially similar elements?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
•Assault?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
•Burglary, felony theft, fraud or embezzlement?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
•Any sexual offense?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
•Any homicide or assault involving operation of a motor vehicle?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
•Two separate felony convictions of any type?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Are you subject to the registration requirement of AS 12.63 (sex offender or kidnapper)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Do you have any delinquent City criminal or traffic fines or fees?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

An Answer of **YES** to any of the above questions regarding your criminal history and/or driving record is grounds for denial of a Chauffeur License. Please explain on a separate sheet of paper any convictions that meet the look-back criteria as noted above; including charges, places, dates, and sentences imposed. An Applicant may have the right to appeal a denial by the City Clerk after submission of a completed application and payment of the application fee. An Appeal Form can be obtained at the City Clerk's Office. See FGC Section 86-95 to determine if you are eligible for an appeal.

Citizenship Status

Are you a natural born or fully naturalized citizen of the United States? YES

If not, where did you obtain a permit or visa? N/A

Date of entry into the United States: _____ Alien Registration No. _____

The Fairbanks General Code (FGC) is attached to this application for your convenience, but is the responsibility of the applicant to understand and comply with the requirements. By signing the Oath below, the applicant acknowledges having read and understood FGC Secs. 86-76 through 86-96. Questions regarding the responsibilities of the applicant should be asked prior to issuance of the license.

Please make all necessary copies for your records before submission of your application to the City Clerk's Office. There will be a per page charge for any copying requested in accordance with FGC Sec. 2-775. Thank you in advance for your cooperation.

The City Clerk's Office may require 24 hours to process applications and does not accept licensing applications after 4:00 PM. Hours of operation are Monday through Friday, 8:00 AM to 5:00 PM. The City of Fairbanks observes national and state holidays.

Applicant's Statement for Chauffeur License and Authorization Statement for Criminal History Record Check

I, David Button, being first duly sworn, depose and state that I am the individual making application for licensure and that the answers to the foregoing questions and other statements contained herein are true and complete to the best of my knowledge. I understand that any materially false information provided on or with this application may be grounds for revocation, suspension or denial of a license.

I certify that I am at least 21 years of age or older; that I can read, write, and speak the English language; that I am not addicted to the use of intoxicants or narcotics; that I have been a resident within the Fairbanks area for a minimum of 30 days immediately prior to this application, that I am not subject to the registration requirements of AS 12.63 (sex offender or kidnapper); that I have read and understand FGC Sections 86-76 through 86-96; and that I understand the requirements for licensure.

Further, I hereby authorize the City of Fairbanks to obtain information pertaining to any charges and/or convictions I may have had for violation of municipal, county, state or federal laws. This information may include, but may not be limited to, allegations regarding and convictions for crimes committed upon minors. I understand that this information will be gathered from any law enforcement agency of this state or any state or federal government, or from third-party providers of information originally obtained from law enforcement or court records.

As an applicant for a chauffeur license, I hereby attest to the truthfulness of the representations I have made. Except as I have disclosed, I have not been found guilty of, or entered a plea of nolo contendere or guilty to any offense.

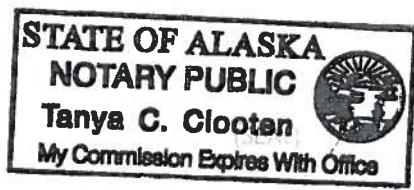
I understand that I must be truthful and, if any statement I have made is found to be false, I will be denied the license for which I am making application.

David Button
Signature of Applicant

8/6/15
Date

Sworn to before me this 6th day of August, 2015

Tanya C. Cloatch
Notary Public for the State of Alaska
My Commission Expires: with office



Administrative Use Only

Approved By:	Date:
Denied By: <u>Tanya Cloatch</u>	Date: <u>8/6/15</u>
Reason for Denial: <u>not resident of FNSB for 30 days</u>	

For additional information and/or forms, please visit the City of Fairbanks website at www.fairbanksalaska.us.

Criminal Charge History

Data as of: 8/6/15 10:40 am

WARNING: This criminal history may not be complete due to limited information. These records are from State of Alaska courts only and include computerized records since 1992 only. Computerized case information prior to implementation of CourtView is very limited. Contact the trial court for detailed information about a case or for records prior to 1992.

See the judgment in the case file for sentence information on convicted charges.

NOTE: This report **INCLUDES** criminal cases removed from the public index pursuant to Administrative Rule 40(a).

Search Criteria:

Last Name: **BUTTON**

First Name: **DAVID**

DOB: [REDACTED]

Print Date 8/6/2015

1SK-11-00015CR

Button, David E

AP SIN: [REDACTED]

DOB: [REDACTED]

ATN: [REDACTED]

CHRG 1	CTN: 001	Date	Charge/ Disposition	Classification	Modifier	DV
Original		09/27/2011	SKMC05.01.060: Operating a business with a Suspended/Revoked License	Misdemeanor - Not Classif	None	No
Disposition:		09/29/2011	Dismissed by Prosecution (CrR43(a))			

1SK-11-00010CR

Button, David E

AP SIN: [REDACTED]

DOB: [REDACTED]

ATN: [REDACTED]

CHRG 1	CTN: 001	Date	Charge/ Disposition	Classification	Modifier	DV
Original		08/11/2011	SKMC05.01.060: Operating a business with a Suspended/Revoked License	Misdemeanor - Not Classif		No
Disposition:		08/30/2011	Dismissed by Prosecution (CrR43(a))			

1SK-11-00009CR

Button, David

DLN: [REDACTED]

DOB: [REDACTED]

AP SIN: [REDACTED]

ATN: [REDACTED]

CHRG 1	CTN: 001	Date	Charge/ Disposition	Classification	Modifier	DV
Original		08/04/2011	SkMC05.01.060: Operating a business with a Suspended/Revoked License	Misdemeanor - Not Classif		No
Disposition:		08/10/2011	Dismissed by Prosecution (CrR43(a))			

1HA-04-00038CR

Button, David

DLN: [REDACTED]

DOB: [REDACTED]

AP SIN: [REDACTED]

ATN: [REDACTED]

CHRG 1	CTN: 001	Date	Charge/ Disposition	Classification	Modifier	DV
Original		08/06/2004	AS11.41.250(A): RECKLESS ENDANGERMEN	Misdemeanor Conversion		No
Disposition:		10/04/2004	Dismissed Prior to Conversion			

1SK-03-00002CR

Button, David E.

DLN: [REDACTED]

DOB: [REDACTED]

AP SIN: [REDACTED]

ATN: [REDACTED]

CHRG 1	CTN: 001	Date	Charge/ Disposition	Classification	Modifier	DV
Amended		02/07/2003	AS 28.10.481: Improper Use of Evidence of Registration/Title			No
Disposition:		01/30/2004	Found Guilty Prior to Conversion			

1HA-99-00082CR

Button, David E

DLN: [REDACTED]

DOB: [REDACTED]

AP SIN: [REDACTED]

ATN: [REDACTED]

CHRG 1	CTN: 001	Date	Charge/ Disposition	Classification	Modifier	DV
Amended		12/06/1999	AS11.46.150(A): THEFT-4TH DEGREE	Misdemeanor Conversion		No
Disposition:		06/08/2000	Found Guilty Prior to Conversion			

CHRG 2	CTN: 999	Date	Charge/ Disposition	Classification	Modifier	DV
Original		12/06/1999	PTRP - Petition to Revoke Probation	Probation/Parole Violation		No
Disposition:		06/13/2001	Dismissed Prior to Conversion			

Criminal Charge History

Data as of: 8/6/15 10:40 am

1SI-92-00303CR		Button, David E			DLN:	DOB:
					AP SIN:	ATN:
CHRG 1	CTN: 001	Date	Charge/ Disposition	Classification	Modifier	DV
	Original	08/27/1992	AS11.41.230(A)(3): ASSAULT-4TH DEGREE	Misdemeanor Conversion		No
	Disposition:	12/08/1992	Disposed Prior to Conversion			
1KE-92-01226CR		Button, David E			DLN:	DOB:
					AP SIN:	ATN:
CHRG 1	CTN: 001	Date	Charge/ Disposition	Classification	Modifier	DV
	Original	09/08/1992	KMC10.44.020: DAMAGE OTHER VEHICLE	Misdemeanor Conversion		No
	Disposition:	11/03/1992	Dismissed Prior to Conversion			
1CR-92-00618CR		Button, David E			DLN:	DOB:
					AP SIN:	ATN:
CHRG 1	CTN: 001	Date	Charge/ Disposition	Classification	Modifier	DV
	Original	10/23/1992	AS11.41.250(A): RECKLESS ENDANGERMEN	Misdemeanor Conversion		No
	Disposition:	10/23/1992	Found Guilty Prior to Conversion			
1SI-91-00188CR		Button, David E			DLN:	DOB:
					AP SIN:	ATN:
CHRG 1	CTN: 001	Date	Charge/ Disposition	Classification	Modifier	DV
	Original	06/20/1991	AS11.61.110(a)(6): Disorderly Conduct	Misdemeanor Conversion		No
	Disposition:	09/05/1991	Found Guilty Prior to Conversion			
1KE-90-01292CR		Button, David E			DLN:	DOB:
					AP SIN:	ATN:
CHRG 1	CTN: 001	Date	Charge/ Disposition	Classification	Modifier	DV
	Original	07/30/1990	KMC 9.56.040: OBSTRUCTING PUBLIC	Misdemeanor Conversion		No
	Disposition:	11/19/1990	Found Guilty Prior to Conversion			

End of Report



CRIMINALBACKGROUNDRECORDS.COM
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OFFICIAL CBR CRIMINAL REPORT

PERSON INVESTIGATED	
Name: DAVID E BUTTON	Order Number: [REDACTED]
Date of Birth: [REDACTED]	Order Date: 8/6/2015
SS#: [REDACTED]	Member: [REDACTED]
Please verify that the following record(s) are indeed the person you are investigating. If the record(s) below do not match the subject you are investigating, then there is No Records Found based on the search criteria you submitted.	
Record Details	
Washington Criminal	
Identity	
Name: DAVID ELLIOTT BUTTON	
Offender Record ID: 130SKSC00051824	
Age: [REDACTED]	
Eye color:	
Hair Color:	
Height:	
Weight:	
Race:	
Gender:	
Cases	
Case Number: C00051824	
Jurisdiction: COUNTY OF SKAGIT	
Appealed From Lower Court: No	
Filing Date: 2010-04-19	
Type: CRIMINAL TRAFFIC	
Disposition: CLOSED	
Disposition Date: 2010-07-20	
Offenses	
Description: FORGING EVIDENCE OF PROOF OF IN RES	
Type:	
Date Committed:	
Date Ended:	
Disposition: Description: AMENDED	
	Date: 2010-06-01
	Additional Information: [STATUS: [SENTENCE TYPE: FIN][SENTENCE DESCRIPTION: (FINE IMPOSED AT SENTENCING)]]
Description: FALSIFICATION OF INSURANCE ID CARD	
Type:	
Date Committed:	
Date Ended:	
Disposition: Description: GUILTY	
	Date: 2010-06-01
	Additional Information: [STATUS: [SENTENCE TYPE: FIN][SENTENCE DESCRIPTION: (FINE IMPOSED AT SENTENCING)]]
Charges	
Number: 46.29.620	
Description: FORGING EVIDENCE OF PROOF OF IN RES	
Number: 46.30.040	
Description: FALSIFICATION OF INSURANCE ID CARD	
Courts	

Minor (non-criminal) Offenses

Case No.	Case Type	Offense	File Date	Party	Party Type	Case Status	Disposition Date
1HA-05-0717711	Minor Offense	Violation Commercial Use	1/20/2005	Button, David E	Defendant	Guilty	1/31/2005
1KE-93-0002776	Minor Offense	Obstructing Ways	5/10/1993	Button, David E	Defendant	Guilty	8/20/1993
1KE-95-0809745	Minor Offense	Park in Violation of Traffic	4/29/1995	Button, David E	Defendant	Guilty	5/8/1995
1KE-95-0809746	Minor Offense	Park in Violation of Traffic Control Dev	4/29/1995	Button, David E	Defendant	Guilty	5/8/1995
1SI-92-0S26948	Minor Offense	Negligent Driving	6/25/1992	Button, David E	Defendant	Guilty	8/21/1992
1KE-93-0002776	Minor Offense	Obstructing Ways	5/10/1993	Button, David E	Defendant	Guilty	8/20/1993
1HA-02-0010845	Minor Offense	Solicitation	7/29/2002	Button, David E	Defendant	Guilty	8/5/2002
1HA-07-0010299	Minor Offense	Failure to Carry Proof of Insurance	8/17/2007	Button, David E	Defendant	Guilty	12/31/2007
1HA-07-0010300	Minor Offense	No Rear Bumper	8/17/2007	Button, David E	Defendant	Guilty	12/31/2007
1KE-90-0645178	Minor Offense	Misuse of Plates	9/15/1990	Button, David E	Defendant	Guilty	10/2/1990
1KE-90-0645179	Minor Offense	Repaint Required	9/15/1990	Button, David E	Defendant	Guilty	10/2/1990
1KE-90-0645180	Minor Offense	Vehicle to Be Registered	9/15/1990	Button, David E	Defendant	Guilty	10/2/1990
1KE-91-0644363	Minor Offense	Out of State Plates	3/29/1991	Button, David E	Defendant	Guilty	4/30/1991
1KE-91-0676756	Minor Offense	Speeding	7/6/1991	Button, David E	Defendant	Guilty	10/7/1991
1KE-91-0676757	Minor Offense	Improper License on Vehicle	7/7/1991	Button, David E	Defendant	Guilty	10/8/1991
1KE-91-0676914	Minor Offense	Driving on Sidewalk	7/29/1991	Button, David E	Defendant	Guilty	10/1/1991
1KE-92-0000717	Minor Offense	Failure to Stop for Stop Sign	10/18/1992	Button, David E	Defendant	Guilty	11/3/1992
1KE-92-0000851	Minor Offense	Speeding	11/1/1992	Button, David E	Defendant	Guilty	4/5/1993
1KE-92-0523901	Minor Offense	Business Obstruction	8/18/1992	Button, David E	Defendant	Guilty	11/3/1992
1KE-94-0003512	Minor Offense	Certificate Required	8/17/1994	Button, David E	Defendant	Guilty	12/6/1994
1KE-94-0003848	Minor Offense	Obstructing Public Way	5/20/1994	Button, David E	Defendant	Guilty	8/19/1994

RESOLUTION NO. 4681

**A RESOLUTION INCREASING A CONTRACT TO EXCLUSIVE PAVING, INC.
FOR THE HELMERICKS AVENUE EXTENSION AND BENTLEY TRUST
ROAD UPGRADE PROJECT**

WHEREAS, in accordance with FGC Chapter 54, Article IV, Competitive Bidding, bids were solicited for the Helmericks Avenue Extension and Bentley Trust Road Upgrade Project, and Exclusive Paving, Inc. was the successful low bidder; and

WHEREAS, City Council authorized the Mayor to execute a contract with Exclusive Paving, Inc. on February 4, 2013 in the amount of \$4,914,911.76 (Resolution 4559); and

WHEREAS, the City is constructing a new roundabout in the Helmericks Avenue right-of-way located northwest of Cold Spot Feeds retail facility that the City will maintain; and

WHEREAS, the change order to construct the roundabout in the amount of \$1,262,187.70 requires council approval (FGC Chapter 54-102); and

WHEREAS, funding for this project is provided to the City of Fairbanks through the Alaska Department of Transportation & Public Facilities (Project No. 63624), and no match is required;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Fairbanks, that the Mayor is hereby authorized to execute a change order and such other documents in a form approved by the City Attorney as may be necessary to increase this contract.

PASSED and APPROVED this 10th day of August 2015.

John Eberhart, City Mayor

AYES:
NAYS:
ABSENT:
APPROVED:

ATTEST:

APPROVED AS TO FORM:

D. Danyielle Snider, CMC, City Clerk

Paul Ewers, City Attorney

CITY OF FAIRBANKS
FISCAL NOTE

I. REQUEST:

Ordinance or Resolution No: 4681

Abbreviated Title: HELMERICKS AVENUE EXTENSION (CHANGE ORDER)

Department(s): ENGINEERING

Does the adoption of this ordinance or resolution authorize:

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

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

If yes, what is the estimate? see below

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:	Equipment	Contracts	Personnel	Total
Road Reconstruction		\$1,262,188		\$1,262,188
TOTAL	\$0	\$1,262,188	\$0	\$1,262,188

FUNDING SOURCE:	Equipment	Contracts	Personnel	Total
Alaska Department of Transportation & PF		\$1,262,188		\$1,262,188
TOTAL	\$0	\$1,262,188	\$0	\$1,262,188

The operations and maintenance costs associated with these improvements will be performed by Public Works and incorporated in the annual general fund budget.

Reviewed by Finance Department:

Initial mb

Date 7/22/2015

Introduced by: Mayor Eberhart
Council Member Pruhs
Date: August 10, 2015

RESOLUTION NO. 4682

**A RESOLUTION SUPPORTING FAIRBANKS, ALASKA, AS THE
UNITED STATES' HOST COMMUNITY FOR ARCTIC MEETINGS
AND CONFERENCES**

WHEREAS, Fairbanks is the center for Arctic research, strategy, business and policy development in the United States; and

WHEREAS, Fairbanks-based academics, professionals and organizations generate knowledge and innovative products crucial to advancement in the Circumpolar North; and

WHEREAS, the Arctic is recognized as strategically and tactically vital to economic advancement and international relations in the Circumpolar North; and

WHEREAS, Fairbanks is the farthest north city in the United States that is accessible by road, rail and air; and

WHEREAS, Fairbanks is the gateway and regional hub to Alaska's wild Arctic spaces and Interior village communities; and

WHEREAS, the University of Alaska Fairbanks is America's Arctic University, leading all other institutions (universities, research institutes and government laboratories) in published articles regarding Arctic and Circumpolar North and in citations in other Arctic research; and

WHEREAS, Fairbanks is a year-round basecamp for researchers and visitors interested in exploring the Arctic; and

WHEREAS, Fairbanks offers a quality meeting destination for planners and attendees from around the world, with capacity of over 2,700 hotel rooms and 175,000 square feet of meeting space; and

WHEREAS, the Fairbanks community hosted the 2014 Arctic Winter Game, a one-week event with over 2,000 athletes competing from nine countries and 2,500 local volunteers assisting while using facilities owned, operated and maintained by the City of Fairbanks, the Fairbanks North Star Borough, and the University of Alaska Fairbanks.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS, ALASKA, that Fairbanks joins other Interior Alaskans in welcoming meetings and conferences about Arctic and Circumpolar North issues and warmly invites decision makers involved in planning and hosting Arctic policy meetings to consider Fairbanks as their first choice.

PASSED and APPROVED this 10th day of August 2015.

John Eberhart, City Mayor

AYES:
NAYS:
ABSENT:
APPROVED:

ATTEST:

APPROVED AS TO FORM:

D. Danyielle Snider, CMC, City Clerk

Paul J. Ewers, City Attorney

Introduced By: Mayor John Eberhart
Finance Committee Review: August 4, 2015
Introduced: August 10, 2015

RESOLUTION NO. 4683

**A RESOLUTION AUTHORIZING THE CITY OF FAIRBANKS TO ACCEPT FUNDS
FROM THE ALASKA DIVISION OF HOMELAND SECURITY FOR THE FFY2015
EMERGENCY MANAGEMENT PERFORMANCE GRANT**

WHEREAS, the City of Fairbanks has been notified by the Alaska Division of Homeland Security and Emergency Management that the City of Fairbanks was awarded Emergency Management Performance Grant (EMPG) funds; and

WHEREAS, the City of Fairbanks plans to use the funds to enhance emergency planning and operations; and

WHEREAS, the City of Fairbanks was awarded \$25,000 and a required match of \$25,000 will be provided through in-kind personnel costs;

NOW, THEREFORE, BE IT RESOLVED by the City Council that the Mayor or his designee is authorized to execute any and all documents required for accepting funds on behalf of the City for this grant.

PASSED and APPROVED this 10th Day of August 2015.

John Eberhart, City Mayor

AYES:
NAYS:
ABSENT:
APPROVED:

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: 4683

Abbreviated Title: FFY2015 EMERGENCY MANAGEMENT PERFORMANCE GRANT

Department(s): FIRE DEPARTMENT

Does the adoption of this ordinance or resolution authorize:

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

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

If yes, what is the estimate? see below

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:	Equipment	Contracts	Personnel	Total
Personnel Wages & Benefits			\$50,000	\$50,000
				\$0
				\$0
				\$0
				\$0
				\$0
TOTAL	\$0	\$0	\$50,000	\$50,000

FUNDING SOURCE:	Equipment	Contracts	Personnel	Total
Alaska Department of Homeland Security			\$25,000	\$25,000
City of Fairbanks General Fund			\$25,000	\$25,000
				\$0
TOTAL	\$0	\$0	\$50,000	\$50,000

This contract does not require annual licensing or maintenance fees; therefore, the City does not anticipate an additional cost for support or maintenance.

Reviewed by Finance Department:

Initial mb

Date 7/29/2015

RESOLUTION NO. 4684

A RESOLUTION DECLARING THE CITY OF FAIRBANKS' INTEREST IN BECOMING THE LOCAL CONTROL ENTITY (LCE) FOR A COMBINED FAIRBANKS NORTH STAR BOROUGH NATURAL GAS UTILITY AND DIRECTING CITY ADMINISTRATION TO FORM A TASK FORCE TO EVALUATE LCE FEASIBILITY

WHEREAS, poor air quality and high energy costs are significant problems to the Fairbanks community; and

WHEREAS, the Alaska Industrial Development and Export Authority (AIDEA) is moving forward with the purchase of PENTEX and its subsidiary companies, which includes Fairbanks Natural Gas (FNG); and

WHEREAS, AIDEA's purchase of PENTEX and Fairbanks Natural Gas will assist in meeting the goals of the Interior Energy Project; and

WHEREAS, AIDEA's strategic intent is to promote an integrated and consolidated natural gas distribution system in the Fairbanks North Star Borough (FNSB); and

WHEREAS, the consolidated utility approach will benefit all Interior residents and businesses, with immediate projected rate reductions for existing FNG customers of approximately 14%; and

WHEREAS, a Local Control Entity (LCE) will be required to purchase, operate and continue FNSB wide build out of the consolidated natural gas utility; and

WHEREAS, the City of Fairbanks is supportive of Interior Energy Project goals; and

WHEREAS, the City of Fairbanks must discern the benefits and risks of being the FNSB consolidated natural gas utility LCE and act in the best interest of the community.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Fairbanks, Alaska, as follows:

1. That the City of Fairbanks expresses interest to the Alaska Industrial Development and Export Authority in acquiring a Local Control Entity interest in a Fairbanks North Star Borough consolidated natural gas utility.

2. The Mayor's Office and City Administration is directed to assemble a task force and evaluate the economic and operational feasibility of the City of Fairbanks being the combined natural gas utility Local Control Entity. The task force will comprise of the following individuals:

Jim Williams	City Chief of Staff
Jim Soileau	City Chief Financial Officer
Jerry Cleworth	City Council – Seat E
Perry Walley	City Council – Seat B
Ron Wolfe	City Finance Committee Member
Jeff Johnson	City Permanent Fund Review Board Member

PASSED and APPROVED this 10th Day of August 2015.

John Eberhart, City Mayor

AYES:
NAYS:
ABSENT:
APPROVED:

ATTEST:

APPROVED AS TO FORM:

D. Danyielle Snider, CMC, City Clerk

Paul J. Ewers, City Attorney

RESOLUTION NO. 4685

**A RESOLUTION AWARDING A CONTRACT TO [CONTRACTOR] FOR
THE PUBLIC WORKS FUEL TANKS PROJECT RFP-15-27 IN THE
AMOUNT OF \$XXX,XXX.XX**

WHEREAS, in accordance with FGC Chapter 54, Article IV, Competitive Bidding, Design-Build Proposals were solicited for the Public Works Fuel Tanks Phase I Project; and

WHEREAS, the successful responsive bidder for the project is [Contractor], of [Location], Alaska; and

WHEREAS, funding for this project is provided through the Public Works Capital Account available in the amount of \$435,000, with award of the remaining balance of \$XXX,XXX.XX contingent upon Council approval of Ordinance No. 5989, amending the 2015 Operating and Capital Budgets, scheduled for second reading and public hearing on August 24, 2015.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Fairbanks,

SECTION 1. That the Bid by [Contractor], in the amount of [Dollars and Cents] (\$XXX,XXX.XX) is hereby approved for award. Of the total bid amount, \$435,000 is awarded upon the effective date of this Resolution, and that the remaining balance of \$XXX,XXX.XX is awarded subject to Council approval of Ordinance No. 5989.

SECTION 2. That the Mayor is hereby authorized to execute a contract and such other documents in a form approved by the City Attorney as may be necessary to effect award of the contract.

PASSED, APPROVED and EFFECTIVE this 10th Day of August 2015.

John Eberhart, City Mayor

AYES:

NAYS:

ABSENT:

APPROVED:

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: 4685

Abbreviated Title: AWARD CONTRACT FOR PUBLIC WORKS FUEL TANKS

Department(s): PUBLIC WORKS

Does the adoption of this ordinance or resolution authorize:

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

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

If yes, what is the estimate? see below

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:	Equipment	Contracts	Personnel	Total
Public Works Fuel Tank Project Phase I		\$435,000		\$435,000
				\$0
				\$0
				\$0
				\$0
TOTAL	\$0	\$435,000	\$0	\$435,000

FUNDING SOURCE:	Equipment	Contracts	Personnel	Total
City Capital Fund (Phase I)		\$435,000		\$435,000
				\$0
				\$0
TOTAL	\$0	\$435,000	\$0	\$435,000

The estimated fees associated with these improvements in the amount of \$3,500 will be incorporated in the annual general fund budget.

Reviewed by Finance Department: Initial mb Date 8/6/2015

ORDINANCE NO. 5987

**AN ORDINANCE AMENDING FAIRBANKS GENERAL CODE
SECTIONS 2-260 AND 2-261 REGARDING THE AUTHORIZED
INVESTMENT SELECTIONS OF THE CITY PERMANENT FUND
INVESTMENT POLICY**

WHEREAS, the City Council established the investment policy of the City Permanent Fund by terms codified at Fairbanks General Code Sections 2-260 and 2-261; and

WHEREAS, current policy allows investments in “international equities” (IE) which is defined as replicating the FTSE Developed ex North America Index (FTSE DNAI), and the performance measurement for the IE allocation is measured against the target weighting using the FTSE DNAI for the benchmark; and

WHEREAS, current policy allows investments in “emerging markets equity index funds” (EMEI) which is defined as replicating the FTSE Emerging Markets Index (FTSE EMERGING), and the performance measurement for the EM allocation is measured against the target weighting using the FTSE EMERGING for the benchmark; and

WHEREAS, in 2012 the City’s exposure in the IE eliminated the benchmarks, requiring the City to amend its investment policy, and these benchmarks will be eliminated again requiring another amendment; and

WHEREAS, the City’s Permanent Fund Investment Manager, Alaska Permanent Capital Management (APCM), recommends a more consistent approach by amending the investment policy to replicate the IE and performance against the Morgan Stanley Capital International Europe, Australasia and Far East (MSCI EAFE) index and (b) replicate the EM and performance against the Morgan Stanley Capital International Emerging Markets (MSCI Emerging) index. The amendment will not materially change performance and will provide the City Permanent Fund Review Board (PFRB) and APCM flexibility in selecting an appropriate index; and

WHEREAS, the PFRB supports and recommends these amendments.

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

SECTION 1. Fairbanks General Code Section 2-260 Permanent Fund Investment Policy, Procedure and Governance, is amended as follows [new text in **underline bold** font; deleted text in ~~font~~]:

Sec. 2-260. Permanent fund investment policy, procedure and governance.

(a) *Purpose of fund.* The purpose of the permanent fund is to maximize income for capital and operating expenses of the city and preserve in trust assets of the city for present and future generations of city residents. The principal goal shall be to preserve principal and maintain purchasing power.

(b) *Investment policy.* The investment policy of the city is to allow only the following investment vehicles.

(1) Obligations of or obligations insured or guaranteed by the United States or agencies or instrumentalities of the United States;

(2) Bonds or other taxable yield U.S. dollar denominated debt instruments of this state, its agencies, municipalities, any other state, or corporation which at the time of investment have an investment grade rating of a nationally recognized rating agency; if the rating of a bond becomes less than investment grade and has a maturity greater than one year, it must be sold in an orderly manner within 90 days of down grading;

(3) Bank certificates of deposit which are insured or secured as to the payment of principal and interest;

(4) Corporate obligations of investment grade quality as recognized by a nationally recognized rating organization. If, after purchase, these obligations are downgraded below investment grade, they shall be sold in an orderly manner within 90 days of down grading. In no circumstance shall any bond be purchased after January 1, 2009 with a yield to maturity that exceeds 600 basis points above a comparable duration treasury note/bond at the date of purchase.

(5) Short term investment funds (STIF) which are limited to investments set forth in subsections (b)(1)-(4) of this section or the Alaska Municipal League Investment Pool as set forth in state statute; and

(6) Domestic equities, which taken as a whole, attempt to replicate the Standard & Poor's 500 Index, including both mutual funds and exchange traded funds (ETF's).

(7) International equities, which taken as a whole, attempt to replicate the FTSE Developed ex North America Index or **Morgan Stanley Capital International Europe, Australasia and Far East (MSCI EAFE) or a substantially similar index**, including both mutual funds and exchange traded funds (ETF's).

(8) Equities, which taken as a whole, attempt to replicate the universe of domestic real-estate investment trusts, including both mutual funds and exchange traded funds (ETF's).

(9) Domestic equities, which taken as a whole, attempt to replicate the S&P 400 MidCap Index, including both mutual funds and exchange traded funds (ETF's).

(10) Commodities, which taken as a whole, attempt to replicate a broad based commodity index, such as the Dow-Jones UBS Commodity Index, including mutual funds, exchange traded funds (ETF's) and exchange traded notes (ETN's).

(11) Emerging markets equity index funds, which taken as a whole, attempt to replicate the FTSE Emerging Market Index or **Morgan Stanley Capital International Emerging Markets Index (MSCI EMERGING) or a substantially similar index**, including both mutual funds and (ETF's).

(12) International Bond index funds, which taken as a whole, attempt to replicate Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index, including both mutual funds and ETF's.

(13) U.S. Treasury Inflation Protected Securities (TIPS), and/or mutual funds or ETF's which attempt to replicate the Barclays Capital U.S. Treasury Inflation Protected Securities Index.

(c) *Limitations.* The following investment practices are prohibited and shall constitute limitations to fund investments:

(1) Options and futures may not be purchased or sold; complex derivatives and complex structured notes which provide for uncertain payment dates and amounts are prohibited without the express, written consent of the city council, as are practices which involve the use of leveraging through reverse repurchase agreements;

(2) Investments in U.S. dollar denominated obligations of corporations shall be limited to a percentage level as provided for by the city council from time to time. Investment grade to be defined by at least one nationally recognized rating service. The investment in the lowest level of investment grade securities is to be limited to no more than ten percent of the marketable debt securities;

(3) No investment shall be made in any one individual security or issuer in excess of five percent of the total investment portfolio, measured by

market value, except for obligations of the U.S. government and its agencies.

(4) No investments, cumulatively, shall be made in any one industry in excess of 25 percent of the total investment portfolio except for obligations of the U.S. and its agencies without quarterly disclosure to the Review Board for consideration.

(5) Effective January 1, 2009, no commercial residential mortgaged backed securities (MBS, etc. but not to exclude securities issued by a U.S. government agency) and no further commercial mortgage backed securities (CMBS, etc.) may be purchased.

(d) *Transactional records.* The board shall maintain on file within the offices of the city, monthly reports which indicate the following:

(1) All transactions affecting the investment account, to include purchases and sales of securities, transfers of cash into and out of the account, interest or dividends received by the account; and

(2) A listing of all assets held in the investment account, including identification of the security, original purchase price, and current market price.

(e) *Fund performance evaluation.* The city council and the board may have an objective performance evaluation of the investment program every year. The board may retain a performance measurement consultant whose contractual purpose will be to provide objective measurement of the performance of investment managers and the portfolio against appropriate indices, universes and/or benchmarks as recommended by the consultant and adopted by the city council and the board. Portfolio performance may be reviewed by the consultant at least semiannually with the city council and the board. Such consultant may not manage in any capacity any portion of the portfolio.

(f) *Custodian bank.* The city council and the board shall retain a bank custodian to hold all investment cash and securities in the name of the city's permanent fund. The custodian shall render monthly reports to the city council and the board regarding assets held at both book and market values, and individual transactions which have taken place. The bank shall have adequate fidelity insurance. A written contract will be entered into between the city and the custodian bank.

(g) *Investment managers.* The city council and the board shall retain one or more professional investment managers to design portfolios and invest funds in accordance with the written investment policies adopted by the

city council. The investment managers must be registered financial advisers with both the United States Securities and Exchange Commission and the state and may not serve in any multiple role as investment manager or securities broker custodian. They must agree to serve as a fiduciary to the fund and carry professional liability insurance in the minimum amount of \$5,000,000.00. A written contract must be entered into between the fund and the investment managers.

(h) *Fiduciary status; conflict of interest.* The board shall be considered to have the responsibility of a fiduciary to the fund and shall be indemnified by the city in any action brought against them collectively or individually while acting in this capacity. No board member may act on behalf of the board in any manner involving the investments of the portfolio or its management pursuant to this policy, except as specifically authorized by the city council in writing.

(i) *Prudent investor rule.* The city council, the board, the staff, the investment managers and the bank custodians shall exercise the judgment and care under the circumstances then prevailing which an investor of ordinary prudence, discretion and intelligence exercises in the management of large investments entrusted to it, not in regard to speculation, but in regard to the long-term investment of funds considering the probable safety of capital as well as probable income.

(j) *Balance available for appropriation.* The city council may only appropriate from the permanent fund as follows: In any fiscal year, an amount not to exceed four percent of the five-year average fund market value, to be computed using the five prior years' year end audited market value, for the city operations, and an additional 0.5 percent solely for capital needs.

SECTION 2. Fairbanks General Code Section 2-261 Permanent Fund Asset Allocation Plan and Performance Measurement Targets, is amended as follows [new text in **underline bold** font; deleted text in ~~strike through~~ font]:

Sec. 2-261. Permanent fund asset allocation plan and performance measurement targets. The target for equities is 45% of the portfolio with an allowable range of 30% to 60%. The target for fixed income is 55% of the portfolio with an allowable range of 40% to 70%.

(a) **The target for equities is 45% of the portfolio with an allowable range of 30% to 60%. The target for fixed income is 55% of the portfolio with an allowable range of 40% to 70%.**

(**ba**) Within the overall guidelines for equities and fixed income investments, the asset allocation targets and ranges are as follows:

Asset Class	Target % Weighting	Range %
Equities - Overall	45	30 - 60
Large Cap Equity	22	15 - 50
Mid Cap Equity	3	0 - 10
Small Cap Equity	2	0 - 10
International Equity	9	0 - 15
Emerging Markets Equity	4	0 - 10
Real Estate Equity	5	0 - 10
Fixed Income - Overall	55	40 - 70
US Bonds meeting Ordinance Criteria	40	30 - 70
International Bonds	5	0 - 10
U.S Treasury Inflation Protected Securities	5	0 - 10
Cash/1-3 month Treasuries	5	0 - 10
Commodities	0	0 - 10

(c) The performance of the investment advisors for the overall portfolio will be measured against the weighted blended target allocation plus 50 basis points (0.5%). Components of the portfolio will be measured as follows:

1. Performance measurement of the Domestic Equity allocation will be measured against the Target Weighting, using the Standard & Poor's 500 as the benchmark.
2. Performance measurement for the Mid/Small Cap Equity allocation will be measured against the Target Weighting, using the Standard & Poor's 400 MidCap Index as the benchmark.
3. Performance measurement for the International Equity allocation will be measured against the target weighting using the FTSE Developed ex North America Index or Morgan Stanley Capital International Europe, Australasia and Far East (MSCI EAFE) or a substantially similar index for the benchmark.
4. Performance measurement for the real estate allocation will be measured against the target weighting using the Standard & Poor's REIT Index for the benchmark.
5. Performance measurement for the U.S. Bond allocation will be measured against the target weighting using the Barclays Capital U.S. Aggregate Bond Index for the benchmark. Duration should be maintained between 80 percent and 120 percent of the duration of the benchmark.

- 6. Performance measurement of the commodity allocation will be measured against the target weighting, using a broad based index such as the Dow Jones-UBS Commodity Index, selected by the Permanent Fund Review Board.

- 7. Performance measurement for the emerging markets equity allocation will be measured against the target weighting using the FTSE Emerging Market Index **or Morgan Stanley Capital International Emerging Markets Index (MSCI EMERGING) or a substantially similar index for the benchmark.**

- 8. Performance measurement for the international bond allocation will be measured against the target weighting using the Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index.

- 9. Performance measurement for the U.S. Treasury Inflation Protected Securities (TIPS) allocation will be measured against the target weighting using the Barclays Capital U.S. Treasury Inflation Protected Securities Index.

Section 3: That the effective date of this Ordinance shall be the ____ day of August 2015.

John Eberhart, City Mayor

AYES:
NAYS:
ABSENT:
ADOPTED:

ATTEST:

APPROVED AS TO FORM:

D. Danyielle Snider, CMC, City Clerk

Paul J Ewers, City Attorney

ORDINANCE NO. 5988

**AN ORDINANCE TO AMEND ORDINANCE NO. 5986, AS AMENDED,
AN ORDINANCE ENACTING A RETAIL SALES TAX ON MARIJUANA
AND REFERRING THE ORDINANCE FOR RATIFICATION AT THE
NEXT GENERAL ELECTION**

WHEREAS, on July 20, the City Council passed Ordinance No. 5986, as Amended, An Ordinance Enacting A Retail Sales Tax On Marijuana and Referring The Ordinance For Ratification At The Next General Election; and

WHEREAS, this ordinance was passed so as to give voters the chance to approve a retail sales tax on marijuana before the legal sale of marijuana began in 2016; and

WHEREAS, the Fairbanks North Star Borough Assembly is in the process of considering a similar retail sales tax, which will be considered at two special meetings of the Assembly scheduled in August; and

WHEREAS, the ordinance under consideration by the Assembly tracks Ordinance No. 5986, as Amended, but includes additional language concerning “marijuana products”; and

WHEREAS, the Borough feels that such language is needed to clarify any possible ambiguity about whether the tax applies to both marijuana and marijuana products; and

WHEREAS, to clarify that the tax that would be imposed in the City would be the same as the tax that would be imposed in the Borough, Ordinance No. 5986, as Amended, should be amended;

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

SECTION 1. The definition of “marijuana” in Fairbanks General Code, Chapter 74, Article VI, Section 74-200, as enacted by Ordinance No. 5986, as Amended, is hereby amended as follow [new text in **bold/underline** font; deleted text in ~~striketrough~~ font]:

Sec. 74-200. Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Marijuana means all parts of the plant (genus) Cannabis, whether growing or not, the seed thereof, the resin extracted from any part of the plant, and any compound, manufacture, derivative, mixture, or preparation of the plant, its seeds, or its resin, including marijuana concentrate; *marijuana* does not include fiber produced from the stalks, oil or cake made from the seeds of the plant, sterilized seed of the plant that is incapable of germination, or the weight of any other ingredient combined with marijuana to prepare topical or oral administrations, food, drink, or other products. **As used in this article, the term marijuana includes “marijuana products” defined as concentrated marijuana products and marijuana products that are comprised of marijuana and other ingredients and are intended for use or consumption, such as, but not limited to, edible products, ointments, and tinctures.**

Section 2. The City Clerk is directed to place the following revised ballot language on the ballot for ratification by the voters of the City of Fairbanks at the next general election, with the ballot proposition to read as follows:

Ballot Question No. _____

Information: On July 20, 2015, the Fairbanks City Council passed Ordinance No. 5986, as Amended, which enacted a five percent retail sales tax on Marijuana sold within the City of Fairbanks. Fairbanks Charter Section 6.5 provides that any new or additional sales tax levied by the City Council must be approved by the voters in a general election. **On August 20, 2015, the Fairbanks City Council passed Ordinance No. 5988, which amended the definition of “marijuana” to clarify that the proposed retail sales tax applied to marijuana products.**

Should Ordinance No. 5986, as Amended, An Ordinance Enacting a Retail Sales Tax on Marijuana and Referring the Ordinance for Ratification at the Next General Election, **as amended by Ordinance No. 5988,** be ratified?

_____ Yes

_____ No

A “Yes” vote ratifies Ordinance No. 5986, as Amended, **as amended by Ordinance No. 5988,** and allows the City of Fairbanks to impose a 5% retail sales tax on any sale of marijuana within the City of Fairbanks.

A “No” vote rejects Ordinance No. 5986, as Amended, and no sales tax may be imposed by the City of Fairbanks on the sale of marijuana.

Section 3. This amendment to the definition of “marijuana” in Ordinance No. 5986, as Amended, becomes effective upon passage; the amended version of Ordinance No. 5986, as Amended, does not become effective until ratified by the voters of the City of Fairbanks.

JOHN EBERHART, MAYOR

AYES:
NAYS:
ABSENT:
ADOPTED:

ATTEST:

APPROVED AS TO FORM:

D. Danyielle Snider, CMC, City Clerk

Paul J. Ewers, City Attorney

ORDINANCE NO. 5989

**AN ORDINANCE AMENDING THE 2015 OPERATING AND
CAPITAL BUDGETS FOR THE SIXTH TIME**

WHEREAS, this ordinance incorporates the changes outlined on the attached fiscal note to amend the 2015 operating and capital budgets; and

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

SECTION 1. There is hereby appropriated to the 2015 General Fund and the Capital Fund budgets the following sources of revenue and expenditures in the amounts indicated to the departments named for the purpose of conducting the business of the City of Fairbanks, Alaska, for the fiscal year commencing January 1, 2015 and ending December 31, 2015 (see pages 2 and 3) [changes shown in **bold** font].

GENERAL FUND

<u>REVENUE</u>	Ordinance 5984	INCREASE (DECREASE)	AS AMENDED
Taxes, (all sources)	\$ 20,668,141	\$ -	\$ 20,668,141
Charges for Services	4,760,247	-	4,760,247
Intergovernmental Revenues	3,627,263	-	3,627,263
Licenses & Permits	1,965,194	-	1,965,194
Fines, Forfeitures & Penalties	962,605	-	962,605
Interest & Penalties	130,500	-	130,500
Rental & Lease Income	164,734	-	164,734
Other Revenues	224,500	-	224,500
Other Financing Sources (Uses)	2,502,682	-	2,502,682
Total revenue appropriation	<u>\$ 35,005,866</u>	<u>\$ -</u>	<u>\$ 35,005,866</u>
<u>EXPENDITURES</u>			
Mayor and Council	\$ 604,411	\$ -	\$ 604,411
Office of the City Attorney	183,315	-	183,315
Office of the City Clerk	357,101	-	357,101
Finance Department	953,159	-	953,159
Information Technology	1,687,272	-	1,687,272
General Account	5,781,961	-	5,781,961
Risk Management	1,458,793	-	1,458,793
Police Department	7,256,063	-	7,256,063
Dispatch Center	2,025,136	-	2,025,136
Fire Department	6,562,200	25,000	6,587,200
Public Works Department	7,781,302	-	7,781,302
Engineering Department	721,345	23,835	745,180
Building Department	683,531	-	683,531
Total expenditure appropriation	<u>\$ 36,055,589</u>	<u>\$ 48,835</u>	<u>\$ 36,104,424</u>
12/31/14 general fund balance	\$ 11,360,245	\$ -	\$ 11,360,245
Increase (Decrease) to fund balance	(840,545)	(48,835)	(889,380)
Assigned PY encumbrances	(209,178)	-	(209,178)
Nonspendable	(473,424)	-	(473,424)
Committed for snow removal	(250,000)	-	(250,000)
Assigned self insurance	(793,207)	-	(793,207)
12/31/15 Unassigned balance	<u>\$ 8,793,891</u>	<u>\$ (48,835)</u>	<u>\$ 8,745,056</u>

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

\$ 7,220,885

CAPITAL FUND

<u>REVENUE</u>	Ordinance 5984	INCREASE (DECREASE)	AS AMENDED
Transfer from Permanent Fund	\$ 543,065	-	\$ 543,065
Transfer from General Fund	1,624,453	-	1,624,453
Equip Replacement			
Public Works	250,000	-	250,000
Building	10,000	-	10,000
Police	240,000	-	240,000
Dispatch	140,000	-	140,000
Fire	391,500	-	391,500
IT	100,000	-	100,000
Property Repair & Replacement	145,000	-	145,000
	<u>\$3,444,018</u>	<u>\$ -</u>	<u>\$3,444,018</u>
<u>EXPENDITURES</u>			
IT Department	\$ 204,751	\$ -	\$ 204,751
Police Department	311,385	-	311,385
Fire Department	553,265	-	553,265
Public Works Department	720,208	-	720,208
PW-Prop. Repair/Replacement	1,846,467	-	1,846,467
PW-Road Maintenance	2,197,830	-	2,197,830
Total appropriation	<u>\$5,833,906</u>	<u>\$ -</u>	<u>\$5,833,906</u>
12/31/14 capital fund balance	\$6,634,841	\$ -	\$6,634,841
Increase (Decrease)	(1,704,002)	-	(1,704,002)
Assigned PY encumbrances	(685,886)	-	(685,886)
12/31/15 Assigned fund balance	<u>\$4,244,953</u>	<u>\$ -</u>	<u>\$4,244,953</u>

SECTION 2. All appropriations made by this ordinance lapse at the end of the fiscal year to the extent they have not been expended or contractually committed to the departments named for the purpose of conducting the business of said departments of the City of Fairbanks, Alaska, for the fiscal year commencing January 1, 2015 and ending December 31, 2015.

SECTION 3. The effective date of this ordinance shall be the ____ day of August 2015.

JOHN EBERHART, MAYOR

AYES:
NAYS:
ABSENT:
ADOPTED:

ATTEST:

APPROVED AS TO FORM:

D. Danyielle Snider, CMC, City Clerk

Paul J. Ewers, City Attorney

FISCAL NOTE

**ORDINANCE NO. 5989 AMENDING THE 2015 OPERATING AND
CAPITAL BUDGETS FOR THE SIXTH TIME**

ESTIMATED REVENUES and OTHER FINANCING SOURCES (USES)

\$ _____

1. Taxes – No Change
2. Charges for Services – No Change
3. Intergovernmental Revenues – No Change
4. Licenses & Permits – No Change
5. Fines, Forfeitures & Penalties – No Change
6. Interest & Penalties – No Change
7. Rental & Lease Income – No Change
8. Other Revenues – No Change
9. Other Financing Sources & (Uses) – No Change

FISCAL NOTE CONTINUED
ESTIMATED EXPENDITURES

\$ 48,835

1. Mayor & Council – No Change
2. City Attorney’s Office – No Change
3. City Clerk’s Office – No Change
4. Finance Department – No Change
5. Information Technology – No Change
6. General Account – No Change
7. Risk Management – No Change
8. Police Department – No Change
9. Dispatch – No Change
10. Fire Department – \$25,000 increase
 - \$25,000 increase in ambulance billing fees
11. Public Works – No Change
12. Engineering –\$23,835 Increase
 - \$ 503 increase wages to promote two Engineer I employees to Engineer II
 - \$ 4,542 increase in Engineering Training for Certified Professional Education
 - \$18,790 increase to wages for non-grant wages while at training (8 engineers attending 6 days training for 8 hours each day).
13. Building Department – No Change

FISCAL NOTE CONTINUED

Capital Fund

1. REVENUES

- No change

2. OTHER FINANCING SOURCES (USES)

- No change

3. EXPENDITURES

- No change

4. INTERNAL TRANSFERS

- No change

2015 Summary CAPITAL FUND Budget Changes

Date	Account	Description	Revenues	Expenditures	Net Income
12/1/2014		Ord. 5961 Council Budget	\$ 2,307,788	\$ (2,303,000)	\$ 4,788
5/18/2015		Ord. 5978 [Interfund transfer \$1,134,419, not included]	-	(2,697,830)	(2,697,830)
					(2,693,042)
		Ord. 5984 As Amended Packer Trucks	-	(117,190)	\$ (117,190)
		Ambulance Increase	-	(30,000)	(30,000)
					(2,840,232)
					(2,840,232)
			<u>\$ 2,307,788</u>	<u>\$ (5,148,020)</u>	<u>\$ (2,840,232)</u>

Note: Does not include encumbrances which are funded by prior year Fund Balance.

CITY OF FAIRBANKS

FISCAL NOTE

I. REQUEST:

Ordinance or Resolution No: 5989

Abbreviated Title: Budget Ordinance #6

Department(s): _____

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:	Equipment	Contracts	Personnel	Total
Promote two Engineer I employees to Engineer II			\$ 5,257	\$ 5,257
Engineer Training Labor 8 employees 6 days			\$ 18,790	\$ 18,790
Increase Engineering Training		\$ 4,542		\$ 4,542
Ambulance service fees		\$ 25,000		\$ 25,000
TOTAL	\$ -	\$ 29,542	\$ 24,047	\$ 53,589

FUNDING SOURCE:	Equipment	Contracts	Personnel	Total
General Fund		\$ 29,542	\$ 19,293	\$ 48,835
Grant Fund			\$ 4,754	\$ 4,754

TOTAL	\$ -	\$ 29,542	\$ 24,047	\$ 53,589
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Reviewed by Finance Department: Initial CR Date 8/5/2015

City of Fairbanks



MEMORANDUM

To: City Council Members
From: John Eberhart, City Mayor
Subject: Request for Concurrence – Hotel/Motel Discretionary Fund Committee
Date: July 28, 2015

The term of Seat E on the Hotel/Motel Discretionary Fund Committee, most recently filled by Ms. Vivian Stiver, expired on June 30, 2015.

Ms. Stiver has applied for continued service on the Committee. I hereby request your concurrence to the following **re-appointment**:

Seat E Ms. Vivian Stiver Term to Expire: June 30, 2018

Ms. Stiver's application and resume attached.

Thank you.

dds/


A handwritten signature in blue ink, appearing to read "John Eberhart".






City of Fairbanks, Alaska


HOTEL/MOTEL DISCRETIONARY FUND COMMITTEE




BOARD DETAILS

 OVERVIEW

-  **SIZE** 6 Seats
-  **TERM LENGTH** 3 Years
-  **TERM LIMIT** 2 Terms

The Hotel/Motel Discretionary Fund acts in an advisory capacity to the City Council; assures that funding is provided to organizations that guarantee the furtherance of the promotion of the tourist industry and other economic development and the funding of services for the general public; reviews applications from organizations applying for grant dollars and makes recommendations to the City Council for fund distribution; reviews Fairbanks General Code (FGC), Section 74 and makes recommendations to the City Council for modifications and/or additions.

 CONTACT

-  Office of the City Clerk
-  (907) 459-6771
-  cityclerk@ci.fairbanks.ak.us



BOARD/COMMISSION CHARACTERISTICS

The Hotel/Motel Discretionary Fund Committee shall consist of five community members and a Council person who will function as the Chairman, all appointed by the Mayor. Each member shall serve a three-year term with a limit of two consecutive full terms.

DETAILS

MEETINGS

Hotel/Motel Discretionary Fund Committee Meetings are held annually in December and January at City Hall in the Council Chambers. Please contact the Office of the City Clerk for meeting dates and times.

[Meeting Minutes](#)

ENACTING LEGISLATION

FGC Article IV, Hotel-Motel Tax

ENACTING LEGISLATION WEBSITE

<http://bit.ly/1sG9Rfd>

JOINT COMMISSION DETAILS

N/A

EMAIL THE COMMISSION MEMBERS

hotel-moteldiscretionaryfundcommittee@ci.fairbanks.ak.us

Profile

Please note that profile information may be available to the public.

Vivian
First Name

Stiver
Last Name

[Redacted]
Email Address

[Redacted]
Street Address

Suite or Apt

Fairbanks
City

AK
State

[Redacted]
Postal Code

Mailing Address

City Resident
Choose your residency status.

[Redacted]
Primary Phone

Alternate Phone

Two Street Station Espresso & Eatery
Employer

Owner
Job Title

Which Boards would you like to apply for?

Hotel/Motel Discretionary Fund Committee

Interests & Experiences

Please tell us about yourself and why you want to serve.

Why are you interested in serving on a board or commission? What life experience can you

contribute to the benefit of the board or commission?

Brief Personal Biography (or attach resume):



Upload a Resume

Professional Licenses/Training:

VIVIAN STIVER

SUMMARY OF QUALIFICATIONS

- Over 20 years of small business experience.
- Excellent verbal and written communication skills.
- Professional and comfortable working with state and federal government officials, private corporation representatives and fellow citizens.
- Respect and understand proper protocol in a variety of professional, cultural, and business environments.
- Committed and dedicated to seeing tourism grow in Fairbanks through quality and culturally significant events..
- Enjoy learning and working with others promoting Fairbanks.

PROFESSIONAL EXPERIENCE

July 2014 to Current

Fairbanks and Juneau, AK

Site Manager/Re-certification Agent

Responsible for HUD PRAC 202 senior housing facility: HUD compliance, coordinate with board, property maintenance, annual budget, supervision of capital improvement projects, property promotion, tenant relations.

November 2001 – September 2010 Two St. Station Espresso & Eatery

Fairbanks, AK

Owner

Responsible for all aspects of business operations. Managed the quarter of a million dollar renovation of current property responsibility during renovation: schedule contractors, building inspectors and selection of all fixtures, flooring, paint and supervision of contractors. Duties of business operations include: staff development, payroll, daily accounting, inventory control, marketing, supervising staff, menu planning and conform to DEC regulations.

July 2004- - Current Two Street Station Upstairs Bed and Breakfast

Fairbanks, AK

Owner

Responsible for all aspects of business operations, duties include: marketing, accounting, cleaning, serving breakfast, customer relations, property maintenance, month to month rental, tenant screening and knowledgeable of landlord tenant laws.

EDUCATION AND TRAINING

- University Of Alaska – Fairbanks, AK - Bachelors of Arts in Psychology with Education Minor

COMMUNITY INVOLVEMENT

VIVIAN STIVER

- 2012-Current Member Fairbanks Bed Tax Committee
- 2012-2014 President Moore Street Senior Housing Board
- 2012-2013 Chair of Fairbanks LID Committee
- 2006-2012 Fairbanks City Council Member
 - Finance Committee
 - Chair City of Fairbanks Bed Tax Committee
 - Towing Committee
 - City Representative to Fairbanks North Star Borough Assembly
- 2010 -2012 Vice President Moore Street Senior's Board
- 2011 & 2012 Santa's Clearing House
- 2012 4-H
- 2011 AEDs Helping Hearts

PROFESSIONAL REFERENCES

Jerry Cleworth

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Brandon Breczynski

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Rynnieva Moss

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

City of Fairbanks
Permanent Fund Review Board
(Quarterly Meeting Minutes)
May 6, 2015

The Permanent Fund Review Board (PFRB) convened at 1:30 P.M. on the above date, to conduct a quarterly meeting with the following board members in attendance.

Board Members Present: Jeff Johnson
Council Member Bernard Gatewood
Patty Mongold
Ron Woolf
Jennifer Imus

Board Members Absent: None

Also Present: Jim Soileau, Chief Financial Officer
Carmen Randle, Controller
Jason Roth, Senior Vice President, Investments - APCM
Brandy Niclai, Vice President, Portfolio Manager - APCM

The board approved the minutes from the January 21, 2015 meeting.

Jim Soileau reviewed the account's performance through March 31, 2015:

- \$124,014,013 - March 31, 2015 balance including accrued income
- \$ 856,019 - Dividend and interest earnings
- \$ 1,170,472 - Realized gains
- \$ 708,462 - Unrealized gains
- \$ 33,438 - Management and custodial fees
- \$ 2,701,515 - Earning 2014 - net of expenses

Jim reviewed the 2015 audited appropriation calculations and drawn down schedule.
(See attachment 2)

Council Member Gatewood asked for an update of the accounts value. Jason reported the approximate value was \$124.1 million on May 5, 2015.

APCM presented the portfolio's performance; allocation and selection effect, and reviewed the compliance report. (See attached – APCM investment review for the quarter ending March 31, 2015).

Reported Performance							
1st Quarter		Year to Date		Last 12 Months		Inception to Date	
Account	Benchmark	Account	Benchmark	Account	Benchmark	Account	Benchmark
2.27%	2.14%	2.27%	2.14%	7.72%	7.57%	5.57%	5.16%
	0.13% ¹		0.13% ¹		0.50% ²		
2.27%	2.27%	2.27%	2.27%	7.72%	8.07%	5.57%	5.16%

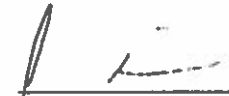
¹ 12.5 bps - per quarter rounded
² 50 bps hurdle -annual
³ 50 bps hurdle codified in March, 2009. Inception performance begins January 31, 1998.

Jim reported on the Service Organization Control 1 Report (SOC1) for the Permanent Funds custodian. The City's independent auditor received the report during the audit and reported it to Finance in April 2015. The report identified weaknesses in the control objective that provides reasonable assurance the account statements reflecting cash and security positions are accurate and complete and provided to clients timely. The City's Permanent Fund statements during the year were accurate and agreed with APCM's valuations except for the normal minor variances and timing differences. After reviewing the deficiencies and the management's response to the deviations, we determined no further action was necessary. The deficiencies did not affect our audit or financial position.

The Board set the next quarterly meeting for Wednesday July 22, 2015 at 1:30 P.M.

The meeting adjourned at approximately 1:54 P.M.

Minutes approved July 22, 2015.



 Minutes prepared by Jim Soileau

**City of Fairbanks - Permanent Fund History
2015 Permanent Fund Appropriation Calculation**

January 9, 2015

	Audited 2010	Audited 2011	Audited 2012	Audited 2013	Unaudited 2014	Average
Marketable securities						
Cash and investments	1,225,492	1,164,042	559,813	2,800,293	4,768,971	\$ 2,103,722
Fixed income securities	50,535,399	48,907,802	53,526,329	56,547,265	55,282,267	52,959,812
Equity securities	47,837,719	48,306,738	51,471,548	53,745,224	60,409,145	52,354,075
Interest receivable	425,369	391,778	405,700	405,189	425,629	410,733
Total marketable securities	100,023,979	98,770,360	105,963,390	113,497,971	120,886,012	107,828,342
Nonmarketable securities						
Tract G-3, Replat of Tract G, ASLS 80-64	147,353	140,961	134,388	127,139	119,365	133,841
Tract G-2A South Davis Park Subdivision	130,157	124,472	118,633	112,183	105,276	118,144
Weeks Field - Note Receivable	781,500	-	-	-	-	156,300
Ret Comm Fbks and Weeks Dev LLC	-	385,589	385,589	-	-	154,236
Community Development Inc.	-	481,881	172,330	172,330	-	165,308
Korean Comm of Fairbanks	-	-	15,140	10,008	7,552	6,540
Interest Receivable - Notes	69,152	16,908	37,632	17,459	1,030	28,436
Breadline	-	58,039	53,777	42,425	-	30,848
	1,128,162	1,207,850	917,489	481,544	233,223	793,653
Liabilities	17,472	12,593	10,347	3,329	1,506	9,049
Total Permanent Fund Value	101,134,669	99,965,617	106,870,532	113,976,186	121,117,729	108,612,946

2015 PILOT Replacement to General Fund (four percent of five-year average)	<u>\$ 4,344,518</u>
2015 Transfer from Permanent Fund for Capital (one half of one percent of five-year average)	<u>\$ 543,065</u>
2015 Total	<u>4,887,583</u>

2015 Drawdown Schedule			
Date	Operating Draw	Capital Draw	Total
30-Jun	2,172,259	543,065	2,715,324
30-Nov	2,172,259	-	2,172,259
Total	4,344,518	543,065	4,887,583

INVESTMENT REVIEW

for period ending March 31, 2015

Fairbanks Permanent Fund



ALASKA PERMANENT
CAPITAL MANAGEMENT

Registered Investment Adviser

87 of 139

Account Summary

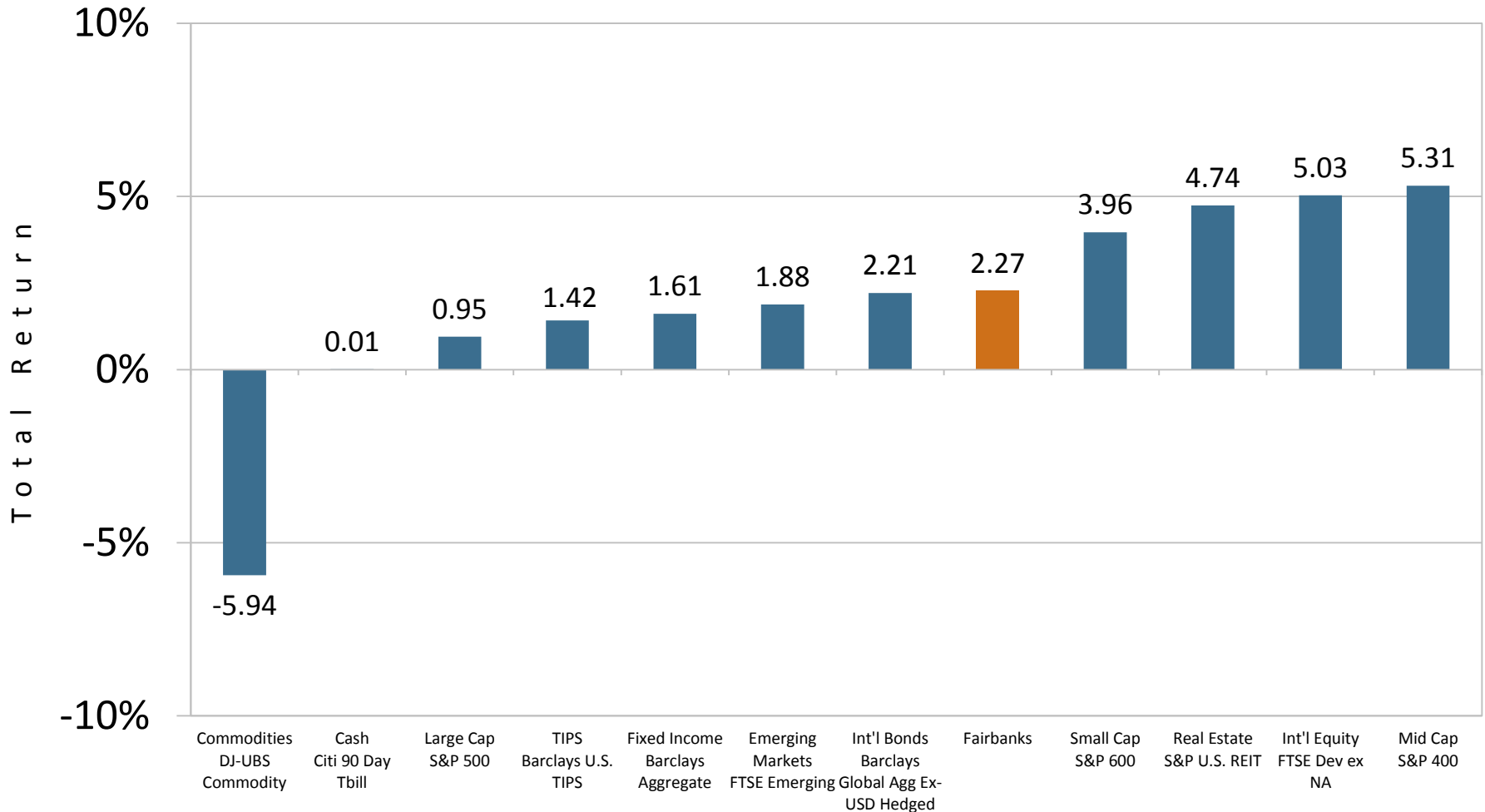
Account Inception	January 1998
Current Market Value <i>March 31, 2015</i>	\$124,016,792
Annualized Account Return <i>January 31, 1998 – March 31, 2015; Gross of Fees</i>	+5.57%
Annualized Benchmark Return <i>January 31, 1998 – March 31, 2015</i>	+5.16%
Current Allocation	45% Equity / 55% Bonds

Market Review

MARKET
REVIEW

Asset Class Performance YTD as of March 31, 2015

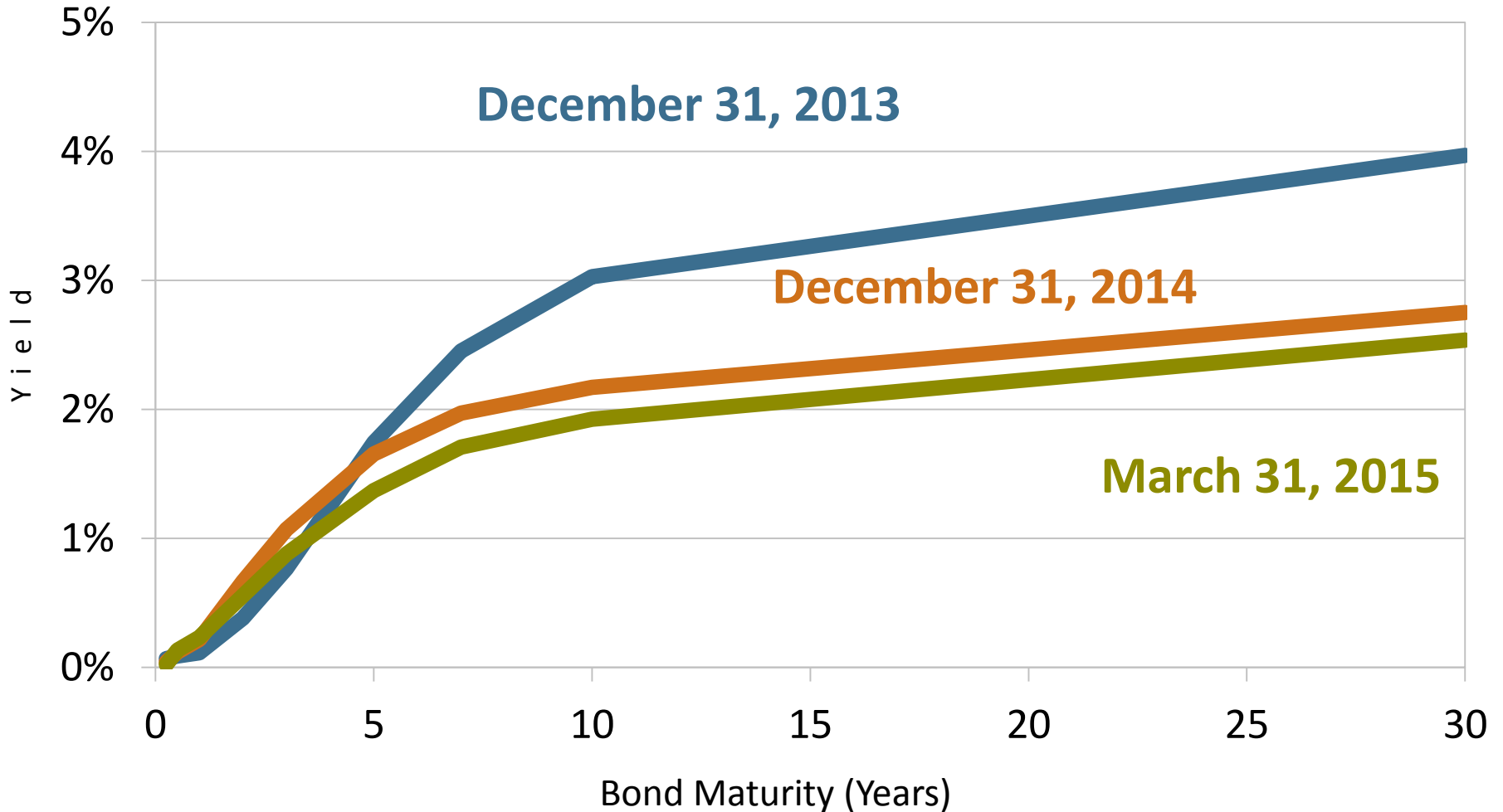
Fairbanks Permanent Fund



Account performance is gross of fees. Asset class performance is represented by the stated index return.

U.S. Treasury Yield Curve

Longer rates defied expectations and fell in 2014 and continued to decline in Q1.

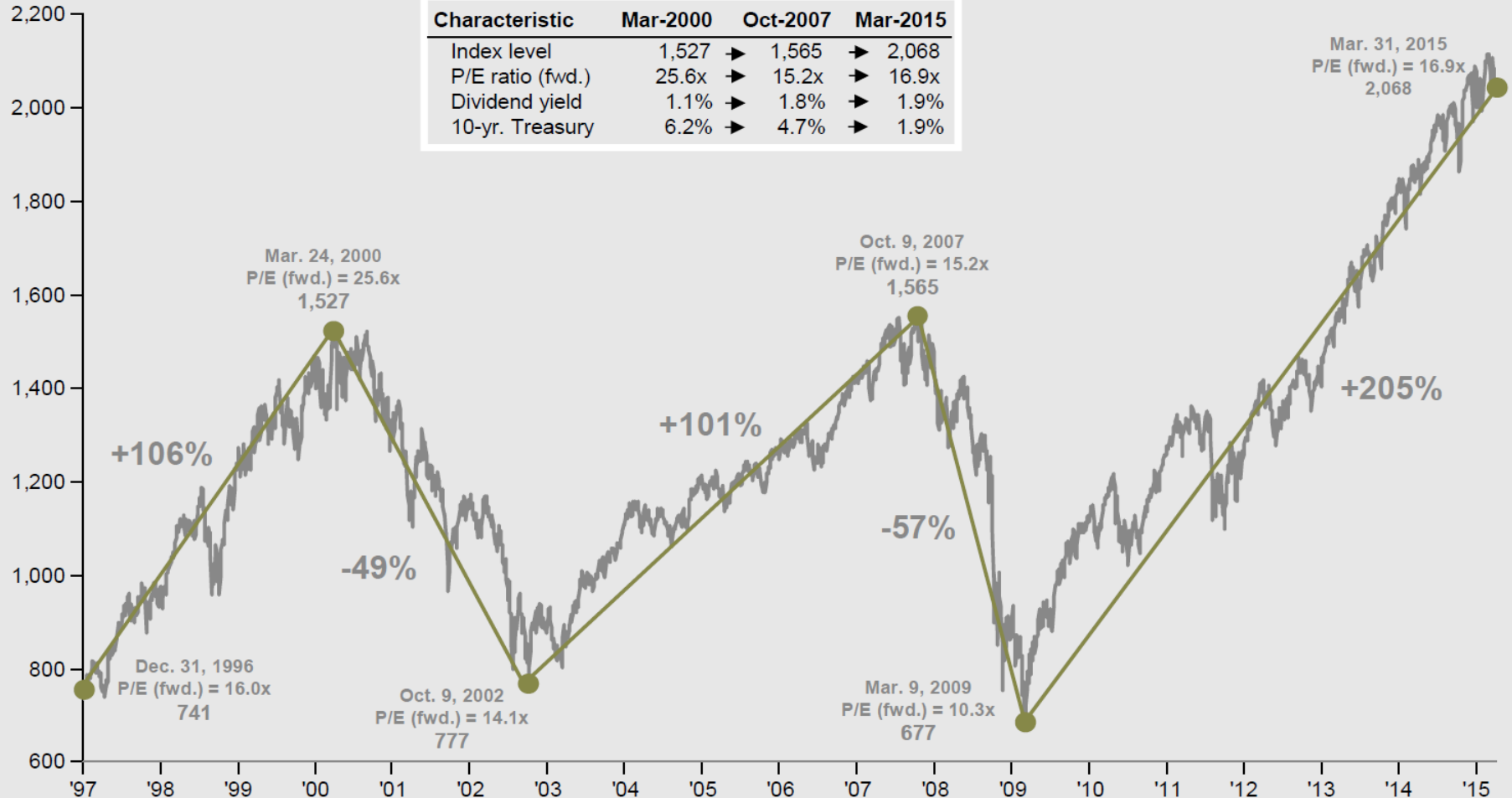


**MARKET
REVIEW**

Equity Markets At All Time Highs

Strong earnings and attractiveness vs. bonds have helped stocks in recent years.

S&P 500 Price Index



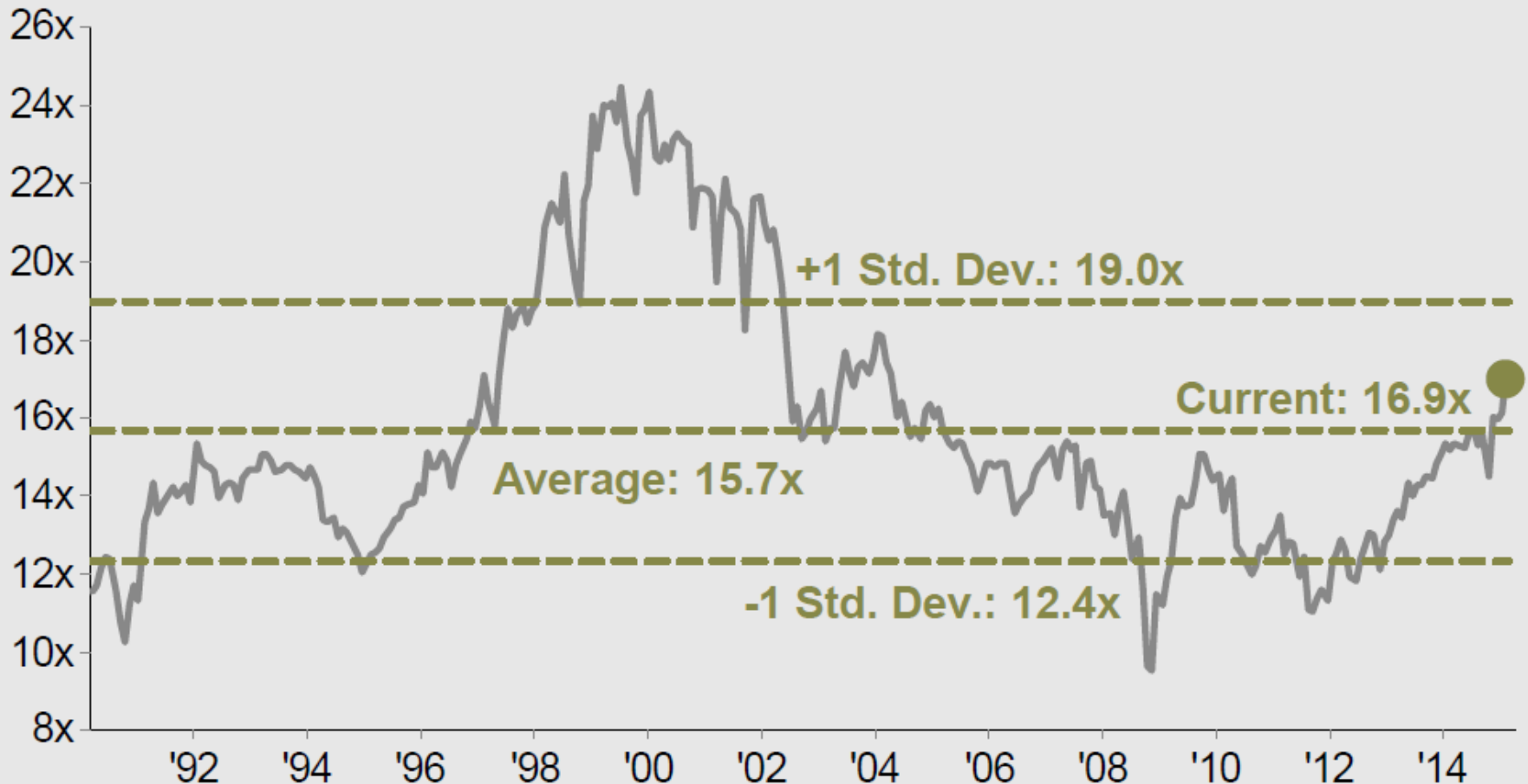
Source: J.P. Morgan Asset Management. Data through March 31, 2015.

Regular City Council Meeting – August 10, 2015

Stocks Fully Valued

Valuations are above average, but not excessive given low interest rates.

S&P 500 Index: Forward P/E Ratio



Source: J.P. Morgan Asset Management. Data through March 31, 2015.

Regular City Council Meeting - August 10, 2015

Portfolio Review

as of March 31, 2015

**PORTFOLIO
REVIEW**

Historical Market Value as of March 31, 2015

Fairbanks Permanent Fund

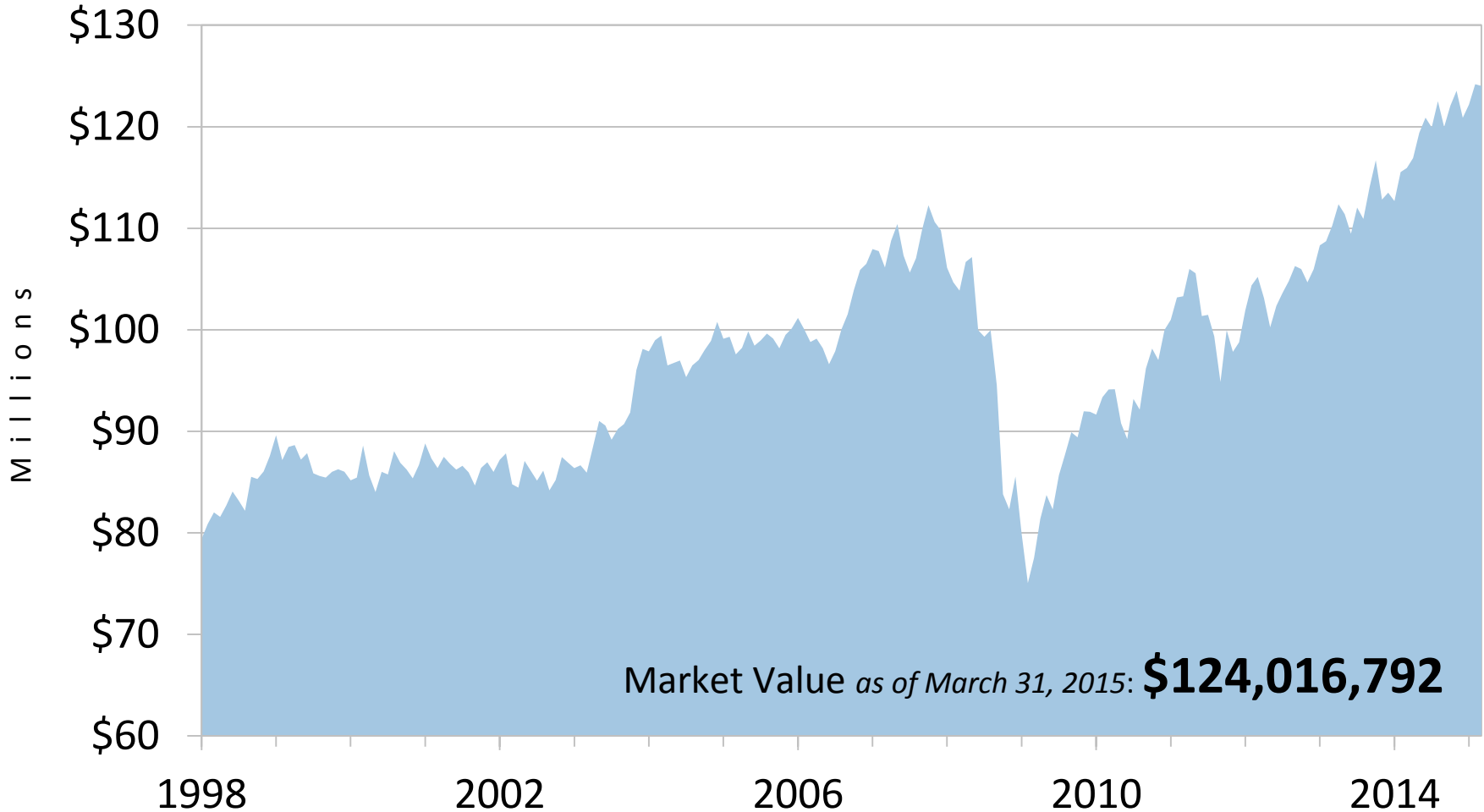
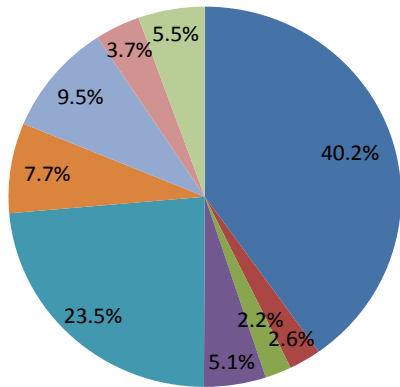


Chart shows month-end portfolio market value from January 1998 to March 2015.

**PORTFOLIO
REVIEW**

Asset Allocation as of March 31, 2015

Fairbanks Permanent Fund



- U.S. Fixed Income
- U.S. TIPS
- International Bonds
- Cash
- Large Cap
- Mid/Small Cap
- International
- Emerging Markets
- Real Estate
- Commodities

Asset Class	% Assets	Strategic Benchmark	Range	Market Value
Fixed Income	50.1%	55%	40-70%	\$62,099,609
U.S. Fixed Income	40.2%	40	30-70	\$49,811,119
U.S. TIPS	2.6%	5	0-10	\$3,267,743
International Bonds	2.2%	5	0-10	\$2,704,500
Cash	5.1%	5	0-10	\$6,316,247
Equities	49.9%	45%	30-60%	\$61,917,184
Large Cap	23.5%	22	15-50	\$29,191,961
Mid/Small Cap	7.7%	5	0-10	\$9,494,039
International	9.5%	9	0-15	\$11,814,733
Emerging Markets	3.7%	4	0-10	\$4,615,163
Real Estate	5.5%	5	0-10	\$6,801,288
Commodities	0.0%	0%	0-10	\$0

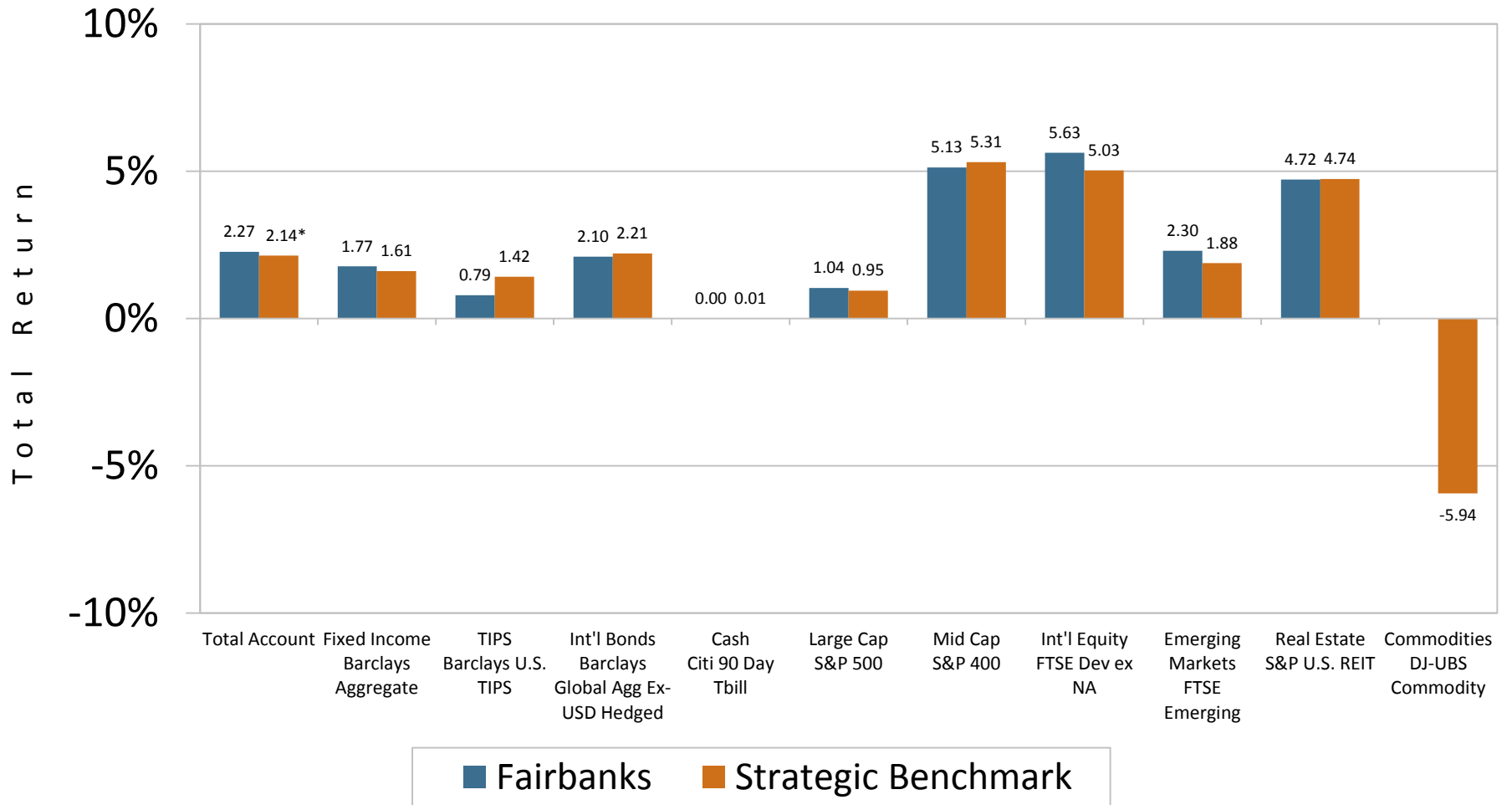
Total

\$124,016,792

**PORTFOLIO
REVIEW**

Account Performance First Quarter 2015

Fairbanks Permanent Fund



* 50 bps hurdle 2.27%. Performance is gross of fees.

- **Q1 portfolio return of +2.27%** vs. a blended benchmark return of **+2.14%**.
 - An **overweight to mid cap** equity was a positive contributor, while an **overweight to large cap** detracted from performance.
- **Actively managed fixed income Q1 return of +1.77%** vs. the Barclays Aggregate return of **+1.61%**.
 - An **overweight to the 10 and 20 year maturity buckets** while being **underweight the 30 year** helped relative performance.

**PORTFOLIO
REVIEW**

Performance Attribution First Quarter 2015

Fairbanks Permanent Fund

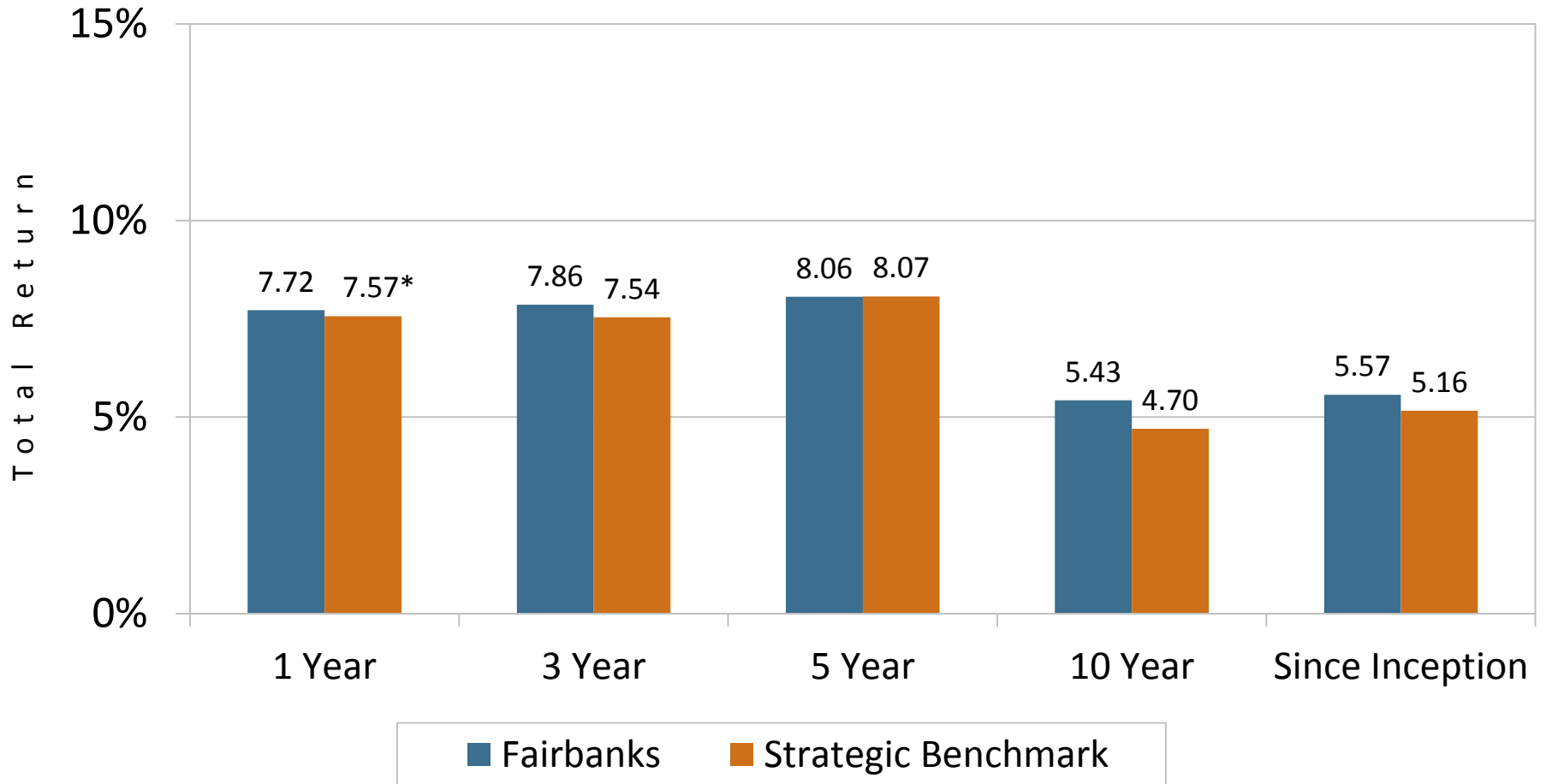
	January 15	February 15	March 15	Q1 2015
Allocation Effect				
Aggregate Bonds	0.04	(0.05)	(0.00)	(0.01)
Domestic Large Cap	(0.15)	0.04	(0.03)	(0.13)
Domestic Mid Cap	(0.01)	0.08	0.04	0.11
Domestic Small Cap	0.00	0.00	0.00	0.00
International Equity	(0.00)	0.01	(0.01)	0.00
Emerging Market Equity	0.00	(0.00)	0.00	(0.00)
Real Estate	0.02	(0.04)	0.01	(0.00)
TIPS	(0.07)	0.07	0.01	0.01
International Bonds	(0.04)	0.05	(0.03)	(0.02)
Commodities	0.00	0.00	0.00	0.00
Cash	0.01	0.01	0.00	0.01
Total	(0.20)	0.18	(0.00)	(0.03)
Selection Effect				
Aggregate Bonds	0.21	(0.20)	0.07	0.08
Domestic Large Cap	0.00	0.02	0.00	0.02
Domestic Mid Cap	(0.00)	(0.01)	0.00	(0.01)
Domestic Small Cap	0.00	0.00	0.00	0.00
International Equity	0.01	0.04	0.01	0.05
Emerging Market Equity	(0.04)	0.06	(0.00)	0.02
Real Estate	0.01	(0.01)	0.00	(0.00)
TIPS	(0.04)	0.03	0.00	(0.01)
International Bonds	0.00	0.00	(0.00)	(0.00)
Commodities	0.00	0.00	0.00	0.00
Cash	0.00	0.00	0.00	0.00
Total	0.15	(0.08)	0.07	0.14
Total Attribution	(0.05)	0.10	0.07	
Bench Return	0.79	1.54	(0.20)	
Account Return	0.74	1.64	(0.13)	
Difference	(0.05)	0.10	0.07	

Portfolio Return = Allocation Effect + Selection/Interaction Effect

$(\text{Weight}_{\text{Port Sector}} - \text{Weight}_{\text{Bench}}) (\text{Return}_{\text{Sector Bench}} - \text{Return}_{\text{Port Bench}}) + (\text{Weight}_{\text{Port Sector}}) (\text{Return}_{\text{Port Sector}} - \text{Return}_{\text{Sector Bench}})$

Account Performance as of March 31, 2015

Fairbanks Permanent Fund



* 50 bps hurdle 8.07%.

Performance is gross of fees and annualized for periods greater than one year. Inception performance begins on January 31, 1998. Strategic benchmark is a blended return of the account's target allocation.

Portfolio Positioning as of March 31, 2015

Fairbanks Permanent Fund

■ **Bonds** (*Underweight*)

- **Treasuries remain overvalued**; held as insurance against flight to quality/deflation
- Remain **modestly below** index **duration**
- Maintain **modest overweight** to **spread product** (corporate bonds)

■ **Equities** (*Overweight*)

- Maintain overweight to **U.S. equities**
 - ◆ Stronger U.S. economic growth relative to the rest of the world
- Neutral on **international markets**
 - ◆ Valuation is more attractive, but weak currencies impact returns
 - ◆ EM affected by weak corporate earnings and falling commodities

Outlook and Positioning

- Global multi-speed economic expansion
 - U.S. leading (despite slow Q1), Japan and Europe improving, China wildcard (debt)
 - Inflation tame across the globe: +0.0% U.S., -0.1% Europe, & +1.4% China
 - Oil price collapse is bad for producers (and Alaska), but good for the consumer
- Central banks diverging, as Fed looks to raise rates sometime in 2015
 - U.S. QE ended in October and Federal Reserve rate hikes to be “data dependent”
 - ECB and BoJ dovish for years as economies sluggish and deflation risk remains
 - Interest rate differentials driving strength in the dollar (weaker currencies help exports)
- Maintain slight overweight to equities vs. fixed income
 - U.S. earnings softening as valuations remain full
 - Stocks cheaper overseas (especially the emerging markets), but weak currencies impact dollar returns
 - Interest rates at historic lows, but only a gradual rise is anticipated with movement focused on the front end of the curve

Prudent Investment Management Process

Annual Review

1 ETF/Mutual Fund Review

2 Consider additions to or a reduction in the currently invested asset classes

3 Update capital market return and risk projections

Review w/ client and affirm or change allocation as necessary

Determine investment goals and objectives; Approve an appropriate asset allocation strategy

Plan

Develop optimal portfolios that capitalize on investment philosophy

Analyze

Collaborative Process Led by Assigned Portfolio Managers

Review

*Regular reporting and communication with client;
Annual review of asset allocation and capital market assumptions*

Implement

Invest funds and manage based on client needs with modest tilts given market environment

Compliance Report

Background

April 21, 2010

To: Permanent Fund Review Board

From: City of Fairbanks, Finance Department and APCM

Subject: Compliance

During this year's audit of the Permanent Fund the question was raised as to exactly how does the Finance Department know the Fund was in compliance with the various restrictions contained in the authorizing ordinances and resolutions. While the auditor's questions were answered it became apparent that a more formalized compliance system would make this question mute.

Nine specific compliance questions have been identified and it is recommended that a compliance appendix be included at each quarterly meeting illustrating that the Fund meets all of the respective criteria. The identified nine items are as follows:

1. Equity and Fixed-income limitations as well as range limitations within the two categories.
2. Corporate debt limitation of 30% of total portfolio market value.
3. Limitation on the purchase of any bond in excess of 600 basis points above a comparable duration US treasury.
4. Limitation on the purchase of any CMBS after January 1, 2009.
5. Ratings and downgrade limitations on corporate securities.
6. Five percent limitation on any one security (total portfolio).
7. Ten percent limitation on Baa rated securities (fixed income portfolio).
8. Duration constraint of between 80-120 percent of the Barclays Aggregate.
9. Twenty-Five percent industry limitation (total portfolio).

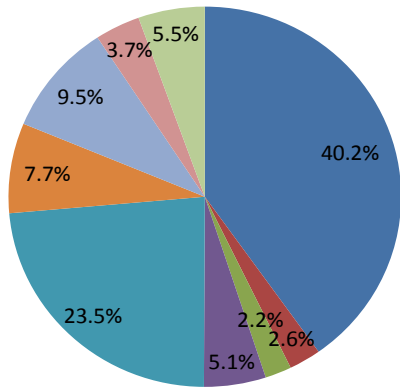
In the attached packet each of the nine limitations are addressed by either a specific report or calculation based upon an enclosed report to illustrate compliance. Should the Board approve of the format, the Compliance Report will become a regular appendix presented at each quarterly meeting.

Item 1

- Equity and fixed-income limitations as well as range limitations within the two categories
 - Copy of quarterly chart illustrating targets & ranges vs. actual
 - Portfolio Appraisal report (Appendix)

Asset Allocation as of March 31, 2015

Fairbanks Permanent Fund



- U.S. Fixed Income
- U.S. TIPS
- International Bonds
- Cash
- Large Cap
- Mid/Small Cap
- International
- Emerging Markets
- Real Estate
- Commodities

Asset Class	% Assets	Strategic Benchmark	Range	Market Value
Fixed Income	50.1%	55%	40-70%	\$62,099,609
U.S. Fixed Income	40.2%	40	30-70	\$49,811,119
U.S. TIPS	2.6%	5	0-10	\$3,267,743
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International	9.5%	9	0-15	\$11,814,733
Emerging Markets	3.7%	4	0-10	\$4,615,163
Real Estate	5.5%	5	0-10	\$6,801,288
Commodities	0.0%	0%	0-10	\$0

Total

\$124,016,792

Item 2

- Corporate debt limitations of 30% of the total portfolio market value
 - See attached Portfolio Appraisal report

Portfolio Appraisal as of March 31, 2015

Fairbanks Permanent Fund

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
CORPORATE BONDS									
500,000	CITIGROUP INC 4.750% Due 05-19-15	104.97	524,875	100.54	502,705	0.41	23,750	8,708	0.66
500,000	BANK OF MONTREAL 2.850% Due 06-09-15	100.59	502,930	100.44	502,210	0.40	14,250	4,433	0.50
250,000	HSBC FINANCE CORP 5.500% Due 01-19-16	106.89	267,235	103.54	258,862	0.21	13,750	2,750	1.03
350,000	UNITED HEALTH GROUP INC 5.375% Due 03-15-16	114.09	399,322	104.43	365,491	0.29	18,812	836	0.72
500,000	AT&T INC 2.950% Due 05-15-16	104.33	521,670	102.19	510,945	0.41	14,750	5,572	0.98
500,000	JOHNSON & JOHNSON 2.150% Due 05-15-16	104.26	521,320	101.90	509,500	0.41	10,750	4,061	0.45
1,250,000	TORONTO-DOMINION BANK (144A) 1.625% Due 09-14-16	99.93	1,249,162	101.31	1,266,362	1.02	20,312	959	0.72
500,000	BANK AMER CORP 5.625% Due 10-14-16	99.93	499,670	106.47	532,340	0.43	28,125	13,047	1.35
675,000	CONOCOPHILLIPS CANADA 5.625% Due 10-15-16	104.71	706,819	107.25	723,958	0.58	37,969	17,508	0.87
500,000	MORGAN STANLEY 5.750% Due 10-18-16	110.27	551,340	106.69	533,465	0.43	28,750	13,017	1.36
1,000,000	UBS AG LONDON PRIV PLACEMENT (144A) 2.250% Due 03-30-17	100.93	1,009,300	102.68	1,026,760	0.83	22,500	62	0.90
750,000	BANK OF NEW YORK MELLON 1.969% Due 06-20-17	102.60	769,522	101.87	764,040	0.62	14,767	4,143	1.11
500,000	CAMPBELL SOUP CO. 3.050% Due 07-15-17	106.83	534,130	103.64	518,215	0.42	15,250	3,219	1.42
500,000	INTERNATIONAL BUSINESS MACHS 5.700% Due 09-14-17	106.27	531,328	111.08	555,405	0.45	28,500	1,346	1.11
750,000	EXELON GENERATION CO LLC 6.200% Due 10-01-17	105.77	793,260	110.77	830,775	0.67	46,500	23,250	1.77

COMPLIANCE
REPORT

Portfolio Appraisal as of March 31, 2015

Fairbanks Permanent Fund

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
500,000	WELLS FARGO & CO 5.625% Due 12-11-17	99.58	497,920	111.11	555,530	0.45	28,125	8,594	1.41
500,000	WACHOVIA CORP GLOBAL MEDIUM 5.750% Due 02-01-18	99.57	497,860	111.82	559,120	0.45	28,750	4,792	1.47
575,000	MCDONALDS CORP M/T/N 5.350% Due 03-01-18	107.54	618,377	111.55	641,401	0.52	30,762	2,564	1.30
1,000,000	GENERAL ELECTRIC CAP CORP. 5.625% Due 05-01-18	101.74	1,017,425	112.28	1,122,840	0.91	56,250	23,437	1.53
500,000	GLAXOSMITHKLINE CAP INC 5.650% Due 05-15-18	104.59	522,950	113.11	565,570	0.46	28,250	10,672	1.34
1,000,000	US BANCORP 1.950% Due 11-15-18	100.30	1,003,040	101.56	1,015,600	0.82	19,500	7,367	1.50
500,000	CATERPILLAR FINANCIAL 7.150% Due 02-15-19	99.16	495,805	119.96	599,825	0.48	35,750	4,568	1.79
600,000	GOLDMAN SACHS GROUP INC. 7.500% Due 02-15-19	101.40	608,421	119.35	716,088	0.58	45,000	5,750	2.25
600,000	PROCTER & GAMBLE CO. 4.700% Due 02-15-19	102.81	616,886	111.85	671,130	0.54	28,200	3,603	1.53
500,000	JP MORGAN CHASE & CO 6.300% Due 04-23-19	118.62	593,085	116.16	580,820	0.47	31,500	13,825	2.12
600,000	MICROSOFT CORP 4.200% Due 06-01-19	102.24	613,416	110.73	664,356	0.54	25,200	8,400	1.53
750,000	ADOBE SYSTEMS INC 4.750% Due 02-01-20	112.47	843,502	111.67	837,532	0.68	35,625	5,937	2.19
775,000	COMCAST CORP 5.150% Due 03-01-20	116.47	902,635	114.93	890,731	0.72	39,912	3,326	1.95
500,000	NBCUNIVERSAL MEDIA LLC 5.150% Due 04-30-20	114.02	570,115	114.77	573,850	0.46	25,750	10,801	2.07
500,000	PEPSICO INC 3.125% Due 11-01-20	108.06	540,290	106.14	530,710	0.43	15,625	6,510	1.96

COMPLIANCE
REPORT

Portfolio Appraisal as of March 31, 2015

Fairbanks Permanent Fund

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
750,000	DOW CHEMICAL CO* 4.250% Due 11-15-20	108.13	810,952	109.70	822,727	0.66	31,875	12,042	2.39
1,000,000	CAMPBELL SOUP CO 8.875% Due 05-01-21	129.52	1,295,200	131.69	1,316,900	1.06	88,750	36,979	3.11
786,000	CARGILL INC. (144a) 4.307% Due 05-14-21	98.06	770,763	110.80	870,864	0.70	33,853	12,883	2.40
750,000	GENERAL MILLS INC 3.150% Due 12-15-21	102.88	771,577	103.60	777,022	0.63	23,625	6,956	2.56
500,000	JPMORGAN CHASE & CO 3.875% Due 02-01-24	105.18	525,905	105.78	528,925	0.43	19,375	3,229	3.12
500,000	BELLSOUTH CORP 6.000% Due 11-15-34	97.52	487,595	111.42	557,100	0.45	30,000	11,333	5.07
500,000	MCDONALDS CORP 5.700% Due 02-01-39	120.31	601,570	124.38	621,905	0.50	28,500	4,750	4.09
500,000	CATERPILLAR INC 4.300% Due 05-15-44	103.05	515,235	108.24	541,225	0.44	21,500	8,122	3.83
	Accrued Interest				319,354	0.26			
			25,102,410		26,282,161	21.19		319,354	

Items 3 & 4

- Limitation on the purchase of any bond in excess of 600 basis points above a comparable duration U.S. Treasury
- Limitation on the purchase of any CMBS after January 1, 2009
 - See attached Purchase and Sale report

COMPLIANCE
REPORT

Purchases and Sales from December 31, 2014 to March 31, 2015

Fairbanks Permanent Fund

Portfolio Name	Trade Date	Settle Date	Quantity	Security	Unit Price	Amount	Yield On Cost	Spread Over TSY	Sector	Sec Type Code
PURCHASES										
FAIRBANKS PERMANENT	02-02-15	02-05-15	16,500.0000	ISHARES CORE S&P MIDCAP 4	144.26	2,380,238.85	1.22		Mid Cap Equity	dfus
FAIRBANKS PERMANENT	02-06-15	02-09-15	963,554.00	US TREASURY INFLATION PRO 0.125% Due 01-15-22	100.38	967,167.33	?		TIPS	tius
FAIRBANKS PERMANENT	02-06-15	02-09-15	281,352.50	US TREASURY INFLATION PRO 1.625% Due 01-15-18	106.20	298,794.16	?		TIPS	tius
FAIRBANKS PERMANENT	02-06-15	02-09-15	354,070.50	US TREASURY INFLATION PRO 1.375% Due 02-15-44	117.82	417,153.14	?		TIPS	tius
FAIRBANKS PERMANENT	02-06-15	02-09-15	696,794.00	US TREASURY INFLATION PRO 0.250% Due 01-15-25	100.29	698,835.39	?		TIPS	tius
FAIRBANKS PERMANENT	03-10-15	03-13-15	500,000	JPMORGAN CHASE & CO 3.875% Due 02-01-24	105.18	525,905.00	3.20	112	Corporate Bonds	cbus
FAIRBANKS PERMANENT	03-27-15	03-27-15	1,309.0170	VANGUARD INST'L S&P500 IN	187.70	245,702.51	1.75		Domestic Large Cap E	mfus
						5,533,796.38	0.87			
							0.87			
SALES										
FAIRBANKS PERMANENT	02-02-15	02-03-15	13,485.8130	VANGUARD INST'L S&P500 IN	185.38	2,500,000.00	1.77		Domestic Large Cap E	mfus
FAIRBANKS PERMANENT	02-06-15	02-09-15	1,000,000	US TREASURY NOTES 2.500% Due 08-15-23	105.00	1,050,039.06	1.86		US Treasury Notes	tnus
FAIRBANKS PERMANENT	02-06-15	02-09-15	1,300,000	US TREASURY NOTES 2.750% Due 11-15-23	107.04	1,391,558.59	1.87		US Treasury Notes	tnus
FAIRBANKS PERMANENT	03-01-15	03-02-15	500,000	JP MORGAN CHASE & CO 4.750% Due 03-01-15	100.00	500,000.00	?		Corporate Bonds	cbus
						5,441,597.65	1.65			
							1.65			

Item 5

- Ratings and downgrade limitations on corporate securities
 - See attached Portfolio Holdings (Expanded) report

COMPLIANCE
REPORT

Portfolio Holdings (Expanded) as of March 31, 2015

Fairbanks Permanent Fund

													Port					
		Pos	Moody's	S&P	Cpn	Px Close	Mkt Val	Wgt	YTW	Mod Dur	OAD	OAC	Group	Sector	CUSIP	Issuer	Mty	
FAIRBANK (019)			Aa3	AA-	3.678		59,395,003	100.00	1.53	4.73	5.03	0.538						
FNMA 6 ¼ 05/15/29		2,250,000	Aaa	AA+	6.250	143.22	3,275,622	5.51	2.58	10.11	10.25	1.335	Sovereign	Government	31359MEU3	FANNIE MAE	05/15/2029	
G2 2563		2,545,290			6.500	114.90	28,887	0.05	2.38	3.56	3.53	0.103	GNMA2 Collateral	Mortgage Securities	36202CZ48	Government National Mortgage A	03/20/2028	
GE 5 ¼ 05/01/18		1,000,000	A1	AA+	5.625	112.25	1,145,889	1.93	1.54	2.81	2.82	0.105	Diversified Finan Serv	Financial	36962G3U6	GENERAL ELEC CAP CORP	05/01/2018	
GIS 3.15 12/15/21		750,000	A3	BBB+	3.150	103.55	783,562	1.32	2.55	5.78	5.99	0.385	Food	Consumer Non-cyclical	370334BM5	GENERAL MILLS INC	12/15/2021	
GN 587075		2,000,000			6.500	114.75	29,955	0.05	2.79	3.91	3.89	0.106	GNMA Collateral	Mortgage Securities	36201MFQ0	Government National Mortgage A	05/15/2032	
GN 617115		1,500,000			5.500	113.32	189,669	0.32	2.14	3.97	3.76	-0.113	GNMA Collateral	Mortgage Securities	36290TSC4	Government National Mortgage A	06/15/2036	
GS 7 ¼ 02/15/19		600,000	Baa1	A-	7.500	119.31	721,628	1.21	2.26	3.41	3.44	0.144	Banks	Financial	38141EA25	GOLDMAN SACHS GROUP INC	02/15/2019	
GSK 5.65 05/15/18		500,000	A2	A+	5.650	113.07	576,014	0.97	1.36	2.85	2.86	0.108	Pharmaceuticals	Consumer Non-cyclical	377372AD9	GLAXOSMITHKLINE CAP INC	05/15/2018	
HSBC 5 ¼ 01/19/16		250,000	Baa1	A	5.500	103.52	261,548	0.44	1.07	0.78	0.79	0.010	Diversified Finan Serv	Financial	40429CFN7	HSBC FINANCE CORP	01/19/2016	
IBM 5.7 09/14/17		500,000	Aa3	AA-	5.700	111.00	556,362	0.94	1.14	2.31	2.32	0.067	Computers	Technology	459200GJ4	IBM CORP	09/14/2017	
JNJ 2.15 05/15/16		500,000	Aaa	AAA	2.150	101.79	513,014	0.86	0.55	1.10	1.11	0.021	Pharmaceuticals	Consumer Non-cyclical	478160AY0	JOHNSON & JOHNSON	05/15/2016	
JPM 3 ¼ 02/01/24		500,000	A3	A	3.875	105.72	531,831	0.90	3.13	7.44	7.55	0.665	Banks	Financial	46625HJT8	JPMORGAN CHASE & CO	02/01/2024	
JPM 6.3 04/23/19		500,000	A3	A	6.300	116.19	594,758	1.00	2.12	3.56	3.58	0.163	Banks	Financial	46625HHL7	JPMORGAN CHASE & CO	04/23/2019	
JPMCC 2007-CB19 A4		500,000	Aaa	A+	5.885	107.47	539,797	0.91	1.75	1.82	2.34	0.080	Commercial MBS	Mortgage Securities	46630VAD4	JP MORGAN CHASE COMMERCIAL MOR	02/12/2049	
JPMCC 2007-LD12 A4		500,000	Aaa	A-	5.882	107.80	541,451	0.91	1.87	1.92	2.10	0.057	Commercial MBS	Mortgage Securities	46632HAD3	JP MORGAN CHASE COMMERCIAL MOR	02/15/2051	
LBUBS 2006-C7 A2		700,000		AAA	5.300	101.16	332,212	0.56	3.88	0.83	1.34	0.025	Commercial MBS	Mortgage Securities	50180CAB6	LB-UBS COMMERCIAL MORTGAGE TRU	11/15/2038	
MCD 5.35 03/01/18		575,000	A2	A	5.350	111.42	643,214	1.08	1.34	2.72	2.73	0.091	Retail	Consumer Cyclical	58013ME00	MCDONALD'S CORP	03/01/2018	
MCD 5.7 02/01/39		500,000	A2	A	5.700	124.97	629,620	1.06	4.06	14.06	14.23	2.796	Retail	Consumer Cyclical	58013MEH3	MCDONALD'S CORP	02/01/2039	
MS 5 ¼ 10/18/16		500,000	Baa2	A-	5.750	106.63	546,161	0.92	1.40	1.46	1.46	0.034	Banks	Financial	61746BD89	MORGAN STANLEY	10/18/2016	
MSFT 4.2 06/01/19		600,000	Aaa	AAA	4.200	110.68	672,465	1.13	1.54	3.81	3.83	0.179	Software	Technology	594918AC8	MICROSOFT CORP	06/01/2019	
PEP 3 ¼ 11/01/20		500,000	A1	A-	3.125	106.00	536,523	0.90	1.98	5.07	5.12	0.307	Beverages	Consumer Non-cyclical	713448BR8	PEPSICO INC	11/01/2020	
PG 4.7 02/15/19		600,000	Aa3	AA-	4.700	111.87	674,841	1.14	1.53	3.56	3.59	0.153	Cosmetics/Personal Care	Consumer Non-cyclical	742718DN6	PROCTER & GAMBLE CO/THE	02/15/2019	
T 1 ¼ 08/15/22		1,000,000			1.625	99.17	993,655	1.67	1.75	6.91	7.00	0.541	Sovereign	Government	912828TJ9	US TREASURY N/B	08/15/2022	
T 1 ¼ 06/30/20		2,600,000			1.875	102.27	2,671,230	4.50	1.42	4.97	5.02	0.284	Sovereign	Government	912828VJ6	US TREASURY N/B	06/30/2020	
T 2 ¼ 08/15/23		2,500,000			2.500	105.23	2,638,358	4.44	1.82	7.54	7.65	0.658	Sovereign	Government	912828VS6	US TREASURY N/B	08/15/2023	
T 2 ¼ 02/15/19		500,000			2.750	105.93	531,300	0.89	1.18	3.68	3.70	0.159	Sovereign	Government	912828KD1	US TREASURY N/B	02/15/2019	
T 2 ¼ 11/15/23		3,450,000			2.750	107.23	3,734,960	6.29	1.84	7.63	7.74	0.685	Sovereign	Government	912828WE6	US TREASURY N/B	11/15/2023	
T 2.95 05/15/16		500,000	Baa1	BBB+	2.950	102.10	516,060	0.87	1.06	1.10	1.10	0.022	Telecommunications	Communications	00206RAW2	AT&T INC	05/15/2016	
T 3 ¼ 02/15/39		1,375,000			3.500	118.44	1,634,419	2.75	2.47	16.79	17.09	3.666	Sovereign	Government	912810QA9	US TREASURY N/B	02/15/2039	
T 3 ¼ 05/15/21		500,000			3.125	108.84	550,089	0.93	1.60	5.54	5.60	0.364	Sovereign	Government	912828QN3	US TREASURY N/B	05/15/2021	
T 5 ¼ 02/15/29		1,000,000			5.250	136.77	1,374,037	2.31	2.17	10.49	10.66	1.386	Sovereign	Government	912810FG8	US TREASURY N/B	02/15/2029	
T 6 11/15/34		500,000		BBB+	6.000	111.04	566,547	0.95	5.10	11.67	11.81	1.944	Telecommunications	Communications	079860AK8	BELLSOUTH CORP	11/15/2034	
TD 1 ¼ 09/14/16		1,250,000	Aaa		1.625	101.29	1,267,041	2.13	0.73	1.44	1.44	0.028	Banks	Financial	891145SR2	TORONTO-DOMINION BANK	09/14/2016	
TII 0 ¼ 01/15/25		700,000			0.250	100.88	697,258	1.17	0.16	4.83	10.02	1.047	Sovereign	Government	912828H45	TSY INFL IX N/B	01/15/2025	
TII 0 ¼ 01/15/22		925,000			0.125	100.93	964,441	1.62	-0.01	3.38	7.05	0.525	Sovereign	Government	912828SA9	TSY INFL IX N/B	01/15/2022	
TII 1 ¼ 02/15/44		350,000			1.375	117.82	414,180	0.70	0.69	12.14	24.96	6.983	Sovereign	Government	912810RF7	TSY INFL IX N/B	02/15/2044	
TII 1 ¼ 01/15/18		1,000,000			1.625	106.52	1,192,281	2.01	-0.68	1.37	2.99	0.099	Sovereign	Government	912828HN3	TSY INFL IX N/B	01/15/2018	
UBS 2 ¼ 03/30/17		1,000,000	Aaa		2.250	102.48	1,024,776	1.73	1.00	1.96	1.96	0.048	Banks	Financial	90349CAA2	UBS AG LONDON	03/30/2017	
UNH 5 ¼ 03/15/16		350,000	A3	A+	5.375	104.46	366,458	0.62	0.68	0.94	0.94	0.014	Healthcare-Services	Consumer Non-cyclical	91324PAQ5	UNITEDHEALTH GROUP INC	03/15/2016	
US DOLLAR		6,316,247	Aaa	AAA	0.000	1.00	6,316,247	10.63	0.00	0.00	0.00	0.000						
USB 1.95 11/15/18		1,000,000	A1	A+	1.950	101.69	1,024,270	1.72	1.46	3.39	3.47	0.130	Banks	Financial	91159HH3	US BANCORP	11/15/2018	
WFC 5 ¼ 02/01/18		500,000	A2	A+	5.750	111.85	564,026	0.95	1.47	2.63	2.64	0.086	Banks	Financial	92976WBH8	WACHOVIA CORP	02/01/2018	
WFC 5 ¼ 12/11/17		500,000	A2	A+	5.625	111.09	564,059	0.95	1.41	2.49	2.50	0.083	Banks	Financial	949746NX5	WELLS FARGO & COMPANY	12/11/2017	

Item 6

- Five percent limitations on any one security within the entire portfolio
 - See Portfolio Appraisal report (Appendix)

Items 7 & 8

- Ten percent limitation on Baa rated securities within the fixed income portfolio
- Duration constraint between 80-120 percent of the Barclays Aggregate Index
 - See attached Duration-Weighted Distribution by Quality report

Distribution by Quality as of March 31, 2015

Fairbanks Permanent Fund

	Port					Bench				
	Mkt Val	Wgt	OAD	CTD	%TD	Mkt Val	Wgt	OAD	CTD	%TD
FAIRBANK (019)	\$ 59,391,042	100.00	5.03	5.03	100.00	\$ 22,499,157,141	100.00	5.70	5.70	100.00
AAA	\$ 35,793,904	60.27	5.61	3.38	67.29	\$ 15,773,512,276	70.11	5.27	3.70	64.79
AA	\$ 2,763,689	4.65	2.73	0.13	2.52	\$ 1,163,888,169	5.17	5.37	0.27	4.86
A	\$ 15,644,568	26.34	4.34	1.14	22.77	\$ 2,521,268,792	11.20	6.99	0.79	13.73
BBB	\$ 5,188,881	8.74	4.27	0.37	7.42	\$ 2,709,759,093	12.05	7.36	0.89	15.53
BB						\$ 85,573,396	0.38	6.00	0.02	0.40
B						\$ 1,636,974	0.01	3.52	0.00	0.00
NR						\$ 243,518,442	1.08	3.71	0.04	0.70

Portfolio Duration as a % of Benchmark

88%

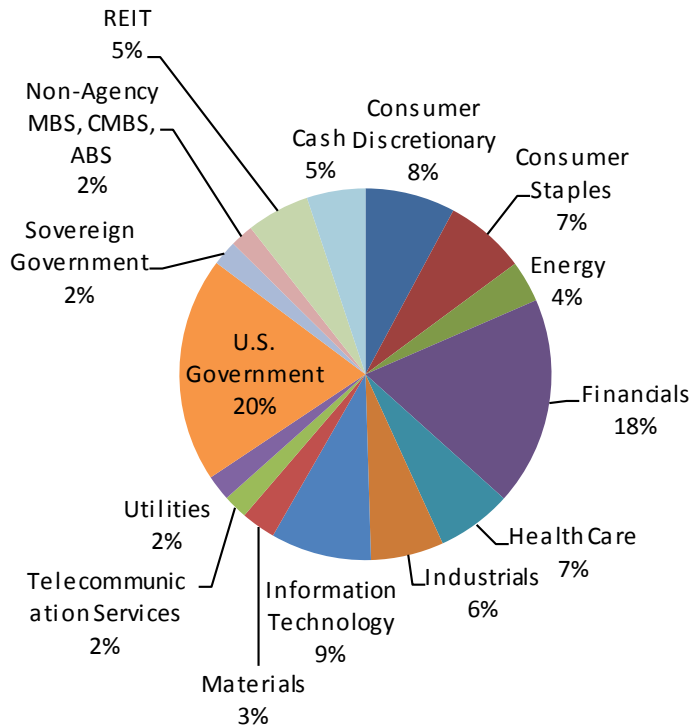
Duration gauges price sensitivity of fixed income securities and represents the expected percentage change in market value when interest rates change by 1%.

Item 9

- Twenty-five percent industry limitation within the entire portfolio
 - See attached GICS Sector Concentration report

GICS Sector Concentration* as of March 31, 2015

Fairbanks Permanent Fund



Sector	Market Value	% of Portfolio
Consumer Discretionary	9,716,857	8%
Consumer Staples	8,717,537	7%
Energy	4,483,194	4%
Financials	22,530,916	18%
Health Care	8,109,798	7%
Industrials	7,863,050	6%
Information Technology	10,854,290	9%
Materials	3,721,019	3%
Telecommunication Services	2,640,464	2%
Utilities	2,760,931	2%
<hr/>		
U.S. Government - Treasury/Agency/Agency MBS	24,296,290	20%
Sovereign Government	2,704,500	2%
Non-Agency MBS, CMBS, ABS	2,500,411	2%
REIT	6,801,288	5%
Commodities	-	0%
Cash	6,316,247	5%
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Total Portfolio	\$ 124,016,792	100%

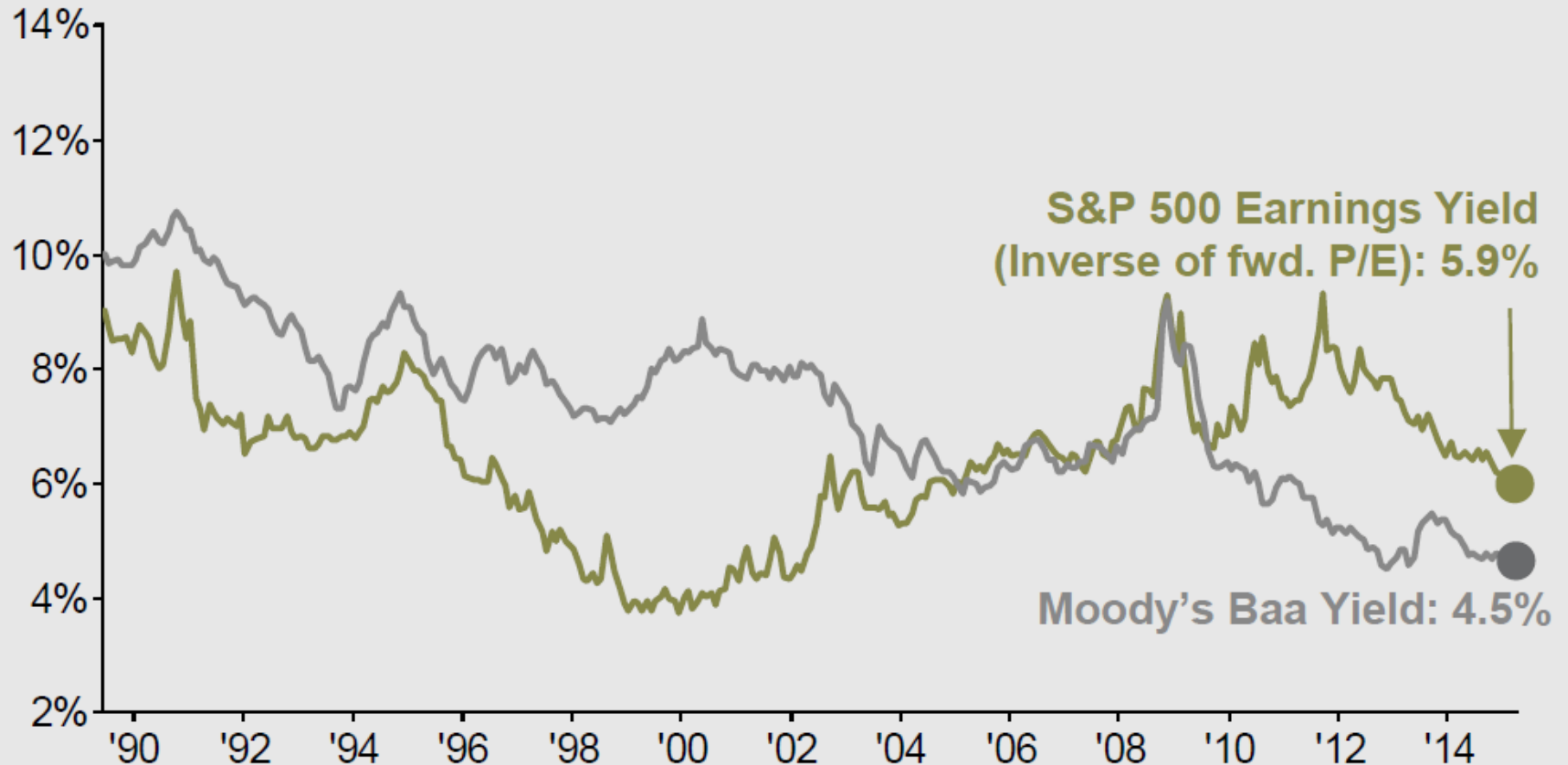
Includes Individual Bond and ETF Holdings

* As defined by the Global Industry Classification Standard (GICS) provided by Standard & Poor's/MSCI Barra

Appendix

Stocks Still Attractive Relative to Bonds

S&P 500 Earnings Yield vs. Baa Bond Yield



Source: J.P. Morgan Asset Management. Data through March 31, 2015.

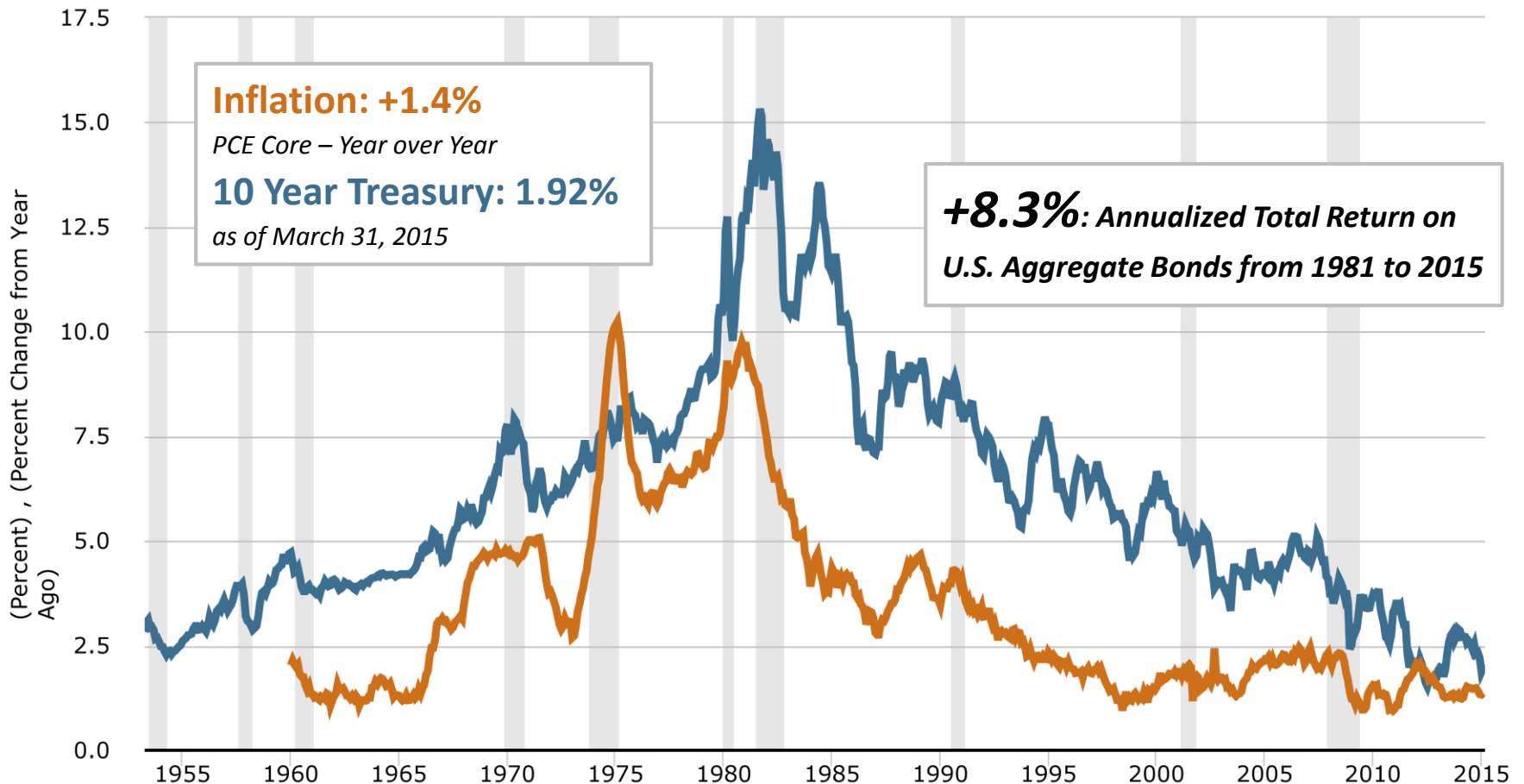
Regular City Council Meeting - August 10, 2015

10 Year U.S. Treasury Rate and Core Inflation

Interest rates and inflation are at or near historic lows both in the U.S. and abroad.



- 10-Year Treasury Constant Maturity Rate
- Personal Consumption Expenditures Excluding Food and Energy (Chain-Type Price Index)

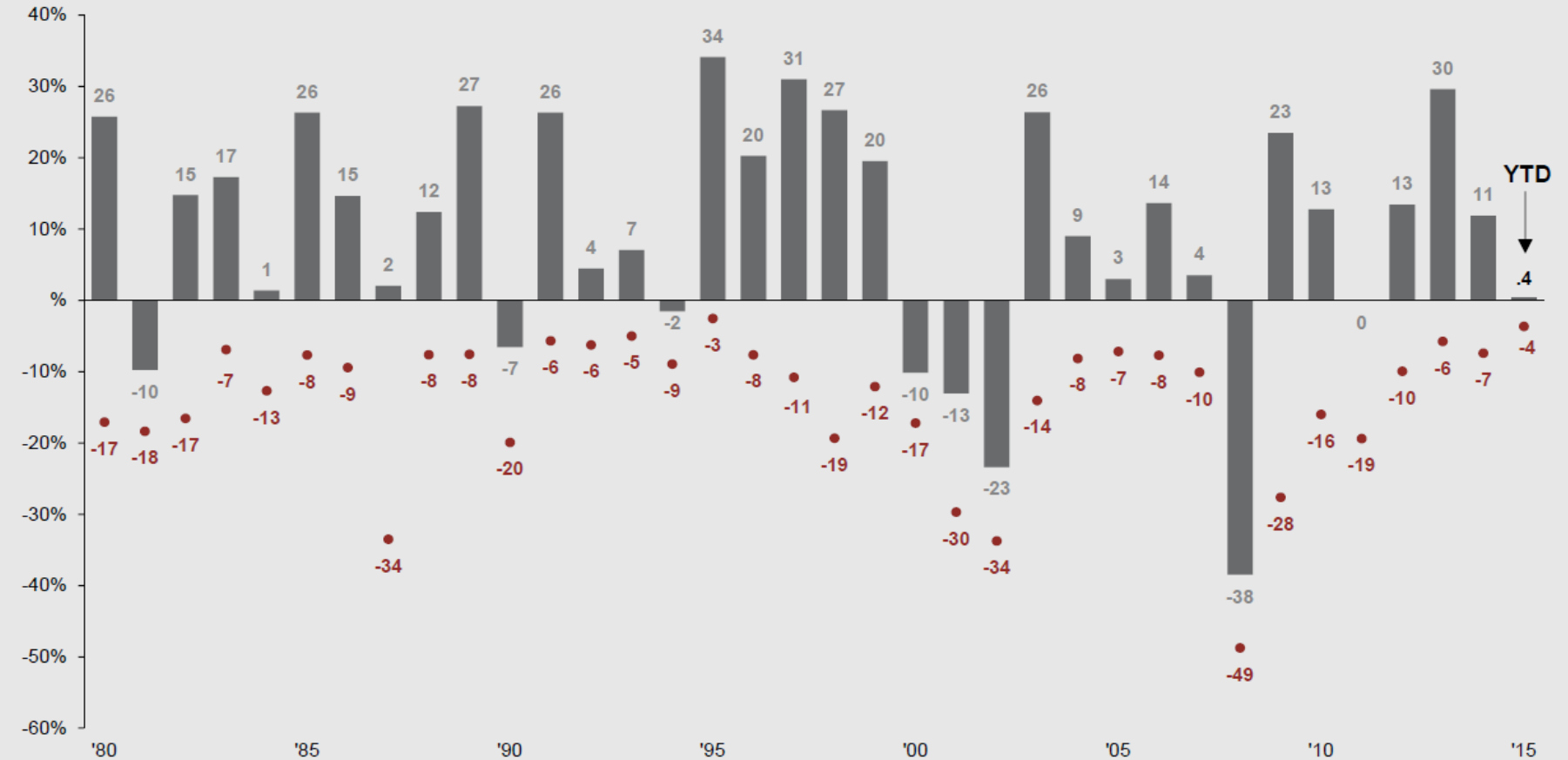


Source: FRB of St. Louis. Shaded areas indicate U.S. recessions.

Volatility Well Within Historical Norms

S&P 500 Intra-year Declines vs. Calendar Year Returns

Despite average intra-year drops of 14.2%, annual returns positive in 27 of 35 years*



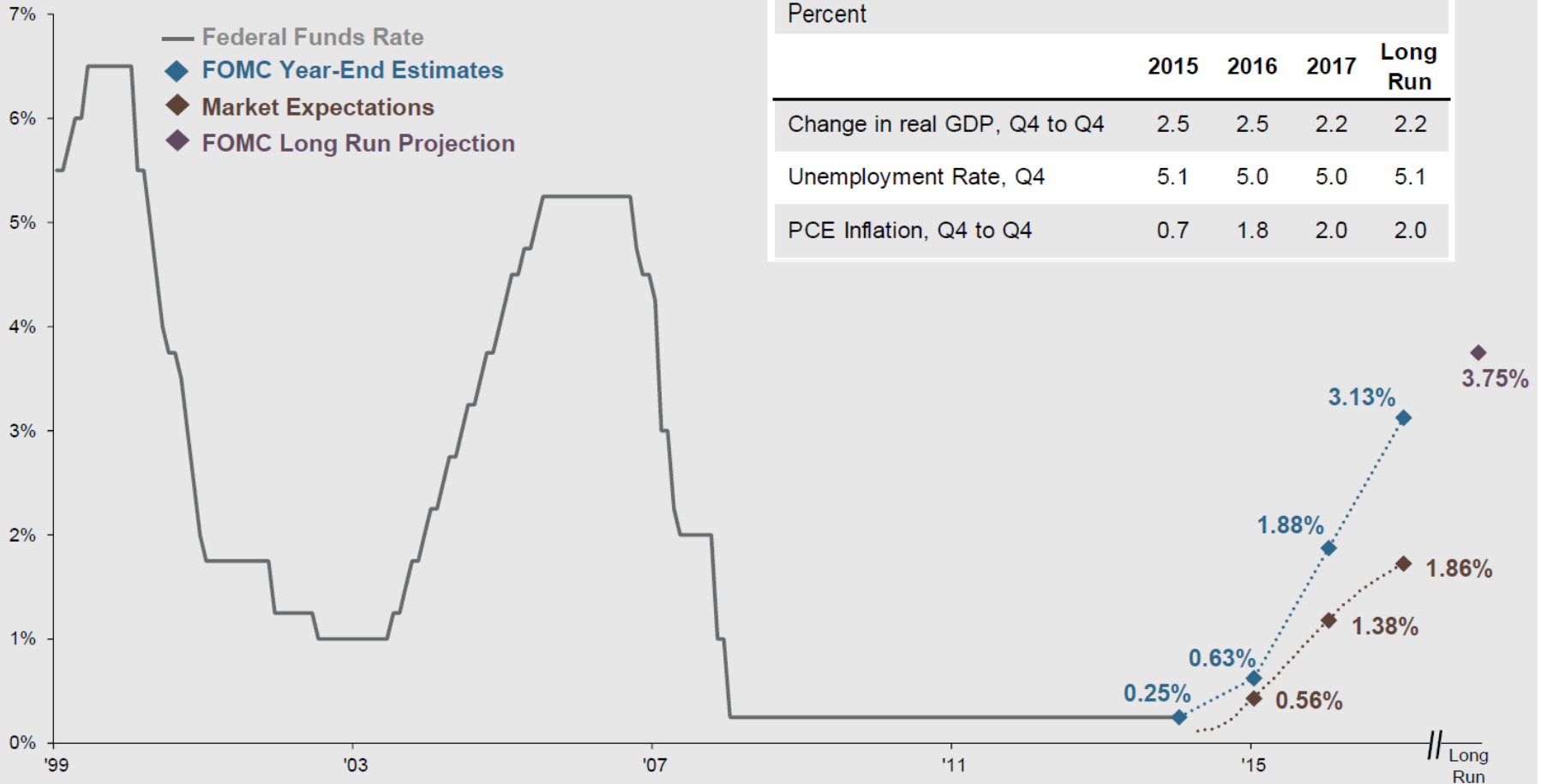
Source: J.P. Morgan Asset Management. Data through March 31, 2015. Returns are based on price index only and do not include dividends. Intra-year drops refers to the largest market drops from a peak to a trough during the year.

Fed Policy Expectations

Market expectations & Fed projections for the federal funds rate moved closer in Q1.

Federal Funds Rate Expectations

FOMC and market expectations for the Fed Funds rate

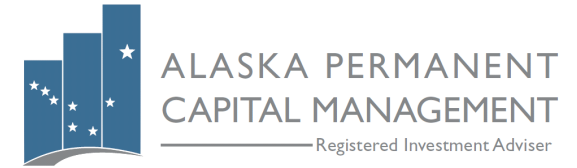


Source: J.P. Morgan Asset Management. Data through March 31, 2015.

Portfolio Appraisal

FAIRBANKS PERMANENT FUND

March 31, 2015



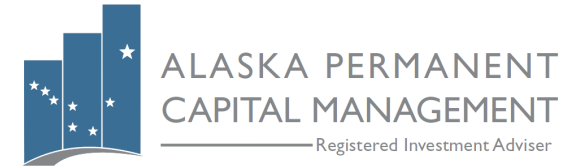
Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
U.S. TREASURY									
500,000	US TREASURY NOTES 2.750% Due 02-15-19	104.27	521,374	105.96	529,805	0.43	13,750	1,709	1.17
2,600,000	US TREASURY NOTES 1.875% Due 06-30-20	98.02	2,548,609	102.30	2,659,722	2.14	48,750	12,255	1.42
500,000	US TREASURY NOTES 3.125% Due 05-15-21	104.06	520,312	108.87	544,335	0.44	15,625	5,913	1.60
1,000,000	US TREASURY NOTES 1.625% Due 08-15-22	90.36	903,555	99.19	991,950	0.80	16,250	2,020	1.74
2,500,000	US TREASURY NOTES 2.500% Due 08-15-23	98.19	2,454,743	105.24	2,631,050	2.12	62,500	7,769	1.82
3,450,000	US TREASURY NOTES 2.750% Due 11-15-23	103.20	3,560,238	107.23	3,699,573	2.98	94,875	35,906	1.84
1,000,000	U S TREASURY NOTES 5.250% Due 02-15-29	110.42	1,104,150	136.79	1,367,890	1.10	52,500	6,526	2.17
1,375,000	US Treasury Note 3.500% Due 02-15-39 Accrued Interest	86.77	1,193,038	118.41	1,628,082	1.31	48,125	5,982	2.47
					78,081	0.06			
			12,806,020		14,130,489	11.39		78,081	
U.S. TREASURY INFLATION									
1,115,740	US TREASURY INFLATION PROTECTED SECURITIES 1.625% Due 01-15-18	100.50	1,121,366	106.53	1,188,609	0.96	18,131	3,806	NA
955,275	US TREASURY INFLATION PROTECTED SECURITIES 0.125% Due 01-15-22	101.24	967,167	100.98	964,675	0.78	1,194	251	NA
690,802	US TREASURY INFLATION PROTECTED SEC 0.250% Due 01-15-25	101.16	698,835	100.87	696,847	0.56	1,727	363	NA
351,025	US TREASURY INFLATION PROTECTED SEC 1.375% Due 02-15-44 Accrued Interest	118.84	417,153	117.54	412,592	0.33	4,827	600	NA
					5,020	0.00			
			3,204,522		3,267,743	2.63		5,020	
AGENCIES									
200,000	FHLB 4.125% Due 03-13-20	111.21	222,430	112.54	225,076	0.18	8,250	412	1.49
2,250,000	FNMA 6.250% Due 05-15-29	128.42	2,889,495	143.37	3,225,802	2.60	140,625	53,125	2.57

**CMBS Note - No further purchases after 12/31/08

Portfolio Appraisal

FAIRBANKS PERMANENT FUND

March 31, 2015



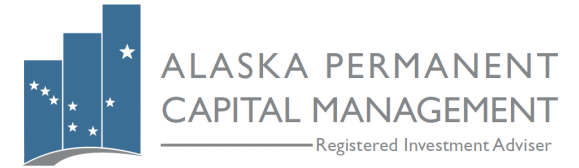
Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
500,000	FHLMC 6.250% Due 07-15-32 Accrued Interest	120.42	602,104	148.35	741,760	0.60	31,250	6,597	2.72
					60,135	0.05			
			3,714,029		4,252,773	3.43		60,135	
FNMA & FHLMC									
17,213	FNMA POOL # 254195 5.500% Due 02-01-17	99.33	17,098	105.11	18,093	0.01	947	79	0.00
16,671	FGLMC POOL E01136 5.500% Due 03-01-17	99.55	16,596	104.84	17,479	0.01	917	76	0.00
98,427	FGLMC POOL B17355 5.000% Due 12-01-19	101.34	99,746	105.14	103,487	0.08	4,921	410	2.24
120,789	FGLMC POOL B17982 4.000% Due 03-01-20	97.59	117,882	105.72	127,697	0.10	4,832	403	1.15
90,889	FNMA POOL 814349 4.500% Due 03-01-20	98.62	89,636	104.87	95,320	0.08	4,090	341	1.52
71,263	FNMA POOL 819922 5.500% Due 04-01-20	102.41	72,984	107.30	76,463	0.06	3,919	327	1.56
70,622	FNMA POOL 819924 4.500% Due 04-01-20	99.55	70,307	105.50	74,506	0.06	3,178	265	1.98
90,709	FNCI 5.00% POOL 888348 5.000% Due 05-01-22	103.55	93,926	108.62	98,533	0.08	4,535	378	1.19
184,869	FNMA 4.00% POOL AD2331 4.000% Due 03-01-25	102.73	189,924	106.31	196,539	0.16	7,395	616	1.74
102,341	FNCI 4% POOL AD7073 4.000% Due 06-01-25	103.15	105,563	106.31	108,801	0.09	4,094	341	1.90
21,135	FGLMC POOL C01403 6.000% Due 09-01-32	101.81	21,518	115.05	24,315	0.02	1,268	106	1.82
66,950	FGLMC POOL A16590 6.000% Due 12-01-33	103.27	69,137	115.05	77,024	0.06	4,017	335	1.99
102,301	FRN - FNMA POOL 820607 1.946% Due 03-01-35	102.47	104,825	105.05	107,464	0.09	1,991	166	0.76
19,211	FNMA POOL 826090 2.251% Due 07-01-35	99.47	19,109	102.80	19,749	0.02	432	36	0.00
78,721	FHLMC # A36703 4.500% Due 08-01-35	95.69	75,327	109.48	86,188	0.07	3,542	295	1.96
81,272	FRN - FNMA POOL # 838293 1.980% Due 08-01-35	99.67	81,002	105.14	85,450	0.07	1,609	134	0.69

**CMBS Note - No further purchases after 12/31/08

Portfolio Appraisal

FAIRBANKS PERMANENT FUND

March 31, 2015



Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
72,832	FNMA ARM POOL 745552 2.041% Due 02-01-36	100.53	73,216	106.03	77,225	0.06	1,487	124	0.74
17,771	FRN - FHLMC # 847740 2.425% Due 04-01-37	98.88	17,571	106.08	18,851	0.02	431	36	1.11
131,040	FRN - FHLMC # 1G2124 5.883% Due 08-01-37	99.81	130,795	107.19	140,459	0.11	7,709	642	1.74
60,132	FRN - FNMA POOL 943054 2.155% Due 08-01-37	100.94	60,695	106.62	64,115	0.05	1,296	108	0.87
110,453	FNCL 6.00% POOL 968813 6.000% Due 01-01-38	109.64	121,101	113.89	125,795	0.10	6,627	552	1.15
121,986	FHLMC # G08264 6.000% Due 04-01-38	100.76	122,910	113.61	138,588	0.11	7,319	610	1.19
127,076	FGLMC 5.5% POOL A77796 5.500% Due 05-01-38	108.01	137,252	112.14	142,504	0.11	6,989	582	1.30
158,339	FHLMC 5% POOL G05253 5.000% Due 02-01-39	107.02	169,460	110.75	175,360	0.14	7,917	660	1.91
171,848	FNCL 4.5 POOL AA6013 4.500% Due 05-01-39 Accrued Interest	103.59	178,017	109.23	187,717	0.15	7,733	644	1.90
					8,266	0.01			
			2,255,597		2,395,988	1.93		8,266	
GNMA									
25,024	GNMA POOL 2563 6.500% Due 03-20-28	100.44	25,133	117.92	29,509	0.02	1,627	136	1.82
25,982	GOV'T NAT'L MTG ASSN POOL# 587075 6.500% Due 05-15-32	101.25	26,307	114.48	29,745	0.02	1,689	141	1.33
166,706	GOV'T NAT'L MTGE ASSN POOL # 617115 5.500% Due 06-15-36 Accrued Interest	97.77	162,981	113.37	189,003	0.15	9,169	764	2.56
					1,040	0.00			
			214,421		249,297	0.20		1,040	
COMMERCIAL MORTGAGE-BACKED SECURITIES									
327,446	LB-UBS COML MTG TR 2006-C7 5.300% Due 11-11-38	100.35	328,597	100.85	330,244	0.27	17,355	964	4.40
177,714	BEAR STEARNS COML MTG SECS INC 4.674% Due 06-11-41	100.54	178,682	100.07	177,847	0.14	8,306	692	2.40
903,074	FRN - CD 2005-C1 COMMERCIAL MTG TR 5.225% Due 07-15-44	100.09	903,847	100.48	907,387	0.73	47,186	3,932	3.20

**CMBS Note - No further purchases after 12/31/08

Portfolio Appraisal

FAIRBANKS PERMANENT FUND

March 31, 2015



Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
500,000	FRN - J P MORGAN CHASE COML MTG SECS 5.694% Due 02-12-49	100.21	501,049	107.69	538,430	0.43	28,469	2,372	1.64
500,000	J P MORGAN CHASE COML MTG SECS 5.882% Due 02-15-51 Accrued Interest	100.50	502,481	107.22	536,091	0.43	29,410	2,451	2.22
					10,412	0.01			
			2,414,656		2,500,411	2.02		10,412	
CORPORATE BONDS									
500,000	CITIGROUP INC 4.750% Due 05-19-15	104.97	524,875	100.54	502,705	0.41	23,750	8,708	0.66
500,000	BANK OF MONTREAL 2.850% Due 06-09-15	100.59	502,930	100.44	502,210	0.40	14,250	4,433	0.50
250,000	HSBC FINANCE CORP 5.500% Due 01-19-16	106.89	267,235	103.54	258,862	0.21	13,750	2,750	1.03
350,000	UNITED HEALTH GROUP INC 5.375% Due 03-15-16	114.09	399,322	104.43	365,491	0.29	18,812	836	0.72
500,000	AT&T INC 2.950% Due 05-15-16	104.33	521,670	102.19	510,945	0.41	14,750	5,572	0.98
500,000	JOHNSON & JOHNSON 2.150% Due 05-15-16	104.26	521,320	101.90	509,500	0.41	10,750	4,061	0.45
1,250,000	TORONTO-DOMINION BANK (144A) 1.625% Due 09-14-16	99.93	1,249,162	101.31	1,266,362	1.02	20,312	959	0.72
500,000	BANK AMER CORP 5.625% Due 10-14-16	99.93	499,670	106.47	532,340	0.43	28,125	13,047	1.35
675,000	CONOCOPHILLIPS CANADA 5.625% Due 10-15-16	104.71	706,819	107.25	723,958	0.58	37,969	17,508	0.87
500,000	MORGAN STANLEY 5.750% Due 10-18-16	110.27	551,340	106.69	533,465	0.43	28,750	13,017	1.36
1,000,000	UBS AG LONDON PRIV PLACEMENT (144A) 2.250% Due 03-30-17	100.93	1,009,300	102.68	1,026,760	0.83	22,500	62	0.90
750,000	BANK OF NEW YORK MELLON 1.969% Due 06-20-17	102.60	769,522	101.87	764,040	0.62	14,767	4,143	1.11
500,000	CAMPBELL SOUP CO. 3.050% Due 07-15-17	106.83	534,130	103.64	518,215	0.42	15,250	3,219	1.42
500,000	INTERNATIONAL BUSINESS MACHS 5.700% Due 09-14-17	106.27	531,328	111.08	555,405	0.45	28,500	1,346	1.11
750,000	EXELON GENERATION CO LLC 6.200% Due 10-01-17	105.77	793,260	110.77	830,775	0.67	46,500	23,250	1.77

**CMBS Note - No further purchases after 12/31/08

Portfolio Appraisal

FAIRBANKS PERMANENT FUND

March 31, 2015



Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
500,000	WELLS FARGO & CO 5.625% Due 12-11-17	99.58	497,920	111.11	555,530	0.45	28,125	8,594	1.41
500,000	WACHOVIA CORP GLOBAL MEDIUM 5.750% Due 02-01-18	99.57	497,860	111.82	559,120	0.45	28,750	4,792	1.47
575,000	MCDONALDS CORP M/T/N 5.350% Due 03-01-18	107.54	618,377	111.55	641,401	0.52	30,762	2,564	1.30
1,000,000	GENERAL ELECTRIC CAP CORP. 5.625% Due 05-01-18	101.74	1,017,425	112.28	1,122,840	0.91	56,250	23,437	1.53
500,000	GLAXOSMITHKLINE CAP INC 5.650% Due 05-15-18	104.59	522,950	113.11	565,570	0.46	28,250	10,672	1.34
1,000,000	US BANCORP 1.950% Due 11-15-18	100.30	1,003,040	101.56	1,015,600	0.82	19,500	7,367	1.50
500,000	CATERPILLAR FINANCIAL 7.150% Due 02-15-19	99.16	495,805	119.96	599,825	0.48	35,750	4,568	1.79
600,000	GOLDMAN SACHS GROUP INC. 7.500% Due 02-15-19	101.40	608,421	119.35	716,088	0.58	45,000	5,750	2.25
600,000	PROCTER & GAMBLE CO. 4.700% Due 02-15-19	102.81	616,886	111.85	671,130	0.54	28,200	3,603	1.53
500,000	JP MORGAN CHASE & CO 6.300% Due 04-23-19	118.62	593,085	116.16	580,820	0.47	31,500	13,825	2.12
600,000	MICROSOFT CORP 4.200% Due 06-01-19	102.24	613,416	110.73	664,356	0.54	25,200	8,400	1.53
750,000	ADOBE SYSTEMS INC 4.750% Due 02-01-20	112.47	843,502	111.67	837,532	0.68	35,625	5,937	2.19
775,000	COMCAST CORP 5.150% Due 03-01-20	116.47	902,635	114.93	890,731	0.72	39,912	3,326	1.95
500,000	NBCUNIVERSAL MEDIA LLC 5.150% Due 04-30-20	114.02	570,115	114.77	573,850	0.46	25,750	10,801	2.07
500,000	PEPSICO INC 3.125% Due 11-01-20	108.06	540,290	106.14	530,710	0.43	15,625	6,510	1.96
750,000	DOW CHEMICAL CO* 4.250% Due 11-15-20	108.13	810,952	109.70	822,727	0.66	31,875	12,042	2.39
1,000,000	CAMPBELL SOUP CO 8.875% Due 05-01-21	129.52	1,295,200	131.69	1,316,900	1.06	88,750	36,979	3.11
786,000	CARGILL INC. (144a) 4.307% Due 05-14-21	98.06	770,763	110.80	870,864	0.70	33,853	12,883	2.40
750,000	GENERAL MILLS INC 3.150% Due 12-15-21	102.88	771,577	103.60	777,022	0.63	23,625	6,956	2.56

**CMBS Note - No further purchases after 12/31/08

Portfolio Appraisal

FAIRBANKS PERMANENT FUND

March 31, 2015



Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
500,000	JPMORGAN CHASE & CO 3.875% Due 02-01-24	105.18	525,905	105.78	528,925	0.43	19,375	3,229	3.12
500,000	BELLSOUTH CORP 6.000% Due 11-15-34	97.52	487,595	111.42	557,100	0.45	30,000	11,333	5.07
500,000	MCDONALDS CORP 5.700% Due 02-01-39	120.31	601,570	124.38	621,905	0.50	28,500	4,750	4.09
500,000	CATERPILLAR INC 4.300% Due 05-15-44 Accrued Interest	103.05	515,235	108.24	541,225	0.44	21,500	8,122	3.83
					<u>319,354</u>	<u>0.26</u>			
			25,102,410		26,282,161	21.19		319,354	
INTERNATIONAL FIXED INCOME FUNDS/ETF									
50,000	VANGUARD TOTAL INTL BOND ETF	51.68	2,583,900	54.09	2,704,500	2.18	NA		
DOMESTIC LARGE CAP EQUITY FUNDS/ETF									
154,586	VANGUARD INST'L S&P500 INDEX FUND	108.00	16,695,337	188.84	29,191,961	23.54	NA		
DOMESTIC MID CAP EQUITY FUNDS/ETF									
62,469	ISHARES CORE S&P MIDCAP 400 ETF	97.14	6,068,039	151.98	9,494,039	7.66	NA		
INTERNATIONAL EQUITY FUNDS/ETF									
296,629	VANGUARD FTSE DEVELOPED MARKETS ETF	34.43	10,213,892	39.83	11,814,733	9.53	NA		
EMERGING MARKET FUNDS/ETF									
112,923	VANGUARD FTSE EMERGING MARKETS ETF	43.01	4,856,311	40.87	4,615,163	3.72	NA		
REAL ESTATE									
80,670	VANGUARD REIT ETF	49.55	3,996,989	84.31	6,801,288	5.48	NA		
CASH AND EQUIVALENTS									
	ALASKA MUNICIPAL LEAGUE INVESTMENT POOL		6,315,466		6,315,466	5.09			
	CASH RECEIVABLE		<u>781</u>		<u>781</u>	<u>0.00</u>	NA		
			6,316,247		6,316,247	5.09			
TOTAL PORTFOLIO			100,442,369		124,016,792	100	3,284,121	482,308	

**CMBS Note - No further purchases after 12/31/08

**PERFORMANCE HISTORY
GROSS OF FEES
CITY OF FAIRBANKS PERMANENT FUND
(Gross of Fees)**



**ALASKA PERMANENT
CAPITAL MANAGEMENT**
Registered Investment Adviser

Time Period	Percent Return Per Period																		
	Total Account	Blend	Fairbanks 50 bp hurdle	Fixed Income	BARC AGG BENCH	Domestic Large Cap Equity	S&P 500 LARGE CAPS BENCH	Domestic Mid Cap Equity	S&P 400 MIDCAP BENCH	Int'l Equity	FTSE DEVELOPED EX NA BENCH	Real Estate	S&P US REIT BENCH	Emerging Market Equity	FTSE EMERGIN MARKET BENCH	Commodities	BLOOMBERG COMMODITY	Cash and Equivalents	Citigroup 3 Month Index - TBILL BENCH
03-31-14 to 04-30-14	0.85	0.85	0.04	0.78	0.84	0.73	0.74	-1.58	-1.56	1.57	1.31	3.29	3.36	0.89	0.39	0.00	2.44	N/A	0.00
04-30-14 to 05-31-14	1.58	1.61	0.04	0.90	1.14	2.37	2.35	1.72	1.78	1.77	1.73	2.40	2.39	3.04	3.78	0.00	-2.87	0.00	0.00
05-31-14 to 06-30-14	1.11	1.04	0.05	0.05	0.05	2.07	2.07	4.24	4.14	1.04	1.09	1.13	1.11	3.17	3.20	0.00	0.60	0.00	0.00
06-30-14 to 07-31-14	-0.82	-0.75	0.04	-0.16	-0.25	-1.38	-1.38	-4.42	-4.27	-2.37	-1.73	0.08	0.02	1.37	2.02	0.00	-4.98	0.00	0.00
07-31-14 to 08-31-14	2.16	1.92	0.04	1.02	1.10	4.00	4.00	5.05	5.08	0.26	-0.17	3.04	2.97	3.84	2.99	0.00	-1.05	0.00	0.00
08-31-14 to 09-30-14	-2.06	-1.87	0.04	-0.60	-0.68	-1.40	-1.40	-4.51	-4.55	-4.15	-4.00	-6.04	-5.98	-7.15	-7.05	0.00	-6.23	0.00	0.00
09-30-14 to 10-31-14	1.75	1.62	0.04	0.77	0.98	2.44	2.44	3.54	3.56	-0.35	-1.52	9.94	9.96	2.23	2.05	0.00	-0.80	0.00	0.00
10-31-14 to 11-30-14	1.22	1.22	0.04	0.83	0.71	2.69	2.69	1.89	1.85	0.00	1.18	2.00	2.02	-1.10	-0.74	0.00	-4.07	0.00	0.00
11-30-14 to 12-31-14	-0.51	-0.38	0.05	0.15	0.09	-0.26	-0.25	0.84	0.82	-3.76	-3.34	1.91	1.94	-6.46	-4.73	0.00	-7.63	0.00	0.00
12-31-14 to 01-31-15	0.75	0.79	0.04	2.32	2.10	-3.00	-3.00	-1.13	-1.12	0.71	0.62	6.85	6.70	-0.20	0.75	0.00	-3.34	0.00	0.00
01-31-15 to 02-28-15	1.64	1.54	0.04	-1.17	-0.94	5.84	5.75	4.92	5.12	6.16	5.76	-3.67	-3.51	4.66	3.17	0.00	2.58	0.00	0.00
02-28-15 to 03-31-15	-0.13	-0.19	0.04	0.50	0.46	-1.58	-1.58	1.34	1.32	-1.21	-1.30	1.74	1.74	-2.06	-1.98	0.00	-5.14	0.00	0.00
Date to Date																			
03-31-14 to 03-31-15	7.72	7.57	0.50	5.48	5.72	12.84	12.73	11.91	12.19	-0.74	-0.75	24.02	24.10	1.41	3.25	0.00	-27.04	0.00	0.03



CLAY STREET CEMETERY COMMISSION
REGULAR MEETING MINUTES, JULY 1, 2015
FAIRBANKS CITY COUNCIL CHAMBERS
800 CUSHMAN STREET, FAIRBANKS, ALASKA



The **Clay Street Cemetery Commission** convened at 5:00 p.m. on the above date to conduct a Regular Meeting at the City Council Chambers, 800 Cushman Street, Fairbanks, Alaska, with Chair Bill Robertson presiding and with the following members in attendance:

Members Present: Dave Erickson, Seat A
Jevon Stone, Seat B
Anne Castle, Seat C
Frank Turney, Seat D
Scott McCrea, Seat G

Absent: Cyndie Warbelow-Tack, Seat F (excused)

Also Present: D. Danyielle Snider, Deputy City Clerk

APPROVAL OF PREVIOUS MINUTES

a) Regular Meeting Minutes of June 3, 2015.

Ms. Snider stated that she will correct the “excused” notation by Mr. Erickson’s name on the June 3 minutes.

Ms. Castle, seconded by **Mr. Stone**, moved to APPROVE the Meeting Minutes of June 3, 2015, as Corrected.

Chair Robertson called for objection and, hearing none, so ORDERED.

APPROVAL OF AGENDA

Chair Robertson explained that since Rotary Club members were in attendance to present a donation to the Commission, he would like to move the “Rotary Club of Fairbanks Donation” item to be heard under Citizen’s Comments.

Ms. Castle, seconded by **Mr. McCrea**, moved to APPROVE the Agenda, as Amended.

Chair Robertson called for objection and, hearing none, so ORDERED.

CITIZEN’S COMMENTS

a) Rotary Club of Fairbanks Donation

The following Rotary Club members were in attendance to present a \$4,000 donation to the Clay Street Cemetery Commission: Mike Cook, Althea St. Martin, Peggy Pollen and Aisha Tinker Bray. Commissioners and Rotarians took a photo together to commemorate the event.

Mr. Cook stated that the Rotary Club has done a fair amount for the Commission. He explained that the donation will be the Rotary's last donation from its service fund as it was formed.

Chair Robertson explained that the Rotary Club's Service Fund was established in 1992 with the death of the first woman Rotarian in the Club, Ms. Dorothy Sugg. He stated that Ms. Sugg left about \$85,000 in assets to the Rotary Club when she passed. **Chair Robertson** stated that all the officers for the Service Fund are past presidents of the Club. He stated that the Fund has grown over the years to about \$330,000. He explained that because of a change in the non-profit 501C3 rules, the Club has had to abandon the Service Fund and form a new one.

Chair Robertson called for Public Testimony and, hearing none, declared Public Testimony closed.

UNFINISHED BUSINESS

a) Work Group & Date for Marker Replacement

Chair Robertson stated that he will be out of town the last part of July, but indicated that the group will need to set a date for working at the cemetery.

Mr. Stone stated that he will check with the Boy Scouts leader to see what their schedule looks like for the rest of the summer.

b) Update on New Kiosk

Chair Robertson announced that the construction of the new kiosk has been completed. He stated that the new map boards still need to be installed with some woodworking and trim work. He stated that he has all the materials needed for the project, but will have to find someone to help him cut the plexi-glass. **Chair Robertson** passed around a plaque recognizing Eagle Scout Kyle Williams for his work in design and construction of the kiosk; he stated that another plaque recognizing Spenard Builders Supply will also be fixed to the kiosk for donating all the building materials. **Chair Robertson** and **Ms. Castle** discussed placement of the maps and plaques on the kiosk.

c) Status of Concrete Base Block Delivery

Chair Robertson stated that he is waiting for the concrete blocks to be delivered to the cemetery. He stated that Mr. Turney will do the heavy lifting. He stated that the bases stayed within the estimated cost of \$43.00 each. He suggested that the donation from the Rotary Club go towards a 2016 marker order and stated that he would contact the Rotary Club to see if they

have a preference in a section of the cemetery. **Chair Robertson** stated that there will be enough bases to place the markers already at the cemetery and for the 2015 markers on order.

Ms. Castle stated that in the future, it may be best to not earmark funds for certain sections of the cemetery as it ties the hands of the Commission. She stated that the Commission may run into a problem if they cannot identify enough information about burial sites within a certain section for the amount of funds allocated to that particular section.

d) Discussion on Cemetery Policy & Possible Changes

Chair Robertson shared photos of the Anchorage Memorial Park Cemetery where he recently visited. He stated that the Anchorage Cemetery has some great ideas that the Clay Street Cemetery Commission may want to consider. He distributed a pamphlet that the Municipality of Anchorage produces and makes available to visitors in the cemetery. He shared photos of how each section within the cemetery is marked; he stated that the Commission may want to consider doing something similar at Clay Street with granite markers to indicate the various sections of the cemetery. He stated that wooden posts would likely deteriorate. **Chair Robertson** showed photos of a columbarium in the Anchorage Memorial Park Cemetery which hold about 4,000 niches. He stated that the flat markers placed throughout the Anchorage Memorial Park Cemetery are becoming a big problem because they are sinking into the ground. He distributed other photos illustrating what he observed.

Ms. Castle shared her ideas on how to mark the various sections at the Clay Street Cemetery.

Mr. Stone asked for more information about a columbarium.

Mr. Erickson explained that a columbarium is made of two panels: a decorative granite panel and an inside, cement (or similar-style) panel. He stated that when an urn is placed in the columbarium, the inside panel is sealed and the decorative panel is placed over it with security screws. He stated that some structures have room for two urns in one space.

Chair Robertson stated that he would like to see the Commission come up with a similar pamphlet to make available at the cemetery.

NEW BUSINESS

a) Welcome to New Member Scott McCrea

Chair Robertson welcomed Mr. Scott McCrea as the newest member of the Commission. He asked Ms. Castle to forward the list of Clay Street Cemetery burials to Mr. McCrea.

Mr. McCrea provided a brief bio and background of himself to the Commission.

b) Information & Photos of Anchorage Cemetery/Ideas for Clay Street

This item was discussed under Unfinished Business, item (d).

OPEN AGENDA

Mr. Turney commended Ms. Castle and City Engineer Technician Winfred Hipp for their work on the GPS survey at the cemetery. He stated that he believes Chief Nagita is still buried at the Clay Street Cemetery in plot number 331. **Mr. Turney** expressed his belief that the family has a right to be compensated for the DNA test done on Chief Nagita and to take the true Chief back to Nenana if they wish. He indicated that he will be in communication with the Ketzler family; he questioned who may pay for another DNA test on the exhumed remains. **Mr. Turney** stated that he will also speak with City Attorney Paul Ewers about the issue. He stated that he believes the Chief is still buried at the Clay Street Cemetery and that the body exhumed belongs to August Anderson.

Ms. Castle stated that she was not present at the exhumation and does not know the exact location of the exhumation. She stated that she has to assume that the body is located where the maps indicate it to be; she stated that if that is not the exact location the exhumation took place, then she would conclude that Chief Nagita's remains are still in the cemetery. She again stated that she has no personal knowledge of the exhumation.

Chair Robertson expressed hope that UAF would do some ground penetrating radar (GPR) to see if there is a body in the spot. He stated that he feels the Commission needs to prove that there is actually a burial at that location.

Mr. Turney stated that UAF has indicated they want the remains removed from their custody.

Mr. Turney stated that he sent a message to Dermot Cole regarding the new headstone that will be placed for Private John White. He stated that he hopes Mr. Cole will do a story on it.

Mr. Erickson stated that the 2015 markers will be picked up for shipping very soon. He stated that the order should arrive in about a week.

Ms. Castle stated that her term will expire at the end of August and that she will not be re-applying for service on the Commission. She stated that she will finish the GPS survey that is already underway at the cemetery. She stated that she will try to keep a replacement in mind; she stated that the next regular meeting will be her official last meeting. **Ms. Castle** presented a color, aerial photo of the cemetery and explained the GPS project that she and the City surveyor have been working on. She stated that there have been a number of additional unknown sites identified and that she will have to add them to the burial database. She stated that next year, there should be an updated map to place in the kiosk at the cemetery. She stated that she has identified name errors and spelling mistakes on some of the gravesites.

Mr. Stone stated that since he is finishing out the remainder of Mr. Pruhs' term, his term will also be expiring at the end of August. He stated that because of the growing amount of work at his job, he will not be able to continue serving on the Commission. He stated that he would still be willing to serve as a contact between the Commission and the Boy Scouts.

Chair Robertson expressed concern with keeping projects at the cemetery alive and maintaining Commission members.

Members spoke to the temporary markers that were placed at the Clay Street Cemetery. **Chair Robertson** stated that he will contact David Van den Berg with the Fairbanks Downtown Association to see if he recalls anything about the marker project. **Ms. Castle** and **Mr. Turney** stated that Karen Lavery may have been involved or may know something about the markers placed in the 1990's.

NEXT MEETING DATE

The next meeting of the Clay Street Cemetery Commission is scheduled for August 5, 2015.

ADJOURNMENT

Ms. Castle, seconded by **Mr. Stone**, moved to ADJOURN the meeting.

Chair Robertson called for objection and, hearing none, so ORDERED.

Chair Robertson declared the meeting adjourned at 6:05 p.m.


Bill Robertson, Chair


D. Danyelle Snider, CMC, City Clerk

Transcribed by: DS

Memorandum

To: Mayor and City Council

From: Jim Soileau, CFO *CR for JS*

Subject: Write-off for Comfort Inn

Date: August 4, 2015

The Finance Department is requesting to write-off debt owed by C & J Han's Corporation, dba Comfort Inn to the City of Fairbanks for hotel/motel sales taxes.

C & J Han's Corporation, through Attorney David H. Bundy, filed its Chapter 11 Voluntary Petition on May 12, 2010 as Case No. A10-00400-DMD. Attorney Bundy filed Motion for Joint Administration with Case No. A10-00399-DMD, the personal bankruptcy case for Choon S. Han and Jung H. Han, shareholders of C & J Han's Corporation. US Bankruptcy Court granted joint administration and ordered Case No. A10-00400-DMD as the subordinate case. On May 10, 2011, Case No. A10-00400-DMD was closed by the US Bankruptcy Court without further action. Pursuant to a telephone call to the US Bankruptcy Court, it was learned that the personal bankruptcy Case No. A10-00399-DMD was approved and went into effect January 2011. Another telephone call placed to Attorney Bundy revealed that City of Fairbanks was never listed as a creditor to either of the bankruptcy cases, the Hans never made payment to any of the listed creditors and the plan was stopped. Attorney Bundy also believed that the Hans left the State of Alaska.

C & J Han's Corporation was involuntarily dissolved on June 10, 2013. The City Finance and Attorney's offices believe all avenues of collection have been exhausted. The write-off amount is \$50,903 in unpaid taxes and \$11,371 in unpaid interest for a total of \$62,274.