



FAIRBANKS CITY COUNCIL
REGULAR MEETING MINUTES, DECEMBER 1, 2014
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
 Perry Walley, Seat B
 Bernard Gatewood, Seat C
 Jim Matherly, Seat D
 Jerry Cleworth, Seat E
 David Pruhs, Seat F

Absent: None

Also Present: Clem Clooten, Building Official
 Warren Cummings, Fire Chief
 Paul Ewers, City Attorney
 D. Danyielle Snider, Deputy City Clerk
 Jim Williams, Chief of Staff
 Stephanie Johnson, Dispatch Center Manager
 Carmen Randle, Controller
 Ben Barrio, IT Director
 Barbara Sunday, Director HR/Risk Management/Purchasing
 Jim N. Soileau, Chief Financial Officer
 Randall Aragon, Police Chief
 Eric Jewkes, Police Admin Lieutenant
 Brad Johnson, Deputy Police Chief

INVOCATION

The Invocation was given by Deputy Clerk Snider.

FLAG SALUTATION

Mayor Eberhart led the Flag Salutation.

APPROVAL OF AGENDA AND CONSENT AGENDA

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

Mr. Cleworth pulled Resolution No. 4652 from the Consent Agenda.

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

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

CITIZEN'S COMMENTS

Frank Turney, 329 6th Avenue, Fairbanks – Mr. Turney reminded everyone that December 15 is Bill of Rights Day, a celebration of the ratification of the Ten Amendments to the U.S. Constitution, and expressed hope that the Council would continue the tradition of reading aloud the Bill of Rights at the Council Meeting on December 8, 2014. He spoke to the origin of the term “marijuana” stating that it comes from Mexico and was used as a racial tool against Mexicans and black people. He expressed distaste for use of the term and offered the term “cannabis” as a substitute. Mr. Turney stated that he has not yet received an answer to his question regarding the type of fire retardant found on the clothing of Johnny Wallis. He stated that he would also like to know how evidence is handled and stored at the Fairbanks Police Department (FPD). He spoke to the John Hartman murder case and suggested that Mr. Hartman may have been raped or sexually assaulted. He questioned whether the authorities or the hospital kept physical evidence if there was such an examination performed. Mr. Turney spoke to the importance of keeping evidence in a safe and stable environment, free of contamination. He stated that he hopes it keeps snowing.

Donna Gilbert, 2223 South Cushman Street, Fairbanks – Ms. Gilbert expressed concern with the proposed 2015 budget and spoke specifically to Mayor Eberhart's attorney fees. She explained that when she sat on the Council, the decision to go to litigation or select an attorney was discussed and decided as a body. Ms. Gilbert stated that it is not fair that Mayor Eberhart's attorney fees are costing the City taxpayers thousands of dollars over a fine of \$37.50. She stated that she filed the complaint with APOC and plans to forward the complaint to the Alaska Bar Association. Ms. Gilbert expressed her belief that Mayor Eberhart was dishonest in his deposition. She suggested that if he was dishonest in that situation, he will likely be dishonest with other things. She stated that when she was fined by APOC she paid the fine even though she knew she had not done anything wrong. She emphasized the importance of maintaining the trust of the citizens of Fairbanks. Ms. Gilbert stated that the public deserves an explanation as to how the Council agreed that the City should pay Mayor Eberhart's attorney fees.

Amy Geiger, 4400 Stanford Drive, Fairbanks – Ms. Geiger shared Explore Fairbanks' new 2015 Visitor's Guide with the Council. She stated that the guide is one of the organization's main marketing tools. She spoke to the new features in the guide and stated that it contains more art pieces than it has in the past. She thanked the Council for the City's support of Explore Fairbanks.

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

MAYOR'S COMMENTS AND REPORT

Mayor Eberhart stated that Chief Aragon has been very busy in his first week as the new Chief of Police and that he plans to talk soon with the Chief about the cases of Johnny Wallis, John Hartman and the Fairbanks Four. He explained the City's budget process for the benefit of the public. **Mayor Eberhart** stated his proposed budget started with a \$1.4 million surplus which was reduced to about \$700,000 after Finance Committee review. He explained that the reduction was primarily due to the need to set aside capital funds for the replacement of City equipment.

Mayor Eberhart explained that a 2% increase for all City employees in 2015 would cost about \$500,000 and that the remaining surplus will serve as a buffer for the City. He spoke to the stable financial position of the City of Fairbanks and shared that as of November 28, the Permanent Fund was at a record high of over \$123 million. **Mayor Eberhart** listed the many events, meetings and activities of the Mayor's Office since the last Regular City Council Meeting. He referenced a memo he handed out to the Council and explained that it reflects how Department Heads would like to prioritize the City's 2015 capital requests. He clarified that the order of priorities differs from what is proposed in Resolution No. 4652. **Mayor Eberhart** stated that the City's lobbyist recommends splitting the IT and Police facility requests because the City may be able to partner with the state on the IT facility. He shared that the City's Environmental Manager, Jackson Fox, recently put out a request for proposals (RFP) to enhance the Bjerremark Subdivision. He stated that a steering committee has been formed and that there has already been an open house to gather public input. He announced that the next steering committee meeting would be held at City Hall on December 16 at 5 p.m. **Mayor Eberhart** wished City HR Director Barbara Sunday a happy birthday.

UNFINISHED BUSINESS

- a) Ordinance No. 5961 – An Ordinance Adopting the 2015 Operating and Capital Budgets. Introduced by Mayor Eberhart. **SECOND READING AND PUBLIC HEARING.**

Mr. Gatewood, seconded by **Mr. Matherly**, moved to ADOPT Ordinance No. 5961.

Mayor Eberhart called for Public Testimony.

Jim Richardson, 1032 8th Avenue, Fairbanks – Mr. Richardson stated that he lives downtown and rides his bicycle in the area. He commented that he would like to see the Mayor and Council make it more of a priority to keep the sidewalks cleaner in the downtown area. He stated that many businesses are moving out of the core area.

Frank Turney – Mr. Turney stated that Festival Fairbanks was taking care of the snow removal on downtown sidewalks until they lost funding. He commented that there is an ordinance speaking to snow removal on sidewalks and that the City is doing snow removal on downtown sidewalks on Wednesdays.

Donna Gilbert – Ms. Gilbert addressed the proposed budget and stated that Mayor Eberhart has added seven employees since he became City Mayor. She spoke to the 2% possible increase to City employees referenced earlier by Mayor Eberhart and commented that many employees in the private sector would love to have a 2% raise. Ms. Gilbert stated that the foreclosure rate in Fairbanks is constantly growing while Anchorage is struggling to provide enough housing for their growing population. She expressed fear that Fairbanks is becoming stagnant and cautioned the Mayor to stop spending the taxpayers' money. Ms. Gilbert pointed out that the Mayor is proposing a \$20,000 travel budget for his department in 2015 and compared it to that of former Mayor Cleworth's \$3,000 travel budget. She stated that the former Mayor was able to gain over \$5 million in state funding without traveling to Juneau. She questioned Mayor Eberhart's motives for requesting the increased travel budget. Ms. Gilbert spoke highly of the City's lobbyist Linda Anderson and indicated that she is capable of handling the City's legislative

requests in Juneau. Ms. Gilbert stated that her travel was never paid for by local government when she served as an elected official.

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

Mr. Cleworth requested that Chief Financial Officer Jim Soileau and Controller Carmen Randall come forward. He thanked the Finance Department for the work they did in preparing the proposed budget. He asked why the temporary wages and benefits line item of \$45,506 is still listed under the Dispatch Center budget and explained that his recollection was that the item was moved to the general account.

Mr. Soileau stated that he recalls the Finance Committee determining to leave the \$45,506 under the Dispatch Department's budget.

Ms. Randle stated that there are two components to the issue: to allocate enough funds in the Dispatch budget to have a full-time person in training at all times, and to fund temporary hires that are already trained and will work as needed in the Dispatch Center through the general account.

Mr. Cleworth stated that the explanation does not match his recollection or understanding of what was discussed at the Finance Committee meetings. He stated that he would like to hear other Council Members' input on the issue. He stated that he had hoped temporary hires would be placed under the general account to be apportioned at the Mayor's approval. He commented that he must have misunderstood the conclusion of that discussion.

Mr. Walley stated that he also misunderstood the discussion because he thought the \$45,506 was going to be eliminated.

Mr. Cleworth, seconded by **Mr. Gatewood**, moved to AMEND Ordinance No. 5961 by eliminating the Dispatch Center line item 5005 in the amount of \$45,506.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND ORDINANCE NO. 5961 BY ELIMINATING THE DISPATCH CENTER LINE ITEM 5005 IN THE AMOUNT OF \$45,506 AS FOLLOWS:

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

NAYS: None

Mayor Eberhart declared the MOTION CARRIED.

Mr. Cleworth stated that the News Miner published two articles recently that should be clarified. He stated that one of the articles claimed that the City expects to see an increase of 0.75 mills and clarified that the actual proposed increase from 2014 to 2015 is 0.102 mills. **Mr. Cleworth** explained that the City basically works with two budgets each year: the capital budget and the operating budget. He clarified that \$475,000 of the \$698,239 reduction in surplus for the 2015 budget is simply a transfer from the Capital Fund to the General Fund, not an increase in expenditures. He explained that the only real increase to expenditures that the Council brought

forward for 2015 was temporary hires and materials for the Public Works Department. **Mr. Cleworth** stated that the News Miner article also stated that the only expenditure cut by the Council was in the Mayor's Office. He clarified that the Council reduced expenditures in other departments, including IT and Fire. **Mr. Cleworth** thanked the News Miner for their editorial about the fiscal responsibility of the City of Fairbanks. He stated that he shares concern in adding employees at the City and cautioned that the Council needs to be careful about increasing staff. He spoke briefly to the likelihood of a significant decrease in revenue sharing in coming years. **Mr. Cleworth** expressed his belief that it is prudent for the City to increase the Capital Fund and commended Mr. Walley for introducing a motion to increase the Capital Fund with surplus from the General Fund earlier in the year. He commented that the Capital Fund did not even exist twelve years ago.

Mr. Walley added that the Council chose to increase Public Works funding by approximately \$150,000 due to the significant road repairs needing to be done after the record rainfall last summer.

Mr. Matherly asked Mayor Eberhart to speak to the proposed increase to his department's travel and training budget.

Mayor Eberhart asked Chief of Staff Jim Williams to speak to the proposed increase.

Chief of Staff Jim Williams explained that the Mayor's Office travel budget has increased due to a number of reasons: 1) newly-elected officials training for new Council Members, 2) travel to and from Juneau to lobby for state capital funding, 3) Society of Human Resource Management (SHRM) training for the HR Director, 4) training for a new HR administrative assistant, 5) FBI public relations training for the City's public information officer (PIO), 6) funds for the Mayor and Chief of Staff to attend the Alaska Municipal League (AML) conference and other training, and 7) funds for the Mayor to attend the U.S. Conference of Mayors.

Mayor Eberhart stated that there are still some uncertainties in the Mayor's travel and training budget for 2015 but that the Mayor's Office is trying to step up their involvement.

Mr. Pruhs stated that the City's preparation of the 2015 budget was very comprehensive. He stated that issues were well-vetted by individuals with a great deal of City budget experience and thanked the Finance Department for their professionalism and teamwork-oriented attitude.

Mr. Walley echoed the comments of Mr. Pruhs. He stated that the Council had the opportunity to convene to discuss the proposed budget after Department Head input which helped make the process go smoothly.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 5961, AS AMENDED, AS FOLLOWS:

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

NAYS: None

Mayor Eberhart declared the MOTION CARRIED and Ordinance No. 5961, as Amended, ADOPTED.

NEW BUSINESS

- a) Resolution No. 4652 – A Resolution Stating the City's Capital Priorities for the State 2015-16 Fiscal Year. Introduced by Mayor Eberhart.

Mr. Matherly, seconded by **Ms. Staley**, moved to APPROVE Resolution No. 4652.

Mr. Gatewood stated that he would like to hear the reasoning behind separating out the IT/Police facility projects.

Mayor Eberhart asked City lobbyist Linda Anderson to come forward to speak to the capital priorities.

Linda Anderson, 3165 Riverview Drive, Fairbanks – Ms. Anderson commended the City Council on the presentation of the City's succinct request. She expressed her support for the public safety theme of the requests and commented that she believes it will go over well with appropriators. Ms. Anderson stated that in earlier years when there were shortfalls in the state budget, there were no savings accounts and indicated that she does not believe the state is close to financial disasters like it experienced in 1985 and 1998. She spoke to the power of the state legislature to appropriate funds and commented that she expects it to be a challenging year in Juneau due to the low price of oil. Ms. Anderson stated that the first and simplest cutback is in the capital budget. She indicated that the City's requests are reasonable and recommended that the City emphasize a funding match to help obtain funds and suggested a 70/30 split. She stated that she anticipates scrutiny on duplication of projects and requests among communities. She commented that it may be best to consolidate requests with other agencies to get the best bang for the buck.

Mr. Cleworth stated that capital requests are always somewhat of a juggling act. He explained that he pulled Resolution No. 4652 because of item two on the list of priorities. He stated that item two is requesting \$15 million for local road reconstruction projects and indicated that the amount may turn legislators off. He suggested that the legislators may be more open to the request if it was more specific to just one or two neighborhoods. **Mr. Cleworth** asked Ms. Anderson if it would be smarter to modify the request.

Ms. Anderson stated that the City's legislative requests are a work in progress and that there will be opportunities to tweak them later. She stated that while the number may be shocking, there is good reason for the needed repairs given the record high rainfall experienced in Fairbanks over the last summer. Ms. Anderson stated that the problem should not be ignored and that legislators need to be aware of it. She commented that legislators may have some constructive ideas on how to deal with the problem and reminded the Council that they will have an opportunity to meet with the Interior Delegation on December 9.

Mr. Gatewood asked for clarification on how the memo works with Resolution No. 4652.

Mayor Eberhart explained that since the Interior Delegation moved their meeting up the administration did not have time to meet with Department Heads before making a proposal to the Council. He stated that the memo outlines the order of prioritization by Department Heads and

presents the IT Disaster Recovery project as a stand-alone request. He stated that he felt the need to present the memo out of respect to City staff.

Mr. Gatewood stated that he does not have a problem with the City staff's prioritization and proposal.

Mr. Walley asked how the City requested for the IT Disaster Recovery project in the capital request the prior year.

IT Director Ben Barrio replied that the request was for \$1.4 million dollars the prior year. He stated that this year's request is based on the minimal requirements to provide a disaster recovery capability for the City of Fairbanks. He clarified that the request is minimal in that it would only cover the basic needs of the City in the event of a disaster where it is necessary to relocate City Hall operations.

Mr. Cleworth asked if the IT project request would cover the fiber ring or only the on-site development at Public Works.

Director Barrio replied that it is only for the Public Works development.

Mr. Cleworth stated that the item is a request that the City had considered putting in the Governor's budget which would have to come from the Mayor's Office. He stated that he does not mind splitting item five apart but that he likes the prioritization list as proposed in Resolution No. 4652. He stated that the fuel tanks should be a major priority.

Mr. Cleworth, seconded by **Mr. Matherly**, moved to AMEND Resolution No. 4652 by splitting item five so that the IT Disaster Recovery Site remains at item five, the Police Department Evidence Facility becomes item six, the Fire Station Storage be moved to item seven and the project request total be increased by \$50,000.00.

Mayor Eberhart explained that Development Manager Patrick Smith informed him that the IT project cost would increase by \$50,000 if it were to stand alone.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND RESOLUTION NO. 4652 BY SPLITTING ITEM FIVE SO THAT THE IT DISASTER RECOVERY SITE REMAINS AT ITEM FIVE, THE POLICE DEPARTMENT EVIDENCE FACILITY BECOMES ITEM SIX, THE FIRE STATION STORAGE IS MOVED TO ITEM SEVEN AND THE PROJECT REQUEST TOTAL IS INCREASED BY \$50,000.00 AS FOLLOWS:

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

Mayor Eberhart declared the MOTION CARRIED.

Mr. Walley expressed support for proposed priority list.

Mr. Gatewood, seconded by **Mr. Matherly**, moved to AMEND Resolution No. 4652 by changing the prioritization of the items to reflect the order of priorities in the memo.

Mr. Gatewood stated that he supports the staff recommendations because they are closer to the projects and may have a better idea of what needs to be prioritized.

Mr. Cleworth stated that when staff prioritized the list, there was a great difference of opinion as to what the order should be. He stated that the list in the memo is a composite of the staff's votes. He stated that he would speak against Mr. Gatewood's amendment because he prefers the list in the resolution.

Ms. Staley spoke in support of the list proposed in Resolution No. 4652 indicating that local road construction funding needs to remain a priority.

Mr. Pruhs stated that the Mayor and City lobbyist likely prepared the list in Resolution No. 4652 and spoke in support of the list because they will be the City's representation to lobby for the items.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND RESOLUTION NO. 4652 BY CHANGING THE PRIORITIZATION OF THE ITEMS TO REFLECT THE ORDER OF PRIORITIES IN THE MEMO AS FOLLOWS:

YEAS: Matherly, Gatewood
NAYS: Staley, Pruhs, Cleworth, Walley
Mayor Eberhart declared the MOTION FAILED.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPROVE RESOLUTION NO. 4652, AS AMENDED, AS FOLLOWS:

YEAS: Matherly, Cleworth, Walley, Staley, Gatewood, Pruhs
NAYS: None
Mayor Eberhart declared the MOTION CARRIED and Resolution No. 4652, as Amended, ADOPTED.

DISCUSSION ITEMS

Committee Reports

Hotel/Motel Discretionary Fund Committee – **Mr. Matherly** stated that the Committee recently held a preliminary meeting to discuss the approaching grant season. He shared that 27 organizations have applied for the funding this year and that presentations will be heard on December 10 at 5:30 p.m. He stated that there is a new Committee member this year and a few new discretionary fund applicants. **Mr. Matherly** stated that the Committee takes the allocation of funds process very seriously.

COMMUNICATIONS TO COUNCIL

- a) Re-appointment to the Joint City/Borough Chena Riverfront Commission

APPROVED on the CONSENT AGENDA

- b) Re-appointment to the Public Safety Commission

APPROVED on the CONSENT AGENDA

COUNCIL MEMBERS' COMMENTS

Mr. Pruhs reminded everyone that there would be a hearing on the state's Ballot Measure 2 at Pioneer Park December 2 from 6 – 8 p.m. He stated that representatives from the Borough and both the Cities of Fairbanks and North Pole will be in attendance and that he has invited a representative from the Alaska Department of Environmental Conservation (DEC) to attend. **Mr. Pruhs** stated that he reminds constituents that the Fairbanks City Council presides only over the City limits of Fairbanks. **Mr. Pruhs** requested to be excused from the Regular City Council Meeting of January 5, 2015.

Mayor Eberhart called for objection to Mr. Pruhs' request to be excused on January 5, 2015 and, hearing none, so ORDERED.

Mr. Cleworth asked if the Borough has invited all Assembly members and City Council members to attend the Work Session on Ballot Measure 2.

Mayor Eberhart replied that he is under the impression that all City Council and Assembly members are invited.

Mr. Ewers stated that the Borough Attorney's Office plans to do an overview with an opportunity for public comment.

Mr. Cleworth stated that until the state comes up with more legislation on the marijuana issue, there is not much action that municipalities can take. He spoke to the processes that may take place on the state and local level if the drug is treated and regulated like alcohol. He asked the City Attorney if he gets the impression that the state is structuring something along the same lines as alcohol.

Mr. Ewers replied that the question is still unanswered. He explained that the proposition stated that the regulations could be drawn up through the Alcoholic Beverage Control (ABC) Board or a special board for that specific purpose. He stated that it is unclear whether the state will use the existing ABC Board or establish a separate body to draft regulations. Mr. Ewers stated that the City should keep an eye out for state legislation that could adversely affect the City's local authority.

Mr. Cleworth stated that if the state uses the alcohol industry as a model for regulating cannabis, it may make a cannabis license a very valuable commodity. He stated that it is an interesting issue.

Mr. Pruhs validated Mr. Cleworth's concern and recommended that he speak with Jordan Shilling in Senator Coghill's office in regard to how licenses might be transferred. He suggested that the hypothetical cannabis license should not be treated as a commodity.

Mr. Cleworth requested that 9-1-1 fees be placed on the agenda for the meeting with the Interior Delegation. He stated that he believes it is important for the delegation to know that City would like to see the law liberalized.

Mayor Eberhart stated that he spoke with Ms. Anderson earlier in the day about the 9-1-1 issue and that one of her recommendations was to see if a legislator might prompt the Borough to change its interpretation of the statute.

Mr. Matherly encouraged the public to attend the upcoming meeting on Ballot Measure 2. He stated that Governor Walker was sworn in earlier in the day and wished him luck in public office. He spoke to the fatality that occurred on Airport Way due to a car accident and cautioned everyone to drive carefully and slow down.

Ms. Staley stated that a winter weather advisory is about to begin and echoed Mr. Matherly's comments on using caution. She expressed excitement for the upcoming process in Juneau to consider the City's legislative priorities and commented that the City has some steep future goals. She thanked everyone for their hard work on the 2015 City budget.

Mr. Walley stated that he had no comments.

Mr. Gatewood congratulated the new Governor and Lieutenant Governor of the State of Alaska and stated that he hopes to see good things happen for the Fairbanks community. He expressed appreciation for the Council's ability to have open debate and discussion on issues. He stated that he is looking forward to working with City lobbyists, Ms. Anderson and Mr. Morgan, during the legislative session.

ADJOURNMENT

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

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

Mayor Eberhart declared the Meeting adjourned at 8:44 P.M.



JOHN EBERHART, MAYOR

ATTEST:



D. DANYIELLE SNIDER, CMC, CITY CLERK

Transcribed by: DS