



FAIRBANKS CITY COUNCIL
REGULAR MEETING MINUTES, AUGUST 11, 2014
FAIRBANKS CITY COUNCIL CHAMBERS
800 CUSHMAN STREET, FAIRBANKS, ALASKA

The City Council convened at 7:00 p.m. on the above date, following a 6:00 p.m. Work Session on the Review of Log Cabin Options, 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
 Lloyd Hilling, Seat E
 Chris Anderson, Seat F

Absent: None

Also Present: Paul Ewers, City Attorney
 Janey Hovenden, City Clerk
 Jim Williams, Chief of Staff
 Stephanie Johnson, Dispatch Center Manager
 Carmen Randle, Controller
 Keith Anderson, Acting IT Director
 Barbara Sunday, Director HR/Risk Management/Purchasing
 Brad Johnson, Acting Police Chief

INVOCATION

The Invocation was given by City Clerk Janey Hovenden.

FLAG SALUTATION

Mayor Eberhart led the Flag Salutation.

APPROVAL OF AGENDA AND CONSENT AGENDA

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

Mayor Eberhart stated that there is an “as Amended” version of Resolution No. 4642 regarding the contract for the Police Station Roof Replacement Project. He stated that the item should be pulled so that the substitution could be made.

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

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

CITIZEN'S COMMENTS

Victor Buberger, PO Box 58192, Fairbanks – Mr. Buberger commended Public Works Director Mike Schmetzer for doing the best he can with what he has to work with in regard to City streets. He stated that there are still a number of potholes that need attention before winter comes. Mr. Buberger commented that the South Cushman project seems to be making good progress and that he hopes it will turn out to be a very nice street. He thanked the Council for their good work in the Fairbanks community.

Sean White, 191 Eagle Ridge Road, Fairbanks – Mr. White stated that he is a strong believer in the rights afforded to individuals under the both the State Constitution and the U.S. Constitution. He explained that when an individual joins the military or becomes a firefighter or policeman, they give up some of those rights: the right to strike and the right to sue their employer. He stated that the Public Employment Relations Act (PERA) does allow for the arbitration process in the event of an impasse between two parties. He explained the selection procedure for an arbitrator and spoke to the great expense of the arbitration process. He stated that an arbitrator's decision is binding regardless of whether the parties like the outcome.

Mr. Hilling asked Mr. White if he believes he could sue the City for money that is owed to him under contract.

Mr. White replied that legally, he cannot sue the City for money owed to him. He stated that right now, under contract, the City owes the firefighters \$60,000. He explained that the firefighters cannot sue the City for the dollar amount because they gave up the right to do so for binding arbitration.

David van den Berg, 332 Slater Drive, Fairbanks – Mr. van den Berg stated that he is the Executive Director of the Downtown Association (DTA) of Fairbanks. He announced that the DTA has moved from Old City Hall to their new location at 542 4th Avenue. He provided the Council with a July report on the activities and operations of the Community Service Patrol (CSP).

Mayor Eberhart informed Mr. van den Berg that the City recently added another police officer to the Downtown Foot Patrol so that there would be coverage seven days a week. He requested that Mr. van den Berg include information on how the Foot Patrol is coordinating with the CSP efforts in his next report.

Floyd Terry, PO Box 73514, Fairbanks – Mr. Terry stated that he has been promoting a roller skating rink in the Fairbanks area for 16 years and that he will not continue his campaign after the end of the month. He commented that a roller rink may not have much of a payoff in Fairbanks with all the other recreational activities available. Mr. Terry spoke to the importance of community and family-oriented activities. He read aloud an article from a magazine produced by the Roller Skating Association (RSA) International that spoke to his efforts in opening a roller skating rink in Fairbanks. He stated that he recently lost his wallet and spoke to the hassle in obtaining a new state identification.

Greg Taylor, 928 Wood Way, Fairbanks – Mr. Taylor stated that it has been his privilege to serve Fairbanks residents as an employee of the Fairbanks Fire Department for more than 20 years. He stated his belief that he has a positive impact on someone's life every day when he goes to work. Mr. Taylor also spoke to the sacrifice that comes with his job and to the holidays, birthdays and family events he has missed because of his job. He spoke to the value of binding arbitration and to the recent decision of the Council to non-fund the arbitrator's award. He explained that regardless of the Council's decision, the arbitrator's award becomes a part of the FFU contract. Mr. Taylor stated that when he tested to become a firefighter in 1993, there were two gymnasiums full of applicants for the Fairbanks Fire Department. He stated that the Department's current list of interested applicants only has 11 names. Mr. Taylor closed by commenting that it is difficult to be a motivated and satisfied employee when the governing body is working against you.

Mr. Anderson asked Mr. Taylor where the City of Fairbanks falls in wage comparisons with Juneau and Anchorage.

Mr. Taylor stated that he does not know about Juneau but that he is making about 20% less than he would if he worked for the Municipality of Anchorage.

Mr. Hilling asked Mr. Taylor to speak to how he believes the City is breaking a contract by not funding the arbitrator's decision.

Mr. Taylor stated that when a party agrees to take an issue to binding arbitration, the party is in essence agreeing to be bound by the arbitrator's decision.

Zachary Rittel, 1655 Woodpecker Lane, Fairbanks – Mr. Rittel stated that he has been a firefighter at the City's Fire Department for two years. He spoke to the issue of fairness stating that the firefighters have no other recourse after an arbitrator's decision. He stated that the City's decision to non-fund is affecting the morale of the younger employees in the department and commented on the low recruiting numbers the department is experiencing. Mr. Rittel spoke to his love for the job but indicated that the Council's decision may affect his longevity with the Fairbanks Fire Department.

Mr. Anderson asked if firefighters who leave the City's Fire Department often seek employment in other fire departments.

Mr. Rittel replied affirmatively.

Dave Naber, 4848 Chena Hot Springs Road, Fairbanks – Mr. Naber stated that the last time he spoke before the Council several years ago it was in regard to a contract. He stated that he has been with the City of Fairbanks for 18 years and indicated that he has been fighting for his job and his rights as an employee since day one. Mr. Naber spoke to the importance of retaining firefighters at the City primarily because of the financial investment in training, testing and certification for each new employee. He stated that the Fairbanks Fire Department was once the best place to work among local fire departments, but has now become a joke to other entities.

Steve Sundborg, 293 East Birch Hill Road, Fairbanks – Mr. Sundborg stated that he has been a City firefighter for about 14 years. He explained that when he was hired, there had not been a new contract for nine years and that there were disgruntled employees in the Fire Department. He spoke to the need for unions in the workforce and urged the City Council to do the right thing as an employer.

Dominic Lozano, 2980 North Point Court, Fairbanks – Mr. Lozano stated that he is the President of the Fairbanks Firefighters Union (FFU). He expressed his disappointment that the City Council failed to advance Ordinance No. 5952 to a second reading and related his feeling that the Council has created the animosity that exists between the FFU and the City. He indicated that abiding by an arbitrator's decision should not be viewed by the City as optional. Mr. Lozano commented that by non-funding, the City Council has created an unfriendly work environment. He stated that employees City-wide are recognizing the Council's stance on labor issues and that he believes there will be long-term ramifications to its rejection or non-funding of labor contracts. Mr. Lozano commented that the City's contribution to employees' health care is grossly below that of comparable jurisdictions and indicated that the City Council has ignored the issue for years. He stated that binding arbitration is still binding whether the Council chooses to fund it or not. Mr. Lozano stated that it is disgraceful that the Council did not allow Ordinance No. 5952 to go to a public hearing and indicated that the Council's decision is starting to attract attention from around the state.

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

APPROVAL OF PREVIOUS MINUTES

- a) Regular Meeting Minutes of April 21, 2014

APPROVED on the CONSENT AGENDA

- b) Regular Meeting Minutes of May 05, 2014

APPROVED on the CONSENT AGENDA

- c) Regular Meeting Minutes of May 12, 2014

APPROVED on the CONSENT AGENDA

- d) Regular Meeting Minutes of June 09, 2014

APPROVED on the CONSENT AGENDA

MAYOR'S COMMENTS AND REPORT

Mayor Eberhart thanked everyone for the birthday wishes and for the cake. He spoke to the Work Session on the Review of Log Cabin Options and stated that the City will talk more with the Yukon Quest and eventually propose action from the Council on the future of the cabin.

Mayor Eberhart provided a report to the Council on his recent visit to the Mayor's Institute on City Design in Louisville, Kentucky. He stated that the list of potential projects was narrowed down to the core downtown area of Fairbanks. He explained that he made a presentation to a resource team made up of architects, designers, property developers and mayors who volunteer their time to the Institute. **Mayor Eberhart** stated that he recently received the report and recommendations from the Institute and indicated that he will brief the Council once he has reviewed the results. He thanked the City Council and the DTA for the expansion of the CSP and commented on its success so far. **Mayor Eberhart** expressed his sympathy in the recent drowning at the Chena River and thanked Tanana Chiefs Conference's VPSO Program and the City's Public Safety employees for their efforts in search and recovery. He shared that the City recently received test results from the upper body clothing of the late Johnny Wallis from a lab in Georgia. He stated that additional clothing has now been sent to the lab for more testing and announced that the City would release a public statement on the lab results. **Mayor Eberhart** stated that the City has been interviewing applicants for the IT Director position and hopes to hire an individual soon. He stated that the City has also begun scheduling interviews for the Chief of Police position. He encouraged members of the public to file for candidacy to serve on the City Council and get involved in the Fairbanks community. **Mayor Eberhart** spoke to the promising news on the potential of housing F-35's at Eielson Air Force Base and stated that the addition of military personnel would be a huge economic boom to the Fairbanks area. He commended various residents, City staff and community leaders for their efforts with the F-35 issue.

NEW BUSINESS

- a) Resolution No. 4641 – A Resolution to Exclude Part-Time Employees from Participation in the Public Employees' Retirement System. Introduced by Mayor Eberhart.

PASSED and APPROVED on the CONSENT AGENDA.

- b) Resolution No. 4642 – A Resolution Awarding a Contract to XXXX (Rain Proof Roofing) for the Police Station Roof Replacement Project FB-14-26 in the Amount of \$XXX (\$316,900.00). Introduced by Mayor Eberhart.

Mr. Matherly, seconded by **Mr. Walley**, moved to APPROVE Resolution No. 4642.

Mr. Matherly, seconded by **Mr. Walley**, moved to SUBSTITUTE Resolution No. 4642, as Amended, for Resolution No. 4642, with the contract being awarded to Rain Proof Roofing in the amount of \$316,900.00.

There was no objection to the motion to SUBSTITUTE.

Mr. Anderson asked if the award amount is lower than expected.

Public Works Director Mike Schmetzer replied that there is a summary of project bids printed on the back of Resolution No. 4642, as Amended. He explained that they have decided not to award the Alternate No. 1 price because that portion of the project is not critical.

Mr. Hilling stated that when a bid comes in drastically lower than others, one may question the ability of that contractor. He asked Mr. Schmetzer if he has any history on Rain Proof Roofing.

Mr. Schmetzer stated that Rain Proof Roofing is an Anchorage-based company that has been in the business for a long time. He stated that he does not believe there is any reason to be concerned with the contractor.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPROVE RESOLUTION NO. 4642, AS AMENDED, AS FOLLOWS:

YEAS: Matherly, Hilling, Walley, Staley, Gatewood, Anderson

NAYS: None

Mayor Eberhart declared the MOTION CARRIED and Resolution No. 4642, as Amended, APPROVED.

- c) Ordinance No. 5953 – An Ordinance Ratifying a Labor Agreement Between the City of Fairbanks and the Public Safety Employees Association, Fairbanks Police Department Chapter. Introduced by Mayor Eberhart.

ADVANCED on the CONSENT AGENDA.

DISCUSSION ITEMS

Committee Reports

Permanent Fund Review Board – **Mr. Gatewood** stated that the Board met on July 23 and reported that the portfolio continues to be slightly heavy in equities and light in fixed income. He stated that at the close of business on July 22 the Fund balance was at \$121,789,000.00, which includes the recent transfer from the General Fund. **Mr. Gatewood** stated that the Fund manager recently changed the investment vehicle for international bonds which lowered the Fund fees.

COMMUNICATIONS TO COUNCIL

- a) Permanent Fund Review Board Meeting Minutes of April 30, 2014

ACCEPTED on the CONSENT AGENDA

COUNCIL MEMBERS' COMMENTS

Ms. Staley expressed her excitement about the likelihood of the F-35's being housed at Eielson Air Force Base and mentioned that she attended the dedication of the Tanana Bridge. She stated that there will be a Public Safety Commission (PSC) meeting at 11:30 a.m. on August 12 at the Fairbanks Police Department and a Golden Heart Parking Services Board meeting the following week.

Mr. Walley stated that he had no comments.

Mayor Eberhart stated that Mr. Steve Ginnis from Fairbanks Native Association will be giving a talk at the next PSC meeting on Title 47, which will be germane to the discussions about the CSP.

Mr. Gatewood congratulated Deputy Clerk Danyielle Snider for having received her certification as a Municipal Clerk. He stated that while he does not have a problem with the way the vote on Ordinance No. 5952 went at the last meeting, he does not feel good about his individual vote on the issue. **Mr. Gatewood** stated that he will take the comments he has heard to heart in regard to not allowing the ordinance to advance to a public hearing.

Mr. Anderson thanked all the union members who offered public testimony. He expressed disappointment that Ordinance No. 5942 did not go to a second reading.

Mr. Hilling expressed appreciation to FFU members for speaking to the Council. He estimated that the union members feel that the City Council has acted in an unethical manner and against the spirit of the law. He stated that the law may allow for non-funding in situations where an entity cannot fiscally afford the award. **Mr. Hilling** stated that he was not in attendance at the last meeting when Ordinance No. 5952 was discussed. He recalled that when he served on the Council in 2006 he broke a tie vote in favor of an arbitrator's award because he felt as though the City at that time could not argue that they could not afford the funding. He stated that he is unsure of how he might have voted on Ordinance No. 5952. **Mr. Hilling** spoke out against the belief that the dramatic rise in health care costs for City employees should be subsidized by taxpayers. He stated that he does not necessarily agree with the statement that the City should have to abide by binding arbitration just because Fire Department employees are prohibited from striking. **Mr. Hilling** spoke to the purpose of unions and to the obligations of both employers and employees. He suggested that the labor law forcing employers to be subject to binding arbitration may be unjust. He expressed appreciation for all sides of the argument.

Mr. Matherly stated that he had no comments.

CITY CLERK'S REPORT

City Clerk Hovenden informed Council Members that she included a written report from the City Clerk's Office in the agenda packet.

Mr. Hilling, seconded by **Mr. Matherly**, moved to go into Executive Session for the purpose of discussing John Eberhart vs. APOC and Labor Contract Negotiations for the Fairbanks Firefighters Union (FFU).

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

Mayor Eberhart called for a five minute recess.

EXECUTIVE SESSION

- a) John Eberhart vs. APOC

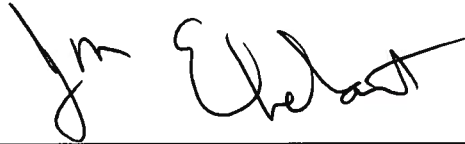
a) Labor Contract Negotiations – FFU

The City Council met in Executive Session to discuss John Eberhart vs. APOC and Labor Contract Negotiations for the FFU. Direction was given to staff and no action was taken.

ADJOURNMENT


Mayor Eberhart called for objection to ADJOURNING the meeting and, hearing none, so ORDERED.

Mayor Eberhart declared the Meeting adjourned at 11:00 p.m.



JOHN EBERHART, MAYOR

ATTEST:

for 
JANEY HOVENDEN, MMC, CITY CLERK

Transcribed by: DS