



FAIRBANKS CITY COUNCIL
REGULAR MEETING MINUTES, JULY 21, 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
 Chris Anderson, Seat F

Absent: Lloyd Hilling, Seat E (Excused)

Also Present: Ernie Misewicz, Assistant Fire Chief
 Paul Ewers, City Attorney
 Janey Hovenden, City Clerk
 Stephanie Johnson, Dispatch Center Manager
 Keith Anderson, Acting IT Director
 Barbara Sunday, Director HR/Risk Management/Purchasing
 Jim N. Soileau, Chief Financial Officer
 Brad Johnson, Acting Police Chief
 Amber Courtney, Communications Director/PIO

INVOCATION

The Invocation was given by City Clerk Janey Hovenden.

FLAG SALUTATION

Mayor Eberhart led the Flag Salutation.

CITIZEN'S COMMENTS

Helen Renfrew, 1915 Central Avenue, Fairbanks – Ms. Renfrew stated that she is the Director of Meetings and Conventions for Explore Fairbanks. She referenced the new edition of the Explore Fairbanks Meeting Planner Guide which she distributed to the Council prior to the meeting. Ms. Renfrew explained that the guide is printed every other year and that it will be distributed to all the meeting planners in the Explore Fairbanks database and handed out on sales calls throughout the next couple of years.

Ms. Staley asked Ms. Renfrew if she expects an increase in meetings this year.

Ms. Renfrew replied that Explore Fairbanks expects an increase in meetings in 2015 and 2016.

Amy Geiger, 4400 Stanford Drive, Fairbanks – Ms. Geiger stated that she is the Director of Communications for Explore Fairbanks. She provided a report to the Council on media tours and various journalists and stated that Explore Fairbanks has hosted 18 media tours so far in 2014.

Mr. Anderson asked if Explore Fairbanks coordinates with the World Eskimo-Indian Olympics (WEIO).

Ms. Geiger replied affirmatively. She spoke to an event called Alaska Media Road Show that takes place in October in Santa Barbara, California where organizations from around the state of Alaska have the opportunity to meet with all types of media. She stated that each year since she has worked at Explore Fairbanks they have had journalists to cover the WEIO events. She added that she also does a press release each year on WEIO.

Frank Turney, 329 6th Avenue, Fairbanks – Mr. Turney expressed appreciation to Mayor Eberhart for having the Public Works Department expedite the repair of the lawn mower at the Clay Street Cemetery. Mr. Turney stated that he was assured by the former administration that the clothing of Johnny Wallis was sent to the Anchorage lab for testing. He thanked Mayor Eberhart for ensuring that the clothing was sent away for testing and stated that he is looking forward to seeing the results. Mr. Turney questioned the reason for the lack of public restrooms in downtown Fairbanks. He stated that he did not appreciate the way that the last Chief of Police was selected and suggested that the citizens of Fairbanks pull together to propose a change to the City Charter on the process by which a Police Chief is selected. He expressed his belief that the position should be elected by the people in order to be more accountable to local residents.

Victor Buberger, PO Box 58192, Fairbanks – Mr. Buberger stated that he recently went on a successful fishing trip to the Copper River and commented that the State-maintained roadways on the way there were free of potholes. He questioned whether State employees work harder, are smarter and have better materials to work with than City employees. Mr. Buberger stated that some potholes within the City have been fixed but that there are many more in need of repair. He suggested that it may be more of a priority for the City to ensure that those workers get a raise than to ensure the quality of City streets. He stated that he would volunteer his own time to help mark potholes for repair.

Dominic Lozano, 2980 North Point Court, Fairbanks – Mr. Lozano stated that he is the President of the Fairbanks Firefighters Union (FFU). He spoke in support of Ordinance No. 5952 regarding the healthcare arbitration award. He stated that FFU and the City have been in negotiations over healthcare since March or April of 2013. He invited questions from the Council.

Mr. Gatewood referenced the “Award” portion of the arbitrator’s decision; particularly the sentence stating that “The payments shall be made in a separate check and not made part of the employees’ base wages.” He asked Mr. Lozano if he believes that statement means that each employee would get a separate check.

Mr. Lozano replied that he believes the statement means that each employee would receive a retroactive payment to make up for the difference between the amount that the City was paying and the new amount equal to 80% of the premium.

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

APPROVAL OF AGENDA AND CONSENT AGENDA

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

Mr. Matherly pulled Ordinance No. 5952 from the Consent Agenda.

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

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

SPECIAL ORDERS

- a) The Fairbanks City Council, sitting as a Committee of the Whole, heard interested citizens concerned with the following Liquor License Application for Transfer of Ownership and Name Change.

Type: Beverage Dispensary, License #4547

To: **Lavelle's Bistro** / Franklin Eagle and Kathleen Lavelle
No Premises

From: Chili's Grill & Bar / Duke Investments Inc.
No Premises (formerly 506 Merhar Ave.)

Mr. Gatewood, seconded by **Mr. Anderson**, moved to WAIVE PROTEST on the Liquor License Application for Transfer of Ownership and Name Change.

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 APPLICATION FOR TRANSFER OF OWNERSHIP AND NAME CHANGE AS FOLLOWS:

YEAS: Staley, Matherly, Gatewood, Anderson, Walley

NAYS: None

ABSENT: Hilling

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 Location and Name Change.

Type: Beverage Dispensary, License #2847

To: **Bojangles / Scruff N Pork's Inc.**
1351 Cushman Street, Fairbanks

From: No DBA / Scruff N Pork's Inc.
No Premises

Mr. Anderson, seconded by **Mr. Gatewood**, moved to WAIVE PROTEST on the Liquor License Application for Transfer of Location and Name Change.

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 APPLICATION FOR TRANSFER OF LOCATION AND NAME CHANGE AS FOLLOWS:

YEAS: Anderson, Walley, Staley, Matherly, Gatewood

NAYS: None

ABSENT: Hilling

Mayor Eberhart declared the MOTION CARRIED.

MAYOR'S COMMENTS AND REPORT

Mayor Eberhart stated that there will be a Work Session scheduled before the next Regular Meeting to discuss the lease of the City-owned log cabin currently occupied by the Yukon Quest. He asked the Council to begin preparing for the work session early and request information from staff ahead of time. **Mayor Eberhart** presented the City's Finance Department with a Certificate of Recognition for Budget Presentation from the Government Finance Officers Association. He stated that the City of Fairbanks received the distinguished Budget Presentation Award and mentioned that it is the highest form of recognition in governmental budgeting. **Mayor Eberhart** stated that visitors from Fairbanks' sister City Fanano, Italy came to Fairbanks during the Golden Days events. He stated that one of the individuals was Adriano Pedroni, the great-grandnephew of Felix Pedro and thanked Festival Fairbanks and Bill and June Rogers for helping make the visitors comfortable. He stated that the group had a good time during their visit. **Mayor Eberhart** listed the various activities and meetings that he and others in his office have been involved in since the last Regular City Council Meeting. He stated that he has asked Acting Police Chief Brad Johnson to assign another officer to the Downtown Foot Patrol for the summer so that there would be coverage for seven days a week. He thanked Chief of Staff Jim Williams for his work on the City's Strategic Plan and stated that there will be more sessions to come. **Mayor Eberhart** reported that he and City Department Heads met with Borough Mayor Luke Hopkins and consultant Joe Hardenbrook to discuss the preparation of a report to the Municipal Advisory Group. He explained that the report will outline the impacts of the large-

diameter pipeline on the Fairbanks community. **Mayor Eberhart** reported that the FMATS Policy Committee rejected the proposed changes to College Road. He thanked the Pioneers of Alaska for putting on the Rededication Ceremony for the Pedro Monument.

NEW BUSINESS

- a) Ordinance No. 5952 – An Ordinance Amending the 2014 Operating Budget to Fund the Firefighters Local No. 1324 vs. City Healthcare Arbitration Award. Introduced by Mayor Eberhart.

Mr. Anderson, seconded by **Mr. Walley**, moved to ADVANCE Ordinance No. 5952.

Mr. Matherly requested that City Attorney Ewers speak to the arbitrator's statement that "the Union contended...that the Employer did not meet its obligation to provide health insurance at reasonable rates for bargaining unit employees." He asked other Council Members to comment on possible concessions in regular negotiations that may affect the healthcare issue.

City Attorney Ewers agreed that the Union's contention was with the obligation of the City to provide health insurance at a reasonable cost. He stated that the City did not hold the same position.

Mr. Walley asked what final healthcare contribution was offered to FFU prior to arbitration.

Mr. Ewers replied that he recalls the amount being a number equal to 80% of the healthcare premium at that time. He clarified that the premium increased at the beginning of 2014.

Mr. Walley asked if the City gets the opportunity to present its case in arbitration.

Mr. Ewers replied affirmatively.

Mayor Eberhart distributed an excerpt from the Public Employment Relations Act (PERA) relating to the classes of public employees. He pointed out that the FFU is a non-striking union because fire service is an essential service that "may not be given up for even the shortest period of time." **Mayor Eberhart** stated that the PERA goes on to state that if an impasse is reached in negotiations, the parties shall submit to arbitration. He expressed his belief that the arbitrator's decision is well-reasoned and spoke to the \$870,000 bond refund that the City will soon receive. He encouraged the Council to advance Ordinance No. 5952 to allow the public an opportunity to speak to the issue.

Mr. Gatewood stated that this Council has been fairly unpredictable and has not necessarily felt bound by procedures of courtesy. He expressed his understanding that the arbitrator's award requires the City to contribute an amount towards FFU healthcare equal to 80% of what the current premium is.

Mr. Ewers clarified that the award would require the City to pay the actual percentage, an 80/20 split between the employer and the employee, respectively.

Mr. Gatewood stated that he feels that the arbitrator may be overreaching by dictating to the City the manner in which they must make payment to employees.

Mr. Walley asked Mr. Ewers how many arbitrator awards he has seen come down in the City's favor.

Mr. Ewers replied that he does not recall any arbitrator decision giving the City everything they asked for. He stated that on the flip side, he does not recall any decision that granted a union everything they requested.

Mr. Walley stated that he believes the City made a good faith effort to resolve the healthcare issue in 2013. He indicated that he has a problem with the arbitrator's decision and that if the City agrees to it, he believes it will cause problems with other bargaining units in the future. **Mr. Walley** stated that healthcare premiums have gone up for nearly everyone in the nation. He stated that the Council does not have to grant the arbitrator's decision and commented that he will not support Ordinance No. 5952.

Mr. Matherly asked why the arbitrator would specify that the City shall pay FFU employees in separate checks, not part of the employees' base wages.

Mr. Gatewood replied that it is so employees would not have to pay taxes on the retroactive amount. He stated that the form of payment is not a big deal but commented that the dictation of those details by the arbitrator bothers him.

Chief Financial Officer Soileau stated that the City can either write individual checks to each employee for their individual retroactive amounts or write one check for the full retroactive amount for all employees and give it to the union to distribute.

Mr. Gatewood asked what factors the arbitrator is referring to when he states that the 80/20 split is "based on several factors." **Mr. Gatewood** pointed out that he only saw one of those factors listed in the arbitration award.

Mr. Ewers stated that eleven of the twelve pages of the award are simply a recital of the facts and only a small section addresses the award. He commented that he finds the award a bit unusual. He agreed with Mr. Gatewood that it is difficult to identify the justification of the award.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADVANCE ORDINANCE NO. 5952 AS FOLLOWS:

YEAS: Anderson
NAYS: Gatewood, Staley, Matherly, Walley
ABSENT: Hilling
Mayor Eberhart declared the MOTION FAILED.

DISCUSSION ITEMS

Committee Reports

Public Safety Commission (PSC) – **Ms. Staley** reported that there was a review of the Geraghty fire at the last PSC meeting. She commended the City's Fire Department for their great work. She stated that she is pleased to be a part of the PSC.

Ms. Staley stated that she also recently attended the Military Affairs Meeting for the Chamber of Commerce. She encouraged everyone to offer public comment before August 25, 2014 on the Supplemental Environmental Assessment for Army 2020 Force Structure Realignment and speak to the importance of Fort Wainwright to the Fairbanks community. **Ms. Staley** thanked all those in the community who walked in the Golden Days Parade to support the F-35's.

FMATS Policy Committee – **Mr. Walley** stated that the Committee approved the College Road Corridor Study Final Report and sent a request to the Department of Transportation and Public Facilities (DOT & PF) for funds to reconstruct College Road in 2015. He stated that the meeting was well-attended with a large amount of public testimony in regard to the possible changes to College Road. **Mr. Walley** stated that they will not reconstruct it into a three-lane road. He stated that the Committee approved an additional \$15,000 for the South Cushman Project to fund the retroactive pay increases for the design phase. **Mr. Walley** shared that they also approved a \$500,000 appropriation to finalize the right-of-way for the Illinois Street Reconstruction Project. He stated that the Policy Committee referred the College Road plan to the Technical Committee to see how to implement the project without making it a three-lane road. He commented that there was a huge amount of public opposition to the three-lane proposal, including a petition signed by over 400 individuals. **Mr. Walley** stated that the Committee approved the release of a draft of the Unified Planning Work Program (UPWP) for public comment. He stated that a corridor study for Badger Road is included in the draft and announced that comments are due August 15, 2014.

COMMUNICATIONS TO COUNCIL

- a) Request from City Attorney Re: Re-appointment to the AML/JIA Board

Mr. Matherly, seconded by **Ms. Staley**, moved to APPROVE the City Attorney's re-appointment to the AML/JIA Board of Trustees.

Mr. Ewers stated that he was originally appointed to the Board to finish the late Patrick Cole's term which will soon expire. He stated that he feels it is important to have a representative from Interior Alaska on the Board and indicated that he would like to continue as a Trustee. Mr. Ewers requested the Council's approval on his continued service.

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

- b) Clay Street Cemetery Commission Meeting Minutes June 4, 2014

ACCEPTED on the CONSENT AGENDA

- c) Public Safety Commission Meeting Minutes of February 11, 2014

ACCEPTED on the CONSENT AGENDA

- d) Public Safety Commission Meeting Minutes of March 11, 2014

ACCEPTED on the CONSENT AGENDA

- e) Public Safety Commission Meeting Minutes of April 8, 2014

ACCEPTED on the CONSENT AGENDA

- f) Public Safety Commission Meeting Minutes of June 10, 2014

ACCEPTED on the CONSENT AGENDA

- g) Chena Riverfront Commission Meeting Minutes of June 11, 2014

ACCEPTED on the CONSENT AGENDA

- h) Re-appointment to the Clay Street Cemetery Commission

APPROVED on the CONSENT AGENDA

- i) Appointment and Re-appointment to the Board of Plumber Examiners

APPROVED on the CONSENT AGENDA

COUNCIL MEMBERS' COMMENTS

Mr. Anderson stated that he had no comments.

Mr. Matherly congratulated Erica Meckel on her accomplishment in the WEIO games and commended all those who participated in the events. He stated that he has received both good and bad feedback on the Airport Way reconstruction but commented that he thinks the improvements look very nice. **Mr. Matherly** spoke to the controversy surrounding the upcoming carnival and fair and expressed hope that the drama could be squashed.

Ms. Staley reported that Mark Marlow, owner of the Polaris Building, was able to get all his loan documents in on time. She stated that his meeting with the loan committee has been rescheduled for Thursday, July 24, 2014.

Mr. Walley stated that he had no comments.

Mr. Gatewood echoed **Mr. Matherly's** comments regarding the WEIO events and specifically congratulated Amanda Sullivan and Erica Meckel. He stated that he feels torn about the vote on Ordinance No. 5952. **Mr. Gatewood** questioned whether having binding arbitration in place lessens a union's incentive to bargain seriously during negotiations. He stated that he does not have an issue with the City paying an amount equal to 80% for FFU's health care premium but

that he does not want to see the City become locked in to an actual percentage. **Mr. Gatewood** expressed his feeling that the arbitrator in this case came across as arrogant and that the award, in his opinion, is a poorly-written document.

Mr. Anderson, seconded by **Mr. Matherly**, moved to go into Executive Session for the purpose of discussing Public Safety Employees Association (PSEA) Labor Negotiations.

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

Mayor Eberhart called for a five minute recess.

EXECUTIVE SESSION

a) Labor Contract Negotiations – PSEA

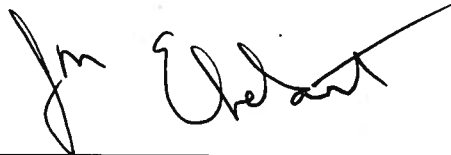
The City Council met in Executive Session to discuss PSEA labor negotiations. Direction was given to staff and no action was taken.

ADJOURNMENT

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

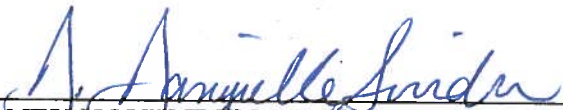
Mayor Eberhart called for objection and, hearing none, so ORDERED.

Mayor Eberhart declared the Meeting adjourned at 9:10 P.M.



JOHN EBERHART, MAYOR

ATTEST:

for 

JANEY HOVENDEN, MMC, CITY CLERK

Transcribed by: DS