



FAIRBANKS CITY COUNCIL  
REGULAR MEETING MINUTES, MARCH 24, 2014  
FAIRBANKS CITY COUNCIL CHAMBERS  
800 CUSHMAN STREET, FAIRBANKS, ALASKA

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The City Council convened at 7:00 p.m. on the above date, following a Work Session with Alaska Municipal League/Joint Insurance Association (AML/JIA), 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:                        Warren Cummings, Fire Chief  
   Paul Ewers, City Attorney  
   Janey Hovenden, City Clerk  
   Jim Williams, Chief of Staff  
   Stephanie Johnson, Dispatch Center Manager  
   Tony C. Shumate, Director Personnel/Purchasing/RM  
   Pat Smith, Development Manager  
   Jim N. Soileau, Chief Financial Officer  
   Laren Zager, Police Chief

### **INVOCATION**

The Invocation was given by City Clerk Janey Hovenden.

### **FLAG SALUTATION**

Mayor Eberhart led the Flag Salutation.

### **CITIZEN'S COMMENTS**

Lance Roberts, PO Box 83449, Fairbanks – Mr. Roberts referenced the Borough ordinance up for first reading at the Borough Assembly Meeting on March 27, 2014, regarding a line of credit for the Interior Alaska Natural Gas Utility (IANGU). He stated that a legal case originating in 2006 had finally been resolved in the favor of municipalities and that the Borough anticipates the receipt of about \$7.8 million. He indicated that in 2006 the pipeline did not generate enough tax dollars and the taxpayers had to make up for it. Mr. Roberts explained that the Borough will have up to a \$7.5 million line of credit that may be available to the IANGU to get the natural gas

project started. He spoke to the effect that the line of credit would have on local taxpayers and to how the mill rate may be adjusted. Mr. Roberts stated that the purpose of his testimony is to give the City Council a heads up on the introduction of the ordinance.

**Mr. Hilling** asked Mr. Roberts to speak to what happened in 2006.

Mr. Roberts explained that the State Assessment Review Board is the body that evaluates the value of the pipeline for tax assessment purposes. He stated that in 2006 municipalities disagreed with the assessment values and sued the oil companies for what they considered to be too low of an assessment. He explained that the higher amount was actually paid under duress and was put into a holding account. Mr. Roberts stated that with the recent court ruling the money may now be paid to the municipalities involved in the case. He confirmed that the Borough's portion of over \$7 million will likely be earmarked for an IANGU line of credit.

Tim Sovde, 402 Bonnifield Street, Fairbanks – Mr. Sovde stated that he is expecting the City Council to exercise its rights to protect City interests in the natural gas utility. He spoke to the proposed Borough ordinance and questioned its benefit to the City of Fairbanks. He suggested that instead of being used as a line of credit for the IANGU, the money should be distributed back to the taxpayers. Mr. Sovde encouraged the City Representative to ask tough questions at the upcoming Borough Assembly Meeting. He pointed out that general funds cannot be used to benefit any particular area within the Borough and suggested that a service area be created that will levy taxes upon only those receiving the benefits of the natural gas utility. He spoke to the influence that a City Representative may have at Borough Assembly Meetings.

**Mr. Hilling** asked what percentage of non-City residents he believes will benefit from the natural gas utility.

Mr. Sovde replied that the utility plans to distribute natural gas to all areas of the Borough outside the City, except those areas that are extremely remote. He stated there are maps of the proposed build out areas available.

John Ferree, 939 Smallwood Trail, Fairbanks – Mr. Ferree stated that he is the Assistant Business Manager for the International Brotherhood of Electrical Workers (IBEW) Local 1547. He spoke in support of Ordinance No. 5942, an ordinance ratifying a labor agreement with the IBEW and the City of Fairbanks. He stated that the negotiations were executed in a fair manner over the course of about three months.

Diane Fleeks, 202 10th Avenue, Fairbanks – Ms. Fleeks stated that she is speaking on behalf of the Fairbanks Community Museum located in the Historic City Hall Building. She thanked community members for their help in putting on the Arctic Winter Games Then and Now Exhibit. She stated that since the Arctic Winter Games (AWG) had not been held in Fairbanks in 26 years the Board of Directors for the Fairbanks Community Museum decided to create an exhibit to mark the occasion. She stated that the primary resource to make the exhibit successful was the volunteer involvement from the Fairbanks community. Ms. Fleeks thanked the AWG staff for loaning items for the exhibit and for donating two large display cases to the museum. She thanked several members of the community by name along with the AWG Host Committee,

Fairbanks North Star Borough (FNSB) Mayor Luke Hopkins, the Fairbanks Daily News Miner and the City of Fairbanks' Hotel/Motel Discretionary Fund Committee.

Marti Steury, 3175 C.E.D. Road, Fairbanks – Ms. Steury stated that she is the Executive Director of the Yukon Quest International Sled Dog Race. She expressed pride to be a part of the Fairbanks community and recognized the City's Public Works Department, Mayor's Office and the Police Department for helping get the race off to a safe start. Ms. Steury announced that the Yukon Quest was recently inducted into the Alaska Sports Hall of Fame and stated that her goal is to allow all 1,000 people who helped put on the race to hold the trophy. She stated that there will be an exhibit in the Sports Hall of Fame in the Anchorage airport by the end of the month.

Frank Turney, 329 6th Avenue, Fairbanks – Mr. Turney read aloud portions of "An Essay on the Trial by Jury" written by Lysander Spooner. He stated that HB 315, a Jury Rights Bill introduced by State Representatives Tammie Wilson and Scott Kawasaki, will have a hearing on March 26 at 1:00 p.m. at the Legislative Information Office (LIO). He shared that many states have adopted jury nullification rights which allow a jury to effectively make a law void. Mr. Turney suggested that if a jury's verdict has to be based solely on facts of the law then jurors could be replaced by computers. He stated that whether or not HB 315 passes juries will still have the right to nullification but that the bill would prevent judges from mis-instructing jurors on their role and responsibilities.

**Mr. Hilling** asked Mr. Turney if HB 315 would obligate judges to inform jurors that they have a right to judge the law itself.

Mr. Turney stated that judicial acceptance of jury nullification began to diminish in 1895 when the Supreme Court upheld a conviction in an appealed case where the judge had refused to let the jury know of their nullification power. He stated that HB 315 will require judges to fully inform jurors of their nullification rights.

Victor Buberger, PO Box 58192, Fairbanks – Mr. Buberger spoke to the need for public restroom facilities in the downtown area. He stated that it would be interesting to find out from clean-up crews how much they picked up over the weekend since porta-potties were available for public use. He stated that if the City can afford to pay some of its police officers over \$13,000 per month surely it could afford to furnish public restroom facilities. He spoke to how poorly police officers are paid in third world countries. He stated that he has photographed public restrooms and roundabouts in third world countries and would like to share the photos with the Council. He indicated that the restroom facilities are fairly nice and modern. Mr. Buberger spoke out against overpaying public servants and stated that they are not "elite" workers. He commented that some are milking local taxpayers to accommodate their inflated wage.

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. Walley** pulled Ordinance No. 5942 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.

### **APPROVAL OF PREVIOUS MINUTES**

a) Regular Meeting Minutes of January 20, 2014.

PASSED and APPROVED on the CONSENT AGENDA.

### **MAYOR'S COMMENTS AND REPORT**

**Mayor Eberhart** stated that the last few weeks have been very busy and exciting with the 2014 Arctic Winter Games, the annual meetings of the Tanana Chiefs Conference (TCC) and Doyon, the Open North American Sled Dog Championship (ONAC) and other events throughout the community. He thanked everyone in the City of Fairbanks who helped make the AWG a terrific success and indicated that he has heard nothing but positive feedback on the event. **Mayor Eberhart** recognized Council Members and City staff for volunteering to help with the games and commended the Fairbanks Police Department (FPD) for coordinating security for the large event. He stated that a Canadian television station did a special segment featuring FPD. **Mayor Eberhart** announced that the City has signed a Memorandum of Agreement (MOA) with the Downtown Association (DTA) of Fairbanks to expand the emergency services patrol City-wide and that the agreement will go into effect on April 1, 2014. He thanked the City Council and the Borough for contributing the extra funding to make the expansion possible and expressed hope that the expanded program will provide relief for the City's Fire and Police Departments. **Mayor Eberhart** stated that the City has run into some problems and delays in implementing the new public safety assistant program. He announced that Chief of Staff Jim Williams and Council Member Walley will be flying to Juneau within the next few days to meet with legislators regarding the City's requests. He reminded the Council that the top priority is obtaining funds to expand the emergency service patrol. **Mayor Eberhart** spoke to the fiscal stability of the City of Fairbanks. He thanked Mr. Ferree for his testimony in regard to the proposed IBEW labor contract and shared that the IBEW bargaining unit had met earlier in the day and voted to ratify the proposed agreement. He stated that he believes the agreement is fair and balanced and within the parameters of authority given to him by the City Council. He welcomed questions from the Council in regard to the proposed three-year contract. **Mayor Eberhart** stated that a member of the public requested a document comparing the changes from the last IBEW collective bargaining agreement (CBA) to the proposed document that is in the agenda packet. He stated that Jim Williams was able to compile the information and that each Council Member should have a copy of the document on their desks. **Mayor Eberhart** listed an array of meetings and events he has attended since the last Regular City Council Meeting. He stated that Borough Mayor Luke Hopkins has spearheaded the formation of an F-35 Committee to raise awareness and support for bringing 3,000 – 4,000 new residents into the community. He stated that the site survey team for the Air Force recently visited and added that there should be an announcement in June regarding the F-35 site(s) that are selected. He shared that the lead on

the F-35 Committee is Jim Williams and briefly spoke to Mr. Williams' military background and knowledge. **Mayor Eberhart** stated that Mr. Williams and Police Chief Zager recently met with Jody Potts, Director of the Village Public Safety Officers (VPSO) at Tanana Chiefs Conference. He stated that he was unable to attend the meeting but indicated that the City requested help in finding Native Alaskan applicants for the police department. He stated that Ms. Potts expressed interest in having some Fairbanks police officers perform training for VPSO's. **Mayor Eberhart** spoke to the progress of the work study program.

**Mr. Gatewood** asked Mayor Eberhart if he had any comments on the proposed Borough ordinance to provide IANGU with a line of credit.

**Mayor Eberhart** stated that he has not had the opportunity to read the ordinance. He stated that he has asked Mr. Williams to attend the Borough Assembly Meeting in his absence.

### NEW BUSINESS

- a) Ordinance No. 5940 – An Ordinance Authorizing the Lease of Land Known as Golden Heart Plaza to Festival Fairbanks. Introduced by Mayor Eberhart.

ADVANCED on the CONSENT AGENDA.

- b) Ordinance No. 5941 – An Ordinance Amending the 2014 Operating and Capital Budgets for the First Time. Introduced by Mayor Eberhart.

ADVANCED on the CONSENT AGENDA.

- c) Ordinance No. 5942 – An Ordinance Ratifying a Labor Agreement Between the City of Fairbanks and the International Brotherhood of Electrical Workers Local 1547. Introduced by Mayor Eberhart.

**Mr. Gatewood**, seconded by **Mr. Walley**, moved to ADVANCE Ordinance No. 5942.

**Mr. Walley** thanked the negotiating team for all their hard work. He stated that sometimes it is difficult to see the bigger picture when reviewing labor contracts and indicated that once a CBA is ratified it may set the bar for other labor contracts. He stated that being a person who likes to see the "bottom line" he asked Chief Financial Officer Jim Soileau to prepare a projection from 2010 – 2016 to see the effect on City finances for all union contracts. **Mr. Walley** stated that the most concerning part of the projection is the net change in the fund balance, up to a \$700,000 deficit at the end of 2016. He clarified that the \$700,000 shortfall would not be a true deficit because the fund balance is large enough to cover it, but commented that he views that money as a savings account that should not be used to fund labor contracts.

**Mr. Gatewood** asked Mr. Walley if the projections are based on a uniform increase to all unions the City hold contracts with.

**Mr. Walley** replied affirmatively. He stated that he would like to see a concrete plan in the fiscal note for funding those contracts in the years to come.

**Mr. Anderson** asked if there is something in the Fairbanks General Code (FGC) that prohibits the Council from ratifying an agreement that will cause financial harm to the City.

**Mayor Eberhart** replied that he is not aware of any provision in the FGC speaking directly to that. He mentioned that there is a minimum balance requirement for the General Fund set forth in the FGC.

City Attorney Ewers clarified that the minimum fund balance set forth in the FGC must be at least 20% of budgeted operational expenditures or \$4,000,000, whichever is greater.

**Mayor Eberhart** stated that the prior administration got the City into the pattern of one-year agreements and wage reopeners. He stated that the aim of the IBEW contract is to match the 2.5% increase that was given to the AFL/CIO bargaining unit. He reminded the Council that the City will be receiving an \$870,000 bond refund that can help cover labor increases for 2014. He pointed out that the IBEW bargaining unit has agreed to a reduced increase of 2% in years 2015 and 2016. **Mayor Eberhart** spoke to the various cost-saving measures that are currently being explored by the administration. He mentioned that the tax cap formula for City property taxes increases by the Anchorage-based Consumer Price Index (CPI) each year. He encouraged the Council to support the proposed three-year agreement for the certainty of both the Council and the City employees.

**Mr. Anderson** again asked if there is some provision in the FGC that prohibits the Council from ratifying an agreement that will cause financial harm to the City.

CFO Jim Soileau stated that there is no such specific provision but cited the minimum fund balance set forth in the FGC. He stated that the current minimum fund balance for 2014 is \$6.8 million and stated that there is a total projected fund balance of \$12.7 million and an unassigned projected balance of \$11.9 million for 2014. Mr. Soileau explained that the forecast he created is based on current assumptions and revenue history over the past few years. He stated that a preliminary taxable value projection from the Borough indicates that there will be an estimated \$54 million increase over 2013. He spoke to other revenues such as hotel/motel tax and stated that City revenues look stable for 2014. Mr. Soileau reminded the Council that the projected forecast is based on all City unions receiving the same increases over a three-year period, not just the IBEW bargaining unit. He pointed out that the increase made to the Capital Budget transfer by former Mayor Cleworth from \$200,000 to \$500,000 has been carried over in future years in his forecast. He explained that the Council may choose to amend future budgets to reduce each transfer amount by \$300,000 thus offsetting the projected shortfall at the end of the projection period. He reminded the Council that his projection is only a guide.

**Mayor Eberhart** reminded the Council that the \$80 million Fairbanks Memorial Hospital (FMH) expansion will take place in 2015 and that the building permit fees for the project are estimated at \$500,000. He indicated that from speaking with others in the community, tourism is projected to be stable for 2014 and that the real estate market is improving. **Mayor Eberhart** gave an optimistic outlook on the future of the Fairbanks economy and stated that he believes the City can afford to fund the IBEW contract.

Mr. Soileau stated that preliminary estimates indicate that the City will be \$1.2 million to the good for the 2013 fiscal year.

**Mr. Walley** stated that he is not trying to be negative but is only trying to take a realistic look at the future of City finances. He asked Mr. Soileau what the anomaly was in the 2014 budget adjustment in relation to revenues and taxes.

Mr. Soileau replied that it is the \$869,000 bond reimbursement final payment which will make the City of Fairbanks truly debt-free. Mr. Soileau spoke to the cap within the tax cap and how it affected his projection.

**Mayor Eberhart** stated that some legislators are discussing an increase to the Public Employees Retirement System (PERS) rate from 22% to 24%. He stated that if that happens it will cost the City of Fairbanks about \$200,000. He explained that there is also a chance that municipal revenue sharing could be cut by \$10 million which would equate to an estimated \$85,000 decrease to the City's share. **Mayor Eberhart** asked Mr. Soileau if he assumed flat or even lesser revenues in his projection beyond 2014.

Mr. Soileau explained that the flat revenue is an illusion of the bond reimbursement. He stated that he included revenues in his projection.

**Ms. Staley** asked if the 2015 and 2016 shortfalls would be \$702,000 and \$978,000, respectively, if the PERS rate increased.

**Mr. Walley** reminded the Council in the spirit of fairness that the numbers are only projections. He stated that there is a lot of uncertainty on both sides and expressed his concern regarding labor contracts.

Mr. Soileau stated that he finds some comfort in seeing the \$4 million surplus over the minimum requirement in the fund balance at the end of the projection. He stated that the surplus gives the Council some leeway. He commented that the forecast was his best effort at predicting what may happen in the years to come.

**Mr. Matherly** expressed appreciation for the discussion on Ordinance No. 5942. He stated that he comes from a conservative perspective like Mr. Walley and that he never loses sight of the Council's obligation to be prudent with City finances. He commented, however, that the Council must also negotiate fairly and enter into labor contracts for the various unions. **Mr. Matherly** expressed hesitation in agreeing to a contract that would then obligate the City to agree to similar terms for all the other union contracts.

**Mr. Hilling** addressed three items of concern: 1) the obligation to be consistent among all labor contracts, 2) the uncertainty of inflation, and 3) the funding source. He stated that FGC Section 42.1(2)(n)(5) charges the City Council with a goal of maintaining "consistency between bargaining units, as well as between union and non-union employees." He explained that one of his problems with the proposed IBEW labor contract is that it fails to be consistent with the last ratified contract with the AFL-CIO. He pointed out that the AFL-CIO agreed to a one-time pay out equivalent to a 1% increase in 2014 along with a 1.5% CPI increase. He stated that while the

total increase is still 2.5% it would not equate to the proposed 2.5% increase for the IBEW. He explained that the difference is that the IBEW's 1% appropriation to healthcare would carry into the future whereas the AFL-CIO's 1% was a one-time payout.

**Mayor Eberhart** explained that the 2.5% increase for both unions in 2014 would cost the City the same no matter how the unions agreed to allocate or receive it.

**Mr. Hilling** asked for an explanation as to the City's financial obligation for the 1% healthcare increase in years beyond the proposed contract terms.

Mr. Soileau stated that once the 1% allocation to healthcare is agreed upon it becomes a part of the package rate.

**Mayor Eberhart** stated that if the proposed IBEW labor contract is approved, all terms would reopen for renegotiation in 2017.

**Mr. Hilling** stated that there is a good chance that there will be an increase to inflation over the next several years but that it has remained around 1% for a number of years. He referenced FGC Section 42.1(2)(n)(6) which states that the Council will "negotiate contracts with annual wage and benefit reopeners if future sources of funding are not secured." He suggested that funding future years of a contract with reserve dollars would be a violation of the intent of the FGC. **Mr. Hilling** stated that while he personally does not care to participate in labor negotiations every year, he believes it would be wrong for the City to make financial commitments beyond the current year without identifying a specific funding source.

**Mayor Eberhart** clarified that he had not suggested that the City use savings to fund future years of a labor contract and listed an array of revenue sources that could be used. He asked Mr. Soileau to proceed with his comments.

**Mr. Hilling** interjected. He suggested that it may be out of order for Mr. Soileau to provide unsolicited comments to the Council. He responded to Mayor Eberhart's comments by stating that the reason for the projected shortfall in relation to revenues vs. expenditures is because no new revenue sources have been identified. He expressed confusion as to why Mayor Eberhart was optimistic about funding sources in future years.

**Mayor Eberhart** asked Mr. Soileau to speak to the financial forecast.

Mr. Soileau stated that the IBEW contract could be funded for the term of the proposed agreement through the natural progression of the City's property tax revenue. He explained that the purpose of the projection is only to provide the Council with a bigger picture of what would happen if all the unions received the same increase. He stated that only the IBEW contract is being considered by the Council at this time.

**Mr. Hilling** stated that if one union receives a 2.5% increase then all the unions will likely receive the same. He asked Mr. Soileau why the optimistic outlook on property tax revenue is not reflected in the forecast if things do indeed look promising over the next few years.



Mr. Soileau stated that the forecast is a conservative prediction. He stated that he used a 1.7% increase to the net taxable value for property which is likely a conservative increase based on the City Building Department's projections over the next few years. He stated that he cannot guarantee any of the projected numbers but that he is making his best and most realistic prediction based on history and the information that is available to him.

**Mr. Walley** stated that earlier in the meeting he referred to the surplus in the fund balance as "savings" and clarified that the money is not actually savings.

**Mr. Hilling** stated that he feels that it is appropriate to refer to the excess fund balance as savings and that he feels strongly against using that money to fund future labor contracts. He stated that he would not agree to approve funding for a three-year contract. He again called for a point of order when Mr. Soileau offered comments. He asked Mayor Eberhart if it was permissible for Mr. Soileau to make voluntary statements and stated that Mr. Soileau is arguing with Council Members.

**Mayor Eberhart** explained that Mr. Soileau is the financial expert who is present for the purpose of assisting the City Council.

**Mayor Eberhart** asked Mr. Soileau if he had any further comments to make to the Council.

Mr. Soileau stated that he was simply trying to answer the questions as they were presented to him. He noted that it was not his intent to argue with any Council Member or to influence the Council in any way.

**Mr. Walley** stated that the Council has given direction to the negotiating team during the negotiation process based on the facts and information that have been presented in Executive Sessions. He stated that the Council still has the ability to change its mind based on new information and to take a year-to-year approach to labor negotiations. He indicated that he would not support the advancement of Ordinance No. 5942.

**Mr. Hilling** stated that he does not feel that denying a 2.5% increase is unfair and that the proposed increase is 1½ - 2% more than the rate of inflation. He spoke to other local government organizations who have agreed to much less than a 2.5% increase for their union employees.

**Mayor Eberhart** stated that the collective bargaining process was done in good faith with a great deal of compromise. He spoke to the negotiating process and stated that he believes that he bargained within the parameters set by the Council. He expressed hope that the Council would advance Ordinance No. 5942 to the next meeting. **Mayor Eberhart** stated that IBEW employees just learned that their healthcare premiums will increase, leaving them with smaller paychecks. He asked the Council to review the proposed IBEW labor contract and contact him if there are any questions.

**Mr. Hilling** stated that while it is unfortunate when employees' medical costs go up he does not believe it is the City's problem.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADVANCE ORDINANCE NO. 5942 AS FOLLOWS:

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

## DISCUSSION ITEMS

### Committee Reports

Public Safety Commission (PSC) – Ms. Staley stated that Lorna Illingworth gave a good presentation about the Volunteers in Policing (VIP) program. She stated that the VIP program struggles for funding and that many people are not aware that it even exists.

Golden Heart Parking Services (GHPS) – Ms. Staley stated that she will be meeting with City Attorney Ewers in a week to discuss collections for (GHPS). She stated that she will be attending the next FMATS Policy Committee meeting in Mr. Walley's absence.

## COMMUNICATIONS TO COUNCIL

- a) Clay Street Cemetery Commission Meeting Minutes of January 8, 2014

ACCEPTED on the CONSENT AGENDA

## COUNCIL MEMBERS' COMMENTS

**Mr. Gatewood** spoke to the long deliberation over the advancement of Ordinance No. 5942. He expressed his pride in fellow Council Members even though he was not on the prevailing side of the vote. He stated that as long as he has served on the City Council he has not seen his peers form cliques. He commented that each member votes according to his or her individual convictions. **Mr. Gatewood** stated that he volunteered for the AWG as a basketball announcer at the UAF Patty Center. He stated that he is certain that some of the youngsters he had the pleasure to announce will someday be Olympians. **Mr. Gatewood** extended congratulations to the Lathrop boys' basketball team, the West Valley boys' and girls' basketball teams, and the Monroe boys' basketball team for representing Fairbanks very well in Anchorage at the State basketball tournament. He stated that the Monroe boys won the championship, their third title in a row. He acknowledged each of the teams' head coaches and individually recognized the students who made the all-tournament team. **Mr. Gatewood** stated that he stayed at a hotel where some of the students were staying and remarked that he did not hear of or witness anything inappropriate, out of line or embarrassing from any of the student athletes. He stated that the Gatorade Company recognizes one boy and one girl from each state in the nation as player of the year. He stated that the honor this year went to two Fairbanks students, Ruthy Hebard and Scooter Bynum.

**Mr. Walley** thanked all the volunteers who gave their time to help with the AWG and the ONAC sled dog race. He thanked the crew at KFAR radio station for pulling off such a

challenging broadcast of the race. He thanked Ms. Staley for filling in for him while he is in Juneau. **Mr. Walley** stated that he did not intend to derail the advancement of Ordinance No. 5942 but that he simply wanted to present a different side of the issue. He indicated that it may have been more appropriate to have discussed the financial projection in an Executive Session but pointed out that the information was not available to him at that time.

**Ms. Staley** expressed appreciation for the negotiation process and for the discussion regarding Ordinance No. 5942. She stated that since the Council is elected to do what is in the best interest for the City they should review the labor contracts with the financial projections in mind. **Ms. Staley** stated that she had a great time participating in the wrestling portion of the AWG and thanked Amber Courtney for getting her involved.

**Mr. Matherly** echoed Mr. Gatewood's comments that each Council Member votes according to his or her convictions and stated that it shows that the Council as a body truly cares about every issue. He thanked Mr. Soileau for his work in providing the information and for answering questions from the Council. **Mr. Matherly** publically thanked Tony Shumate, Director of Personnel/Purchasing/Risk Management, for his service to the City and wished him luck in his new job at the Borough. **Mr. Matherly** stated that he missed the last Council Meeting and did not participate much in the AWG for medical reasons but stated that he would have volunteered more time if he could have. He stated that all the feedback he received about the games was positive and commended those who directed the event.

**Mr. Hilling** expressed appreciation for the give-and-take process of labor negotiations and apologized to Mayor Eberhart for insinuating that there was an imbalance of such. He stated that he believes that Mayor Eberhart has negotiated fairly and in good faith. **Mr. Hilling** commended City staff for stepping up to help with the AWG. He stated that the City has many quality employees and that he intends to be fair in continued labor negotiations. **Mr. Hilling** spoke to the issue of jury nullification and to his struggle to support it throughout the years. He spoke to those instances where there is a crime with no victim and indicated that he has become more and more convinced that it should be the right of a jury to judge the law. **Mr. Hilling** addressed Mr. Buberger's testimony regarding the need for public restrooms in downtown Fairbanks. He stated that if the City were to install public facilities downtown he fears it would present a great deal of other problems. He acknowledged that it is a problem and stated that the only possible solution he can see is to canvass downtown businesses for public use of their facilities.

**Mr. Anderson** commented on the local volunteer support and the remarkable success of the AWG. He stated that he served as an emcee for five days of the games. He thanked the Fairbanks Police Department for their involvement in the AWG.

**Mr. Gatewood**, in response to Mr. Hilling's comments on jury nullification, expressed his belief that there is no such thing as a victimless crime. He stated that if there is such a thing, it is a rare occurrence.

**CITY ATTORNEY'S REPORT**

City Attorney Ewers stated that he met with Linda Bussey, a Council Member at the City of Yellowknife in the Northwest Territory. He stated that he gave her a tour of City Hall, discussed the emergency service patrol and other social programs that the City is involved with. He stated that Ms. Bussey gave him some media and pins from Yellowknife and joked that he may retire and take up diamond mining there. Mr. Ewers stated that Ms. Bussey especially enjoyed the Jean Lester portraits in the main level of City Hall.

**Mayor Eberhart** called for a five minute recess.

**EXECUTIVE SESSION**

- a) Labor Contract Negotiations – IBEW and PSEA
- b) FCVB Lease

The City Council met in Executive Session to discuss Labor Contract Negotiations for PSEA and IBEW and to discuss the FCVB Lease. Direction was given to staff concerning labor negotiations, a date was set for a work session to discuss the FCVB Lease, and no further action was taken.

**Mr. Walley** asked to be excused for the Regular City Council Meeting of April 7, 2014, due to travel.

There was no objection to Mr. Walley's request.

**ADJOURNMENT**

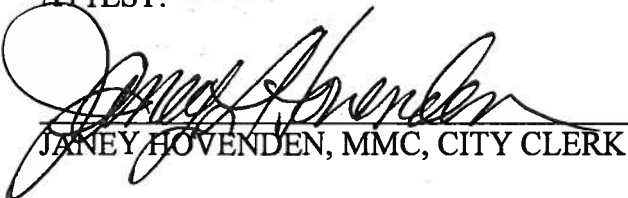
**Ms. Staley**, seconded by **Mr. Matherly**, moved to ADJOURN the meeting.

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

**Mayor Eberhart** declared the Meeting adjourned at 10:30 P.M.

  
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JOHN EBERHART, MAYOR

ATTEST:

  
\_\_\_\_\_  
JANEY HOVENDEN, MMC, CITY CLERK

Transcribed by: DS