



FAIRBANKS CITY COUNCIL
REGULAR MEETING MINUTES, JUNE 24, 2013
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 Jerry Cleworth 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
 John Eberhart, Seat F

Also Present: Warren Cummings, Fire Chief
 Paul Ewers, City Attorney
 Janey Hovenden, City Clerk
 Tony C. Shumate, Director Personnel/Purchasing/RM
 Laren Zager, Police Chief

INVOCATION

The Invocation was given by City Clerk Janey Hovenden.

FLAG SALUTATION

Mayor Cleworth led the Flag Salutation.

CITIZEN'S COMMENTS

Floyd Terry, PO Box 73514, Fairbanks – Mr. Terry stated that there has been a rumor that he has been trying to get government funding to promote a roller rink. He clarified that obtaining government money was never his intention and that he has put thousands of his own dollars forward to promote a local roller rink. He asked if anyone remembered when the United Way held meetings in City Hall to address community needs. He stated that he has documentation of all those meetings and offered to share the information with the Council. Mr. Terry spoke to the downfall of Fairbanks since 1981 and to the closure of many local businesses since the pipeline days. He stated that many of the old buildings in Fairbanks could be renovated and repurposed.

Victor Buberger, PO Box 58192, Fairbanks – Mr. Buberger expressed hope that the City could begin to make some street repairs. He stated that he has been unable to get out and search for potholes due to health reasons. He mentioned that there are some pothole repairs that have been constructed several inches below grade and commented that if the City has the money to improve the streets in Fairbanks, it should use it. Mr. Buberger stated that the City should seek grants to make improvements in the community, not to increase the wages of City employees. He spoke

to the need for public restroom facilities in Downtown Fairbanks and offered to supply restroom signage at his own cost.

Mr. Hilling asked what **Mr. Buberger** believes it would cost to maintain and police a public restroom downtown.

Mr. Buberger suggested that the Downtown Association police and maintain the restroom since they already have employees in the area. He recommended that the City order pre-fabricated, vandal-proof toilets.

Frank Turney, 201 7th Avenue – **Mr. Turney** stated that he enjoyed the recent festivities in Downtown Fairbanks. He spoke to the shock in the passing of **David Lerman** and spoke to his admiration of **Mr. Lerman's** dedication and passion for renovation. He spoke to his hopes that someday the City may change its mind on waiving permit fees for those who wish to renovate dilapidated properties. **Mr. Turney** stated that he will be handing out “wanted” posters for one of the City Council Members who is running for Mayor. He stated his belief that the candidate betrayed citizens, his oath of office and the U.S. Constitution by voting against the City legislation regarding the National Defense Authorization Act (NDAA) introduced by Council Member **Hilling**. **Mr. Turney** spoke to an upcoming Borough resolution which expresses concerns about genetically-modified foods and supports proper labeling of such foods. He stated that 30 countries in the world have already banned Monsanto. He commented that when he goes to the supermarket he looks for foods labeled “non-GMO.” He spoke to how foods can affect the human body and urged the City Council to introduce a resolution similar to the Borough’s legislation. **Mr. Turney** stated that he will be moving to a different residence in the downtown area and spoke to the various problems with the water and sewer system in the 6th Avenue area.

Mayor Cleworth reminded **Mr. Turney** that during Citizen’s Comments, remarks should not be directed to any particular Council Member or member of the staff.

APPROVAL OF AGENDA AND CONSENT AGENDA

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

Mr. Hilling pulled Resolution No. 4581 and Resolution No. 4582 from the Consent Agenda.

Mayor Cleworth 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

DBA: Arctic Fox Bar, License #3489
Location: 623 Old Steese Hwy

From: Arctic Invik, Inc.
To: Arctic Fox Bar LLC

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

Mayor Cleworth 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: Eberhart, Gatewood, Staley, Hilling, Matherly, Walley

NAYS: None

Mayor Cleworth declared the MOTION CARRIED.

MAYOR'S COMMENTS AND REPORT

Mayor Cleworth spoke to the recent Executive Session regarding Fairbanks Firefighters Union (FFU) Labor Negotiations. He stated that the Council discussed a potential increase to the City's medical contribution for the contract, but that the union is sticking to their original offer and rejecting the City's last offer. He stated that the next step in the negotiation of that contract is mediation, then possibly arbitration. He asked the Council to contact him if they have any questions. **Mayor Cleworth** read aloud a motion from the May 13, 2013 City Council Meeting that stated that the City's deadline for the Polaris Building would be extended until September 30, 2013, conditional upon submittal of the appraisal and structural analysis findings to the City Council no later than July 15, 2013. He stated that he has not had any communication with the partner Mr. Marlow spoke about in the Work Session in May. **Mayor Cleworth** shared that a gentleman from Anchorage had recently donated \$500 to the City of Fairbanks to go towards the renovation of City Hall. He stated that the individual expressed hope that the money could be used to identify and frame historical photos to display in the building. **Mayor Cleworth** spoke to two recent articles in The Economist. He stated that one of the articles talked about how Detroit, Michigan is no longer the third largest city in the U.S. He went on to explain that a bankruptcy lawyer has been hired to be the Emergency Manager for the city and that Detroit has liabilities of over \$17 billion. He commented that there are over 78,000 abandoned and blighted structures in the City of Detroit and that the city is losing employees. He stated that this is the first time he has heard of a city bankruptcy that will go after the employees pensions. **Mayor Cleworth** read aloud an excerpt from the second article which spoke to pensions and benefits of public sector employees in the State of Alaska. The article spoke to the "reckless nature" of the assumption that pension funds would continue to yield the same "bumper returns" as they did in the 1980's and 1990's. The article stated that taxpayers must make up the difference when the return on pensions falls short. He stated that the State of Alaska has formed a Tier 4 pension program in an attempt to end the perpetuation of the problem.

UNFINISHED BUSINESS

- a) Ordinance No. 5919 – An Ordinance Amending Fairbanks General Code Chapter 82 and Adopting Revised Wastewater Treatment Regulations. Introduced by Mayor Cleworth. **ADVANCED FROM THE REGULAR MEETING OF MAY 20, 2013. SECOND READING AND PUBLIC HEARING.**

Mr. Gatewood, seconded by **Ms. Staley**, moved to ADOPT Ordinance No. 5919.

Mayor Cleworth called for Public Testimony.

Christine Leutsch, Representative for Golden Heart Utilities (GHU), 4247 Peger Road, Fairbanks – Ms. Leutsch stated that the City of Fairbanks owns the Wastewater Treatment Plant, but that GHU has leased the plant from the City since the sale of the utilities in 1997. She stated that it is her understanding that the City retains the obligation to pass legislation relating to things that go into the treatment system. Ms. Leutsch explained that the lease agreement states that GHU will stay current with all state and federal regulations. She stated that Ordinance No. 5919 contains the updated regulations from the Environmental Protection Agency (EPA) and the Department of Environmental Conservation (DEC). She briefly explained the specific recommended and required changes to wastewater regulations. She offered to answer questions from the Council and thanked City staff for their time in helping prepare the attachment to Ordinance No. 5919.

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

Mr. Gatewood, seconded by **Mr. Matherly**, moved to SUBSTITUTE the as Amended version of the Contract attached to Ordinance No. 5919.

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

City Attorney Ewers stated that there are two minor changes that need to be made to the Contract: a spacing error at the bottom of page 23 in the dollar amount of \$1,000; and a punctuation error in the “discharge/slug control” language in Sec. 82-216(b) towards the bottom of page 50. He spoke to Mr. Eberhart’s concern that the term “slug” used throughout the Contract may be a typo, but stated that he was informed that “slug” is the correct term.

Mr. Gatewood, seconded by **Mr. Matherly**, moved to ALLOW City Staff to correct typographical errors on pages 23 and 50 of the Contract attached to Ordinance No. 5919.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ALLOW CITY STAFF TO CORRECT TYPOGRAPHICAL ERRORS ON PAGES 23 AND 50 OF THE CONTRACT ATTACHED TO ORDINANCE NO. 5919 AS FOLLOWS:

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

NAYS: None

Mayor Cleworth declared the MOTION CARRIED.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 5919 AS FOLLOWS:

YEAS: Gatewood, Walley, Eberhart, Matherly, Staley, Hilling
NAYS: None
Mayor Cleworth declared the MOTION CARRIED and Ordinance No. 5919 ADOPTED.

- b) Ordinance No. 5920 – An Ordinance to Place Before the Voters the Question of Amending Charter Section 11.1, Annual Elections: Time. Introduced by Mayor Cleworth. SECOND READING AND PUBLIC HEARING.

Mr. Gatewood, seconded by **Mr. Hilling**, moved to ADOPT Ordinance No. 5920.

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

Mr. Gatewood asked if the purpose of Ordinance No. 5920 is to make the City's Annual Election always occur on the first Tuesday of October.

Mayor Cleworth replied affirmatively and stated that the change would align the City's election with the Borough and the City of North Pole elections.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 5920 AS FOLLOWS:

YEAS: Staley, Matherly, Gatewood, Hilling, Eberhart, Walley
NAYS: None
Mayor Cleworth declared the MOTION CARRIED and Ordinance No. 5920 ADOPTED.

NEW BUSINESS

- a) Resolution No. 4581 – A Resolution to Apply for and Accept Funding from the Bureau of Justice for the FFY2013 Edward Byrne Memorial Justice Assistance Grant (JAG). Introduced by Mayor Cleworth.

Ms. Staley, seconded by **Mr. Gatewood**, moved to APPROVE Resolution No. 4581.

Mr. Hilling asked if the grant funding was coming from a state or a federal department.

Mayor Cleworth stated that the funds are federal moneys passed through the State of Alaska.

Mr. Hilling asked for clarification on what department the Bureau of Justice falls under. He asked what types of investigations the task force for the Alaska Bureau of Alcohol and Drug Enforcement (ABADE) conduct.

Mayor Cleworth stated that the City has one member on the task force and that each member has a specific focus.

Police Chief Zager stated that the ABADE task force operates under the theory that combining and consolidating resources is the most effective and efficient way to perform drug and alcohol enforcement. He explained that the task force is made up of law enforcement from various agencies and that they specialize in drug enforcement when a criminal law is violated. Chief Zager stated that cases are forwarded from various police departments to the specialized task force as needed.

Mr. Gatewood asked Chief Zager if he has seen Resolution No. 4581. He pointed out that the ABADE agency reads as Alaska Bureau of Drug and Alcohol Enforcement in the current resolution and asked if it should be changed to Alaska Bureau of Alcohol and Drug Enforcement.

Clerk Hovenden stated that the error in the agency name is a typo and can be fixed before the original resolution is signed. In response to Mr. Hilling's earlier question, she stated that the Bureau of Justice is a division of the federal Department of Justice.

Mr. Hilling spoke to the vast amount of resources that are used in the U.S. to prevent adults from selling and using illegal drugs and to the "utter failure" of law enforcement efforts in drug enforcement. He stated that while he believes there should be heavy penalties placed on those who supply children with illegal drugs, he finds it unfortunate that many people are imprisoned for drug usage. He spoke against Resolution No. 4581 and to the incredible amount of national debt in the U.S.

Mayor Cleworth stated that one of the main complaints he receives are from people who live in close proximity to a "party house." He indicated that it is sometimes difficult for law enforcement to take care of those types of problems and commented that that is where ABADE comes in. **Mayor Cleworth** acknowledged Mr. Hilling's point that a broke government should not be handing out money, but stated that the money will still be used even if the City of Fairbanks chooses not to take it.

Mr. Matherly stated that while he appreciates Mr. Hilling's perspective, he does not agree that drug enforcement efforts are an "utter failure." He stated that illegal drugs have affected his family in a significant way and expressed gratefulness for law enforcement. He stated that he doesn't have a problem with his tax dollars being used to help adults and children. He asked if Mr. Hilling's chuckling during the discussion was directed at him.

Mr. Hilling commented that "drug houses" would not exist with such prominence if all drugs were made legal. He clarified that what he meant by "utter failure" is the failure to keep illegal drugs from circulating in the U.S. He stated that if there were no drug laws, there would be no gang activity and there would be fewer gathering places for drug users. He apologized to Mr. Matherly for chuckling and stated that he found a portion of the discussion naïve and amusing.

Mr. Matherly disagreed with **Mr. Hilling** and stated his belief that gangs would not go away if drugs were made legal. He commented that with no drug regulation, there would still be problems.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPROVE RESOLUTION NO. 4581 AS FOLLOWS:

YEAS: Eberhart, Walley, Staley, Matherly, Gatewood

NAYS: Hilling

Mayor Cleworth declared the MOTION CARRIED and Resolution No. 4581 APPROVED.

- b) Resolution No. 4582 – A Resolution to Apply for and Accept Funding from the Alaska Department of Public Safety for the SFY2014 Edward Byrne Memorial Justice Assistance Grant (JAG). Introduced by Mayor Cleworth.

Mr. Gatewood, seconded by **Ms. Staley**, moved to APPROVE Resolution No. 4582.

Mayor Cleworth asked Chief Zager if he has heard of anything in regards to the life of current or upcoming grants.

Chief Zager replied that he has not heard anything alarming about the Byrne grant system, other than the fact that the funding is federal and could be in jeopardy at any time. He stated that the state's role in these types of grants is to screen and distribute the funding. He indicated that the clock may be ticking on grants and other subsidies. Chief Zager stated that his department is trying to prepare contingency plans in case of a decline or total loss of grant funding in the near future.

Mr. Hilling asked if the Alaska Department of Public Safety (ADPS) is the sole source of funding for this grant.

Chief Zager replied that the funding is federal and is passed through the State of Alaska.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPROVE RESOLUTION NO. 4582 AS FOLLOWS:

YEAS: Eberhart, Gatewood, Staley, Matherly, Walley

NAYS: Hilling

Mayor Cleworth declared the MOTION CARRIED and Resolution No. 4582 APPROVED.

- c) Ordinance No. 5921 – An Ordinance to Amend Fairbanks General Code Sections 46-4 Penalties and 46-162 Littering to Make Littering a Bail Schedule Offense. Introduced by Mayor Cleworth.

ADVANCED on the CONSENT AGENDA.

DISCUSSION ITEMS

Committee Reports

Golden Heart Parking Services Board (GHPS, formerly Fairbanks Parking Authority) – Ms. Staley stated that she is happy to announce that there are three individuals interested in serving on the GHPS Board since they have expanded the membership from five to seven individuals. She stated that the organization's reinstated articles of incorporation will be discussed at the next meeting. Ms. Staley apologized for missing the last GHPS hearing and stated that she will be present at the next one. She thanked Mr. Gatewood for his willingness to attend the next Borough Assembly meeting in her absence.

FMATS Policy Committee – Mr. Walley stated that the Committee recently voted to increase funding for the College Road Phase II projects and the design of the Noble Street Upgrade Phase II project. He stated that the Committee also approved the TIP Amendment No. 5 draft and that it is available for viewing and comment through July 19 at www.fmats.us. He commented that the historic plaques for the Illinois Street Reconstruction project are nearing completion.

Mayor Cleworth explained that the City went out to bid on the Wickersham Street project, a project that was not originally slated for 2013 construction. He stated that the Wickersham project was moved forward because the City would lose some of the funding if it were not used by a certain time. He gave City staff credit for their efforts in making the change of plans work. Mayor Cleworth commented that two phases of Cushman Street construction are scheduled for completion in 2014.

Public Safety Commission (PSC) – Mr. Eberhart stated that the PSC met on June 11 where there was an ongoing discussion of the public safety officer (PSO) concept. He commented that a refined list of cross-functions between police and fire was presented and spoke briefly to the items on the list. Mr. Eberhart stated that he had to leave the meeting early and asked Mayor Cleworth to share more about the discussion.

Mayor Cleworth stated that the Commission only made it about half way through the list of PSO functions and that the discussion will continue at the next PSC meeting. He stated that many of the items on the list could be taken care of administratively, but that other items are more complicated and controversial. He indicated that the Commission is looking at who should be the primary responder to different types of calls. Mayor Cleworth commented that he is slightly disappointed with some of the PSO discussions, but expressed hope that some good would come of them. He predicted that the PSO concept will only be discussed at one more PSC meeting.

COMMUNICATIONS TO COUNCIL

- a) Appointment to the Permanent Fund Review Board

APPROVED on the CONSENT AGENDA.

COUNCIL MEMBERS' COMMENTS

Mr. Walley stated that he enjoyed the Summer Solstice weekend at the gravel pits off of Van Horn Road. He spoke to the large amount of litter in the area and stated that he has picked up litter in the area in years past. He stated that he is trying to organize a clean-up crew through the Fairbanks Offroad Lions, but indicated that there are now abandoned vehicles adding to the litter in the area. He added that there are also burnt mattresses and other items in the area and asked fellow Council Members for input on a solution to the littering. **Mr. Walley** commented that the Summer Solstice Festival was a nice event with a good turnout.

Mayor Cleworth expressed appreciation and admiration for the two mayoral candidates who set up booths at the Midnight Sun Festival.

Mr. Hilling reiterated his apology to Mr. Matherly and stated that he considers it extremely important to hear different points of view and to show neutrality. He stated that his involuntarily wheeze during Mr. Matherly's comments was unbecoming and inappropriate. He further explained that he believes there was a distinction between laughing at Mr. Matherly and laughing at what he felt was a contradictory statement. **Mr. Hilling** spoke to the poor financial state of the California state government and to extravagant spending that took place under California's former Governor Arnold Schwarzenegger. He spoke to the importance of being careful with spending at both the state and local government level. **Mr. Hilling** stated that he doesn't want to "beat a dead horse" but spoke again to the gangs and drug activity in the U.S. He stated that most youth gangs are a direct result of drugs being expensive and prohibited. He acknowledged Mr. Buberger's testimony about the lack of public toilets in Downtown Fairbanks and spoke to some possible solutions. He indicated that he would do more research on the issue.

Mr. Matherly stated that he overreacted earlier in the meeting and accepted Mr. Hilling's apology. He echoed Mr. Walley's comments regarding littering and stated that it is difficult to solve the litter problem. He spoke to the Midnight Sun Run and the festivities Downtown over the weekend. **Mr. Matherly** commended the mayoral candidates for running for City Mayor and stated that he will miss seeing David Lerman run for candidacy. He expressed appreciation for Mr. Lerman's involvement in local government and encouraged everyone to get more involved. **Mr. Matherly** thanked Floyd Terry for his testimony and indicated that he will be bringing something forward at the next meeting in appreciation of Mr. Terry.

Ms. Staley commended Mr. Terry for his ongoing efforts to support the revitalization of Fairbanks. She stated that she was recently contacted by Mr. Marc Marlow's appraiser to get comparables for the Polaris Building. She commented that she shared Mr. Lerman's obituary with the appraiser since he was a devout believer in the renovation of the Polaris Building. She reminisced about running alongside Mr. Lerman in the last municipal election and stated that it was a lot of fun. **Ms. Staley** stated that she attended the Midnight Sun Festival and that she had a nice time. She acknowledged Mr. Turney's comments regarding genetically-modified foods and stated that it will be interesting to see legislation come forward on the issue.

Mr. Eberhart stated that he feels he should respond to Mr. Turney's earlier comments regarding his candidacy for City Mayor. He disagreed with Mr. Turney's remarks and stated that they were "unfounded." He spoke to the pension crisis in Chicago, Illinois where there is a \$100

billion unfunded pension liability with interest of \$17 million/day, according to his recollection. He stated that both management and unions need to be reasonable in what they choose to ask for in these uncertain times. **Mr. Eberhart** commented on his and Mayor Cleworth's attendance at the opening ceremony of Juneteenth at the JP Jones Center. He stated that the event celebrates the Emancipation Proclamation of 1863 issued by President Lincoln. He gave his compliments to Sandra Cole, a singer at the event, and expressed satisfaction that the JP Jones Center is housing more events and activities. He commended Ms. Stiver for running a campaign booth at the Midnight Sun Festival and commented on the nice weather.

Mr. Gatewood encouraged Mr. Hilling to continue to express his opinions and beliefs and stated that a horse is "never too dead to beat." He expressed appreciation to the Mayor and Council for approving the appointment of Jeff Johnson to the Permanent Fund Review Board and conveyed his condolences for the passing of former member Tom Freeman. He spoke to the importance of the City's Permanent Fund and to the knowledge of the members on that Board. **Mr. Gatewood** stated that he ran against Mr. Lerman twice in previous elections and commented on his consistency in testimony and attendance at City Council Meetings. He told about one occasion where he had the opportunity to share a ride with Mr. Lerman after a speaking engagement in North Pole. He stated that Mr. Lerman shared that he was very shy and that he used candidacy as a sort of therapy to force him to talk to people and get out of his comfort zone. **Mr. Gatewood** expressed admiration for Mr. Lerman's ideas, fervor and individuality.

Mayor Cleworth briefly reminisced about Mr. Lerman.

ADJOURNMENT

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

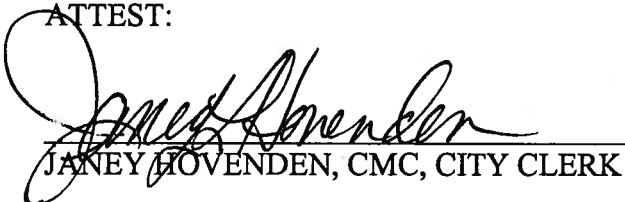
Mayor Cleworth called for objection and, hearing none, so ORDERED.

Mayor Cleworth declared the Meeting adjourned at 8:35 P.M.



JERRY CLEWORTH, MAYOR

ATTEST:



JANEY LOVENDEN, CMC, CITY CLERK

Transcribed by: DS