



FAIRBANKS CITY COUNCIL
AGENDA NO. 2013-08
REGULAR MEETING April 22, 2013
FAIRBANKS CITY COUNCIL CHAMBERS
800 CUSHMAN STREET, FAIRBANKS, ALASKA

PRELIMINARY MEETING

- I 6:00 P.M. Lobbyists' Legislative End of Session Wrap-up
-

REGULAR MEETING

- II 7:00 P.M.

1. ROLL CALL

2. INVOCATION

3. FLAG SALUTATION

4. CITIZENS COMMENTS, oral communications to Council on any item not up for Public Hearing. Testimony is limited to five (5) minutes. Any person wishing to speak needs to complete the register located in the hallway. Normal standards of decorum and courtesy should be observed by all speakers. Remarks should be directed to the City Council as a body rather than to any particular Council Member or member of the staff. In consideration of others, kindly silence all cell phone, electronic and messaging devices.

5. APPROVAL OF AGENDA AND CONSENT AGENDA

(Approval of Consent Agenda passes all routine items indicated by an asterisk (*). Consent Agenda items are not considered separately unless a Council Member so requests. In the event of such a request, the item is returned to the General Agenda).

6. APPROVAL OF PREVIOUS MINUTES

*a) Regular Meeting Minutes of March 11, 2013

*b) Regular Meeting Minutes of March 25, 2013

7. SPECIAL ORDERS

- a) The Fairbanks City Council, Sitting as a Committee of the Whole, will hear interested citizens concerned with the following Liquor License Applications for renewal. Public Testimony will be taken and limited to five (5) minutes.

Lic #	Establishment Name	License Type	Premise Location	Owner Name
270	Comet Club	Beverage Dispensary	208 Gaffney Road	John H. Moneymaker
576	Club Manchu	Beverage Dispensary	2712 Jessie Street	Randall G. Kelsch
1047	Silver Spur	Beverage Dispensary	No Premise	Jacobson Brothers Inc
2258	Regency Hotel	Beverage Dispensary-Tourism	95 10th Avenue	Pacific Rim Associates I, Inc.
3282	Sam's Club #6603	Package Store	48 College Rd	Sam's West Inc
3483	Fairbanks Curling Club	Beverage Dispensary	1962 Second Ave	Fairbanks Curling Club Inc
4548	Brewsters	Beverage Dispensary	354 Old Steese Hwy	Restaurant Concepts LLC
4678	Fairbanks Junior Ice Dogs	Recreational Site	1920 Lathrop St	Fairbanks Junior Ice Dogs Inc
4763	Bobby's Downtown	Beverage Dispensary	609 Second Ave	Delta Epsilon Inc

- b) The Fairbanks City Council, Sitting as a Committee of the Whole, will hear interested citizens concerned with the following Liquor License Application for Transfer of Ownership and Restaurant Designation Permit. Public Testimony will be taken and limited to five (5) minutes.

Type: Restaurant/Eating Place
 DBA: Wasabi Bay Restaurant, License #4831
 Location: 1448 S. Cushman Street, Fairbanks
 From: Chung Pak
 To: Soon Teack Park

8. MAYOR'S COMMENTS AND REPORT

9. UNFINISHED BUSINESS

- a) Ordinance No. 5917 – An Ordinance to Place Before the Voters the Question of Repealing Division 1 of Article II of Chapter 66 of the Fairbanks General Code Regarding Refuse Collection Fees, and Amending City Charter Section 6.5(A). Introduced by Mayor Cleworth. **ADVANCED** from the Regular Meeting of March 25, 2013.

10. NEW BUSINESS

- *a) Resolution No. 4570– A Resolution Authorizing the City of Fairbanks Mayor to Apply for and Accept a FFY2014 Preservation Assistance Grant for Smaller Institutions from the National Endowment for the Humanities. Introduced by Mayor Cleworth.
- *b) Resolution No. 4571 – A Resolution Authorizing the City Mayor to Apply for and Accept a FFY2013 Bulletproof Vest Partnership Grant from the United States Department of Justice. Introduced by Mayor Cleworth.
- *c) Resolution No. 4572 – A Resolution to Apply for and Accept Funding from the Alaska Highway Safety Office for FFY2014 Traffic Safety Programs. Introduced by Mayor Cleworth.
- *d) Ordinance No. 5918 – An Ordinance to Authorize a Loan to Aurora Energy LLC for Upgrades to Utilities as Part of the Second Avenue/Wickersham Road Reconstruction Project. Introduced by Mayor Cleworth.

11. DISCUSSION ITEMS (INFORMATION AND REPORT)

Committee Reports

12. COMMUNICATIONS TO COUNCIL

- *a) Public Safety Commission Meeting Minutes of January 8, 2013
- *b) Public Safety Commission Special Meeting Minutes of February 12, 2013

13. COUNCIL MEMBERS' COMMENTS

14. CITY ATTORNEY'S REPORT

15. CITY CLERK'S REPORT

- * Results of the Establishment of the Local Improvement District

16. EXECUTIVE SESSION – Labor Negotiations: Fire Fighters Association

17. ADJOURNMENT

David Lerman, 126 2nd Avenue, #15, Fairbanks – Mr. Lerman stated that he is a candidate for the 2013 Municipal Election. He spoke to his websites, *Renovation Fairbanks* and *Voter Butter*. He stated that he had recently spoken with Mr. Marlow, the current owner of the Polaris Hotel. He reported that Mr. Marlow has a partner and has equity in the property. He stated that Mr. Marlow said he plans to give a report to the City Council in regards to the renovation of the Polaris Hotel. Mr. Lerman stated that if he were on the City Council, he would support Mr. Marlow's efforts to renovate the property. He spoke to his idea of creating a Renovation Task Force to target dilapidated properties in the City of Fairbanks and to introducing an ordinance to waive all permitting fees for those renovation projects. He spoke to the benefits of renovation, stating that it could change the complexion of Downtown Fairbanks. He used the renovation of Smith Apartments, the apartment complex at which he resides, as an example of what renovation can accomplish. Mr. Lerman suggested that the City provide more comfortable chairs for the public in Council Chambers.

Mr. Matherly asked Mr. Lerman what cutoff date he would give Mr. Marlow for renovation of the Polaris Hotel.

Mr. Lerman replied that he would give Mr. Marlow at least one more year. He again expressed his belief in Mr. Marlow's efforts.

Mr. Matherly stated that he puts the Polaris Building and the Smith Apartments into two different categories as far as renovation is concerned.

Mr. Lerman stated that he agrees that the property owners are different in the two cases, but expressed his interest in what Mr. Marlow is trying to accomplish.

Victor Buberger, PO Box 58192, Fairbanks – Mr. Buberger stated that it is good to be back in Fairbanks and commented on the nice weather. He recognized that the South Cushman sidewalks have been plowed after being full of snow all winter. He asked if the City has plans to reconstruct South Cushman Street and its sidewalks and expressed concern that the south side may not be getting as much attention as other parts of Fairbanks. He compared the streets on the south side of town to those of a third world country. Mr. Buberger urged the City to "stick its neck out" and bring the life back to Fairbanks by creating places of interest that would attract tourists. He stated that he has lived in Fairbanks area for nearly 40 years and that he still doesn't understand what the attraction to Fairbanks is.

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

APPROVAL OF AGENDA AND CONSENT AGENDA

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

Mr. Gatewood pulled Ordinance No. 5916 from the Consent Agenda.

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

There were no items on the Consent Agenda to read into the record.

SPECIAL ORDERS

- a) The Fairbanks City Council, Sitting as a Committee of the Whole, heard interested citizens concerned with the below-referenced Liquor License Application for Transfer of Ownership and Restaurant Designation Permit.

Type: Beverage Dispensary
License No. 2124
DBA: Los Amigos
Location: 636 28th Avenue, Suite 201, Fairbanks
From: Randall Kelcsh
To: Two Amigos, LLC

Mr. Gatewood, seconded by **Ms. Staley**, moved to WAIVE PROTEST on the Liquor License Application for Transfer of Ownership and Restaurant Designation Permit.

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 RESTAURANT DESIGNATION PERMIT AS FOLLOWS:

YEAS: Eberhart, Gatewood, Staley, Hilling, Matherly, Walley
NAYS: None

Mayor Cleworth declared the MOTION CARRIED.

- b) The Fairbanks City Council, Sitting as a Committee of the Whole, heard interested citizens concerned with the below-referenced Liquor License Application for Transfer of Ownership.

Type: Beverage Dispensary
License No. 4168
DBA: Lower LA
Location: 636 28th Avenue, Suite 101, Fairbanks
From: Kelco Properties Inc
To: Two Amigos, LLC

Ms. Staley, seconded by **Mr. Gatewood**, moved to WAIVE PROTEST on the Liquor License Application for Transfer of Ownership.

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 AS FOLLOWS:

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

NAYS: None

Mayor Cleworth declared the MOTION CARRIED.

MAYOR'S COMMENTS AND REPORT

Mayor Cleworth mentioned that he had just returned from welcoming the delegates to town at Tanana Chiefs. He stated that Chief Andrew Isaac Health Clinic will be having its grand opening soon for the new facility. He stated that he attended a banquet put on by the Alaska Association of Peace Officers and recognized FPD Officers Avery Thompson, B. C. Rigdon, Peyton Merideth and Dustin Stonecipher for being awarded the Meritorious Service Medal; Officers Matt Soden, Kurt Lockwood and Dan Welborn for receiving the Police Medal; Officer David Nelson for being awarded the Citizen's Service Medal; and Officer Doug Welborn for being named Officer of the Year. He also recognized Martha Jewkes for receiving the award for Civilian of the Year. **Mayor Cleworth** informed the Council that the ordinance to approve the ballot initiative in regards to City garbage service needed more work and should be presented at the next meeting. He expressed admiration for Mr. Lerman's faith in Mr. Marlow's intent to renovate the Polaris Building. He stated that he hopes to hear from Mr. Marlow and mentioned that there is still another group interested in the property. **Mayor Cleworth** welcomed Mr. Buberger back and spoke to his testimony regarding South Cushman Street. He explained the plans to reconstruct the street and spoke to the large expense of performing the full-scale project to include sidewalks and utilities. He stated that the City plans to use the money that is already set aside to begin the project this summer and that the project will be completed in stages over the course of the next three summers. **Mayor Cleworth** spoke to the frustration in the lack of information surrounding the recent death of a local man in the Downtown Post Office. He stated that the City is still waiting for the autopsy report out of Washington State and that the investigation is still underway.

Mr. Eberhart asked for a report on the Interior Alaska Natural Gas Utility Board's activities.

Mayor Cleworth stated that board members briefed the Council at a work session a couple weeks ago. He indicated that not much has changed since that briefing. He spoke to the status of state legislation regarding the utility and stated that he has not heard of anything that could "sink" the project. He stated that the utility board is still evaluating its role with a primary focus on distribution to the North Pole area since it is outside the certificated area for Fairbanks Natural Gas (FNG). He spoke to possible involvement by other organizations in the gas utility. He commented that Alaska Industrial Development and Export Authority (AIDEA) is still analyzing proposals.

Mr. Hilling asked Mayor Cleworth which gas project he has been referring to as "the project."

Mayor Cleworth replied that he was referring to the entire Liquid Natural Gas (LNG) Project.

NEW BUSINESS

- a) Ordinance No. 5916 – An Ordinance Amending the 2013 Operating and Capital Budgets for the First Time. Introduced by Mayor Cleworth.

Mr. Gatewood, seconded by **Mr. Hilling**, moved to ADVANCE Ordinance No. 5916 to the Regular Meeting of March 25, 2013.

Mr. Gatewood expressed his concern with the proposed amendments to the 2013 capital budget. He pointed out the significant increases to the Information Technology (IT) Department and Police Department’s capital requests. He asked for clarification on the reasons behind the large requests and asked that more information be provided before the next Council Meeting.

Mayor Cleworth stated that the encumbrances are confusing to people. He explained that any capital items that were budgeted for but not purchased in the previous year carry over to the current year. He stated that, ideally, he would like to see a revenue line added to the top of the capital budget summary showing the items that have been carried over from the previous year.

Chief Financial Officer Jim Soileau stated that encumbrances are a form of budgetary control. Using police vehicles as an example, he explained the encumbrance process and how capital items can carry over to the next year.

Mr. Gatewood asked if the City was late in ordering the vehicles.

Mr. Soileau replied that the Police Department would have to answer that question.

Mayor Cleworth referenced page four of Ordinance No. 5916, pointing out that although the capital budget shows a significant increase, the actual increase for 2013 is only \$27,000. He spoke further to how the budget items are presented in Ordinance No. 5916.

Mr. Hilling asked where he would find the \$130,524 increase for 2012 encumbrances to the IT Department’s budget in the 2013 annual budget.

Mr. Soileau explained that the number would not appear in the 2013 annual budget because the budget was presented before the year end of 2012. He stated that the Finance Department keeps detailed reports showing exactly what the carried-over encumbrances are.

Mayor Cleworth asked if putting money away each year for a “high ticket” item is considered an encumbrance in the capital budget since there is no purchase order associated with it.

Mr. Soileau replied that it would not be considered an encumbrance.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADVANCE ORDINANCE NO. 5916 TO THE REGULAR MEETING OF MARCH 25, 2013, AS FOLLOWS:

YEAS: Matherly, Hilling, Walley, Staley, Gatewood, Eberhart
NAYS: None

Mayor Cleworth declared the MOTION CARRIED.

DISCUSSION ITEMS

Committee Reports

Fairbanks Parking Authority – Ms. Staley thanked Tim Stanton for providing information to the Parking Authority Board on handheld devices. She stated that although the board hasn't met since the last Council Meeting, Mr. Stanton has kept the members informed and on track via conference calls.

COUNCIL MEMBERS' COMMENTS

Mr. Matherly stated that he has never been so far from home for such a long period of time. He expressed his excitement to return to Fairbanks later in the week. He thanked the Clerks and the Council for making it possible for him to attend the Council Meetings telephonically. **Mr. Matherly** mentioned the beautiful ice carvings in the Fairbanks Daily News Miner and commented on the warmer weather in Fairbanks.

Mr. Hilling thanked everyone who gave public testimony. He addressed Mr. Turney's question in regard to a medical marijuana dispensary in Fairbanks. He stated that City Attorney Ewers has made it clear that the Council cannot allow for a dispensary without violating state law. **Mr. Hilling** indicated that he may introduce a resolution encouraging the state to pass a law that would make medical marijuana dispensaries legal. He spoke to the chairs in the Council Chambers and stated that he empathizes with Mr. Lerman. In reference to Mr. Buberger's suggestion for opening a casino on the river in Downtown Fairbanks, **Mr. Hilling** stated that an effort to open a casino in Anchorage was unsuccessful due to state regulations. He asked Mr. Ewers to look into the legality of casinos in Fairbanks.

Mayor Cleworth stated that historic gambling is illegal in the State of Alaska.

Mr. Eberhart stated that it is an important week for Fairbanks and the Fairbanks Native Community because of the kickoff of the Tanana Chiefs Annual Convention, Doyon's Annual Meeting and the Fairbanks Native Association's Annual Meeting. He stated that he's been asked to serve as the Parliamentarian for Tanana Chief's Annual Meeting. He welcomed attendees and stated that he saw an estimate that Alaska Native businesses and organizations bring about \$300 million a year into the Fairbanks area and employ over 2,700 people. **Mr. Eberhart** commented that those organizations also have numerous health, education and job training programs that are of great help to the community. He stated that it is his understanding that casino-type gaming is illegal in the State of Alaska. He explained that while many Indian tribes have been permitted to open casinos on reservations in other states, Alaska is different because of the Alaska Native Claims Settlement Act. He indicated that the likelihood of a casino opening in Fairbanks is very small. **Mr. Eberhart** congratulated Raven Landing on the recent open house of their new building. He stated that he is looking forward to the opening of their community center this summer. He stated that he will be out of town for the next Regular Meeting, but plans to attend telephonically. He congratulated the public safety employees that were recognized by the Alaska Association of Peace Officers.

Mayor Cleworth stated that he was unable to attend the Raven Landing open house but mentioned that the City is going to complete the sidewalk project in the Raven Landing area this summer.

Mr. Gatewood stated that he also plans to attend the next Regular Meeting telephonically due to a work conflict. He stated that he liked Mr. Buberger's idea for opening a casino in Fairbanks and expressed interest in the City Attorney's opinion on the issue. He echoed Mr. Eberhart's congratulation to the public safety employees who received awards. He stated that he had intended to attend the banquet, but was unable to because of the basketball championships at Lathrop High School. He congratulated the West Valley girls and the Lathrop boys on their 4A tournament win. He also congratulated the Monroe boys and the Hutchison girls for their 3A victories and wished the teams luck in the upcoming state tournament. He encouraged the students to not only play hard, but to study hard as well.

Mr. Walley stated that he will be out of town for the April 22 Regular Meeting and that he plans to attend the meeting telephonically. He reminded everyone that the Open North American Dog Sled races were kicking off later in the week and encouraged everyone to attend. He also mentioned the upcoming World Eskimo Indian Olympics basketball tournament at the Patty Center. In reference to Mr. Buberger's testimony on what attracts tourists to Fairbanks, **Mr. Walley** stated that the northern lights, wildlife, extreme temperatures and extended daylight in the summer are all good reasons to visit Fairbanks.

Ms. Staley thanked Mr. Lerman for his faith in Mr. Marlow but indicated that now is a difficult time to get capital funding. She congratulated those City employees who were recognized at the Peace Officers banquet. She spoke to her recent attendance at the Fairbanks Economic Development Corporation (FEDCO) startup weekend and to the innovative ideas for bringing new business to Fairbanks.

CITY CLERK'S REPORT

City Clerk Hovenden reminded Council Members that the 2013 Financial Disclosure forms are due on Friday, March 15, 2013. She asked the Council if they would be interested in a work session or demonstration by eDocs Alaska of the City's recently-implemented Laserfiche program.

Mayor Cleworth suggested that a presentation to the Council be done at the next Finance Committee Meeting.

ADJOURNMENT

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

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

Mayor Cleworth declared the Meeting adjourned at 8:10 P.M.

JERRY CLEWORTH, MAYOR

ATTEST:

JANEY HOVENDEN, CMC, CITY CLERK

Transcribed by: DS

DRAFT



FAIRBANKS CITY COUNCIL
REGULAR MEETING MINUTES, MARCH 25, 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 (Telephonic)
Jim Matherly, Seat D
Lloyd Hilling, Seat E
John Eberhart, Seat F (Telephonic)

Absent: None

Also Present: Pat Cole, Chief of Staff
Paul Ewers, City Attorney
Janey Hovenden, City Clerk
Brad Johnson, Deputy Police Chief
Ryan Rickels, IT Director
Jim N. Soileau, Chief Financial Officer

INVOCATION

The Invocation was given by City Clerk Janey Hovenden.

FLAG SALUTATION

Mayor Cleworth led the Flag Salutation.

CITIZEN'S COMMENTS

Tim Sovde, 402 Bonnifield Street, Fairbanks – Mr. Sovde spoke to Ordinance No. 5917, pointing out that the ordinance proposes two options, neither of which he believes address the inequity to property owners paying for a service they do not use. He stated that the proposal is unclear in regard to the tax cap. Mr. Sovde suggested that the annual increase to garbage service rates is due to a government-enforced monopoly that discourages efficiency and removes competition. He referred to the public as “captive consumers” who are required to pay for the service regardless of their needs. He spoke to the value of composting and to the benefits of recycling. He expressed hope that the Council would address his concerns.

Mr. Hilling asked if the “inequity” Mr. Sovde spoke about pertained to usage.

Mr. Sovde cited the third “Whereas” in Ordinance No. 5917 which states that property owners are charged for the service whether or not they use it and that the fees are not based on usage.

Mr. Hilling asked Mr. Sovde if he felt the change to garbage collection fees would do away with the usage problem.

Mr. Sovde stated that a government monopoly has many negative consequences including inefficiencies and injustice to residents. He stated that he personally goes through about one bag of garbage every two weeks. He indicated that there is no incentive to be a good citizen.

John Jackovich, 2824 Chief Alexander Drive, Fairbanks – Mr. Jackovich stated that he comes before the Council as a struggling business owner in the Fairbanks Downtown area. He requested that the Council investigate the pros and cons of his proposal with the City Finance Department and the City Attorney's Office. He stated that since June of 2006, he has paid \$254,983.60 in sales tax to the City of Fairbanks. Mr. Jackovich explained that although he has a sprinkler system throughout the entire structure, and heats and insures the whole building, he can only occupy one floor due to structural setbacks derived from the State of Alaska's Highway Demolition Investigation. He stated his proposal of securing a business improvement loan through a local bank in lieu of paying sales tax to the City of Fairbanks. Mr. Jackovich stated that his proposal would expand future use of his structure and provide both his business and the City with additional income. He explained that at the loan's maturity, the taxes would automatically revert back to the City of Fairbanks. He clarified that he is not proposing a loan from the City, only a diversion of funds which would be used to increase the value of the downtown district. He stated his belief that the City wants a tool to spread development and beautification in the core downtown area and that this could be an avenue worth pursuing. Mr. Jackovich pointed out that the City Council supported a tax deferral for the owner of the Polaris Building back in 2006 with a partial tax exemption. He stated that if he were to obtain a business improvement loan, he would make repairs to the second floor of his building which would increase the income of his business, increase the sales tax revenue to the City and increase his property value. Mr. Jackovich stated that he could repay a \$200,000 loan to the bank in six years by making his monthly payment using the 5% alcohol tax he collects each month. He stated that he would be willing to pay the City the leftover portion of the 5% each month until the loan was paid in full. He indicated that he is in a tough place as a business man, without the funds to expand or the ability to borrow money. He urged the Council to consider his proposal and offered to email more information, if necessary.

Mr. Matherly commented that Mr. Jackovich's proposal was interesting. He indicated that there may be some problems with the idea due to the business being privately owned. He addressed the possible risks involved with the plan, such as declining business or other unforeseeable events. He asked Mr. Jackovich if he has spoken to any local contractors about the work that needs to be done.

Mr. Jackovich replied that the Engineer with the University of Alaska reported that the roof must be replaced in order for the second floor of the structure to be repaired. He stated that the City would have no guarantee in the agreement, other than the certainty that sales tax would still be paid as long as the business was in operation.

Mr. Matherly asked Mr. Jackovich to speak to his plans to improve the second and third levels of his building.

Mr. Jackovich stated that he would like to open it up to be used for conventions, meetings and wedding receptions.

Mr. Matherly asked Mr. Jackovich what his plans for the business were when he bought the property.

Mr. Jackovich replied that he had planned to renovate the second floor soon after he bought it. He explained that the state approached him in 2009 to evaluate the structure and found deficiencies that tied his hands. He stated that he has made the improvements to the first floor as required by the City of Fairbanks.

Mayor Cleworth asked Mr. Jackovich if he was including sales tax in the total he quoted as “total taxes paid.”

Mr. Jackovich stated that the \$255,000 was only the total of alcohol taxes paid to the City of Fairbanks since 2006. He explained that he doesn’t charge his customers the 5% alcohol tax, and stated that he absorbs the 5% as the cost for doing business.

Mayor Cleworth asked Mr. Jackovich if he believes he is the only business owner in Fairbanks absorbing that cost.

Mr. Jackovich stated that he’s noticed the 5% being calculated into customer’s receipts at other businesses in Fairbanks.

Mr. Matherly asked Mr. Jackovich how much money he could have made if he had charged his customers the 5% alcohol tax for the past six years.

Mr. Jackovich replied that he would have made \$255,000 more dollars. He stated that as a relatively new business owner, he is struggling.

Mr. Hilling asked Mr. Jackovich if he could email a copy of his proposal to the Council.

Mr. Jackovich replied that he would do so.

Dawn Murphy, 101 Dunkel Street, Suite 111, Fairbanks Convention & Visitors Bureau (FCVB)
– Ms. Murphy stated that the Council should have received a 2012 financial packet from FCVB. She stated that the auditor found a clean opinion with no material weaknesses or deficiencies. She announced that Fairbanks was listed as a top ten destination by three publications: Lonely Planet, National Geographic and L.A. Times Travel Writer. Ms. Murphy reminded the Council that the FCVB will be holding its Annual Banquet on April 20, 2013, at the Fairbanks Princess Lodge at 6 P.M.

Mr. Hilling asked Ms. Murphy if the top ten destinations promoted Fairbanks as a winter destination.

Ms. Murphy replied that the publications highlighted Fairbanks in the winter and photos were broadcast on CNN.

David Lerman, 126 2nd Avenue, #15, Fairbanks – Mr. Lerman stated that he will be running for office in the 2013 Municipal Election. He spoke to his websites, *Renovation Fairbanks* and *Voter Butter*. He stated that he had recently attended the dedication of the new Food Co-op where they set off a sky lantern in memory of David Lacey, the co-op's original founder. He stated that he became a member of the co-op and that he is excited about the new business. Mr. Lerman spoke to Polaris Building owner Mark Marlow's idea of a renaissance in Fairbanks and stated that he believes the co-op is part of that rebirth. He stated that he believes the next miracle in Downtown Fairbanks will be the renovation of the Polaris Building. He spoke to the renovation of Smith Apartments, the complex where he resides and to the trouble with vandalism in the downtown area. Mr. Lerman stated that until the vandalism subsides, there will not be a real renaissance. He stated that the older buildings downtown need to be renovated and that the way to accomplish that is to create a Renovation Task Force and waive building permit fees for developers. He suggested that dilapidated properties be listed in a slide show on the City of Fairbanks' website.

Victor Buberger, PO Box 58192, Fairbanks – Mr. Buberger apologized to the Council and to the community if he sounded "off-center" at the previous Council Meeting in regards to his comments on Fairbanks as a tourist destination. He stated that personally he doesn't see the attraction but commented that it may look differently to those in the tourist industry. Mr. Buberger stated that he enjoys living in the Fairbanks community. He spoke to the need for more accessibility to public restrooms in the downtown area, suggesting that the City post signage wherever restrooms are available. Mr. Buberger spoke to the poor condition of South Cushman Street, stating that it is nearly as bad as 23rd Street was before it was reconstructed. He suggested that the City use its savings to fund the South Cushman Street project. In reference to Executive Sessions, Mr. Buberger commented that the public is kept in the dark as to what goes on "behind closed doors." He wished everyone a Happy Seward's Day and a Happy Easter.

Dawn Cogan, Boy Scout Troop 1 – Ms. Cogan stated that Scout Troop 1 has been using the old railroad depot building to meet every Tuesday evening. She introduced members of the troop and explained that the youngsters are in attendance to fulfill some requirements in earning their Communications Merit Badge.

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

APPROVAL OF AGENDA AND CONSENT AGENDA

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

Mr. Hilling pulled Ordinance No. 5917 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.

APPROVAL OF PREVIOUS MINUTES

- a) Regular Meeting Minutes of February 4, 2013.

PASSED and APPROVED on the CONSENT AGENDA.

MAYOR'S COMMENTS AND REPORT

Mayor Cleworth stated that the City recently hosted the Northwest Regional Managers Conference. He commended City staff for putting the event together and making it a success. **Mayor Cleworth** spoke to the upcoming deadline for putting the old City Hall building on the market. He stated that there has been some interest in the property and that it doesn't seem likely that the current occupants have interest in purchasing the structure. He informed the Council that the appraisal was fairly low and stated that the issue will be addressed in upcoming Finance Committee Meetings. He clarified that the Council will follow the procedures set forth in City Code for liquidating assets. **Mayor Cleworth** stated that the number one complaint his office receives is from citizens who don't use City garbage service but are still required to pay for it. He stated that since garbage service implementation, the City has always had a flat rate for collection, regardless of usage. He explained that the City has explored the possibility of contracting out the service twice but discovered that private companies could not execute the services as economically as the City. He spoke to other garbage service options that the City has explored but stated that they have not found a better solution. He stated that the current service the City offers seems to be the most fair but that the City may be open to other ideas. **Mayor Cleworth** expressed appreciation for Mr. Jackovich's testimony. He stated that in his 20+ years on the City Council, he recalls only three properties that have received a tax break. He clarified that the tax break offered for the Polaris Building was never applied because it was dependent on development. He stated that the Council has adopted an ordinance to prevent Borough property tax exemptions from carrying over as City exemptions. He stated that the Council has steadfastly refused to give exemptions to anyone. **Mayor Cleworth** commented that he was surprised that Mr. Jackovich does not charge his customers the 5% alcohol tax, stating that years ago the Fairbanks General Code made it illegal for owners to assume the tax. He addressed Mr. Buberger's testimony on the South Cushman Street Project and spoke to the funds set aside for its completion. He stated that the City Engineers will begin on the project design as soon as the City receives the transfer of rights from the Department of Transportation (DOT). **Mayor Cleworth** spoke to Mr. Buberger's comments regarding closed meetings and explained that the only "closed meetings" held by the City Council are Executive Sessions, which are typically held to discuss labor negotiations, contracts or personnel matters.

UNFINISHED BUSINESS

- a) Ordinance No. 5916 – An Ordinance Amending the 2013 Operating and Capital Budgets for the First Time. Introduced by Mayor Cleworth. SECOND READING AND PUBLIC HEARING.

Mr. Matherly, seconded by **Mr. Walley**, moved to ADOPT Ordinance No. 5916.

Mr. Matherly, seconded by **Mr. Hilling**, moved to SUBSTITUTE Ordinance No. 5916, as Amended, for Ordinance No. 5916.

Tim Sovde – Mr. Sovde asked for clarification on the line item dealing with Public Employees' Retirement System (PERS) that proposes a significant increase in Ordinance No. 5916, as Amended.

David Lerman – Mr. Lerman quoted the total police and fire department budgets from Ordinance No. 5916, as Amended. He spoke to the possibility of combining the two departments to save operating costs for the City and suggested that a task force be created to explore the idea.

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

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO SUBSTITUTE ORDINANCE NO. 5916, AS AMENDED, FOR ORDINANCE NO. 5916 AS FOLLOWS:

YEAS: Gatewood, Walley, Eberhart, Matherly, Staley, Hilling
NAYS: None
Mayor Cleworth declared the MOTION CARRIED.

Mayor Cleworth explained that the City is required by the state to collect \$0.22 on every dollar paid in wages to go to PERS. He stated that the rate fluctuated for years, which is one of the reasons why the City tried to opt out of PERS in the past. **Mayor Cleworth** stated that there were problems with the actuary in 2002/2003 and, as a result, they substituted a new actuary. He explained that the state could not justify the rate they were charging municipalities so they went to one rate across the board. He went on to explain that the state subsidizes anything above the municipalities' \$0.22 contribution. He stated that the number Mr. Sovde referred to in the budget is the state's contribution to PERS on the City's behalf. **Mayor Cleworth** addressed Mr. Lerman's idea for merging the police and fire departments. He stated that the City is not looking to combine those departments but is exploring the concept of a public safety officer which would be an employee that works for both departments.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 5916, AS AMENDED, AS FOLLOWS:

YEAS: Eberhart, Gatewood, Staley, Hilling, Matherly, Walley
NAYS: None
Mayor Cleworth declared the MOTION CARRIED and Ordinance No. 5916, as Amended, ADOPTED.

NEW BUSINESS

- a) Resolution No. 4568 – A Resolution Awarding a Contract to Richard Stanton Construction, Inc., for the Public Works Facility Additions Project FB-12-52 in the Amount of \$2,000,000.00. Introduced by Mayor Cleworth.

PASSED and APPROVED on the CONSENT AGENDA.

- b) Ordinance No. 5917 – An Ordinance to Place Before the Voters the Question of Repealing Division 1 of Article II of Chapter 66 of the Fairbanks General Code Regarding Refuse Collection Fees, and Amending the City Charter Section 6.5(A). Introduced by Mayor Cleworth.

Mr. Matherly, seconded by **Ms. Staley**, moved to ADVANCE Ordinance No. 5917.

Mr. Hilling stated that under state statute, the City cannot charge a higher mill rate for commercial properties. He commented that since commercial properties use more City services than residential properties, it seems fair that they should pay more. He stated that he believes it is appropriate to place the decision before City voters. **Mr. Hilling** expressed his faith in the City's garbage collection services, stating that it is a good system. He acknowledged Mr. Sovde's comments on losses in efficiency but stated that not taking advantage of the service is not a good argument. **Mr. Hilling** asked for clarification on where to find City Charter Section 6.5(A), which is referenced in the proposed ballot question on Ordinance No. 5917.

Mr. Ewers clarified that the City Charter is in a section of its own preceding the City Code.

Mr. Hilling expressed concern that voters may not feel comfortable with the current language of the proposed ballot question. He explained that with the current language, voters may be think that the proposition would do away with the tax cap completely.

Mayor Cleworth stated that the process is very complicated because it will require a Charter amendment. He explained that the tax cap existed for many years on its own until a cap within the cap was put in. He spoke to how the mill rate has been calculated in the past and explained that the cap within the cap was put in to take the base property tax rate and freeze it at 4.9 mills. He stated that the only way to roll the garbage service fees into the tax cap would be to remove the cap within the cap. He clarified that, essentially, the rate would go back to the original tax cap adopted by voters in the 1980's. **Mayor Cleworth** acknowledged that the solution isn't perfect. He stated that for properties valued at \$200,000 or less, the change would be a savings to the rate they are currently paying for garbage service. He requested that Council Members speak up now if they are sure they will vote against Ordinance No. 5917, since it requires a unanimous vote in order to go on the 2013 ballot. He indicated that there is no point in advancing the ordinance if it doesn't have a chance of passing.

Mr. Walley commented that he has been back and forth on the issue. He spoke to the savings the City will see if garbage billing is eliminated and to the additional savings in efforts to collect for past due bills.

Chief Financial Officer Jim Soileau stated that the Supreme Court ruled that municipalities may no longer enforce a garbage lien on properties effective in 2013. He stated that filing a lien has been the City's only "big hammer" for collection on garbage accounts. He indicated that collection will be much more difficult to enforce without the option of filing liens against properties. Mr. Soileau explained that the City will have to begin seeking court judgments in order to collect on unpaid balances.

Ms. Staley asked if the City would be able to collect attorney fees if a judgment was issued against a property.

Mr. Ewers replied that only a portion of the attorney's fees would be collected.

Mr. Matherly commented that he enjoys seeing the garbage truck collect trash at -50 degrees. He stated that he also appreciates those who recycle. He expressed his support for Ordinance No. 5917.

Mr. Walley commented that he too is inclined to vote for Ordinance No. 5917, stating that the pros outweigh the cons.

Mr. Matherly reminded everyone that if the garbage fees were rolled into the property tax, an individual may be able to write off the cost. He stated that he has never had an issue with the quarterly billing and that City garbage collection is the right thing to do even if a property owner fails to pay.

Mayor Cleworth stated that all the Council Members would not be present at the next Regular Meeting. He suggested that the motion to advance be amended to advance Ordinance No. 5917 to the Regular Meeting of April 22, 2013.

Mr. Matherly, seconded by **Mr. Walley**, moved to AMEND the Motion to Advance by changing the date of Advancement to the Regular Meeting of April 22, 2013.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND THE MOTION TO ADVANCE BY CHANGING THE DATE OF ADVANCEMENT TO THE REGULAR MEETING OF APRIL 22, 2013, 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 ADVANCE ORDINANCE NO. 5917 TO THE REGULAR MEETING OF APRIL 22, 2013, AS FOLLOWS:

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

NAYS: None

Mayor Cleworth declared the MOTION CARRIED and Ordinance No. 5917 ADVANCED to the Regular Meeting of April 22, 2013.

DISCUSSION ITEMS

Committee Reports

Fairbanks Parking Authority Fairbanks Parking Authority – **Ms. Staley** gave a report on the recent Parking Authority Board Meeting. She stated that the Board discussed customer service and that the Parking Director from Easy Park Anchorage was present at the meeting.

Ms. Staley also discussed her recent trip to Juneau to represent the City of Fairbanks' 2013 legislative priorities. She stated that the Interior Delegates seemed to understand the City's issue

with South Cushman Street. She commented that she was also able to discuss the City's problem with charging a 9-1-1 surcharge when a caller is using a prepaid cell phone or voiceover lines. **Ms. Staley** stated that she was successful in meeting with everyone except Representatives Scott Kawasaki and David Guttenberg. She commented that she had a great time on the trip.

Mayor Cleworth thanked Ms. Staley for representing the City of Fairbanks in Juneau.

FMATS Policy Committee – **Mr. Walley** spoke to the motion put forth in the last meeting to change the distribution of the planning funds to the City and the Borough. He stated that there was also a motion for the fund distribution to remain at "status quo" and that the motion passed. He asked Mayor Cleworth to speak to the memo that he put in the Committee's packet regarding the distribution.

Mayor Cleworth explained that FMATS receives about \$230,000 annually in federal funding for planning. He stated that for many years former mayors have had disagreements on how those dollars should be spent. He stated that in researching the issue himself, he has discovered that most Metropolitan Planning Organizations (MPO's) use the money for the coordinator's office. He stated that the federal funding does not cover the cost of running the Fairbanks office because currently about 60% of that \$230,000 goes to the Borough to cover a planning position there. **Mayor Cleworth** explained that his understanding of the current Memorandum of Agreement (MOU) between the Borough and the City is that the expenses for that position should be covered by the Borough already, just as the City pays to host FMATS at City Hall. He stated that his proposal was to take a look at the distribution of funds to come up with a more equitable plan for all involved parties. He stated that the more he researched the funding, the more he began to believe that all the money should be going directly to the MPO Coordinator's Office, managed by Donna Gardino. **Mayor Cleworth** explained that any shortfalls in funding for the MPO's Office must come from funds that are set aside for street and highway projects. He indicated that he doesn't believe the issue will go away just because it was voted down.

COUNCIL MEMBERS' COMMENTS

Mr. Gatewood spoke to the wonderful representation of Fairbanks that local high school students gave at the state basketball tournament in Anchorage. He stated that Mimi Wood, a Hutchison student, was awarded the Player of the Year Award. He announced that the Monroe boys team won the 3A title again, defeating a strong Anchorage team. He congratulated the coaches on the success and thanked them for their time, work and dedication even though they receive little pay. He encouraged local youth to continue to exemplify the term "student athlete."

Mayor Cleworth commented that some coaches receive no stipend for their time and gave a "hats off" to them.

Mr. Eberhart spoke to the shooting that took place over the weekend, killing a public safety officer in a rural community. He stated that this type of violence is particularly tragic because Village Public Safety Officers (VPSO's) are unarmed. He expressed his condolences to the family of the officer. **Mr. Eberhart** spoke to the chronic inebriate problem in Fairbanks and to the number of ways the Council and local entities have tried to mitigate the issue. He stated that Shirley Lee, Executive Director of Housing First, gave an interesting address at the Tanana Chiefs Conference and announced that the home had reached full capacity with over 40

residents. He stated that Ms. Lee told a story about an individual who had been to the emergency room over 100 times within a three-month period, but after becoming a resident at Housing First, only went to the emergency room one time in a three-month period. He expressed hope that the home would continue in its success. **Mr. Eberhart** voiced his appreciation for the opportunity to attend the meeting telephonically.

Mr. Matherly commented that he is glad to be home after being out of state for five weeks. He said hello to Dawn Cogan and the boy scouts attending the meeting and encouraged the youngsters to get involved with the local events and ask a lot of questions. He expressed his condolences for the officer who was fatally shot and for the 15-year old boy that died in Fairbanks recently. He reminded everyone that the roads are still snowy and cautioned everyone to drive carefully. **Mr. Matherly** thanked Mr. Jackovich for coming down to speak to the Council and encouraged him to send the information via email.

Mr. Hilling expressed confusion as to the location of the City Charter in the Code Book. He stated that when Ordinance No. 5917 comes up for second reading, he would like to see clearer language in the proposition for voters. He asked if there would be a part of the remaining charter that explains that the tax cap is not going away completely.

Mr. Ewers stated that the tax cap would remain. He explained that the 4.9% is only a cap within the cap.

Mr. Hilling, in reference to Mr. Sovde's testimony on garbage service, stated that a government-run monopoly is generally less efficient than a private monopoly. He explained that a government typically doesn't have the same incentive as private companies in keeping costs low. He pointed out that this case is different and that it appears that the City is performing the service more efficiently than a private company could. **Mr. Hilling** spoke to anti-trust laws in Alaska and to how they played a part in the closing of the downtown grocery store in Fairbanks a number of years ago. He indicated that those laws are not always a good thing for a community.

Ms. Staley stated that she is happy to see a co-op in the downtown area. She commented that she serves on the Golden Valley Advisory Committee, another co-op in Fairbanks, and announced that on April 24 the Committee will be holding its annual meeting at the Carlson Center. She stated that the Golden Valley Co-op helped support the opening of the new co-op. **Ms. Staley** congratulated those members under the age of 40 who are winning their "Top 40 under 40" at the Captain Cook on April 5. She announced that the Military Appreciation Banquet is coming up on March 29 and that for the fifth year, she will be hosting a couple of individuals for the event. She stated that it's a great opportunity to give back to the soldiers. She expressed her excitement for the upcoming discussions regarding Old City Hall.

Mr. Walley expressed satisfaction that spring is on its way to Fairbanks. He thanked those who testified during the meeting and specifically thanked Mr. Jackovich for his testimony. He stated that he had been involved in some past discussions about applying for grants to restore the old KFAR building out on the golf course, suggesting that Mr. Jackovich look into possible grant opportunities.

CITY ATTORNEY’S REPORT

City Attorney Ewers explained that there are some tax exemptions and deferrals that are allowed for under state law, both mandatory and optional. He stated that there is no such authority that allows for the use of alcohol tax dollars in such a way. He further stated that the concept may go against the Alaska Constitution, Article IX, Section 6, Public Purpose for Money.

ADJOURNMENT

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

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

Mayor Cleworth declared the Meeting adjourned at 8:50 P.M.

JERRY CLEWORTH, MAYOR

ATTEST:

JANEY HOVENDEN, CMC, CITY CLERK

Transcribed by: DS



City of Fairbanks

Office of the City Clerk

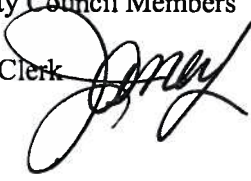
800 Cushman Street

Fairbanks, AK 99701

(907)459-6715
Fax (907)459-6710

MEMORANDUM

TO: Mayor Jerry Cleworth and City Council Members

FROM: Janey Hovenden, CMC, City Clerk 

SUBJECT: Renewal of Liquor Licenses

DATE: April 17, 2013

Attached you will find the notification of liquor license renewals from the State ABC Board for the following liquor licenses.

Lic #	Establishment Name	License Type	Premise Location	Owner Name
270	Comet Club	Beverage Dispensary	208 Gaffney Road	John H. Moneymaker
576	Club Manchu	Beverage Dispensary	2712 Jessie Street	Randall G. Kelsch
*1047	Silver Spur	Beverage Dispensary	No Premise	Jacobson Brothers Inc
2258	Regency Hotel	Beverage Dispensary-Tourism	95 10th Avenue	Pacific Rim Associates I, Inc.
3282	Sam's Club #6603	Package Store	48 College Rd	Sam's West Inc
3483	Fairbanks Curling Club	Beverage Dispensary	1962 Second Ave	Fairbanks Curling Club Inc
4548	Brewsters	Beverage Dispensary	354 Old Steese Hwy	Restaurant Concepts LLC
4678	Fairbanks Junior Ice Dogs	Recreational Site	1920 Lathrop St	Fairbanks Junior Ice Dogs Inc
4763	Bobby's Downtown	Beverage Dispensary	609 Second Ave	Delta Epsilon Inc

Pursuant to FGC Sec. 14-178 the Council must determine whether or not to protest liquor license renewals after holding a public hearing.

***The Finance Department recommends protest for Silver Spur, License #1047, until payment in full of all outstanding sales tax, penalties and/or interest is received.**

Please note that there are no other departmental protests. Please contact me if you need any further information.



March 13, 2013

Renewal Application Notice

City of Fairbanks
Attn: JaneyHovenden
VIA EMAIL: jjhovenden@ci.fairbanks.ak.us & PPhillips@fnsb.us

DBA	Lic Type	Lic #	Owner	Service Location
Comet Club	Beverage Dispensary	270	John H. Moneymaker	208 Gaffney Road
Club Manchu	Beverage Dispensary	576	Randall G. Kelsch	2712 Jessie Street
Silver Spur	Beverage Dispensary	1047	Jacobson Brothers Inc	285 Romans Way
Regency Hotel	Beverage Dispensary-Tourism AS 04.11.400(d)	2258	Pacific Rim Associates I, Inc.	95 10th Avenue
Sam's Club #6603	Package Store	3282	Sam's West Inc	48 College Rd
Fairbanks Curling Club	Beverage Dispensary	3483	Fairbanks Curling Club Inc	1962 Second Ave
Brewsters	Beverage Dispensary	4548	Restaurant Concepts LLC	354 Old Steese Hwy
Fairbanks Junior Ice Dogs	Recreational Site	4678	Fairbanks Junior Ice Dogs Inc	1920 Lathrop St
Bobby's Downtown	Beverage Dispensary	4763	Delta Epsilon Inc	609 Second Ave

We have received a renewal application for the above listed licenses within your jurisdiction. This is the notice as required under AS 04.11.520. Additional information concerning filing a "protest" by a local governing body under AS 04.11.480 is included in this letter.

A local governing body as defined under AS 04.21.080(11) may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the board **and** the applicant with a clear and concise written statement of reasons in support of a protest within 60 days of receipt of this notice. If a protest is filed, the board will not approve the application unless it finds that the protest is “arbitrary, capricious and unreasonable”. Instead, in accordance with AS 04.11.510(b), the board will notify the applicant that the application is denied for reasons stated in the protest. The applicant is entitled to an informal conference with either the director or the board and, if not satisfied by the informal conference, is entitled to a formal hearing in accordance with AS 44.62.330-44.62-630. **IF THE APPLICANT REQUESTS A HEARING, THE LOCAL GOVERNING BODY MUST ASSIST IN OR UNDERTAKE THE DEFENSE OF ITS PROTEST.**

Under AS 04.11.420(a), the board may not issue a license or permit for premises in a municipality where a zoning regulation or ordinance prohibits the sale or consumption of alcoholic beverages, unless a variance of the regulation or ordinance has been approved. Under AS 04.11.420(b) municipalities must inform the board of zoning regulations or ordinances which prohibit the sale or consumption of alcoholic beverages. If a municipal zoning regulation or ordinance prohibits the sale or consumption of alcoholic beverages at the proposed premises and no variance of the regulation or ordinance has been approved, please notify us and provide a certified copy of the regulation or ordinance if you have not previously done so.

Protest under AS 04.11.480 and the prohibition of sale or consumption of alcoholic beverages as required by zoning regulation or ordinance under AS 04.11.420(a) are two separate and distinct subjects. Please bear that in mind in responding to this notice.

AS 04.21.010(d), if applicable, requires the municipality to provide written notice to the appropriate community council(s).

If you wish to protest the application referenced above, please do so in the prescribed manner and within the prescribed time. Please show proof of service upon the applicant. For additional information please refer to 13 AAC 104.145, Local Governing Body Protest.

Note: Applications applied for under AS 04.11.400(g), 13 AAC 104.335(a)(3), AS 04.11.090(e), and 13 AAC 104.660(e) must be approved by the governing body.

Sincerely,

SHIRLEY A. COTÉ
Director

/s/Christine C. Lambert

Christine C. Lambert
Licensing & Records Supervisor
Christine.lambert@alaska.gov

cc: Peggy Phillips, Fairbanks North Star Borough Clerk's Office



City of Fairbanks

Office of the City Clerk

800 Cushman Street

Fairbanks, AK 99701

(907)459-6715
Fax (907)459-6710

LIQUOR LICENSE RESPONSE FORM

TO: FINANCE DEPT.
 FIRE DEPARTMENT
 FAIRBANKS POLICE DEPT.

DATE: March 13, 2013

RECEIVED
MAR 27 2013

FROM: CITY CLERK'S OFFICE

RE: LIQUOR LICENSE ACTION - RENEWALS

CITY CLERKS OFFICE

DATE NOTICE RECEIVED AT CLERKS OFFICE: 03/13/2013 (60 DAY DUE DATE 05/12/2013)

DATE RESPONSE DUE: 04/16/2013 for City Council Meeting of 04/22/2013

Lic #	Establishment Name	License Type	Premise Location	Owner Name	Phone
270	Comet Club	Beverage Dispensary	208 Gaffney Road	John H. Moneymaker	456-6321
576	Club Manchu	Beverage Dispensary	2712 Jessie Street	Randall G. Kelsch	456-5957
1047	Silver Spur	Beverage Dispensary	285 Romans Way	Jacobson Brothers Inc	456-6300
2258	Regency Hotel	Beverage Dispensary- Tourism AS 04.11.400(d)	95 10th Avenue	Pacific Rim Associates I, Inc.	374-3550
3282	Sam's Club #6603	Package Store	48 College Rd	Sam's West Inc	451-4800
3483	Fairbanks Curling Club	Beverage Dispensary	1962 Second Ave	Fairbanks Curling Club Inc	452-2895
4548	Brewsters	Beverage Dispensary	354 Old Steese Hwy	Restaurant Concepts LLC	374-9663
4678	Fairbanks Junior Ice Dogs	Recreational Site	1920 Lathrop St	Fairbanks Junior Ice Dogs Inc	452-2111
4763	Bobby's Downtown	Beverage Dispensary	609 Second Ave	Delta Epsilon Inc	456-3222

NO PROTEST: PROTEST

REASONS OR COMMENTS

Silver Spur - BAI Due as of 2/15/13 - \$4,739.56

(All others)
OKay

DEPARTMENT
SIGNEE: _____

SIGNATURE

3/27/13

DATE

NOTE: THIS COMPLETED FORM MUST BE RETURNED TO THE CITY CLERK'S OFFICE BY THE DATE INDICATED ABOVE. YOU MAY E-MAIL OR FAX (459-6710) THE FORM.


ANY QUESTIONS CALL OUR OFFICE AT 459-6774. THANK YOU.

MEMORANDUM

City of Fairbanks Clerk's Office

Janey Hovenden, CMC,
City Clerk

TO: Mayor Jerry Cleworth
City Council Members

FROM: Janey Hovenden, CMC, City Clerk 

SUBJECT: Transfer of Liquor License Ownership and Restaurant Designation Permit

DATE: April 17, 2013

An application has been received by the State Alcohol Beverage Control Board for transfer of ownership and application for a Restaurant Designation Permit on the following liquor license:

Type:	Restaurant/Eating Place
DBA:	Wasabi Bay Restaurant, License #4831
Location:	1448 S. Cushman Street, Fairbanks
From:	Chung Pak
To:	Soon Teack Park Type: Beverage Dispensary

Pursuant to FCG Sec. 14-178 the Council must determine whether or not to protest the liquor license action after holding a public hearing.

Please note there are no Departmental protests for this transfer.

A local governing body as defined under AS 04.21.080(11) may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the board and the applicant with a clear and concise written statement of reasons in support of a protest within 60 days of receipt of this notice. If a protest is filed, the board will not approve the application unless it finds that the protest is "arbitrary, capricious and unreasonable". Instead, in accordance with AS 04.11.510(b), the board will notify the applicant that the application is denied for reasons stated in the protest. The applicant is entitled to an informal conference with either the director or the board and, if not satisfied by the informal conference, is entitled to a formal hearing in accordance with AS 44.62.330-44.62-630. **IF THE APPLICANT REQUESTS A HEARING, THE LOCAL GOVERNING BODY MUST ASSIST IN OR UNDERTAKE THE DEFENSE OF ITS PROTEST.**

Under AS 04.11.420(a), the board may not issue a license or permit for premises in a municipality where a zoning regulation or ordinance prohibits the sale or consumption of alcoholic beverages, unless a variance of the regulation or ordinance has been approved. Under AS 04.11.420(b) municipalities must inform the board of zoning regulations or ordinances which prohibit the sale or consumption of alcoholic beverages. If a municipal zoning regulation or ordinance prohibits the sale or consumption of alcoholic beverages at the proposed premises and no variance of the regulation or ordinance has been approved, please notify us and provide a certified copy of the regulation or ordinance if you have not previously done so.

Protest under AS 04.11.480 and the prohibition of sale or consumption of alcoholic beverages as required by zoning regulation or ordinance under AS 04.11.420(a) are two separate and distinct subjects. Please bear that in mind in responding to this notice.

AS 04.21.010(d), if applicable, requires the municipality to provide written notice to the appropriate community council(s).

If you wish to protest the application referenced above, please do so in the prescribed manner and within the prescribed time. Please show proof of service upon the applicant. For additional information please refer to 15 AAC 104.145, Local Governing Body Protest.

Note: Applications applied for under AS 04.11.400(g), 15 AAC 104.335(a)(3), AS 04.11.090(e), and 15 AAC 104.660(e) must be approved by the governing body.

SHIRLEY A. COTÉ
Director



Maxine Andrews
Business Registration Examiner
Direct line: 907-263-5922
Email: maxine.andrews@alaska.gov

STATE OF ALASKA
ALCOHOLIC BEVERAGE CONTROL BOARD
APPLICATION FOR RESTAURANT DESIGNATION PERMIT - AS 04.16.049 & 13 AAC 104.715-794
FEE: \$50.00

The granting of this permit allows access of persons under 21 years of age to designated licensed premises for purposes of dining, and persons under the age of 20 for employment. If for employment, please state in detail, how the person will be employed, duties, etc.

This application is for designation of premises where : (please mark desired items).

- 1 Under 13 AAC 104.305 Bona fide restaurant/eating place. License Number 4831
2 Persons age 16 to 20 may dine unaccompanied.
3 Persons under 16 may dine accompanied by a person 21 years or older.
4 Persons between 16 and 20 years of age may be employed. *(See note below).

LICENSEE: Soon Teack Park

D/B/A: Wasabi Bay

ADDRESS: 1448 S. Cushman ST. Fairbanks AK 99701

1. Hours of Operation: 11am to 10pm Telephone # 907-452-0521

2. Have police ever been called to your premises by you or anyone else for any reason: [] Yes No
If yes, date(s) and explanation(s).

3. * Duties of employment: Dish washing, prep food

4. Are video games available to the public on your premises? No

5. Do you provide entertainment: [] Yes No If yes, describe.

6. How is food served? Table Service ___ Buffet Service ___ Counter Service ___ Other*

7. Is the owner, manager, or assistant manager always present during business hours? Yes [] No

*** A MENU AND A DETAILED LICENSED PREMISE DIAGRAM MUST ACCOMPANY THIS APPLICATION ***

I have read and am familiar with Title 4 of the Alaska statutes and its regulations.

[Signature]
Applicant signature

Local Governing Body Approval

Subscribed and sworn to before me this
23 day of JANUARY 2013

Date:

[Signature]
Notary Public in and for Alaska

My Commission expires 4/20/2016

Director, ABC Board

Date:

*Employees 16 and 17 years of age must have a valid work permit and a letter maintained in your files from a parent or guardian authorizing employment at your establishment.

** If more space is required to explain food service, entertainment, etc., please add on back or attach additional page(s).

Notary Public
M. J. CATINDIG
State of Alaska
My Commission Expires April 20, 2016

ABC Board
5848 E Tudor Rd
Anchorage AK 99507

Update: 3/29/12

PH: (907)269-0350
FX: (907)272-9412

STATE OF ALASKA
ALCOHOL BEVERAGE CONTROL BOARD
Licensed Premises Diagram

INSTRUCTIONS: Draw a detailed floor plan of your present or proposed licensed premises on the graph below; show all entrances and exits, and all fixtures such as tables, booths, games, counters, bars, coolers, stages, etc.

DBA: Wasabi Pny

PREMISES LOCATION: 1448 S. Cushman St Fairbanks AK 99701

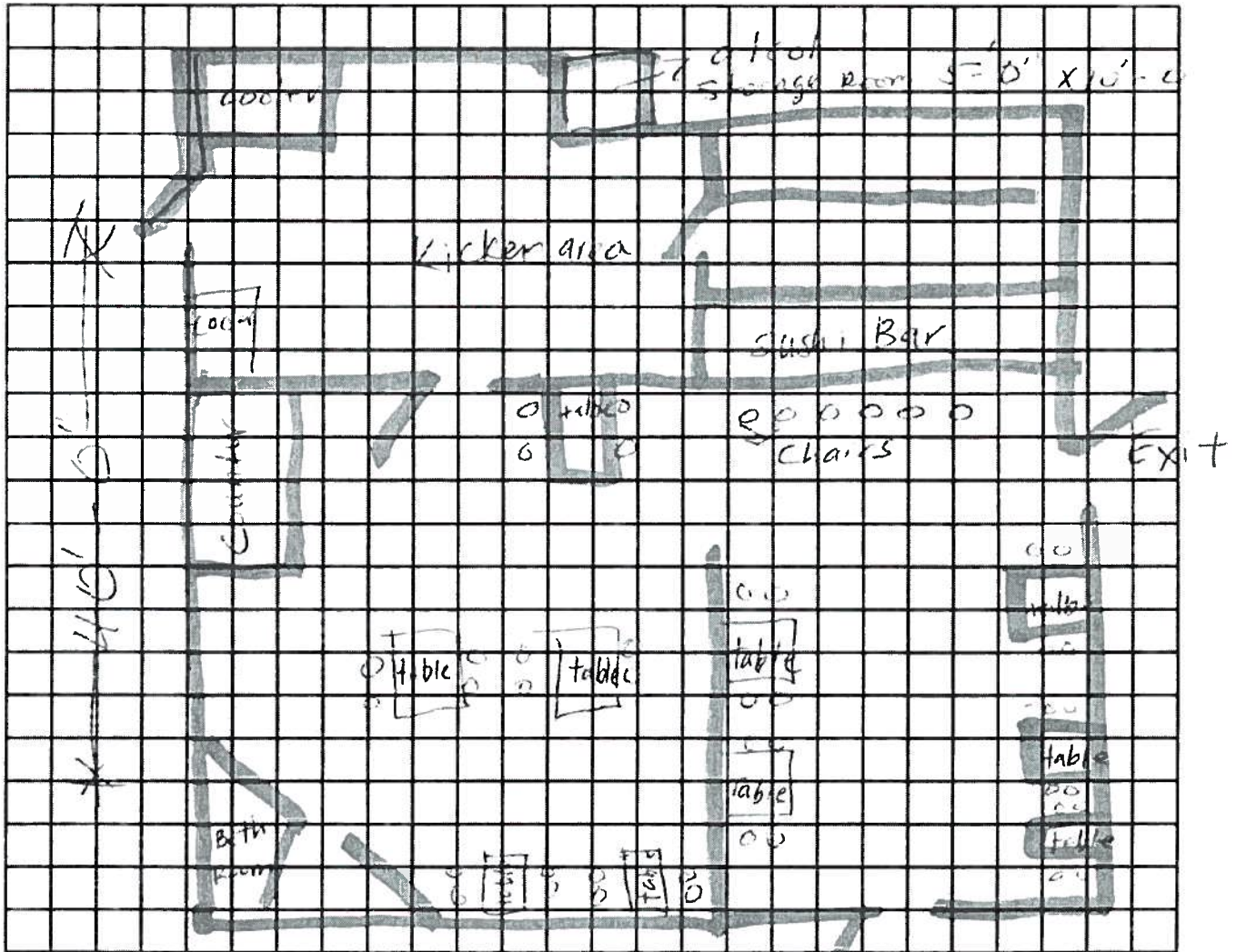
Indicate scale by x after appropriate statement or show length and width of premises.

SCALE A: _____ 1 SQ. = 4 FT. **SCALE B:** _____ 1 SQ. = 1 FT.

Length and width of premises in feet: 40'-0" x 40'-0"

Outline the area to be designated for sale, service, storage, and consumption of alcoholic beverages in red.

DO NOT USE BLUE INK OR PENCIL ON THIS DIAGRAM.



Revised 6/16/06

40'-0" Entrance *

ORDINANCE NO. 5917

AN ORDINANCE TO PLACE BEFORE THE VOTERS THE QUESTION OF REPEALING DIVISION 1 OF ARTICLE II OF CHAPTER 66 OF THE FAIRBANKS GENERAL CODE REGARDING REFUSE COLLECTION FEES, AND AMENDING CITY CHARTER SECTION 6.5(A)

WHEREAS, the City provides residential refuse collection service throughout the City; this service is a convenience for residents and a means to protect the public from the health hazards of illegal dumping; and

WHEREAS, the City currently recovers the cost of refuse collection through a monthly fee, which is collected through quarterly billings; and

WHEREAS, because the same rate is charged to the property owner of each residence whether or not the owner uses the collection service, the fees charged are in actuality a levy placed on the property, since the fees are not based on usage; and

WHEREAS, City residents should be given the option of either retaining the existing residential refuse fee and billing structure or absorbing the fee in the property tax levy; and

WHEREAS, this change would require modifying the current tax cap computation, which would essentially return it to the original computation formula as adopted by voters.

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS, ALASKA, as follows:

Section 1. The City Clerk is directed to put the following question on the ballot for the voters of the City of Fairbanks at the 2013 general election:

INFORMATION: The City currently charges each residential property owner \$292 annually for refuse collection, which is adjusted every year to cover for inflation and increasing Fairbanks North Star Borough tipping fees. Because the rate is not based on usage, it is essentially a levy placed on each homeowner. The City Council and Mayor wish to give voters the option of eliminating this fee and absorbing it in the annual mill levy. Both the pros and cons of this proposal are stipulated below. Note: the City does not take a formal position on either method of collection.

Pros: The accounting and billing for refuse collection are costly and time intensive as well as inconvenient for residents. This change would eliminate all of the annual overhead costs of approximately \$152,000 and the quarterly billings sent to each address. Also, property taxes are deductible for most homeowners but refuse collection fees are not.

Cons: The base mill rate set in the City Charter is fixed at 4.9 mills. Eliminating the refuse fees and adding them to the mill rate would require the elimination of this mandated fixed rate. The 2013 mill levy would be raised by approximately .743 mills, which is the equivalent to \$149 on a \$200,000 home, less than what is currently charged annually for refuse collection. Some may prefer the assurance a fixed rate currently gives rather than returning to the original tax cap formula where the rate varies slightly from year to year. Commercial properties will not realize a benefit and will see their property taxes increase by the same mill rate.

Ballot Question No ____:

Should the City eliminate the current residential refuse collection fee system found in Division 1 of Article II of Chapter 66 of the Fairbanks General Code and amend City Charter Section 6.5(A) by eliminating the sentence “Of the total amount of taxes that can be collected, property taxes are limited to 4.9 mills subject to charter section 6.5(B)”?

A yes vote eliminates the residential refuse fees and adds the cost to the annual mill levy.

A no vote retains the existing fee system that charges for monthly residential refuse collection.

YES _____

NO _____

Section 2. This ordinance was passed by this Council on the ____ day of _____ 2013, but no change will become effective unless and until the question is approved by the voters of the City of Fairbanks.

Jerry Cleworth, City Mayor

AYES:
NAYS:
ABSENT:
ADOPTED:

ATTEST:

APPROVED AS TO FORM:

Janey Hovenden, CMC, City Clerk

Paul Ewers, City Attorney

ORDINANCE NO. 5917, AS AMENDED

AN ORDINANCE TO PLACE BEFORE THE VOTERS THE QUESTION OF REPEALING DIVISION 1 OF ARTICLE II OF CHAPTER 66 OF THE FAIRBANKS GENERAL CODE REGARDING GARBAGE COLLECTION FEES, AND AMENDING CITY CHARTER SECTION 6.5(A)

WHEREAS, the City provides residential garbage collection service throughout the City; this service is a convenience for residents and a means to protect the public from the health hazards of illegal dumping; and

WHEREAS, the City currently recovers the cost of garbage collection through a monthly fee, which is collected through quarterly billings; and

WHEREAS, because the same rate is charged to the property owner of each residence whether or not the owner uses the collection service, the fees charged are in actuality a levy placed on the property, since the fees are not based on usage; and

WHEREAS, City residents should be given the option of either retaining the existing residential garbage fee and billing structure or absorbing the fee in the property tax levy; and

WHEREAS, this change would require modifying the current tax cap computation, which would essentially return it to the original computation formula as adopted by voters.

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS, ALASKA, as follows:

Section 1. The City Clerk is directed to put the following question on the ballot for the voters of the City of Fairbanks at the 2013 general election:

INFORMATION: The City currently charges each residential property owner \$292 annually for garbage collection, which is adjusted every year to cover for inflation and increasing Fairbanks North Star Borough tipping fees. Because the rate is not based on usage, it is essentially a levy placed on each homeowner. The City Council and Mayor wish to give voters the option of eliminating this fee and absorbing it in the annual mill levy. Both the pros and cons of this proposal are stipulated below. Note: the City does not take a formal position on either method of collection.

Pros: The accounting and billing for garbage collection are costly and time intensive as well as inconvenient for residents. This change would eliminate all of the annual overhead costs of approximately \$152,000 and the quarterly billings sent to each address. Also, property taxes are deductible for most homeowners but garbage collection fees are not.

Cons: The base mill rate set in the City Charter is fixed at 4.9 mills. Eliminating the garbage fees and adding them to the mill rate would require the elimination of this mandated fixed rate. The 2013 mill levy would be raised by approximately .743 mills, which is the equivalent to \$149 on a \$200,000 home, less than what is currently charged annually for garbage collection. Some may prefer the assurance a fixed rate currently gives rather than returning to the original tax cap formula where the rate varies slightly from year to year. Commercial properties will not realize a benefit and will see their property taxes increase by the same mill rate.

Ballot Question No ____:

Should the City eliminate the current residential garbage collection fee system (Division I Article II of Chapter 66 of the Fairbanks General Code) and fund this service by making it a part of the annual property tax mill levy? This change requires amending the City Charter Section 6.5(A) by eliminating the sentence, *“of the total amount of taxes that can be collected, property taxes are limited to 4.9 mills subject to charter section 6.5(B).”*

A yes vote eliminates the residential garbage fees and changes the charter to allow adding the cost of residential garbage collection to the annual mill levy.

A no vote retains the existing fee system that charges for monthly residential garbage collection.

YES _____

NO _____

Section 2. This ordinance was passed by this Council on the ____ day of _____ 2013, but no change will become effective unless and until the question is approved by the voters of the City of Fairbanks.

Jerry Cleworth, City Mayor

AYES:
NAYS:
ABSENT:
ADOPTED:

ATTEST:

APPROVED AS TO FORM:

Janey Hovenden, CMC, City Clerk

Paul Ewers, City Attorney

RESOLUTION NO 4570

**A RESOLUTION AUTHORIZING THE CITY MAYOR TO APPLY FOR
AND ACCEPT A FFY2014 PRESERVATION ASSISTANCE GRANT
FOR SMALLER INSTITUTIONS FROM THE NATIONAL ENDOWMENT
FOR THE HUMANITIES**

WHEREAS, the National Endowment for the Humanities is accepting applications for the Preservation Assistance Grants for Smaller Institutions to improve the ability to preserve and care for humanities collections; and

WHEREAS, the City's historical records are a unique informational resource and an important link to the past that provides public access to the history of the City, and without proper care, these irreplaceable records could be lost due to the ravages of time, usage, temperature fluctuations and imperfect storage conditions; and

WHEREAS, the City was awarded a grant to assess the conditions affecting the care and preservation of City documents, and the assessment recommended increasing staff expertise in archives/records management and preservation through additional training; and

WHEREAS, the City of Fairbanks plans to request \$6,000 for training, and a match is not required;

NOW, THEREFORE, BE IT RESOLVED by the City Council that the Mayor is authorized to accept and execute any and all documents required for requesting and expending funds on behalf of the City for this project.

PASSED AND APPROVED THIS _____ DAY OF APRIL 2013.

Jerry Cleworth, City Mayor

AYES:
NAYS:
ABSENT:
APPROVED:

ATTEST:

APPROVED AS TO FORM:

Janey Hovenden, CMC, City Clerk

Paul Ewers, City Attorney

CITY OF FAIRBANKS
FISCAL NOTE

I. REQUEST:

Ordinance or Resolution No: 4570

Abbreviated Title: FFY2014 PRESERVATION ASSISTANCE GRANT

Does the adoption of this ordinance or resolution authorize:

- 1) additional costs beyond the current adopted budget? Yes _____ No x
- 2) additional support or maintenance costs? Yes _____ No x
- If yes, what is the estimate? _____
- 3) additional positions beyond the current adopted budget? Yes _____ No x
- If yes, how many positions? _____
- If yes, type of positions? _____ (F - Full Time, P - Part Time, T - Temporary)

II. FINANCIAL DETAIL:

ESTIMATED EXPENDITURES	2013	2014	2015	Beyond	Total
Personnel Wages					\$0
Personnel Benefits					\$0
Supplies					\$0
Contractual					\$0
Equipment					\$0
Administration					\$0
Training		\$6,000			\$6,000
TOTAL	\$0	\$6,000	\$0	\$0	\$6,000

ESTIMATED FUNDING SOURCES	2013	2014	2015	Beyond	Total
General Fund					\$0
Capital Fund					\$0
Federal Grant		\$6,000			\$6,000
State Grant					\$0
Local Contract					\$0
Cash Match					\$0
In-Kind Match					\$0
Other					\$0
TOTAL	\$0	\$6,000	\$0	\$0	\$6,000

Reviewed by Finance Department: Initial mb Date 4/9/2013

Introduced by: Mayor Jerry Cleworth
Finance Committee Review: April 16, 2013
Introduced: April 22, 2013

RESOLUTION NO 4571

**A RESOLUTION AUTHORIZING THE CITY MAYOR TO APPLY FOR AND
ACCEPT A FFY2013 BULLETPROOF VEST PARTNERSHIP GRANT FROM
THE UNITED STATES DEPARTMENT OF JUSTICE**

WHEREAS, protective ballistic vests (often called “bulletproof” vests) are required by policy to be worn by all Fairbanks Police officers; and

WHEREAS, the City can obtain a Bulletproof Vest Partnership grant from the United States Department of Justice to provide 50% of the retail price for the vests; and

WHEREAS, the City would request \$12,675.00 to supplement the purchase of vests for newly hired officers and to replace out-dated vests;

NOW, THEREFORE, BE IT RESOLVED by the City Council that the Mayor is authorized to accept and execute any and all documents required for requesting and expending funds on behalf of the City for this project.

PASSED AND APPROVED THIS _____ DAY OF APRIL 2013.

Jerry Cleworth, City Mayor

AYES:
NAYS:
ABSENT:
APPROVED:

ATTEST:

APPROVED AS TO FORM:

Janey Hovenden, CMC, City Clerk

Paul J. Ewers, City Attorney

CITY OF FAIRBANKS
FISCAL NOTE

I. REQUEST:

Ordinance or Resolution No: 4571

Abbreviated Title: FFY2013 BULLETPROOF VEST PARTNERSHIP GRANT

Does the adoption of this ordinance or resolution authorize:

- 1) additional costs beyond the current adopted budget? Yes _____ No x
- 2) additional support or maintenance costs? Yes _____ No x
 If yes, what is the estimate? _____
- 3) additional positions beyond the current adopted budget? Yes _____ No x
 If yes, how many positions? _____
 If yes, type of positions? _____ (F - Full Time, P - Part Time, T - Temporary)

II. FINANCIAL DETAIL:

ESTIMATED EXPENDITURES	2013	2014	2015	Beyond	Total
Personnel Wages					\$0
Personnel Benefits					\$0
Supplies					\$0
Contractual					\$0
Equipment		\$12,675			\$12,675
Administration					\$0
Travel					\$0
TOTAL	\$0	\$12,675	\$0	\$0	\$12,675

ESTIMATED FUNDING SOURCES	2013	2014	2015	Beyond	Total
General Fund					\$0
Capital Fund					\$0
Federal Grant		\$12,675			\$12,675
State Grant					\$0
Local Contract					\$0
Cash Match					\$0
In-Kind Match					\$0
Other					\$0
TOTAL	\$0	\$12,675	\$0	\$0	\$12,675

Reviewed by Finance Department: Initial mb Date 4/9/2013

RESOLUTION NO 4572

**A RESOLUTION TO APPLY FOR AND ACCEPT FUNDING FROM THE ALASKA
HIGHWAY SAFETY OFFICE FOR FFY2014 TRAFFIC SAFETY PROGRAMS**

WHEREAS, the City of Fairbanks has received supplemental funding from the Alaska Highway Safety Office (AHSO) for local law enforcement; and

WHEREAS, the City has received positive citizen feedback regarding continued traffic enforcement, particularly in the apprehension of DUI offenders; and

WHEREAS, the City is applying to retain two dedicated DUI/Traffic Unit employee positions for wages and benefits in the amount of \$256,000, and a required match of \$25,600 will be provided with currently budgeted City staff expenditures; and

WHEREAS, the City is applying to purchase speed display boards, cameras, radars, and electronic ticketing equipment in the amount of \$120,000, and a required match of \$12,000 will be provided with currently budgeted City expenditures; and

WHEREAS, the City is approved for overtime funding for High Visibility Enforcement to reduce accidents and injuries by impaired drivers by conducting seat belt and DUI enforcement in the amount of \$61,500, and no match is required; and

WHEREAS, the City is approved for overtime reimbursement, training, and supplies for Law Enforcement Liaison activities in the amount of \$12,900, and no match is required; and

WHEREAS, the City will request a total of \$450,400 from Alaska Highway Safety Office and provide a required match of \$37,600 with currently budgeted City expenditures;

NOW, THEREFORE, BE IT RESOLVED by the City Council that the Mayor is authorized to accept and execute any and all documents required for requesting and expending funds on behalf of the City for these projects.

PASSED AND APPROVED THIS _____ DAY OF APRIL 2013.

Jerry Cleworth, City Mayor

AYES:
NAYS:
ABSENT:
APPROVED:

ATTEST:

APPROVED AS TO FORM:

Janey Hovenden, CMC, City Clerk

Paul J. Ewers, City Attorney

CITY OF FAIRBANKS
FISCAL NOTE

I. REQUEST:

Ordinance or Resolution No: 4572

Abbreviated Title: FFY2014 ALASKA HIGHWAY SAFETY OFFICE GRANT

Does the adoption of this ordinance or resolution authorize:

1) additional costs beyond the current adopted budget? Yes _____ No x

2) additional support or maintenance costs? Yes _____ No x

If yes, what is the estimate? _____

3) additional positions beyond the current adopted budget? Yes _____ No x

If yes, how many positions? 2 **Continuation**

If yes, type of positions? F (F - Full Time, P - Part Time, T - Temporary)

II. FINANCIAL DETAIL:

ESTIMATED EXPENDITURES	2013	2014	2015	Beyond	Total
Personnel Regular Wages	\$44,500	\$133,500			\$178,000
Personnel Overtime Wages	\$18,300	\$20,100			\$38,400
Personnel Benefits	\$31,700	\$71,900			\$103,600
Supplies		\$900			\$900
Equipment	\$132,000				\$132,000
Fuel	\$8,150	\$20,950			\$29,100
Travel		\$6,000			\$6,000
TOTAL	\$234,650	\$253,350	\$0	\$0	\$488,000

ESTIMATED FUNDING SOURCES	2013	2014	2015	Beyond	Total
General Fund					\$0
Capital Fund					\$0
Federal Grant	\$216,250	\$234,150			\$450,400
State Grant					\$0
Local Contract					\$0
Cash Match					\$0
In-Kind Match	\$18,400	\$19,200			\$37,600
Other					\$0
TOTAL	\$234,650	\$253,350	\$0	\$0	\$488,000

Reviewed by Finance Department:

Initial mb

Date 4/11/2013

ORDINANCE NO. 5918

**AN ORDINANCE TO AUTHORIZE A LOAN TO AURORA ENERGY LLC
FOR UPGRADES TO UTILITIES AS PART OF THE SECOND
AVENUE/WICKERSHAM ROAD RECONSTRUCTION PROJECT**

WHEREAS, the City planned the reconstruction of Wickersham Street and 2nd Avenue from Barnette Street to Cowles Street for 2014 or 2015; and

WHEREAS, in the fall of 2012, the City was notified that the project must be constructed in 2013 or the City risks losing nearly \$1 million in federal grant funds; and

WHEREAS, because of this news, the City has aggressively accelerated the design for this project and hopes to advertise it in April or May of 2013, with substantial completion by September 30, 2013; and

WHEREAS, the utility facilities owned by Aurora that underlie the streets to be reconstructed are at or near the end of their projected useful life; and

WHEREAS, if the utility upgrades are not done at the same time as the reconstruction project, the newly improved roads may need to be excavated in the near future; and

WHEREAS, tearing up newly reconstructed roads would be a wasteful expense, would be harmful to the roads, and would make the residents and businesses in this area undergo twice the amount of construction disruption; and

WHEREAS, to keep this project moving forward so as not to risk the loss of the federal grant funds, the City and Aurora have negotiated an agreement whereby the City would loan/advance some of the funds needed for the replacement of their utility facilities during the reconstruction project; the current estimated loan is \$271,000, subject to amendment; and

WHEREAS, loaning/advancing funds for the upgrade of Aurora's utility facilities serves a public purpose that will promote the public welfare,

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS, ALASKA, as follows:

Section 1. That the City may loan or advance the funds needed to replace Aurora Energy's utility facilities lying within the project boundaries of the Wickersham Street and 2nd Avenue from Barnette Street to Cowles Street project. The terms of the loan are set forth in the loan agreement identified as Attachment A.

Section 2. That the Mayor is hereby authorized to execute contracts and such other documents as may be necessary to effectuate the loans/advances authorized by this ordinance.

Section 3. That the effective date of this ordinance will be the _____ day of ____, 2013.

Jerry Cleworth, City Mayor

AYES:
NAYS:
ABSENT:
ADOPTED:

ATTEST:

APPROVED AS TO FORM:

Janey Hovenden, CMC, City Clerk

Paul Ewers, City Attorney

AGREEMENT FOR SHARED COSTS OF UTILITY PROJECT

between
The City of Fairbanks
and
Aurora Energy, LLC

RECITALS

For the reasons set forth in Ordinance No. 5918 and under the authority granted therein, the City of Fairbanks and Aurora Energy, LLC, enter into this Agreement For Shared Costs of Utility Project.

TERMS AND CONDITIONS

1. Aurora Energy, LLC (hereinafter “Aurora”), whose address is 100 Cushman Street, Suite 210, Fairbanks, Alaska, 99701, and the City of Fairbanks (hereinafter “the City”), whose address is 800 Cushman Street, Fairbanks, Alaska, 99701, agree to share the total project costs for **Project Number** (as fully described in the attached Project Scope) for replacement of Aurora’s utility facilities as follows:

- a. The City share shall be 25%.
- b. Aurora’s shall pay 25% in 2013.
- c. The City will loan/advance 50% of the project cost to Aurora, to be repaid in five annual equal payments with interest on the unpaid balance accruing at the rate of six percent (6.0%) per annum.

Using the current estimated total project cost of \$541,000, the City’s share would be \$135,000, Aurora’s 2013 payment would be \$135,000 and the loan/advance to Aurora would be \$271,000.

2. The principal and interest shall be payable to the City at 800 Cushman Street, Fairbanks, Alaska, 99701 or at such other place as the City shall designate in writing with the first payment will be due on the 1st day of November 2013. Aurora has the right to prepay any payment or the entire loan balance at any time without penalty.

3. Any and all steam pipe and facilities constructed or purchased with proceeds from the City’s loan to Aurora will remain the property of the City until such time as the loan is paid in full by Aurora. Upon full repayment by Aurora, the City will transfer title to Aurora of assets acquired with loan funds.

4. The City will have the right to secure its interest in all property acquired with loan proceeds by any legal means available.

5. In the event of partial prepayment of this obligation, the payment funds will be applied towards the satisfaction of those payments next falling due hereunder. Payment proceeds

will be applied first to the satisfaction of accrued interest up to the actual date of such payment, with the excess to be applied in reduction of outstanding principal.

6. In the event that any payment falling due hereunder is not paid within thirty (30) days after the due date thereof, the City may, at any time while such delinquency continues, declare the entire unpaid balance of this obligation, to include the outstanding principal balance, accrued interest, and all other amounts payable, immediately due and owing. Upon default of payment, the City shall give Aurora written notice of default via U.S. Postal Service, registered mail. Aurora will have 30 days to cure after receipt of written notice of default. Aurora may cure the default by making full payment of any principal and accrued interest (including interest on these amounts) whose payment to the City is overdue.

7. The City may delay or forgo enforcing any of its rights or remedies under this Agreement without losing them.

8. Aurora may not assign or transfer any of its rights or obligations under this Agreement without the express written consent of the City.

11. The benefits of this Agreement shall inure to and the burdens shall be binding upon the lawful successors and assigns of the respective parties.

12. This Agreement shall be governed by and construed in accordance with the laws of the State of Alaska, with all disputes over the terms of this agreement to be adjudicated by the Alaska Superior Court, Fourth Judicial District, at Fairbanks, Alaska.

THE CITY OF FAIRBANKS

Date: _____

By: Jerry Cleworth, Mayor

State of Alaska)
) ss
Fourth Judicial District)

ACKNOWLEDGMENT

THIS IS TO CERTIFY that on this _____ day of _____ 2013, before me, the undersigned, a NOTARY PUBLIC in and for the State of Alaska, personally appeared Jerry Cleworth, the Mayor of the City of Fairbanks, and that he acknowledged before me that he executed the same on behalf of said City with authority so to do.

IN WITNESS WHEREOF, my hand and official seal.

Notary Public for the State of Alaska
My Commission Expires: _____

AURORA ENERGY, LLC

Date: _____

By: _____
Its: President

State of Alaska)

) ss

Fourth Judicial District)

ACKNOWLEDGMENT

THIS IS TO CERTIFY that on this _____ day of _____ 2013, before me, the undersigned, a NOTARY PUBLIC in and for the State of Alaska, personally appeared _____, the President of Aurora Energy, LLC, and that she/he acknowledged before me that she/he executed the same on behalf of said corporation with authority so to do.

IN WITNESS WHEREOF, my hand and official seal.

Notary Public for the State of Alaska
My Commission Expires: _____

PUBLIC SAFETY COMMISSION

**January 8, 2013
11:30 AM
City Council Chambers (hosted by FECC)**

PSC Members:	John Eberhart (Seat A - 2014)	Robert Fox (Seat E - 2015)
	Bill Satterberg (Seat B - 2015)	Nathan Smoot (Seat F - 2013)
	Peter Stern, (Seat C - 2013) : Chairman	Carl Cox (Seat G - 2014)
	Buzzy Chiu (Seat D - 2014)	Thomas Carter (Seat H - 2014)

Regular Meeting Minutes

CALLED TO ORDER: 11:38 am

ATTENDANCE: John Eberhart, Bill Satterberg, Peter Stern, Robert Fox, Nathan Smoot, Carl Cox and Thomas Carter. Buzzy Chiu was excused.

AGENDA: Agenda was adopted as presented. As this is a new year, it is time to appoint the committee chair. Peter Stern was unanimously reappointed to that position (Satterberg/Eberhart.)

APPROVE MINUTES: The minutes from the October 9, 2012 Regular meeting and the November 13, 2012 and December 11, 2012 Special meetings were adopted without objection.

PUBLIC COMMENTS: None

DEPARTMENT REPORTS:

FFD: Chief Cummings distributed the preliminary 2012 response statistics, indicating they were draft, not final. Lowest \$\$\$ fire loss in year. Considerable more activities in mutual aid, both given and received. Pt transports are down for the year. CAIHC will cause increase – impact yet to be determined. Question – Could CAIHC have its own ambulance, response “Yes”. Brief review of a couple of recent fires, one at Walmart and a second at the Post Office.

FPD: Deputy Chief Brad Johnson did not have a report – was open to questions.

FECC: Director Stephanie Johnson reported that there is work to return FFD to a single run number, rather than separate Fire & EMS runs, this will alleviate a problem that currently exists in accurately tracking response times for some runs. Dispatch is trying a new shift schedule and it appears to be working out.

BUSINESS: Presentation by Robert Hall as FPD employee representative.

NEXT MEETING:

Special meeting - FFD Employee Presentation – February 12, 2013 at Fairbanks Fire Department

MEETING ADJOURNED: at 12:58 pm

**PUBLIC SAFETY
COMMISSION**

**February 12, 2013
11:30 AM
Fairbanks Fire Department**

PSC Members:

John Eberhart (Seat A - 2014)

Bill Satterberg (Seat B - 2015)

Peter Stern, (Seat C - 2013) : Chairman

Buzzy Chiu (Seat D - 2014)

Robert Fox (Seat E - 2015)

Nathan Smoot (Seat F - 2013)

Carl Cox (Seat G - 2014)

Thomas Carter (Seat H - 2014)

Special Meeting Minutes

CALLED TO ORDER: 11:33 am

ATTENDANCE: Peter Stern, Buzzy Chiu, Nathan Smoot, Thomas Carter.
Excused – John Eberhart, Bill Satterberg, Robert Fox, Carl Cox.

AGENDA: No changes to the agenda

PUBLIC COMMENTS: None

BUSINESS: Presentation by Scott Raygor representing FFD employees

NEXT MEETING:

March Special meeting – Public Safety Overview, Pat Cole & Chief Zager –date to be determined.
Regular Quarterly meeting in April will move from the 9th to the 16th.

MEETING ADJOURNED: at 12:19 pm




CITY OF FAIRBANKS

Office of the City Clerk
800 CUSHMAN STREET
FAIRBANKS, ALASKA 99701
OFFICE: 907-459-6702
FAX: 907-459-6710
cityclerk@ci.fairbanks.ak.us

MEMORANDUM

TO: Mayor Jerry Cleworth and Fairbanks City Council Members

FROM: Janey Hovenden, CMC, Municipal City Clerk 

SUBJECT: Results for the Establishment of the Local Improvement District (Updated)

DATE: April 17, 2013

Ordinance No. 5898, adopted October 22, 2012, approved a Local Improvement District (LID) for services and a plan for implementation. The services proposed were for the Clean Team and Community Service Patrol. Total assessment for these services would be \$120,000.

The City Clerk, in accordance with FGC 58-39, published notice of the proposed LID in the Fairbanks Daily News Miner on January 26 and January 30, 2013, listing the boundary description, the owners of property and their property descriptions, as well as an estimated assessment cost.

On Friday, February 15, 2013, one hundred fifteen (115) ballots were mailed to the owners of parcels located within the LID boundary explaining the proposed assessment on land values and notifying owners that responses must be returned to the Office of the City Clerk by April 1, 2013.

After waiting the period of time in which to receive responses postmarked on or before the April 1, 2013 deadline, the final results have been tallied. A total of eighty (80) ballots were returned. The approval of property owners who would have paid at least \$59,998 of the total assessment was required in order for the LID to be established. The ballots in support of the LID amounted to only \$50,149¹.

Because the "yes" votes fell short of the required fifty percent (50%) of the assessed cost, establishment of the LID failed. A determination notice was mailed last week to the property owners involved. Please contact me if you have any questions.

cc: Paul Ewers, City Attorney
2013 Local Improvement District File

¹ Of the responses received, objections to the LID totaled \$36,042 and \$33,803 did not respond.

~ Extremely Alaska ~

Visit us on the web at www.fairbanksalaska.us