

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 Kelch
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.

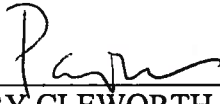
Mayor Cleworth suggested that a presentation to the Council be done at the next Finance Committee Meeting.

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.

for 

JERRY CLEWORTH, MAYOR

ATTEST:



JANEY HOVENDEN, CMC, CITY CLERK

Transcribed by: DS