



FAIRBANKS CITY COUNCIL
AGENDA NO. 2012-24
REGULAR MEETING December 10, 2012
FAIRBANKS CITY COUNCIL CHAMBERS
800 CUSHMAN STREET, FAIRBANKS, ALASKA

REGULAR MEETING

I 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

* Regular Meeting Minutes of November 19, 2012

7. SPECIAL ORDERS

- a) Memo Regarding Asiana Restaurant Liquor License Renewal Application

8. READING OF THE BILL OF RIGHTS

9. MAYOR'S COMMENTS AND REPORT

10. UNFINISHED BUSINESS

- a) Request for Reconsideration by Council Member Eberhart (filed December 4, 2012) of Ordinance No. 5907, As Amended, the Amendment Relating to the Office of the City Clerk, Adopted at the Regular Meeting of December 3, 2012.
- b) Ordinance No. 5909 – An Ordinance to Amend FGC Sec. 74-117 Hotel/Motel Tax Purpose and Limitation, to Appropriate Funds Regarding Funding for the Community Service Patrol. Introduced by Council Member Matherly. SECOND READING AND PUBLIC HEARING.
- c) Ordinance No. 5910 – An Ordinance Amending the 2012 Collective Bargaining Agreement Between the City and the Fairbanks Fire Fighters Union. Introduced by Mayor Cleworth. SECOND READING AND PUBLIC HEARING.
- d) Ordinance No. 5911 – An Ordinance Amending the 2012 Capital Appropriations Fund Budget for the Second Time. Introduced by Mayor Cleworth. SECOND READING AND PUBLIC HEARING.

11. NEW BUSINESS

- *a) Resolution No. 4552 – A Resolution in Opposition to the Inclusion of Alaska by the Environmental Protection Agency (EPA) in the North American Emission Control Area (ECA). Introduced by Mayor Cleworth.
- *b) Resolution No. 4553 – A Resolution Authorizing Acceptance of Ownership and Maintenance Responsibility of Street and Pedestrian Illumination (Illinois Corridor) and Maintenance Responsibility of Noyes Slough Bridge Surfaces. Introduced by Mayor Cleworth.

12. DISCUSSION ITEMS (INFORMATION AND REPORT)

Committee Reports

13. COMMUNICATIONS TO COUNCIL

14. COUNCIL MEMBERS' COMMENTS

15. CITY ATTORNEY'S REPORT

16. CITY CLERK'S REPORT

17. ADJOURNMENT



FAIRBANKS CITY COUNCIL
REGULAR MEETING MINUTES, NOVEMBER 19, 2012
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: Perry Walley, Seat B
Bernard Gatewood, Seat C
Jim Matherly, Seat D
Lloyd Hilling, Seat E
John Eberhart, Seat F

Absent: Renee Staley, Seat A (Excused)

Also Present: Pat Cole, Chief of Staff
Warren Cummings, Fire Chief
Dave Burglin, Deputy City Attorney
Janey Hovenden, City Clerk
Stephanie Johnson, Dispatch Center Manager
Tony C. Shumate, Director Personnel/Purchasing/RM
Jim N. Soileau, Chief Financial Officer
Laren Zager, Police Chief
Ernie Misewicz, Assistant Fire Chief

INVOCATION

The Invocation was given by City Clerk Janey Hovenden.

FLAG SALUTATION

Mayor Cleworth led the Flag Salutation.

CITIZEN'S COMMENTS

Mayor Cleworth stated that although Ordinance No. 5903, as Amended, has already been open to Public Testimony, he would like to reopen Public Testimony during Unfinished Business with the concurrence of the Council.

There was no objection from the Council.

Greg Allison, 346 Spence Avenue, Fairbanks – Mr. Allison stated that he is the Tourism Senior Sales Manager for the Fairbanks Convention and Visitor's Bureau (FCVB). He gave a report on his recent visit to Australia for the 2012 Australia Down Under Workshop for Alaska Delegates to promote the Fairbanks community to operators, media and travel agents. He mentioned the

FCVB Tourism Sales Manager's recent trip to the International World Travel Fair in Taiwan to promote Fairbanks tourism. He thanked the City for reinvesting bed tax dollars into destination marketing.

Mr. Matherly asked Mr. Allison to speak more to the tourism market in Australia.

Mr. Allison stated that Australian market makes up roughly 27% of Fairbanks' international clientele. He indicated that the reason for that is because Australians, on average, get a generous amount of vacation time and are a young, adventurous market.

Mystiek Lockery, 1608 Central Avenue, Fairbanks – Ms. Lockery referenced the proposal she sent to the Council regarding medical marijuana. She stated that she would like to open a medical marijuana clinic in Fairbanks. Ms. Lockery explained that while medical marijuana has been legal in the State of Alaska for several years, there is no legal way for consumers to get it. She indicated that the only way to fix the problem is for someone to “okay” an outlet such as a clinic. She stated that her clinic would be run securely, hopefully with growth and storage facilities on-site to avoid transportation issues. She stated that in other states where the use of medical marijuana is legal, local governments have approved the use of such facilities within a community. She stated that in those areas where medical marijuana facilities have opened, there have been no negative effects to the communities.

Mr. Eberhart asked Ms. Lockery to speak to the steps that need to be taken at the state and federal levels in order to proceed.

Ms. Lockery replied that the state has already done their part by legalizing medical marijuana. She stated that the City Council's approval is the next step because the City has police powers and has the right to give permission for the clinic to open its doors.

Mr. Eberhart asked Ms. Lockery how she could legally open the clinic since the use of medical marijuana is against federal law.

Ms. Lockery acknowledged that the use of medical marijuana is against federal law, but stated that clinics are still operating all over the country with the consent of local governments. She presented a copy of a petition she sent to the Drug Enforcement Administration (DEA), the Attorney General and the Secretary of Health requesting that marijuana be removed from the federal government's schedule of illegal drugs. Ms. Lockery explained that in order to receive the medical marijuana through her clinic, patients would be required to show their identification, their medical marijuana card and their prescription. She stated that the prescription would be verified through the prescribing doctor before the marijuana was given to the patient.

Mr. Hilling asked if it is currently illegal for patients to have their prescriptions for medical marijuana flown in from out of state.

Ms. Lockery stated that she believes it is illegal because the marijuana would be crossing state lines.

Mr. Hilling asked if existing pharmacies could legally dispense medical marijuana if they so wished.

Ms. Lockery replied that she believes they could, but that they would probably have to prove that the marijuana came from within the state. She added that the pharmacies may not wish to carry the product because of their ties to pharmaceutical companies and that currently, no local pharmacies have medical marijuana available.

Mr. Hilling addressed the quality of marijuana. He asked Ms. Lockery if she is hoping for the Council to pass legislation approving the clinic. He asked Ms. Lockery to also describe the quality of the medical marijuana.

Ms. Lockery replied that she would like the Council to give the approval for her clinic to open. She stated that although there are different types of marijuana, all types help the ailments of patients that use it. She indicated, however, that a certain strain may have traits that can help treat specific symptoms more effectively than another strain. She stated that she intends to have a variety of plants on-hand for patients to choose from.

Mr. Gatewood asked if she is aware if insurance companies cover the prescription for marijuana.

Ms. Lockery stated that she does not know if insurance companies cover the product, but that she plans to use a cash-based system for the sale of prescriptions.

Mr. Gatewood asked Ms. Lockery to speak to the security measures she referred to in her testimony.

Ms. Lockery explained that the security measures would include locks on doors and windows as well as 2-3 security staff on-site at all times.

Mr. Walley asked if there were any similar facilities currently in operation in Alaska.

Ms. Lockery replied that currently there are not. She stated that there are over 300 people in Alaska who have been issued a medical marijuana card, but are not able to get the product.

Mr. Matherly asked Ms. Lockery to speak to her background and credentials.

Ms. Lockery replied that since marijuana is a plant that grows naturally and has natural health benefits, no education or credentials would be necessary for an individual to open a facility to sell the product. She stated that she does not have an education or a degree in any field pertaining to the industry, but is simply interested in helping people.

Mr. Matherly asked if other similar clinics operate under a certain set of rules or guidelines.

Ms. Lockery answered that rules are set by the government entity that approves the use of the facility.

Mr. Matherly asked how many of those 300+ people live in the Fairbanks area. He also asked Ms. Lockery who in Fairbanks prescribes medical marijuana to patients.

Ms. Lockery replied that she does not know how many individuals in Fairbanks have a medical marijuana prescription due to the privacy of the registry. She stated that there is no disclosure of the doctors who prescribe marijuana, but indicated that some doctors from Anchorage travel to Fairbanks regularly to write prescriptions for patients.

Mr. Eberhart shared a story he recollected in which a large city in California had allowed the opening of medical marijuana facilities, only to later try to shut them down due to various problems. He asked Ms. Lockery if she had heard of the situation, and if so, to speak to the types of problems surrounding the situation.

Ms. Lockery expressed her belief that problems do not come from the medical marijuana clinics, but from the government. She suggested that the federal government does not like the states exercising their right to legalize marijuana.

Mayor Cleworth stated that his understanding of the situation in California was that there became such a proliferation marijuana dispensaries and an ease in obtaining the product, that the government began questioning if it was being used strictly for medical purposes.

Ms. Lockery stated her awareness of the situation in California. She expressed her belief that marijuana is beneficial for both recreational and medical use, but stated that her intention is to only provide marijuana to those who have a prescription and need the product.

Frank Turney, 201 7th Avenue, Fairbanks – Mr. Turney spoke in support of the medical marijuana clinic. He stated that last summer a doctor set up a clinic in Fairbanks and had participation from over 100 individuals with medical marijuana cards. Mr. Turney stated that he believes the doctor was looking for someone to come forward to open a dispensary in Fairbanks. He spoke to Marinol, a synthetic marijuana that is sometimes prescribed by doctors as a marijuana substitute. He stated that elected officials need to be educated on the Alaska laws pertaining to marijuana possession and personal use. He expressed his support for the establishment of Ms. Lockery's clinic. He stated that he would like to hear the City Attorney's legal stance on the issue. Mr. Turney spoke to the old dairy building on 2nd Avenue and recommended that each Council Member take the time to go look at the dilapidated structure. He mentioned that he brought the issue of the old structure up to the Public Safety Commission (PSC) and suggested that the City has not taken any action to remove the old building because it is owned by a former City engineer. Mr. Turney addressed the liability involved in allowing the structure to stand with a handicapped living facility next door.

Mr. Hilling asked Mr. Turney if he could pinpoint a specific issue of safety or health with the structure on 2nd Avenue.

Mr. Turney stated that the building is caved in and has been burned. He commented that vagrants or residents of the facility next door may enter the structure and that the building is a danger to the public.

Mr. Hilling asked Mr. Turney if he could compare Marinol to marijuana.

Mr. Turney replied that he tried Marinol about 20 years ago and that it had no effect on him. He stated that marijuana makes him mellow.

Victor Buberger, PO Box 58192, Fairbanks – Mr. Buberger stated that he has had a lot of experience with marijuana, but no longer smokes. He spoke to the damage and trash in the old dairy building on 2nd Avenue and to the need for something to be done. Mr. Buberger spoke to the Local Improvement District (LID) for clean and safe services in Downtown Fairbanks. He recommended that the City put out an RFP for the services instead of moving forward with the formation of a LID. He offered a second alternative to a LID by suggesting that City laborers be put to work removing snow with snow blowers during the winter months.

David Lerman, 126 2nd Avenue, #15, Fairbanks – Mr. Lerman stated that he will be running for City Council in the 2013 Municipal Election. He spoke to his newest website titled *Voter Butter*, which was created to “churn” good ideas. He stated that one of the ideas on the site is the Russian’s interest in building a Bering Strait Tunnel connecting Russia to Alaska. He spoke to his idea of creating a Decibel Regulation Task Force to prevent hearing damage to the public. He further suggested that images of a damaged inner ear and damaged lungs replace the quilted wall hangings in Council Chambers to educate the public on the harmful effects of high decibels and the importance of air quality. Mr. Lerman spoke to his other website, *Renovation Fairbanks*, and to the need for a Renovation Task Force in the City of Fairbanks. He stated that the City should waive building permit fees for property owners who wish to renovate their dilapidated properties. He spoke in support of a City resolution to support Mr. Marlow’s efforts to renovate the Polaris Building downtown. He stated that he believes if he repeats himself enough, what he suggests will come to pass.

Mr. Matherly stated that he is weary of hearing about Mr. Marlow’s intention to renovate the Polaris Building. He asked Mr. Lerman what would happen if the City waived all the building permit fees for the renovation of the structure and Mr. Marlow did not follow through.

Mr. Lerman stated that it is a matter of psychology and that the Council needs to take a positive approach with Mr. Marlow. He asked what the City would have to lose. He clarified that if the City waived the fees for Mr. Marlow, they would also have to waive the fees for all other property owners who chose to renovate a dilapidated structure. He stated that the cost of building permit fees is a small price to pay in order to spark renovation.

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

APPROVAL OF AGENDA AND CONSENT AGENDA

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

Mr. Eberhart pulled the Approval of the 2013 City Council Meeting Schedule from the Consent Agenda.

Mayor Cleworth pulled Resolution No. 4547 from the Consent Agenda.

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

With no objection from the Council, **Mayor Cleworth** added Firefighter's Union discussion to the Executive Session topic.

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

APPROVAL OF PREVIOUS MINUTES

- a) Regular Meeting Minutes of October 22, 2012.

PASSED and APPROVED on the CONSENT AGENDA.

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 and Restaurant Designation Permit.

Transfer of Ownership:

Type: Restaurant/Eating Place

FROM:

Current DBA: Thai House Restaurant, **License #3687**

Licensee: Chalermpon Boonprasert (deceased)

Location: 412 5th Avenue, Fairbanks

TO:

License: Thai House Restaurant, **License #3687**

Licensee/Applicant: Boonchoo, Inc.

Physical Location: 412 5th Avenue, Fairbanks

Mayor Cleworth gave a brief explanation of the new layout of liquor licenses in the Council's agenda packets.

Mr. Hilling, seconded by **Mr. Gatewood**, moved to WAIVE Protest on the Liquor License Application for Transfer 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 THAI HOUSE RESTAURANT LIQUOR LICENSE APPLICATION FOR TRANSFER AND RESTAURANT DESIGNATION PERMIT AS FOLLOWS:

YEAS: Matherly, Hilling, Walley, Gatewood, Eberhart

NAYS: None

ABSENT: Staley

Mayor Cleworth declared the MOTION CARRIED.

MAYOR'S COMMENTS AND REPORT

Mayor Cleworth congratulated Pat Cole on winning the Vic Fischer Local Government Leadership Award, and Janey Hovenden on receiving the prestigious Municipal Clerk of the Year Award. He stated that both Ms. Hovenden and Mr. Cole were presented with their awards at the 2012 Alaska Municipal League (AML) Conference in Anchorage. **Mayor Cleworth** stated that the 2013 Budget has to be adopted by December 15, 2012 according to City Code. He explained that it is being introduced early so that it may be postponed for one meeting if any problems or questions arise. **Mayor Cleworth** spoke to the recent dinner with Dr. Morin, Assistant Secretary of the Air Force, at Eielson Air Force Base (EAFB). He stated that Dr. Morin's speech regarding the future of EAFB was rather discouraging. He commented that the Air Force seems to have already made up its mind on the relocation of the F-16's to Joint Base Elmendorf-Richardson (JBER), although the congressional delegation does not agree with the findings of the Site Activation Task Force (SATAF) report. He stated that the Air Force plans to destroy several buildings at EAFB, totaling approximately \$100 - \$200 million in value, because they don't want to be liable for utility and maintenance costs. He commented that it seems like a waste to destroy such valuable property in order to save on recurring costs. **Mayor Cleworth** explained that if there is ever a mission in the Pacific, the two Air Force bases in Alaska have the luxury of housing extra troops, but that Eielson would no longer have that luxury if the buildings are destroyed as planned. He stated that our community—and even the Anchorage communities—are not in support of the movement. He stated that the TIGER Team would continue to meet weekly with the congressional delegation to compare notes on the issue. **Mayor Cleworth** addressed the Public Testimony on the old dairy on 2nd Avenue. He commented that the City is criticized for doing abatements and when the City does not take abatement action, they are criticized for doing nothing. He stated that the City's policy on abatements is simple: when a property is identified as a hazard and when numerous complaints have been filed, the City notifies the owner and tries to work with the owner on a deadline. He explained that owners are typically given two or more deadlines by which to take care of the issue, and when those deadlines are not met, the City will take action. He stated that in 2012, the City did not do any abatements, but did identify several properties that needed attention. **Mayor Cleworth** stated that the old dairy building was on the 2012 list of City abatements. He explained that the City contacted the owner who promised to have the property cleaned up. He stated that since the owner did not follow through, the City will continue to move forward with the abatement of the property. He clarified that this property has not been treated any differently than other City abatements. **Mayor Cleworth**, in response to Mr. Lerman's comments on the Polaris Building, stated that Mr. Marlow is not developing the building. He explained that Mr. Marlow owes back taxes and has two notes on the structure that total far more than its value. He stated that there are two groups that are trying to get the Polaris Building from Mr. Marlow in

order to develop it, but that he is doubtful that they will be successful either. **Mayor Cleworth** stated that the City has set the abatement deadline for the Polaris Building at the end of summer, 2013. He added that if nothing has been done by then, the City will step in to abate. He stated that Mr. Marlow has exhausted all resources to make the renovation a success and added that a renovation of the structure would be a \$20 million project with a \$15 million renovated value. **Mayor Cleworth** spoke to the annual contribution the City makes to the Community Service Patrol (CSP). He explained that while the City Code does not require an annual report from the CSP, it does stipulate that the contribution is only for four years and that a match is required. He asked Mr. van den Berg to come forward to provide the Council with a report.

Mr. van den Berg spoke to the purpose and history of the CSP. He distributed handouts of the CSP's service area boundaries, a summary of CSP transports from 2008 through 2012, a 2012 YTD Income Report for the CSP, and Ordinance No. 5822, as Amended. He stated that in 2010, the City saw fit to contribute \$50,000 annually for four years to the CSP since the program is a savings to the City's police and fire services. Mr. van den Berg spoke to the problem with chronic inebriates in the downtown area and stated that 355 individuals comprised the 1,805 CSP total transports in the past 12 months. He stated that the CSP works with the Housing First facility to ensure that its residents are returned there if they are picked up by the patrol. He indicated that of the 18 individuals that became residents of Housing First since it opened its doors in May, only five were picked up in the month of October. He stated that the statistics speak to the early success of the Housing First project. Mr. van den Berg spoke to the \$140,000 match required of the CSP by Ordinance No. 5822, as Amended. He referenced the YTD Income Report of the CSP and pointed out that the program has only brought in \$123,406 so far in 2012. He stated that with the addition of pending contributions to the CSP in 2012, the total income would be a little shy of the \$140,000 match.

Mayor Cleworth asked Mr. van den Berg if the CSP had reached the \$140,000 match at the end of last year.

Mr. van den Berg replied that the CSP's total income for 2011 was \$135,058.02, excluding the City's \$50,000 contribution. He stated that if in-kind contributions counted, the total would have been \$191,653.50.

Mr. Gatewood asked what percentage of Mr. van den Berg's salary is attributed to in-kind contributions.

Mr. van den Berg replied that in 2011, the \$3,600 in-kind time contribution constituted 5% of his total annual salary.

UNFINISHED BUSINESS

- a) Ordinance No. 5903, as Amended – An Ordinance Amending FGC Chapter 34, Article VI, Section 34-201, to Allow Replacement of Hydronic Heaters. Introduced by Council Member Stiver. Public Hearing was Held on November 5, 2012. POSTPONED from the Regular Meeting of November 5, 2012.

Motion to ADOPT Ordinance No. 5903, as Amended, was already on the floor from the Regular Meeting of November 5, 2012 when the ordinance was postponed.

Mayor Cleworth asked the Council if they had received the memo from the City Attorney regarding the terminology used in Ordinance No. 5903, as Amended.

Mayor Cleworth called for Public Testimony.

David Lerman – Mr. Lerman spoke in support of Ordinance No. 5903, as Amended. He spoke to minimizing air pollution in the City and to finding ways to improve air quality. He mentioned a local pawn shop that operates a hydronic heater and spoke to the air pollution it creates. Mr. Lerman recommended the use of visuals to educate the public on what’s in the air they are breathing in. He spoke to the decline in air quality in Fairbanks over the years.

Mr. Eberhart asked where the pawn shop is located and how long the owner has been using the hydronic heater. He asked Mr. Lerman if he knew what was being burnt in the hydronic heater.

Mr. Lerman replied that the shop is at the corner of Airport Way and Cushman Street and that he is unsure how long the hydronic heater has been in operation. He stated that the owner told him she was burning wood.

Victor Buberger – Mr. Buberger stated that his neighbor has a hydronic heater that used to bother him. He commented that he no longer has a problem with the poor air quality since his neighbor extended the chimney. Mr. Buberger indicated that coal-burning is a bigger problem than hydronic heaters in the Fairbanks area.

Frank Turney – Mr. Turney stated that he has been unable to locate the pawn shop that Mr. Lerman referred to in his testimony.

Vivian Stiver, 523 2nd Avenue, Fairbanks – Ms. Stiver distributed a handout from the EPA website which lists cleaner units that meet EPA standards. She stated that when she was on the City Council, Mayor Strle introduced a moratorium on the installation of hydronic heaters. She commented that at that time, she recommended that the City Building Department research hydronic heating devices. She stated that it makes sense to allow homeowners to upgrade to cleaner burning hydronic heaters. Ms. Stiver again requested that the City Building Department research the devices. She acknowledged that there are other significant factors besides hydronic heaters that contribute to poor air quality in Fairbanks, such as industrial plants and wood stove exhaust. She stated that it is imperative that the City allow those currently using hydronic heaters to upgrade to a newer, cleaner burning system.

Mr. Hilling asked Ms. Stiver to speak to the handout and to the issue of “qualified” versus “certified.”

Ms. Stiver stated that she obtained the list of cleaner hydronic heaters from the EPA’s website and that she has not seen the memo from the City Attorney that speaks to the difference between “qualified” and “certified” in relation to hydronic heaters.

Mayor Cleworth clarified that the list consists of only Phase 2 hydronic heater models. He explained that the EPA no longer qualifies Phase 1 heaters.

Mr. Hilling asked Ms. Stiver to speak to the process by which homeowners would install replacement hydronic heaters with the City's approval.

Ms. Stiver stated that she envisions the Building Department setting some sort of testing standard or publish a list of approved devices. She stated that the City would still require homeowners to obtain a permit for the installation of the heater.

Mr. Eberhart asked Ms. Stiver if she would see a problem with changing the word "certified" to "qualified" in Ordinance No. 5903, as Amended. He stated that he is unclear on what entity actually certifies the devices.

Ms. Stiver replied that she does see a problem with the word change, but that she believes the current version is more clear.

Tammie Wilson, 571 Canoro Road, North Pole – Ms. Wilson, State Representative for District 11, stated that she takes the hydronic heating issue very personally. She explained that the EPA certifies wood stoves but has never certified outdoor boilers. She stated that the EPA only qualifies hydronic heaters and are getting close to qualifying Phase 3 devices. She spoke to the "boom" of hydronic heater installation in Fairbanks about five years ago when gas prices spiked. She indicated that the original use of hydronic heaters was primarily for large buildings in non-urban areas. Ms. Wilson explained that hydronic heating devices have now become more common in homes which have much less square footage than commercial buildings and that homeowners must keep the devices on a low setting which creates much more smoke. She spoke in support of Ordinance No. 5903, as Amended, stating that it would not increase the number of hydronic heaters in Fairbanks.

Mr. Eberhart indicated that if the EPA is close to qualifying Phase 3 devices, perhaps the Council should not limit qualified upgrades to Phase 2 hydronic heaters.

Ms. Wilson commented that there are good and bad Phase 2 devices. She stated that all Phase 2 hydronic heaters meet the minimum standards, but that some greatly exceed the requirements. She stated that one cannot assume that a Phase 2 hydronic heater is a clean-burning device without looking at the actual numbers compared to other units.

Mayor Cleworth asked if the EPA still qualifies Phase 1 devices.

Ms. Wilson replied that they do not.

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

Mr. Eberhart read aloud a headline from the Fairbanks Daily News Miner which read, "Poor air quality expected for days." He stated that Fairbanks residents should be concerned about the health of their families and neighbors and that there needs to be an equal balance with the

concern of high energy costs. He thanked the City Attorney for his memo which recommended a change of the word “certified” to “qualified” in Ordinance No. 5903, as Amended.

Mr. Eberhart, seconded by **Mr. Gatewood**, moved to AMEND Ordinance No. 5903, as Amended by replacing the word “certified” with the word “qualified” in the fifth whereas and in the sixth line of Section 34-201.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND ORDINANCE NO. 5903, AS AMENDED, BY REPLACING THE WORD “CERTIFIED” WITH THE WORD “QUALIFIED” IN THE FIFTH WHEREAS AND IN THE SIXTH LINE OF SECTION 34-201 AS FOLLOWS:

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

Mr. Eberhart suggested that the City Building Department also look into the setback requirements for commercial hydronic heaters referenced in the City Attorney’s memo. He spoke to the BTU output comparison of residential and commercial devices. **Mr. Eberhart** indicated that there are some long-term issues that should be considered by the Council before proceeding. He distributed a handout of other possible amendments to Ordinance No. 5903, as Amended, for group discussion. He commented that if natural gas is brought to the Fairbanks area, residents may no longer wish to use hydronic heaters. He gave a brief explanation of the first proposed amendment.

Mr. Matherly, in reference to the first proposed amendment on the handout, stated that hydronic heaters cannot burn both wood and coal. He asked if there two different types of devices, one for coal and one for wood.

Mr. Eberhart requested that Ms. Wilson come forward to answer Mr. Matherly’s question.

Ms. Wilson explained that coal burning and wood burning hydronic heaters are two different types of devices. She stated that a wood burning device can be modified to burn coal by adding numerous parts, but that they are not manufactured to burn both wood and coal. She stated that the Borough has approved one coal burning device which tested to burn cleaner than pellet stoves and some Phase 2 hydronic heaters. She stated that the type of fuel should not be a deciding factor in the approval of devices; rather, approval should be based on emission levels.

Mr. Matherly asked what EPA’s stance is on coal burning devices.

Ms. Wilson replied that the EPA has not addressed coal units.

Mr. Eberhart spoke to the model codes that the EPA has been involved with. He quoted an excerpt which stated that coal is prohibited from use in an outdoor hydronic heater. He asked if there is a certified or qualified coal burning hydronic heater on the market.

Ms. Wilson replied that there is not. She explained that the EPA does not test coal burning devices at all. She stated that the statement from the model code read by Mr. Eberhart was most likely in reference to the ban of the use of coal in wood burning hydronic heaters.

Mr. Eberhart asked Ms. Wilson for her input on rewording the proposed amendment regarding the use of coal in hydronic heaters.

Ms. Wilson replied that it is against state law to burn coal in a wood burning unit. She stated that if the Council banned the use of coal as a source of heating fuel, it would likely put several local businesses out of commission. She suggested that the Council adopt Ordinance No. 5903, as Amended, as it currently reads and have the Building Department look into the clean burning coal devices being used by some local businesses.

Mayor Cleworth stated that he met with a gentleman recently who shared information that there is a new technology for a device that uses a mixture of bio products and coal as a fuel source. He cautioned banning coal due to new technologies that may actually burn cleaner than many other types of fuel currently being used in the Fairbanks area. **Mayor Cleworth** spoke to the many changes on the horizon and the possible elimination of hydronic heaters altogether when natural gas is brought to Fairbanks.

Mr. Eberhart spoke to the second proposed amendment on the handout. He stated that while Ordinance No. 5903, as Amended, allows for the replacement of existing hydronic heaters, it does not ban the use of older models still being used that may not meet EPA standards. He expressed concern that if a deadline isn't set by which older devices *must* be replaced with an EPA qualified device, there may be more problems in the future. **Mr. Eberhart** expressed the same concern for commercial hydronic heating systems, but declined to make a motion to amend. He suggested that the City Building Department look into the issue further.

Mr. Hilling stated that "grandfather" clauses are often inserted into legislation like Ordinance No. 5903, as Amended. He stated that he would not be too concerned about incorporating Mr. Eberhart's proposed amendments since natural gas will be brought to Fairbanks in the near future.

Mr. Gatewood commented that he is not confident that a significant portion of the local population would be using natural gas within the next two years. He stated that he likes Ordinance No. 5903, as Amended, as written, but stated that he would support an amendment to prohibit the use of coal in heaters designed for wood.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 5903, AS AMENDED, AS FOLLOWS:

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

Mayor Cleworth declared the MOTION CARRIED and Ordinance No. 5903, as Amended, ADOPTED.

NEW BUSINESS

- a) Resolution No. 4547 – A Resolution Stating the City’s Capital Priorities for the State 2013-14 Fiscal Year. Introduced by Mayor Cleworth.

Mr. Eberhart, seconded by **Mr. Gatewood**, moved to APPROVE Resolution No. 4547.

Mayor Cleworth explained that the Council normally has an opportunity to rank the City’s capital projects, but that the ranking in Resolution No. 4547 was put together ahead of time. He asked the Council for their input on the prioritization of the projects.

Mr. Gatewood asked Mayor Cleworth to speak to the reasoning behind the proposed order of projects and to why the South Cushman Reconstruction was the only project submitted for inclusion in the Governor’s Budget.

Mayor Cleworth stated that he met with the Governor about a month ago. He explained that the City decided to submit only the South Cushman Reconstruction project because FMATS has put \$5 million in seed money aside for the project and the project finally has commitment. He stated that the South Cushman area has been put off for many years and badly needs reconstruction. He spoke to right-of-way issues and how they can complicate the construction of road projects. **Mayor Cleworth** explained that there are two improvement options for the South Cushman Reconstruction described in Resolution No. 4547: Complete Reconstruction with Utility Improvements and Rehabilitation with Limited Utility Improvements. He remarked at the staggering cost difference between the two options.

Mr. Hilling asked if the utilities could be taken care of at a later time without complete reconstruction should the Governor approve the lesser option.

Mayor Cleworth replied that the utilities would likely not be improved for decades if the lesser option was approved and completed.

Mr. Gatewood asked how the projects came to be ranked as they are in Resolution No. 4547.

Mayor Cleworth stated that the ranking is arbitrary. He stated that he and City staff discussed the ranking and agreed on the most important tasks. He commented that road improvements are a top priority for the City. He added that talking with the lobbyists sometimes helps in coming up with a strategy for prioritizing projects.

Mr. Hilling asked if there are any plans for sidewalks included in the Rickert Subdivision project.

Mayor Cleworth replied that there are not. He explained that typically sidewalk construction is not included in project plans unless specifically requested. He stated that most residences have encroached into the City right-of-way, complicating sidewalk construction.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPROVE RESOLUTION NO. 4547 AS FOLLOWS:

AYES: Hilling, Eberhart, Walley, Matherly, Gatewood
NAYS: None
ABSENT: Staley

Mayor Cleworth declared the MOTION CARRIED and Resolution No. 4547 APPROVED.

- b) Ordinance No. 5905 – An Ordinance Amending Fairbanks General Code Sections 2-260 and 2-261 and Enacting 2-262 Regarding the Authorized Investment Selections of the City Permanent Fund Investment Policy. Introduced by Mayor Cleworth and Council Member Gatewood.

ADVANCED on the CONSENT AGENDA.

- c) Ordinance No. 5906 – An Ordinance Authorizing Release of an Easement in Peger Lake Development. Introduced by Mayor Cleworth.

ADVANCED on the CONSENT AGENDA.

- d) Ordinance No. 5907 – An Ordinance Adopting the 2013 Operating and Capital Budgets. Introduced by Mayor Cleworth.

ADVANCED on the CONSENT AGENDA.

- e) Ordinance No. 5908 – An Ordinance Amending the 2012 General Fund Budget for the Third Time. Introduced by Mayor Cleworth.

ADVANCED on the CONSENT AGENDA.

DISCUSSION ITEMS

Committee Reports

Bed Tax Discretionary Fund Committee – **Mr. Matherly** stated that he presided over his first meeting as Chair on November 8, 2012. He stated that the meeting was brief and that the committee discussed parameters for presentation and allotment of discretionary funds. He stated that all presentations will take place at one meeting this year instead of two. He expressed his appreciation for the opportunity to serve on the committee.

Mayor Cleworth stressed the importance of all Bed Tax Committee Members being present for the presentations.

Mr. Matherly stated that attendance and punctuality was addressed by the committee at the meeting.

Public Safety Commission – **Mr. Eberhart** gave a brief report of the November 13, 2012 meeting. He stated that Fire Chief Cummings and Assistant Fire Chief Misewicz gave a

PowerPoint presentation on the operations of the Fairbanks Fire Department (FFD) in the context of studying the public safety officer concept. He explained that the concept involves cross-training of police, fire and Emergency Medical Services (EMS) duties. He stated that there will be a similar presentation to the committee in December by Police Chief Zager.

COMMUNICATIONS TO COUNCIL

- a) Approval of the 2013 City Council Meeting Schedule

Mr. Eberhart, seconded by **Mr. Hilling**, moved to APPROVE the 2013 City Council Meeting Schedule.

Mr. Eberhart stated that he will be out of the country from February 7 through March 1, 2013. He requested that one of the February meetings be rescheduled so that he may attend at least one.

Mr. Hilling, seconded by **Mr. Gatewood**, moved to AMEND the 2013 City Council Meeting Schedule by changing the February 11, 2013 Regular City Council Meeting date to February 4, 2013.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND THE 2013 CITY COUNCIL MEETING SCHEDULE BY CHANGING THE FEBRUARY 11, 2013 REGULAR CITY COUNCIL MEETING DATE TO FEBRUARY 4, 2013.

AYES: Gatewood, Walley, Eberhart, Matherly, Hilling

NAYS: None

ABSENT: Staley

Mayor Cleworth declared the MOTION CARRIED.

Mayor Cleworth called for objection to the APPROVAL of the 2013 City Council Meeting Schedule, as Amended, and, hearing none, so ORDERED.

- b) Permanent Fund Review Board Meeting Minutes of August 1, 2012.

ACCEPTED on the CONSENT AGENDA.

COUNCIL MEMBERS' COMMENTS

Mr. Walley wished everyone a Happy Thanksgiving.

Mr. Gatewood congratulated Mayor Cleworth, Pat Cole and Janey Hovenden on the awards they received at the 2012 AML Conference in Anchorage, stating that the awards are a testament to their professionalism and dedication. He remarked that Dispatch Manager Stephanie Johnson and Engineer Jerry Colp also received awards earlier in the year. **Mr. Gatewood** used the recent news that Hostess is going out of business to remind everyone of the importance of communication between employers, staff and unions. He expressed hope that the City would continue to have good working relationships with all unions they hold a contract agreement with.

Mr. Eberhart commented that the new format of Liquor Licenses is much easier to read. He commended Mayor Cleworth, Pat Cole and Janey Hovenden on being awarded at the AML Conference. He expressed his sympathies in the loss of Fairbanks resident Melvin “Glen” Malde who recently passed away at the age of 101. He wished everyone a Happy Thanksgiving.

Mr. Hilling stated his appreciation for Ms. Lockery’s presentation on a medical marijuana clinic. He expressed his belief that drug laws are very misguided and that more harm is done by making drugs illegal. He stated that there should be strong penalties in place for cases where minors are involved, but spoke to his belief that government should not have the right to govern an individual’s use of drugs. **Mr. Hilling** spoke to the crime that could be eliminated by legalizing drugs and expressed his sympathy in Ms. Lockery’s plea to the Council. He asked the City Attorney to look further into the request. He acknowledged that drugs may cause harm and that individuals can become dependent on drug use. **Mr. Hilling** spoke to the relocation of the F-16’s at EAFB to JBER, expressing concern that up to 1,500 jobs may be lost. He asked Mayor Cleworth if he could provide a summary of the local economic impact that would be realized with the loss. He commented that the 1,500 jobs would constitute roughly 5% of the Fairbanks population.

Mayor Cleworth replied that he doesn’t have economic impact projections readily available.

Mr. Hilling offered congratulations to Janey Hovenden for receiving the Clerk of the Year Award. He stated that the Clerk’s Office appears to be well-managed, responsive and efficient. He also applauded the Mayor and Chief of Staff on receiving their awards. **Mr. Hilling** asked Mayor Cleworth what groups were interested in the Polaris Building and if they would have an opportunity to purchase the building if Mr. Marlow failed to meet the City’s deadline.

Mayor Cleworth stated that if one of the groups was successful in negotiating a deal with Mr. Marlow, the City would not interfere. He explained that all the City has done is set a deadline for Mr. Marlow. He stated that one of the groups is looking at renovating the building in stages while the other group is looking at vertical farming, which may not be feasible due to high energy costs.

Mr. Matherly stated that he has attended some Clerk conference sessions and commented that Clerks “have our backs.” He congratulated Janey Hovenden, Pat Cole, Mayor Cleworth and other City employees on the awards they each received. **Mr. Matherly** thanked Mayor Cleworth for his clarification and comments on the Polaris Building. He commented that the structure is looking pretty bad and that he has doubts that a renovation will take place. He wished everyone a Happy Thanksgiving. **Mr. Matherly** addressed Mr. Hilling’s comments on the legalization of drugs, stating that he can’t imagine a society where the use of all drugs is legal.

Mayor Cleworth stated that earlier in the year, some City employees had an opportunity to go inside the Polaris Building with the owner’s consent. He stated that the City has photos and a report of the visit if the Council would like to see it.

Mr. Gatewood, seconded by **Mr. Matherly**, moved to go into Executive Session for the purpose of discussing the Utilidor Shed Damage Claim (USAA/Kihleng) and the Firefighter’s Union.

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

Mayor Cleworth called for a five minute recess.

EXECUTIVE SESSION

- a) Utilidor Shed Damage Claim (USAA/Kihleng).
- b) Firefighter's Union

The City Council met in Executive Session to discuss the Utilidor Shed Damage Claim and the Firefighter's Union. Direction was given to staff and no action was taken.

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 10:25 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
City Council Members

FROM: Janey Hovenden, CMC, City Clerk 

SUBJECT: Asiana Restaurant Liquor License Renewal Application

DATE: December 6, 2012

At the last regular meeting of December 3, 2012, the Council voted to waive protest on the Asiana Restaurant Liquor License renewal application. However, I have just been informed that they have failed to file sales tax returns for some time. They have been made aware of the problem and are cooperating with the Finance Department to rectify the oversight.

I have contacted the ABC Board and they have agreed to delay the matter until they are notified of the final decision by the City Council.

The Finance Department recommends protesting the Asiana Restaurant Liquor License renewal application until all unpaid taxes, penalties, and interest are satisfied. There were no other departmental protests.

Please contact me if you need any further information.

THE BILL OF RIGHTS

Amendment 1 - Freedom of Religion, Press, Expression. Ratified 12/15/1791.

Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances.

Amendment 2 - Right to Bear Arms. Ratified 12/15/1791.

A well regulated Militia, being necessary to the security of a free State, the right of the people to keep and bear Arms, shall not be infringed.

Amendment 3 - Quartering of Soldiers. Ratified 12/15/1791.

No Soldier shall, in time of peace be quartered in any house, without the consent of the Owner, nor in time of war, but in a manner to be prescribed by law.

Amendment 4 - Search and Seizure. Ratified 12/15/1791.

The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated, and no Warrants shall issue, but upon probable cause, supported by Oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized.

Amendment 5 - Trial and Punishment, Compensation for Takings. Ratified 12/15/1791.

No person shall be held to answer for a capital, or otherwise infamous crime, unless on a presentment or indictment of a Grand Jury, except in cases arising in the land or naval forces, or in the Militia, when in actual service in time of War or public danger; nor shall any person be subject for the same offense to be twice put in jeopardy of life or limb; nor shall be compelled in any criminal case to be a witness against himself, nor be deprived of life, liberty, or property, without due process of law; nor shall private property be taken for public use, without just compensation.

Amendment 6 - Right to Speedy Trial, Confrontation of Witnesses. Ratified 12/15/1791.

In all criminal prosecutions, the accused shall enjoy the right to a speedy and public trial, by an impartial jury of the State and district wherein the crime shall have been committed, which district shall have been previously ascertained by law, and to be informed of the nature and cause of the accusation; to be confronted with the witnesses against him; to have compulsory process for obtaining witnesses in his favor, and to have the Assistance of Counsel for his defence.

Amendment 7 - Trial by Jury in Civil Cases. Ratified 12/15/1791.

In Suits at common law, where the value in controversy shall exceed twenty dollars, the right of trial by jury shall be preserved, and no fact tried by a jury, shall be otherwise reexamined in any Court of the United States, than according to the rules of the common law.

Amendment 8 - Cruel and Unusual Punishment. Ratified 12/15/1791.

Excessive bail shall not be required, nor excessive fines imposed, nor cruel and unusual punishments inflicted.

Amendment 9 - Construction of Constitution. Ratified 12/15/1791.

The enumeration in the Constitution, of certain rights, shall not be construed to deny or disparage others retained by the people.

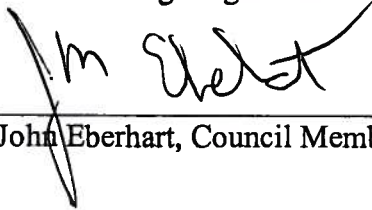
Amendment 10 - Powers of the States and People. Ratified 12/15/1791.

The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.

TO: Janey Hovenden, City Clerk
FROM: Council Member Eberhart
SUBJECT: Reconsideration of Ordinance 5907
DATE: December 4, 2012

Please accept this as an official Notice of Reconsideration of the budget amendment relating to the office of the City Clerk which was adopted at the regular Council Meeting of December 3, 2012.

In accordance with FGC Section 2-120(g), I was a member who voted on the prevailing side and am giving notice on the day immediately following the vote.



John Eberhart, Council Member Seat F

ORDINANCE NO. 5907, AS AMENDED

**AN ORDINANCE ADOPTING THE 2013
 OPERATING AND CAPITAL BUDGETS**

WHEREAS, pursuant to City Charter Section 5.2, on October 31, 2012, Mayor Cleworth presented a recommended annual operating and capital budget estimate for 2013; and

WHEREAS, the proposed budget has been reviewed by the City Finance Committee with the active participation of City Department Directors.

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS, ALASKA, as follows[amendments shown in **bold** font]:

SECTION 1. There is hereby appropriated to the 2013 General Fundbudget from the following sources of revenue for the City of Fairbanks in the amount indicated to the departments named for the purpose of conducting the business of said departments of the City of Fairbanks, Alaska, for the fiscal year commencing January 1, 2013 and ending December 31, 2013:

	MAYOR RECOMMENDS	COUNCIL APPROPRIATION
Taxes, (all sources)	\$ 19,495,990	\$ 19,495,990
Charges for Services	4,319,431	4,319,431
Intergovernmental Revenues	3,180,122	3,180,122
Licenses & Permits	1,678,239	1,678,239
Fines, Forfeitures & Penalties	987,075	987,075
Interest & Penalties	142,500	142,500
Rental & Lease Income	157,919	157,919
Other Revenues	212,500	212,500
Other Financing Sources	<u>3,416,592</u>	<u>3,416,592</u>
Total appropriation	<u>\$ 33,590,368</u>	<u>\$ 33,590,368</u>

SECTION 2. There is hereby appropriated to the 2013 budget expenditures for the City of Fairbanks in the amount indicated:

DEPT	DESCRIPTION	MAYOR RECOMMENDS	COUNCIL APPROPRIATION
10	Mayor and Council	\$ 495,271	\$ 495,271
11	Office of the City Attorney	172,281	172,281
12	Office of the City Clerk	344,767	351,550
13	Finance Department	902,267	902,267
14	Information Technology	1,431,938	1,431,938
15	General Account	5,088,271	5,088,271
16	Risk Management	1,406,448	1,406,448
20	Police Department	6,838,678	6,838,678
21	Dispatch Center	1,983,336	1,983,336
30	Fire Department	6,370,513	6,370,513
50	Public Works Department	7,199,801	7,199,801
51	Engineering Department	465,775	465,775
60	Building Department	656,136	656,136
Total appropriation		\$ 33,355,482	\$ 33,362,265
12/31/12 (estimate) general fund balance		\$ 10,562,266	\$ 10,562,266
Increase to fund balance		234,886	228,103
Committed for snow removal		(250,000)	(250,000)
(Estimate) Committed self insurance reserve		(530,000)	(530,000)
12/31/13 Unassigned balance		\$ 10,017,152	\$ 10,010,369

SECTION 3. There is hereby appropriated to the 2013 Capital Fund budget from the following sources of revenue for the City of Fairbanks in the amount indicated:

	MAYOR RECOMMENDS	COUNCIL APPROPRIATION
Transfer from Permanent Fund	\$ 482,146	\$ 482,146
Transfer from General Fund	150,000	150,000
Transfer Ambulance Mileage from General Fund	65,000	65,000
Budgeted Garbage Equipment Replacement	225,574	225,574
Equipment Replacement - Public Works	250,000	250,000
Equipment Replacement - Building Department	10,000	10,000
Equipment Replacement - Police	180,000	180,000
Equipment Replacement - Dispatch	75,000	75,000
Equipment Replacement - Fire	250,000	250,000
Equipment Replacement - IT	105,000	105,000
Property Repair & Replacement	145,000	145,000
	<hr/>	<hr/>
Total appropriation	\$ 1,937,720	\$ 1,937,720

To the departments named for the purpose of conducting the business of said departments of the City of Fairbanks, Alaska, for the fiscal year commencing January 1, 2013 and ending December 31, 2013.

SECTION 4. There is hereby appropriated to the 2013 capital budget, expenditures for the City of Fairbanks in the amount indicated:

<u>DEPARTMENT</u>	<u>DESCRIPTION</u>	<u>MAYOR RECOMMENDS</u>	<u>COUNCIL APPROPRIATION</u>
14	Information Tech. Department	165,000	165,000
20	Police Department	180,000	180,000
21	Dispatch Department	45,000	45,000
30	Fire Department	618,000	618,000
50	Public Works Department	1,537,800	1,537,800
	Total appropriation	\$ 2,545,800	\$ 2,545,800
12/31/12 (estimate) capital fund balance		4,903,928	4,903,928
Decrease to fund balance		(608,080)	(608,080)
Total Decrease to assigned fund balance		<u>4,295,848</u>	<u>4,295,848</u>

SECTION 5. All appropriations made by this ordinance lapse at the end of the fiscal year to the extent they have not been expended or contractually committed to the departments named for the purpose of conducting the business of said departments of the City of Fairbanks, Alaska, for the fiscal year commencing January 1, 2013 and ending December 31, 2013.

SECTION 6. The effective date of this ordinance shall be the 8th day of December 2012.

JERRY CLEWORTH, MAYOR

AYES: Eberhart, Gatewood, Staley, Hilling, Matherly, Walley
NAYS: None
ABSENT: None
ADOPTED: December 03, 2012

ATTEST:

APPROVED AS TO FORM

Janey Hovenden, CMC, City Clerk

Paul J. Ewers, City Attorney

FISCAL NOTE

ORDINANCE 5907, AS AMENDED ADOPTING THE 2013 GENERAL AND CAPITAL BUDGETS

ESTIMATED REVENUES and OTHER FINANCING SOURCES (USES)
No change

1. Taxes – No Change
2. Charges for Services – No Change
3. Intergovernmental Revenues – No Change
4. Licenses & Permits – No Change
5. Fines, Forfeitures & Penalties – No Change
6. Interest & Penalties – No Change
7. Rental & Lease Income – No Change
8. Other Revenues – No Change
9. Other Financing Sources & (Uses) – No Change

**FISCAL NOTE CONTINUED
ESTIMATED EXPENDITURES**

(\$43,127 Decrease)

1. Mayor & Council – No Change
2. City Attorney’s Office – No Change
3. City Clerk’s Office – \$6,783 Increase
 - \$6,686 increase to wages and \$97 increase to benefits to reclassify Clerk to Administrative Assistant
4. Finance Department – No Change
5. Information Technology – No Change
6. General Account – (50,000) Decrease
 - Amending the original ordinance to decrease funding to FCVB by \$50,000 to correct a computation error.
7. Risk Management – No Change
8. Police Department – No Change
9. Dispatch – No Change
10. Fire Department – No Change
11. Public Works – No Change
12. Engineering – No Change
13. Building Department – No Change

ORDINANCE NO. 5907

**AN ORDINANCE ADOPTING THE 2013
 OPERATING AND CAPITAL BUDGETS**

WHEREAS, pursuant to City Charter Section 5.2, on October 31, 2012, Mayor Cleworth presented a recommended annual operating and capital budget estimate for 2013; and

WHEREAS, the proposed budget has been reviewed by the City Finance Committee with the active participation of City Department Directors.

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

SECTION 1. There is hereby appropriated to the 2013 General Fund budget from the following sources of revenue for the City of Fairbanks in the amount indicated to the departments named for the purpose of conducting the business of said departments of the City of Fairbanks, Alaska, for the fiscal year commencing January 1, 2013 and ending December 31, 2013:

	MAYOR RECOMMENDS	COUNCIL APPROPRIATION
Taxes, (all sources)	\$ 19,495,990	\$ -
Charges for Services	4,319,431	-
Intergovernmental Revenues	3,180,122	-
Licenses & Permits	1,678,239	-
Fines, Forfeitures & Penalties	987,075	-
Interest & Penalties	142,500	-
Rental & Lease Income	157,919	-
Other Revenues	212,500	-
Other Financing Sources	3,416,592	-
Total appropriation	\$ 33,590,368	\$ -

SECTION 2. There is hereby appropriated to the 2013 budget expenditures for the City of Fairbanks in the amount indicated:

DEPT	DESCRIPTION	MAYOR RECOMMENDS	COUNCIL APPROPRIATION
10	Mayor and Council	\$ 495,271	\$ -
11	Office of the City Attorney	172,281	-
12	Office of the City Clerk	344,767	-
13	Finance Department	902,267	-
14	Information Technology	1,431,938	-
15	General Account	5,138,271	-
16	Risk Management	1,406,448	-
20	Police Department	6,838,678	-
21	Dispatch Center	1,983,336	-
30	Fire Department	6,370,513	-
50	Public Works Department	7,199,801	-
51	Engineering Department	465,775	-
60	Building Department	656,136	-
	Total appropriation	\$ 33,405,482	\$ -
	12/31/12 (estimate) general fund balance	\$ 10,562,266	\$ -
	Increase to fund balance	184,886	-
	Committed for snow removal	(250,000)	-
	(Estimate) Committed self insurance reserve	(530,000)	-
	12/31/13 Unassigned balance	\$ 9,967,152	\$ -

SECTION 3. There is hereby appropriated to the 2013 Capital Fund budget from the following sources of revenue for the City of Fairbanks in the amount indicated:

	MAYOR RECOMMENDS	COUNCIL APPROPRIATION
Transfer from Permanent Fund	\$ 482,146	\$ -
Transfer from General Fund	150,000	-
Transfer Ambulance Mileage from General Fund	65,000	-
Budgeted Garbage Equipment Replacement	225,574	-
Equipment Replacement - Public Works	250,000	-
Equipment Replacement - Building Department	10,000	-
Equipment Replacement - Police	180,000	-
Equipment Replacement - Dispatch	75,000	-
Equipment Replacement - Fire	250,000	-
Equipment Replacement - IT	105,000	-
Property Repair & Replacement	145,000	-
	<hr/>	<hr/>
Total appropriation	\$ 1,937,720	\$ -

To the departments named for the purpose of conducting the business of said departments of the City of Fairbanks, Alaska, for the fiscal year commencing January 1, 2013 and ending December 31, 2013.

SECTION 4. There is hereby appropriated to the 2013 capital budget, expenditures for the City of Fairbanks in the amount indicated:

<u>DEPARTMENT</u>	<u>DESCRIPTION</u>	<u>MAYOR RECOMMENDS</u>	<u>COUNCIL APPROPRIATION</u>
14	Information Tech. Department	165,000	-
20	Police Department	180,000	-
21	Dispatch Department	45,000	-
30	Fire Department	618,000	-
50	Public Works Department	1,537,800	-
	Total appropriation	\$ 2,545,800	\$ -
12/31/12 (estimate) capital fund balance		4,153,928	-
Decrease to fund balance		(608,080)	-
Total Decrease to assigned fund balance		<u>3,545,848</u>	<u>-</u>

SECTION 5. All appropriations made by this ordinance lapse at the end of the fiscal year to the extent they have not been expended or contractually committed to the departments named for the purpose of conducting the business of said departments of the City of Fairbanks, Alaska, for the fiscal year commencing January 1, 2013 and ending December 31, 2013.

SECTION 6. The effective date of this ordinance shall be the ____ day of December 2012.

JERRY CLEWORTH, MAYOR

AYES:
NAYS:
ABSENT:
ADOPTED:

ATTEST:

APPROVED AS TO FORM

JaneyHovenden,CMC, City Clerk

Paul J. Ewers, City Attorney

ORDINANCE NO. 5909

AN ORDINANCE TO AMEND FGC SEC. 74-117 HOTEL/MOTEL TAX PURPOSE AND LIMITATION, TO APPROPRIATE FUNDS REGARDING FUNDING FOR THE COMMUNITY SERVICE PATROL

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

SECTION 1. That Fairbanks General Code Chapter 74, Article IV, Sec. 74-117(c) is hereby amended as follows [new text in **underlined bold** font; deleted text in ~~strikethrough~~ font]:

Sec. 74-117. Hotel/motel tax purpose and limitation.

(a) The tax on the daily rental of hotel and motel rooms levied by this article is for the primary purpose of funding services for the promotion of the tourist industry and other economic development, and for the funding of services for the general public.

(b) Any organization, public or private, or any person may submit a discretionary grant application and proposal to the city council no later than October 31st for distribution in the next calendar year. The city council shall establish standards and criteria for selection and publish them for a reasonable period before the applications are to be submitted. A committee shall be appointed by the mayor with city council concurrence to review the proposals and make recommendations to the city council no later than the first regular meeting in January.

(c) Subject to annual appropriation, revenues collected under this article shall be allocated as follows:

- (1) The City of Fairbanks will receive 22.5 percent for fund collection, administration and tourism impact.
- (2) \$400,000 will be distributed annually as follows:

Fairbanks Economic Development Corporation	\$100,000.00
Golden Heart Plaza and Barnette Landing Maintenance	\$30,000.00
Discretionary Grants	\$270,000.00

- (3) All remaining hotel/motel tax revenues to the Fairbanks Convention and Visitors Bureau.

- (4) From the City's 22.5 percent under (1), \$50,000 annually shall be granted for the Community Service Patrol for 2011, 2012, 2013 and 2014 only.

(d) Revenue collected under this article shall be made available to the Fairbanks Convention and Visitors Bureau, the Fairbanks Economic Development Corporation, and Golden Heart Plaza and Barnette Landing Maintenance no later than the last day of the month directly following the month in which the revenues are collected.

(e) Any recipient of funding under this article shall execute a contract with the city setting forth terms and conditions deemed necessary to enable the city to assure compliance with the purposes and limitations under this section. In addition, the Fairbanks Convention and Visitors Bureau and the Fairbanks Economic Development Corporation board of directors and/or director shall remit complete and fully detailed budget documents and a plan outlining projected goals and objectives directly to the city council before November 1st of each year for presentation and review and as a condition of funding. At the same time each of these agencies shall submit a complete and detailed report of current year's progress and accomplishments. ~~The grant for the Community Service Patrol set out in (c)(4) shall require a yearly cash match of \$140,000.~~ As a further condition for the city grant, the Community Service Patrol shall engage tactical coordination with the Fairbanks Police Department and, if different, make seasonal adjustments to the patrol boundary.

(f) Organizations and agencies will be required to report to the City of Fairbanks Chief Financial Officer that funds were used exclusively for the purposes stated in the grant application. Ten percent of these appropriations will be withheld until a the complete report is filed with the chief financial officer. Prior to receiving any funding under this section, applicants must agree to reimburse the City the full amount of any grant proceeds not used for the purposes stated on the application.

Certification that funds were used as approved is due by October 31 of the year of grant funding; funds not spent or encumbered for approved purposes must be returned by that date. An organization that fails to comply with the October 31 deadline is ineligible to seek funding for the following year, but if complete reporting and repayment is made by October 31 of the following year, the organization may reapply for future funding. An organization that does not comply within one year of the deadline is ineligible to receive funding for three additional years.

(g) The city council establishes the following criteria and process for the selection and application for discretionary funds.

- (1) The City of Fairbanks stipulates that applicants must provide and indicate to the committee on the appropriate forms supplied by the City of Fairbanks the following information:
 - a. If an applicant has the disbursement responsibility for other organizations, they must list all organizations that they represent.
 - b. The applicant must complete the application in its entirety and may submit financial information in their format including:
 1. Balance sheet for the last fiscal year.
 2. Income and expense statement for the last fiscal year.
 3. Applicant's projected budget for the upcoming year.
 4. Wage and salary information for employees for current and upcoming year.
 - c. An applicant must answer questions in the order provided but need not have the questions and answers appear on specific pages.
- (2) As per subsection 74-117(f), successful applicant is required to report to the City of Fairbanks Chief Financial Officer how bed tax funds were spent. Ten percent of these appropriations will be withheld until a report is filed with the chief financial officer.
- (3) The City of Fairbanks Discretionary Fund's primary purpose is promotion of the tourist industry and other economic development in the City of Fairbanks. The Fund cannot support requests for the following:
 - (a) Loans, deficits, or debt reduction.
 - (b) Endowments.
 - (c) Scholarships.
 - (d) Health and social services activities.
- (4) Grant guidelines:
 - a. Show how use of the funds will contribute significantly to the growth and promotion of Fairbanks.
 - b. Show how the grant monies will be used to supplement a successful ongoing program of activities or a new program that will need initial support to accomplish its stated goals.
- (5) Grant applications must be picked up or requested to be sent by mail from the office of the city clerk and must be submitted by and postmarked no later than October 31 of each year.

(6) The discretionary fund committee shall be composed of five community members and a council person who will function as the chairman, six total, all appointed by the mayor.

(7) The members of the committee shall serve a three-year term with staggered appointment with a limit of two consecutive full terms, (i.e., two members for a three-year term, two members for a two-year term and one member for a one-year term. Initially this will be decided by the committee at its first meeting by drawing lots.) Unless appointed to fill a vacancy, terms begin July 1 and terms expire June 30.

(8) Citizens desiring to be members of the committee must apply to the office of the mayor on the date specified by the mayor and city council for appointment to the committee.

(9) a. Procedures for scoring proposals from applicants shall be decided by the committee as a whole during the first organizational meeting. Members at this meeting should be made aware of procedures in place in case of conflicts of interest.

b. Members shall have a distribution meeting to review and discuss their numerical valuations and weightings assigned to each grant application. Prior to the distribution meeting committee members must submit their numerical assessments to the chief financial officer to verify that they are true and correct on the Monday of the week when the distribution will become public. Members shall disclose their numerical valuations by reading them into the record during the distribution meeting.

SECTION 2. That the effective date of this Ordinance shall be the ___ day of December 2012.

Jerry Cleworth, City Mayor

AYES:
NAYS:
ABSENT:
ADOPTED:

APPROVED AS TO FORM:

Janey Hovenden, CMC, City Clerk

Paul J. Ewers, City Attorney

Introduced by: Mayor Cleworth
Date: December 3, 2012

ORDINANCE NO. 5910

**AN ORDINANCE AMENDING THE 2012 COLLECTIVE BARGAINING
AGREEMENT BETWEEN THE CITY AND THE FAIRBANKS FIRE
FIGHTERS UNION**

BE IT ORDAINED by the City Council of the City of Fairbanks,

Section 1. The City Council hereby ratifies the attached amendment to the Collective Bargaining Agreement providing for a change in employee health care plan.

Section 2. This Ordinance is effective December __, 2012.

Jerry Cleworth, Mayor

AYES:

NAYS:

ABSENT:

ADOPTED:

ATTEST:

APPROVED AS TO FORM

Janey Hovenden, CMC, City Clerk

Paul J Ewers, City Attorney

LETTER OF AGREEMENT

The City of Fairbanks

and

Fairbanks Fire Fighters Union¹,

Health Care Plan Amendment

Concept and Purpose: Section 5.6 of the 2012 Collective Bargaining Agreement (“CBA”) provides that Union members participate in the Public Safety Employee Association (“PSEA”) health care plan; subsection 5.6F provides that a different plan may be selected by mutual agreement of the parties. The Union desires to terminate participation in the PSEA plan and enroll in the Northwest Fire Fighters Trust (“NFFT”) plan. This agreement amends the CBA to accomplish this change.

The parties agree as follows:

1. The Union’s request to terminate participation in the PSEA health care plan and enroll in the NFFT plan is not an action “attributable to the City” within the meaning of CBA Section 5.6D. The City had no role in the research or selection of the NFFT plan, and is unaware of the financial strength or future prospects of the plan. The Union agrees to waive any claims against the City that arise from the selection of the plan, including any claims that arise from the performance of the plan, including that of the plan administrator and its employees, agents and officials; and
2. The City has no control over the terms, coverage or costs of the NFFT plan; and
3. As soon as can be accomplished without a gap in coverage after mutual ratification, Members will be enrolled in the NFFT health care plan and premiums will be paid to that plan rather than the PSEA plan.
4. That CBA Section 5.6 is amended as follows [new text **underlined & bold;**; deleted text in ~~strikethrough~~ font]:

5.6 Health Insurance

A. The City shall provide the Members of the Fairbanks Fire Fighters ~~Union Association~~, Local 1324 and their dependents with a group insurance program for life insurance, health, dental, audio and visual care insurance. ~~The City will not unilaterally withdraw from the PSEA plan.~~ The current plan, administered by the Public Safety Employee Association Trust (and subject to changes that the Trust may make), or any other plan established under Section 5.6, will not be replaced without prior notice to the ~~Association~~**Union**. In the event of plan replacement, the

¹ The City has been notified of the name change from “Association” to “Union.”

parties agree to negotiate over the economic effects of the plan change and, in the event of an impasse, to utilize mediation and binding arbitration, provided that such the arbitrator will not have the authority over the City's choice of plan.

B. Starting the first month following the effective date of this agreement, the City will contribute \$1,000 per member per month towards health care plan costs, with members paying the excess premiums by monthly pre-tax payroll deduction. On August 16, 2012, the City contribution will increase to \$1,040 per member per month. The parties agree to re-open negotiations on section 5.6 in 2013 for January 1, 2014. In addition, in the event the parties agree to select a replacement health care provider or health care plan, negotiations on section 5.6 will re-open.

C. Effective 1/1/12, the employer funded IRS Section 125 plan shall be terminated. The City will continue to offer an employee-funded IRS Section 125 plan.

D. If the ~~Association~~**Union** is removed from the PSEA health care plan for reasons attributable to the City, the City shall provide members with a substantially comparable health care plan and member co-pay amounts for premiums shall not be increased beyond \$300.00 per month per employee.

E. Cost of mandated job related physical examinations, tests, and immunizations shall not be included in health care costs for purposes of establishing plan costs or billed to employee health care plans.

F. Should the City and Association choose to participate in an acceptable alternative health care plan, the parties agree to pursue the implementation of said plan if mutually agreeable.

G. All ~~Association~~**Union** members will participate in the Medical Expense Reimbursement Plan, administered thru DiMartino Associates. The City will pay \$100 a month per employee towards the plan's monthly premium.

Effective this ____ day of _____ 2012

For the City of Fairbanks:

For the Fairbanks Fire Fighters Union

Jerry Cleworth, Mayor

Dominic Lozano, President

Warren B. Cummings, Fire Chief

Scott Raygor, Vice President

Patrick Cole, Chief of Staff

Brian Davis, Negotiator

ORDINANCE NO. 5911

**AN ORDINANCE AMENDING THE 2012 CAPITAL APPROPRIATIONS
 FUND BUDGET FOR THE SECOND TIME**

WHEREAS, this ordinance incorporates the changes outlined on the attached fiscal note to amend the 2012 capital fund budget; and

WHEREAS, the proposed Capital Fund budget has been reviewed by the City Finance Committee and full City Council,

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

SECTION 1. There is hereby appropriated to the 2012 Capital Fund budget from the following sources of revenue for the City of Fairbanks in the amount indicated:

	APPROVED	AS AMENDED
Transfer from Permanent Fund	\$ 490,356	\$ 490,356
Transfer from General Fund	1,235,012	1,985,012
Transfer Ambulance Mileage from General Fund	50,000	50,000
Budgeted Garbage Equipment Replacement	202,800	202,800
Equipment Replacement - Engineering	35,000	35,000
Equipment Replacement - Public Works	210,000	210,000
Equipment Replacement - Building Department	10,000	10,000
Equipment Replacement - Police	160,000	160,000
Equipment Replacement - Dispatch	80,000	80,000
Equipment Replacement - Fire	250,000	250,000
Equipment Replacement - I/T	105,000	105,000
Property Repair & Replacement	145,000	145,000
 Total Appropriation	 \$ 2,973,168	 \$ 3,723,168

to the departments named for the purpose of conducting the business of said departments of the City of Fairbanks, Alaska, for the fiscal year commencing January 1, 2012 and ending December 31, 2012.

SECTION 2. There is hereby appropriated to the 2012 budget expenditures for the City of Fairbanks in the amount indicated:

<u>DEPARTMENT</u>	<u>DESCRIPTION</u>	<u>APPROVED</u>	<u>AS AMENDED</u>
14	Information Technology	221,735	221,735
20	Police Department	320,000	320,000
21	Dispatch Department	5,000	5,000
30	Fire Department	636,000	101,853
50	Department of Public Works	1,858,000	1,858,000
51	Engineering Division	35,000	35,000
	Total Capital Fund Appropriation	<u>\$ 3,075,735</u>	<u>\$ 2,541,588</u>
2012 Decrease to assigned fund balance		(102,567)	1,181,580
2011 Encumbrance carryforward		<u>(712,729)</u>	<u>(712,729)</u>
Total Decrease to assigned fund balance		(815,296)	468,851
12/31/11 Assigned capital fund balance	b	<u>\$ 4,435,077</u>	b <u>\$ 4,435,077</u>
12/31/12 Assigned capital fund balance	a	<u>\$ 3,619,781</u>	a <u>\$ 4,903,928</u>

a Estimate
b Audited

SECTION 3. All appropriations made by this ordinance lapse at the end of the fiscal year to the extent they have not been expended or contractually committed to the departments named for the purpose of conducting the business of said departments of the City of Fairbanks, Alaska, for the fiscal year commencing January 1, 2012 and ending December 31, 2012.

SECTION 4. The effective date of this ordinance shall be the ____ day of December 2012.

Jerry Cleworth, Mayor

AYES:
NAYS:
ABSENT:
ADOPTED:

ATTEST:

APPROVED AS TO FORM

Janey Hovenden, CMC, City Clerk

Paul J Ewers, City Attorney

**Fiscal Note Ordinance # 5911
Amend 2012 Capital Fund Budget for the Second Time**

INTERNAL TRANSFERS

No Change

EXTERNAL TRANSFERS

1. \$ 750,000 Increase to Other Financing Sources / (Uses)
 - a. \$750,000 increase to transfer from General Fund received in accordance with Ordinance 5908 amending the General Fund Budget for the second time.

REVENUES

No Change

EXPENDITURES - \$534,147 Decrease

1. Fire Department - \$534,147 decrease to adjust for 2012 estimated ending expenditures.

RESOLUTION NO. 4552

A RESOLUTION IN OPPOSITION TO THE INCLUSION OF ALASKA BY THE ENVIRONMENTAL PROTECTION AGENCY (EPA) IN THE NORTH AMERICAN EMISSION CONTROL AREA (ECA)

WHEREAS, the cruise industry is a major component of the Interior region travel-related economy, with 58% of summer visitors to Fairbanks being on cruise-land tours; and

WHEREAS, the health of the state's economy is directly tied to the cost of living and doing business in Alaska; and

WHEREAS, the cruise industry may need to reduce port times because of the ECA rulings, thereby reducing business opportunities for hundreds of Alaska owned and operated tour businesses; and

WHEREAS, the potential effect on Alaska's economy due to the industry redeploying vessels because of the cost of doing business within the North American ECA could be devastating; and

WHEREAS, the EPA conducted no state-specific air sampling before proposing this rule. The EPA's "one size fits all" proposal does not work for Alaska's unique transportation corridor, and the regulations place a heavy financial burden on the ability of local economies to absorb increased shipping costs for food and supplies, as well as the ability to insure that tourism, a vital part of Alaska's economy, is not severely impacted.

NOW, THEREFORE, BE IT RESOLVED that the City of Fairbanks supports the State of Alaska in its lawsuit against the EPA for the inclusion of Alaska in the North American Emissions Control Area. **BE IT FURTHER RESOLVED** that the City of Fairbanks requests that the EPA exempt Alaska until such time as reasonable fuel standards can be proposed based on actual data and a balanced policy can be developed that considers the economic impact on all of Alaska's communities.

PASSED and APPROVED this _____ day of December 2012.

JERRY CLEWORTH, MAYOR

AYES:
NAYS:
ABSENT:
APPROVED:
ATTEST:

APPROVED AS TO FORM

Janey Hovenden, CMC, City Clerk

Paul Ewers, City Attorney



RESOLUTION No. 03-2012

**A RESOLUTION OF THE FAIRBANKS CONVENTION & VISITORS BUREAU (FCVB)
IN OPPOSITION TO THE INCLUSION OF ALASKA BY THE ENVIRONMENTAL PROTECTION AGENCY (EPA)
IN THE NORTH AMERICAN EMISSION CONTROL AREA (ECA)**

WHEREAS, the cruise industry is a major component of the Interior region travel-related economy annually with 58% of summer visitors to Fairbanks being on a cruise land tour; and

WHEREAS, the health of the state's economy is directly tied to the cost of living and doing business in Alaska; and

WHEREAS, Alaska is already an expensive place to do business when compared to the lower 48 states largely due to its remote location and cost of transportation of food and supplies throughout the state; and

WHEREAS, the cruise industry may need to reduce port times because of the ECA rulings, thereby reducing business opportunities for hundreds of Alaska owned- and operated-tour businesses; and

WHEREAS, the potential effect on the Alaska economy due to the industry redeploying vessels because of the costs of doing business within the North American ECA area could be devastating; and

WHEREAS, the EPA conducted no state-specific air sampling before proposing this rule thus putting into question the veracity of the modeling data; and

WHEREAS, ships leaving populated areas such as Los Angeles only need to burn such fuel for short periods of time until they reach the 200 mile mark. However, ships traveling through southeast and southern Alaska oceans must make their entire voyage in the North American ECA area burning the expensive fuel the entire time; and

WHEREAS, the fuel is markedly more expensive causing the cost of shipping food and supplies to increase substantially; and

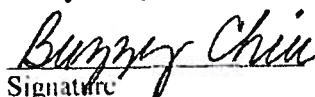
WHEREAS, FCVB does desire good air quality standards based on sound modeling and testing for its citizens and visitors; and

WHEREAS, while FCVB is supportive of clean air and appropriate emission control, the EPA's one size fits all does not work for Alaska's unique transportation corridor. Further, the regulations place a heavy financial burden on local economies' ability to absorb increased shipping costs for food and supplies as well as insuring that tourism, a vital part of Alaska's economy is not severely impacted -- especially on questionable data.

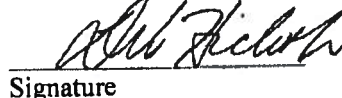
NOW THEREFORE BE IT RESOLVED that the Fairbanks Convention & Visitors Bureau supports the State of Alaska in its lawsuit against the EPA for the inclusion of Alaska in the North American Emissions Control Area. Be it further resolved that the Fairbanks Convention & Visitors Bureau requests that the EPA exempt Alaska until such time as reasonable fuel standards can be proposed based on actual data and a balanced policy be developed that considers the economic impact on all of Alaska's communities.

PASSED AND APPROVED by the Board of Directors of the Fairbanks Convention and Visitors Bureau on October 31, 2012.

Buzzy Chiu, Chair, Board of Directors


Signature

Deb Hickok, President and CEO


Signature

RESOLUTION NO. 4553

A RESOLUTION AUTHORIZING ACCEPTANCE OF OWNERSHIP AND MAINTENANCE RESPONSIBILITY OF STREET AND PEDESTRIAN ILLINOIS CORRIDOR) AND MAINTENANCE RESPONSIBILITY OF NOYES SLOUGH BRIDGE SURFACES

WHEREAS, the City and the Alaska Department of Transportation & Public Facilities (DOT&PF) entered into a Maintenance Agreement on December 21, 2007, regarding the Illinois Street Reconstruction Project # 63102; and

WHEREAS, a substantial portion of the Illinois Street Project was completed during the past calendar year; and

WHEREAS, the continuing work on the project raised several issues related to the 12/7/07 Maintenance Agreement, which are addressed in Amendment 1 to the Maintenance Agreement (attached hereto); and

WHEREAS, Amendment 1 to the Maintenance Agreement resolves these issues in a manner satisfactory to both parties; and

WHEREAS, FGC Sec. 70-134 requires that the Council approve by resolution any agreement whereby the City accepts legal title to or assumes maintenance or improvement obligations of any new street, public or private or other thoroughfare in the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS, that Mayor Jerry Cleworth is hereby authorized to execute Amendment 1 to the Maintenance Agreement Between DOT&PF and the City of Fairbanks for the Illinois Street Reconstruction Project.

PASSED and APPROVED this 10th Day of December 2012.

JERRY CLEWORTH, MAYOR

AYES:

NAYS:

ABSENT:

APPROVED:

ATTEST:

APPROVED AS TO FORM:

Janey Hovenden, CMC, CITY CLERK

Paul J. Ewers, CITY ATTORNEY

Amendment 1
to the
Maintenance Agreement
Between
The State of Alaska Department of Transportation & Public Facilities
(DOT&PF)
AND
The City of Fairbanks
(CITY)
for the
Illinois Street Reconstruction Project

The above parties agree to amend the Maintenance Agreement between DOT&PF and the CITY executed on December 21, 2007, regarding the Illinois Street Reconstruction Project # 63102. This agreement supersedes portions of earlier agreements to provide maintenance and operational clarifications between the DOT&PF and the CITY. The parties agree to the following modifications:

1. The City assumes ownership and maintenance responsibility of street and pedestrian illumination along the Illinois corridor.
2. The City assumes maintenance responsibility of the Noyes Slough bridge surfaces.
3. The City agrees that the traffic signals at 1st Avenue and Cushman Street and 1st Avenue and Barnette Street remain the City's responsibility.

In return for the above, DOT&PF agrees to the following:

1. The City would not be responsible for any landscaping associated with the Project.
2. The State would assume the City's current obligation for maintenance and operation of street lighting on Phillips Field Road, including Chena Landing Loop, previously assigned to the City under the terms of a Letter of Agreement for Phillips Field Road Illumination Improvements Project # 64802.

3. The State approves the City's request to replace the current street lights on Trainor Gate Road, Old Steese Highway, and Lathrop Street (17th to Van Horn) with LED lights designed to standards of the DOT Preconstruction Manual for Highways, provided the City submits documentation to DOT's regional Preconstruction Engineer that specifically demonstrates how the proposed design meets the requirements of the Preconstruction Manual.

4. The State agrees to pay for the cost of street lighting on 3rd Street (Old Steese to Hamilton Avenue). This is a State road, but the City is paying for street lights. This will be accomplished by way of computation, with the circuit changed out (City to State) when the 3rd Street project is constructed.

Steve Titus, P.E., Regional Director
Dept. of Transportation and Public Facilities

Date

Jerry Cleworth, Mayor
City of Fairbanks

Date