



suggested that there be a Particle Magnification Task Force to educate the public on what is in the air they are breathing. 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 microscopic images of air particles be placed on display in City Hall to educate the public on the harmful effects of high decibels and the importance of air quality.

Victor Buberger, PO Box 58192, Fairbanks – Mr. Buberger commended the Public Works Department on a terrific job in snow removal this year, stating that it is the best snow removal he's seen in over 35 years. He spoke to opening Executive Sessions to the public and to broadcasting them over the radio or television. He expressed his distaste and distrust of what happens "behind closed doors" during union negotiations and the discussion of other matters. He spoke to tax relief for local residents. Mr. Buberger wished everyone a good holiday season and a happy new year.

Frank Turney, 201 7th Avenue, Fairbanks – Mr. Turney thanked those who stood in opposition to the National Defense Authorization Act (NDAA) Sections 1021 and 1022. He spoke to U.S. citizens' right to a trial by jury and due process. He spoke to Judge Beistline's ruling that the Drug Enforcement Agency (DEA) does not have to have a warrant to access utility records for suspected pot growers in Fairbanks and asked if the City is involved with this case in any way. He spoke to a citizen's right to privacy under state law. He stated his hope that the City would appeal the ruling if it is involved in any way. Mr. Turney expressed appreciation to Mayor Cleworth for recognizing jury rights the second year in a row. He spoke to upcoming contract negotiations between the City and the Public Safety Employees Association (PSEA). He stated that while City police officers are required to take a voice analysis and polygraph test upon hire, they can refuse to take the tests while employed. He spoke to changing the policy so that officers would not have the option to refuse the tests if they were asked to do so.

Amy Geiger, 4400 Stanford Drive, Fairbanks, Fairbanks Convention & Visitor's Bureau (FCVB) – Ms. Geiger provided an update on the 2012 Outdoor Writers Association Conference that was held at Chena Hot Springs. She stated that the media tour in September 2012 was quite possibly the largest ever held in Alaska. She stated that the conference was a big success, with about 200 people in attendance. She referenced the excursions guide distributed to Council Members and explained that it was created specifically for the conference in hopes that visitors would extend their stay in the Fairbanks area. She stated that the guide features various local attractions, tours and activities. She stated that since the event, there has been positive press and online activity promoting Fairbanks as a tourist destination. She thanked the City for supporting the FCVB.

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. Gatewood** pulled item 12(e), Funds Available from the Alaska Department of Homeland Security, from the Consent Agenda.

**Mr. Matherly** pulled Ordinance No. 5909 from the Consent Agenda.

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

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

**APPROVAL OF PREVIOUS MINUTES**

- a) Regular Meeting Minutes of November 5, 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 Appeal of Denied Application for new Chauffeur License.

Applicant: Julie A. McCaston

**Mr. Gatewood**, seconded by **Mr. Walley**, moved to GRANT the Chauffeur Appeal.

**Mayor Cleworth** called for Public Testimony.

Julie McCaston, 3558 Goldizon Avenue, #6, Fairbanks – Ms. McCaston stated that she has lived in Alaska for six years. She spoke to the altercation that took place between her and her daughter, resulting in a misdemeanor assault conviction in 2010. She stated that she is a good and responsible citizen and pleaded with the Council to give her a second chance and grant her appeal.

**Mr. Hilling** asked Ms. McCaston if there was an injury involved with the assault and if her daughter is the one who called the authorities.

Ms. McCaston replied that her daughter was still walking around after the altercation and that the neighbors contacted the authorities. She stated that she was not aware of any injuries associated with the incident. She explained that she requested a police report from North Pole Police Department but was denied because they stated there was no report and that the responding officer had been fired after the incident.

**Mr. Eberhart** asked Ms. McCaston if her daughter currently lives in Anchorage. He asked if Ms. McCaston is still in contact with her daughter.

Ms. McCaston replied that her daughter now lives in Anchorage and that they have contact. She commented that her daughter has been helping her try to get the issue resolved. She spoke to personal interactions with her mother and her daughter and the family dynamic.

**Mr. Eberhart** asked Ms. McCaston if she pleaded guilty to the assault.

Ms. McCaston replied affirmatively.

**Mr. Eberhart** asked Ms. McCaston if she was ordered to enroll in any programs as a result of the conviction. He also asked if there was any probation or community service tied to the conviction.

Ms. McCaston replied that the court ordered her to attend an anger management course, but that she did not have the money to do so at the time. She stated that there was no probation or community service ordered as a result of the conviction.

**Mr. Eberhart** asked Ms. McCaston if she has a criminal trespass case currently pending with the court.

Ms. McCaston was unclear in her response to Mr. Eberhart's question. First, she indicated that the charge may be associated with an effort to collect her personal property from her ex-husband; then, she denied that there were charges currently filed against her with the court.

**Mr. Matherly** asked Ms. McCaston to address the pending case.

Ms. McCaston denied knowledge of the criminal trespass charge. She spoke to the incident that occurred in an effort to obtain her property from her ex-husband.

**Mr. Matherly** asked if the State Troopers were involved in the incident.

Ms. McCaston replied that the State Troopers did arrive at the scene, but that no charges or arrests were made at that time.

**Mr. Matherly** commented that driving a cab isn't the only way to make a living in Alaska. He explained that the Council must always keep the interest of the citizens of Fairbanks in the forefront. He indicated that granting the appeal may be a problem since some of the cases on Ms. McCaston's criminal record are so recent.

**Mr. Gatewood** asked Ms. McCaston if she is aware of any other driving violations that the Council should consider.

Ms. McCaston explained the reasons behind the registration and insurance violations on her record.

Douglas Yoder, 242 Toga Lane, Fairbanks – Mr. Yoder stated that he was born and raised in Alaska. He stated that he met Ms. McCaston when he was a cab driver and that he still knows her personally. He spoke in support of granting Ms. McCaston's appeal, stating that he believes she deserves a second chance.

James Willis 3558 Goldizon Avenue, #1, Fairbanks – Mr. Willis stated that he is Ms. McCaston’s neighbor and friend. He commented that Ms. McCaston is a good person who deserves a second chance.

Frank Turney, 201 7th Avenue, Fairbanks – Mr. Turney expressed concern that Ms. McCaston had pled guilty and been convicted of an assault. He also spoke to his concern that she may not have followed through on court orders. He stated that he would like to know the degree of the assault and the court’s conclusion on the case.

Victor Buberger, PO Box 58192, Fairbanks – Mr. Buberger stated that the judge and the court system should decide what’s good for individuals in cases such as this, not the City Council. He recommended that the City get out of the Chauffeur Licensing business altogether. He remarked that lowering the look-back period for background checks was a joke. Mr. Buberger sneered at the power of the Council in regard to Chauffeur Appeals, asking if they compared themselves to God. He spoke to everyone’s right to work, no matter what their background or circumstance.

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

**Mr. Hilling** stated that this appeal is a tough one for him, commenting that Ms. McCaston’s explanation of the incidents on her record add up. He addressed Mr. Buberger’s testimony and explained the need for a City Chauffeur License from the public safety aspect.

**Mr. Walley** stated that he would not deny that Ms. McCaston is a good person. He commented that if it were him appealing to the City Council, he would have made more of an effort to enroll in an anger management course.

**Mr. Eberhart** stated that Ms. McCaston’s failure to fulfill court orders by attending an anger management course is troubling. He commented that there are good arguments on both sides of the appeal and stated that it would not be an easy decision for him.

**Mr. Hilling** stated that Ms. McCaston’s failure to complete an anger management program is a deciding factor for him.

**Mr. Gatewood** agreed with his fellow Council Members in that it is a difficult appeal and that the plea tugs at heart strings. He reminded the Council that the applicant pled guilty to the assault charge, failed to complete a court-ordered anger management course, and had more than one registration/insurance violation in recent years. He spoke to the fairness element and stated that “rules are rules.”

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO GRANT THE CHAUFFEUR APPEAL AS FOLLOWS:

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

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

Lic #	Establishment Name	License Type	Premise Location	Owner Name
556	International Hotel & Bar	Beverage Dispensary	122 N Turner	Dakota Ventures Inc
3687	Thai House Restaurant	Restaurant/Eating Place	412 5th Ave	ChalermponBoonprasert
4880	Geraldo's Restaurant & Pizzeria	Restaurant/Eating Place	701 College Rd	Garlic Lovers LLC
5051	Asiana Restaurant	Restaurant/Eating Place	2001 Airport Way	Young Mi Jin

**Mr. Matherly**, seconded by **Mr. Walley**, moved to WAIVE Protest on the above-referenced Liquor License Applications for renewal.

**Mayor Cleworth** called for Public Testimony.

Frank Turney – Mr. Turney asked if there were any violations against any of the businesses in regards to serving alcohol.

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

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO WAIVE PROTEST ON THE ABOVE-REFERENCED LIQUOR LICENSE APPLICATIONS FOR RENEWAL AS FOLLOWS:

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

NAYS: None

**Mayor Cleworth** declared the MOTION CARRIED.

### MAYOR'S COMMENTS AND REPORT

**Mayor Cleworth** congratulated the Finance Department for receiving a Certificate of Achievement for Excellence in Financial Reporting. He reminded the Council of the meeting with the Interior Delegation on Thursday, December 6, 2012, at noon. He announced that the upcoming Finance Committee meeting has been canceled. **Mayor Cleworth** expressed his sympathy in the tragic loss of the daughter of a Public Works employee who was killed in a car accident on the Parks Highway. He stated that the her death left a couple of very young children without a mother. **Mayor Cleworth** stated that Public Employee Retirement System (PERS) is about \$11 billion in debt. He added that the system was expected to earn about 8% in the last fiscal year, but earned less than 1%. He explained that the City tried to get all employees out of PERS years ago and switch to union retirement plans. He stated that the City was successful with all unions except for police and fire, which are still with the PERS system. **Mayor Cleworth**, in response to Mr. Buberger's comments on open sessions, stated that all union negotiations are open to the public. He clarified that the Council and City staff must use Executive Sessions to formulate a plan for negotiations.

**UNFINISHED BUSINESS**

- a) 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.

**Mr. Matherly**, seconded by **Mr. Walley**, moved to ADOPT Ordinance No. 5905.

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

**Mayor Cleworth** pointed out that an amended version of Ordinance No. 5905 is in the agenda packet. He explained that the primary difference between the two versions is a change in the target equities and fixed income percentages in Section 2-261.

**Mr. Gatewood**, seconded by **Mr. Matherly**, moved to SUBSTITUTE Ordinance No. 5905, as Amended, for Ordinance No. 5905.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO SUBSTITUTE ORDINANCE NO. 5905, AS AMENDED, FOR ORDINANCE NO. 5905 AS FOLLOWS:

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

NAYS: None

**Mayor Cleworth** declared the MOTION CARRIED.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 5905, AS AMENDED, AS FOLLOWS:

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

NAYS: None

**Mayor Cleworth** declared the MOTION CARRIED and Ordinance No. 5905, as Amended, ADOPTED.

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

**Mr. Matherly**, seconded by **Mr. Walley**, moved to ADOPT Ordinance No. 5906.

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

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 5906, AS FOLLOWS:

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

NAYS: None

**Mayor Cleworth** declared the MOTION CARRIED and Ordinance No. 5906 ADOPTED.

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

**Mr. Matherly**, seconded by **Mr. Gatewood**, moved to ADOPT Ordinance No. 5907.

**Mayor Cleworth** called for Public Testimony.

David Lerman – Mr. Lerman stated that as a City Council candidate in the last five election cycles, he has tried to understand the City's budget. He spoke to the City's unassigned fund balance, stating that he understands the balance to be comparable to a savings account. He expressed his opinion that it is not wise to have too much money in savings and that the City should reduce building permit fees for those who wish to renovate dilapidated structures within the City limits. He stated that he would also like to see the City's declaration of candidacy fee and bicycle license fee eliminated.

Matt Atkinson, 946 Coppet Street, Fairbanks – Mr. Atkinson thanked the City Council for their service to the community and for their ongoing support of the local travel industry. He stated that the City and the travel industry have a long history of cooperation and partnership rooted in the reality that there are not many other endeavors to improve the economics of the Fairbanks community through destination marketing. He spoke to the gradual growth in the local tourism industry and expressed gratitude to the City for the funding it provides to FCVB.

Dustin Adams, 1447 Joyce Drive, Fairbanks – Mr. Adams stated that he is the general manager for the Regency Hotel. He stressed the importance of reinvesting bed tax dollars into local tourism in order to promote Fairbanks as a tourist destination. He stated that the industry is heavily taxed, commenting that the Regency Hotel pays property taxes, bed taxes and alcohol taxes. He expressed his support for the current funding levels of FCVB written into the City Code and stated that now is a critical time for marketing as the economy starts to stabilize. He stated that Anchorage is a tough competitor for Fairbanks in the tourism market.

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

**Mr. Gatewood**, seconded by **Mr. Matherly**, moved to SUBSTITUTE Ordinance No. 5907, as Amended, for Ordinance No. 5907.

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

**Mr. Gatewood** asked if the only reason for the amended version was because of a computation error.

**Mayor Cleworth** replied affirmatively.



**Mr. Eberhart**, seconded by **Mr. Gatewood**, moved to AMEND Ordinance No. 5907, as Amended, by increasing the pay and benefits of the Clerk/Cashier position and reclassifying the position as an administrative assistant.

**Mr. Eberhart** stated that Clerk Hovenden has come before the Council for a number of years with the request to increase the wage and classification of the Clerk/Cashier position. He asked Mayor Cleworth to allow Ms. Hovenden to speak to the request.

Ms. Hovenden explained that the main reason for the request is because of the train-hire-loss cycle of the Clerk/Cashier position over the years. She stated that the position is not an entry-level position as it has been thought to be. She spoke to the ever-growing responsibilities of the job and to the impact the position has on the public. She referenced a handout which compared the duties listed on the current job description, the actual duties of the position, and the typical duties of an administrative assistant. Ms. Hovenden remarked that the current duties of the job are more in line with the duties of an administrative assistant than the current job description.

**Mr. Eberhart** asked Ms. Hovenden to speak to the turnover issues the Clerk's Office has experienced in recent years.

Ms. Hovenden spoke to the numerous turnovers in the Clerk/Cashier position due to vacancies of administrative assistant positions in other City departments. She stated that wage discrepancy between the Cashier and Administrative Assistant positions is significant. She commented that the individual currently filling the position has been there for just over a year, which may be the longest period of time she has had the position filled. She stated that it takes about six months for a new hire to be fully trained in the Clerk/Cashier position.

**Mr. Eberhart** asked Ms. Hovenden if she and the Deputy Clerk perform the training and if the training takes away from Clerk duties.

Ms. Hovenden replied affirmatively. She explained that she and the Deputy Clerk perform all of the training and that it requires full-time dedication by one person until the new hire is up to speed.

**Mr. Eberhart** referenced page 69 of the 2013 draft budget. He pointed out that Ms. Hovenden had requested a wage increase for the Clerk/Cashier position and asked if that requested wage would bring the position in line with that of other City administrative assistants.

Ms. Hovenden replied affirmatively.

**Mr. Eberhart** asked Ms. Hovenden if she believed the increase would put a stop to the Clerk's Office turnover problem.

Ms. Hovenden stated that she believed the wage increase would absolutely rectify the turnover issue.

**Mr. Gatewood** asked if the reclassification portion of the request is the Council's decision to make or if the union must be involved.

**Mayor Cleworth** stated that it is a union issue. He explained that on rare occasions, there have been recommendations made to the Council for a 5-10% merit increase. He stated that this increase would be different in that it would involve a reclassification of the position.

Mr. Ewers explained that the union contract states that a reclassification of a union position requires notification to the union and an opportunity for the union to respond. He stated that since the Clerk's Office works directly under the authority of the City Council, the decision to reclassify the Clerk/Cashier position is fully within the powers of the Council.

**Mr. Eberhart** stated that the cost of turnover is expensive and that the problem can be fixed for less than \$7,000. He suggested that the money could be taken out of the City's General Fund.

**Mr. Hilling** asked if the total annual wage shown in the budget includes benefits.

Ms. Hovenden replied that it does.

**Mayor Cleworth** explained that the union has the right to allocate the 2.5% Consumer Price Increase (CPI) that union employees receive however they choose between wages and benefits. He stated that the number shown in the draft budget reflects the assumption that the union will allocate the increase solely to wages, not benefits.

**Mr. Hilling** asked about the current hourly wage of the Clerk/Cashier position.

Chief Financial Officer Jim Soileau stated that the current hourly wage of the position is \$22.54. He added that the current hourly wage of an administrative assistant is \$25.65. He spoke to the benefit package totals for the position. Mr. Soileau clarified that Mr. Eberhart's proposal would offer the position a 13% increase to the hourly wage which equates to a \$3.11/per hour raise. Mr. Soileau explained that the 2.5% CPI is on the entire package, but that the union has the discretion to allocate the increase however they see fit. He stated that regardless of how the union chooses to allocate the CPI, the total cost to the City would be the same.

**Mr. Hilling** stated that he respects Ms. Hovenden's efforts and the job that she does. He commented that the Clerk's Office seems to perform very well in spite of the high turnover rate. He acknowledged the problem with the position being a "training ground" for other positions within the City, but indicated that the training of the Clerk/Cashier position provides individuals with a transferrable skill set. **Mr. Hilling** commented that the possible elimination of City garbage billing may offer some relief to the Clerk/Cashier position in relation to duties. He stated that he feels inclined to vote against Mr. Eberhart's amendment.

**Mr. Gatewood** referenced Ms. Hovenden's handout comparing the duties of a Clerk/Cashier and a City administrative assistant. He stated that according to the comparison, it appears the Clerk/Cashier is working out of class. He spoke to the small staff of the Clerk's Office and to how critical the department is to the City of Fairbanks. He referred to the Clerk/Cashier position as the "life blood" of the City. **Mr. Gatewood** stated his support for Mr. Eberhart's amendment.

**Mayor Cleworth** stated that he and Ms. Hovenden rarely disagree on issues, but that they disagree on this one. He stated that the position was originally created to be a Clerk/Cashier although the duties have expanded over the years. He stated that the Citizen's Review Commission recommended that the Clerk's Office be cut back to 2½ positions, but added that he doesn't see that happening. He stated that the wage of the position is good when compared to that of similar jobs in the private sector. He commented that there is only a problem with the wage when it is compared to a City administrative assistant. **Mayor Cleworth** stated that the City tried to eliminate "bumping rights" in the Collective Bargaining Agreement (CBA), but was unsuccessful. He stated that the City also made a proposal to the union in the last negotiation that would have increased the Clerk/Cashier position's wage, "grandfathered" the current administrative assistant wage, and lowered the hiring wage for new administrative assistants. He stated that the union refused to accept the proposal.

**Mr. Walley** stated that he can see both sides of the issue, but expressed his struggle with the motion on the floor. He stated that as a business man in the private sector, he experiences turnover and training issues and understands the problems it creates. He indicated, however, that many of his employees would love to earn the wage of the Clerk/Cashier position. **Mr. Walley** jokingly suggested implementing an inter-governmental fine for "stealing" employees from other departments.

**Mr. Hilling** stated that his opinion that the City Council should stand by the original budget and "hold the line." He stated that if the employee currently filling the Clerk/Cashier position chooses to leave, the Clerk's Office will simply have to hire and train another. He spoke to the original purpose of the position when it was added to the department and stated that he does not believe the increase should be granted.

**Mr. Eberhart** stated that the City Clerk has the best knowledge of how the position has evolved. He stated that based on the handout and Ms. Hovenden's comments, he believes the job has evolved far beyond a clerical-type position—even if that was the original intent of the position when it was created. He stated that there is clearly a problem and that it needs to be addressed and that the cost of increasing the position would likely equate to the savings in less turnover.

**Ms. Staley** stated that the wage is good when compared to the private sector, but agreed that the duties of the position have grown tremendously. She stated her support for changing the position classification from Clerk/Cashier to Administrative Assistant.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND ORDINANCE NO. 5907, AS AMENDED, BY INCREASING THE PAY AND BENEFITS OF THE CLERK/CASHIER POSITION AND RECLASSIFYING THE POSITION AS AN ADMINISTRATIVE ASSISTANT AS FOLLOWS:

YEAS: Gatewood, Eberhart, Matherly, Staley

NAYS: Walley, Hilling

**Mayor Cleworth** declared the MOTION CARRIED.

**Mr. Hilling** spoke to the ordinance that is being introduced which addresses the allocation of City Bed Tax funds to the Community Service Patrol (CSP). He explained the basic duties of the

CSP, the help it offers to Fairbanks citizens, and the benefit it provides to the City. He spoke to the mission of the City of Fairbanks, stating that it does not include rescuing those in trouble. **Mr. Hilling** questioned where the funds should come from if the City continued to contribute to the CSP. He stated that the most proper source of funding, in his opinion, is bed tax dollars. He suggested that the Council move the source of funding for the \$50,000 CSP contribution from the property tax and other revenue funds to the bed tax revenue fund.

**Mr. Hilling** moved to AMEND Ordinance No. 5907, as Amended, by reducing line item 7202 (CSP) by \$25,000 and adding a \$25,000 line item to account 7201 (Contributions to Agencies).

**Mayor Cleworth** stated that the MOTION DIED for lack of a second.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 5907, AS AMENDED, AS FOLLOWS:

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

NAYS: None

**Mayor Cleworth** declared the MOTION CARRIED and Ordinance No. 5907, as Amended, ADOPTED.

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

**Mr. Gatewood**, seconded by **Mr. Walley**, moved to ADOPT Ordinance No. 5908.

**Mayor Cleworth** called for Public Testimony.

David Lerman – Mr. Lerman stated that it is his understanding that the City's savings account is supposed to be about 20% of the City's operating budget. He stated that if he is reading Ordinance No. 5908 correctly, the City's savings account balance under the approved 2012 budget is \$10,520,161.00, but is \$9,782,993.00 under the "as amended" 2012 budget. He stated his belief that the savings account should not grossly exceed 20% of the total operating budget. Mr. Lerman again spoke to his idea of reducing building permit fees for those who put forth an effort to renovate deteriorated properties within the City of Fairbanks. He stated that he will continue to repeat himself in regard to the reduction of various fees charged by the City.

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

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 5908 AS FOLLOWS:

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

NAYS: None

**Mayor Cleworth** declared the MOTION CARRIED and Ordinance No. 5908 ADOPTED.

## NEW BUSINESS

- a) Resolution No. 4551 – A Resolution Re-Designating Check Signing Authority for Banking and Investment Accounts of the City of Fairbanks, Alaska. Introduced by Mayor Cleworth.

PASSED and APPROVED on the CONSENT AGENDA.

- b) Ordinance No. 5909 – An Ordinance to Amend FGC Section 74-117 Hotel/Motel Tax Purpose and Limitation, to Appropriate Funds Regarding Funding for the Community Service Patrol. Introduced by Council Member Matherly.

**Mr. Matherly**, seconded by **Ms. Staley**, moved to ADVANCE Ordinance No. 5909.

**Mr. Matherly** provided a brief history of the City's \$50,000 contribution to the CSP. He spoke to the minimum match the City requires of the CSP for the duration of that provision. He stated that after the last budget meeting, he realized the match may be unfair. He explained that Ordinance No. 5909 would eliminate the requirement for a match.

**Mr. Eberhart** stated that when he first read Ordinance No. 5909 he did not see a problem with it. He stated that after speaking with David van den Berg from the Fairbanks Downtown Association (DTA), he learned that the CSP is required to meet matches for other grants they receive. He suggested lowering the match, but not eliminating it altogether for fear of undercutting CSP's ability to obtain other grant funding.

**Mayor Cleworth** stated that the Borough has a grant that can be awarded to the CSP if the City is also contributing to the organization.

**Mr. Matherly** asked if the Borough would still award grant dollars to the CSP if the City eliminated its requirement for a match. He stated that he would like to hear more Council Members' input on the match requirement issue.

**Mayor Cleworth** stated that the City's contribution to the CSP may still qualify the organization for the Borough grant.

**Mr. Gatewood** stated that the contribution to the CSP was initiated by former Council Member Stiver who saw a need to provide stable funding for the organization. He indicated that his original vote to allow for the \$50,000 contribution may have been different if the match had not been required. He stated that he is reluctant to eliminate the \$140,000 match.

**Mr. Walley** stated that his concern is that the CSP has not yet reached the \$140,000 match for 2012, although they are very close. He stated that he may be in favor of reducing the match requirement, commenting that it is a motivating tool.

**Mr. Matherly** stated that it is not his intent to let anyone “off the hook,” but it is an attempt to help simplify a City Finance issue. He pointed out that a match restriction is not required of any other organization that receives bed tax dollars from the City.

Mr. Soileau stated that Finance’s struggle with the match is that the CSP did not meet the match in 2011 because in-kind contributions cannot be counted towards the total. He asked the Council for direction on whether or not the City should cut off the funding. He stated that if the match was reduced to \$130,000, the problem would be solved going into future years, but it would still not solve the issue for prior years. He asked if the approval of the 2013 budget implies that the CSP funding is still approved, regardless of whether the match was met.

**Mr. Eberhart** stated that he believes the adopted 2013 budget implies that the \$50,000 will go to the CSP regardless of whether they’ve met their match. He added that Ordinance No. 5909 can be dealt with at the next Regular Meeting.

**Mr. Hilling** stated that he is inclined to vote in favor of advancement and see what happens at the next meeting.

**Mayor Cleworth** stated that he sees a much bigger issue. He indicated that there is no point in having the match requirement written into the City’s Code if the Council does not honor it. He spoke to the difficulty in ending the contribution at the end of the promised time period and to the CSP’s dependence on the funds. **Mayor Cleworth** suggested that the Council may want to do a review of the entire section of City Code pertaining to Hotel/Motel Tax. He indicated that he has a problem with some of the wages of employees of non-profits who are receiving funds from the City of Fairbanks.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADVANCE ORDINANCE NO. 5909 AS FOLLOWS:

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

- 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.

ADVANCED on the CONSENT AGENDA.

- d) Ordinance No. 5911 – An Ordinance Amending the 2012 Capital Appropriations Fund Budget for the Second Time. Introduced by Mayor Cleworth.

ADVANCED on the CONSENT AGENDA.

**DISCUSSION ITEMS**

Committee Reports

Fairbanks Convention and Visitor's Bureau (FCVB) Board – **Mr. Matherly** gave a brief report of his first FCVB Board Meeting. He commented that there is much more going on at FCVB than what meets the eye. He commended Deb Hickok and her staff for tackling some tough issues that affect the Fairbanks community. He expressed appreciation to the Mayor for appointing him to the Board.

FMATS Policy Committee – **Mr. Walley** provided a summary of the November 21 meeting. He stated that the Committee voted on the artwork that would be placed in the “green space” between the two bridges downtown. He announced that the winning art piece was titled *Polaris* by Cheryl Hamilton and reminded him of something out of a Superman movie. He stated that the artwork is projected to be installed in the summer of 2014. **Mr. Walley** congratulated Ms. Hamilton for winning the art competition. He announced that FMATS has a new website at [www.fmats.us](http://www.fmats.us). He spoke to the Committee's discussion on the newly-proposed Metropolitan Planning Organization (MPO) boundaries based on the latest census data. He spoke to the early completion of the Illinois Street Project and to the appointment/reappointment of Chair and Vice Chair of the Committee. He briefly mentioned the upcoming study due in 2014 to quantify travel per household in the Fairbanks area.

**Mayor Cleworth** stated that the FMATS Office is given a budget each year by its Board. He stated that the City has felt that it should receive some of those moneys for its support of the FMATS Department. He explained that before Chad Roberts left the Committee, he made a motion to have the FMATS Technical Committee review the issue. He expressed hope that the appropriation to the City would be made in the near future. **Mayor Cleworth** indicated that nearly everyone but the Borough is in agreement that the City should receive its fair share of the money.

**Mr. Gatewood** asked Mayor Cleworth why the Borough is hesitating.

**Mayor Cleworth** replied that the Borough feels that the amount they receive in salary for the FMATS position at the Borough is justified even though the position is not working directly for Donna Gardino, MPO Coordinator.

### COMMUNICATIONS TO COUNCIL

- a) Chena Riverfront Commission Meeting Minutes of October 10, 2012.

ACCEPTED on the CONSENT AGENDA.

- b) Reappointments to the Public Safety Commission.

APPROVED on the CONSENT AGENDA.

- c) Reappointments to the Fact Finding Commission.

APPROVED on the CONSENT AGENDA.

- d) Appointment to the Chena Riverfront Commission.

APPROVED on the CONSENT AGENDA.

- e) Funds Available from the Alaska Department of Homeland Security.

**Mr. Gatewood** stated that although he is in favor of grants, they often cost more to the City than anticipated. He expressed some confusion with the memo from Chief Cummings regarding funds. He asked what the total cost to the City would be over the life of the grant. He also requested an explanation of the funds that are being reallocated.

Chief Cummings explained that Homeland Security Grants are given to numerous communities statewide. He stated that there are times when grant recipients don't complete grant requirements and turn the money back over to the state. He stated that when money is returned to the state, the funds are reallocated to under-funded or unfunded projects. He stated that in this specific situation, the City had additional equipment for which they did not receive grant funding. He explained that the City was notified of the additional funding and that he has requested the \$25,191 to purchase the trench rescue equipment. He indicated that long-term costs to the City for the equipment should be very low. Chief Cummings stated that the state allocates money for equipment, training and exercise. He explained that the money being de-obligated in the memo is for unused grant money that was allocated to the City specifically for exercises. He stated that returning those funds to the state is part of the grant requirement, although the City can and has reapplied for the funds for a different purpose. He clarified that no match is required for any of the grants referenced in the memo.

**Mayor Cleworth** stated that the Memo from the Fairbanks Fire Department Concerning the Funds Available from the Alaska Department of Homeland Security does not need a motion to be accepted.

There was no objection from the Council on the ACCEPTANCE of the Memo Concerning Funds Available from the Alaska Department of Homeland Security.

### **COUNCIL MEMBERS' COMMENTS**

**Ms. Staley** stated that she just flew back from New Zealand and that she witnessed firsthand that Australians love Alaska. She thanked the Council for allowing her to attend the meeting telephonically from Seattle. She stated that she is looking forward to attending the next Borough Assembly Meeting and that she will provide the Council with a report on her next Parking Authority Board Meeting.

**Mr. Walley** commented on the briefness of this meeting in comparison to all the others since he was sworn in as a Council Member. He spoke to the difficulty of the Chauffeur Appeal earlier in the meeting and indicated that things may have gone differently if Ms. McCaston had made a sincere effort at rehabilitation. He expressed hope that the forecast is correct that there will be a break in the cold weather. He cautioned the public to drive safely and bundle up in the frigid weather.



**Mr. Gatewood** had no comments.

**Mr. Eberhart** commented that he is happy that the Council passed the 2013 budget and thanked the Mayor, the administration and the Finance Department for their hard work. He also commended the Finance Department for having received an award. **Mr. Eberhart** asked to be excused for the Regular City Council Meeting of December 10, 2012, stating that he will be out of state at another meeting. He expressed uncertainty that he would be able to attend telephonically.

**Mayor Cleworth** called for objection regarding **Mr. Eberhart's** request to be excused on December 10, 2012 and, hearing none, so ORDERED.

**Mr. Hilling** spoke to the reasoning behind his motion to change the source of funding for the City's contribution to the CSP. He stated that he would like to see the City change its source of funding for "charity cases" from the General Fund to a more appropriate source such as the Bed Tax Fund. **Mr. Hilling** spoke to the method for determining fair wages, stating that one must try to judge what wage is sufficient to attract and retain the desired talent. He expressed his opinion that justice, fairness and entitlement should not be part of that wage consideration. He related his comments to the recent situation regarding the wages of the Director of the FCVB and spoke to the FCVB Board of Directors' decision to increase the director's wage. **Mr. Hilling** indicated that it may not be a good idea for the Board of Directors to hold the power of that wage determination. He clarified his comments regarding Ms. Hickok's wage are in no way meant to ridicule her. He commented that many City employee wages are below the national standard and that those employees stay with the City because of intangible benefits that make up the difference. **Mr. Hilling** concluded by stating that he approves of putting money back into the community, but suggested that a need to "watch dog" is in order.

**Mr. Matherly** cautioned everyone to bundle up and stay warm. He commented that he saw Frank Turney at a Christmas party recently and stated that it was nice to see him outside of a Council Meeting. He addressed Mr. Buberger's testimony regarding the Chauffeur Appeal and explained that monitoring the background of driver's does do the public a service. He stated that the Council must look at the criminal history of an individual and how recent their offenses, if any, may have been. **Mr. Matherly** addressed Clerk Hovenden and stated that he is glad the Council approved the increase to the Clerk/Cashier position. He commented that the Clerk's Office is deserving of the change.

Mr. Ewers addressed Frank Turney's earlier testimony regarding a court ruling from Judge Beistline. He clarified that the City was not involved in the case and that Joe Evans is not currently doing any work for the City of Fairbanks.

## **ADJOURNMENT**

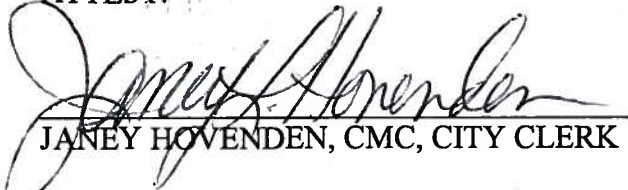
**Mr. Matherly**, seconded by **Mr. Hilling**, moved to ADJOURN the meeting.

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

**Mayor Cleworth** declared the Meeting adjourned at 9:50 P.M.

  
JERRY CLEWORTH, MAYOR

ATTEST:

  
JANEY HOVENDEN, CMC, CITY CLERK

Transcribed by: DS