



FAIRBANKS CITY COUNCIL
REGULAR MEETING MINUTES, OCTOBER 22, 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: Vivian Stiver, Seat A
Chad Roberts, Seat B
Bernard Gatewood, Seat C
Jim Matherly, Seat D
Lloyd Hilling, Seat E
John Eberhart, Seat F
Renee Staley, Seat A Elect
Perry Walley, Seat B Elect

Absent: None

Also Present: Pat Cole, Chief of Staff
Ernie Misewicz, Assistant Fire Chief
Paul Ewers, City Attorney
Janey Hovenden, City Clerk
Ryan Rickels, IT Director
Michael J. Schmetzer, City Engineer
Tony C. Shumate, Director Personnel/Purchasing/RM
Laren Zager, Police Chief

INVOCATION

The Invocation was given by City Clerk Janey Hovenden.

FLAG SALUTATION

Mayor Cleworth led the Flag Salutation.

CITIZEN'S COMMENTS

Oran Paul, 2711 Monteverde Road, Fairbanks – Mr. Paul, Vice President and Chief Operating Officer of Fairbanks Sewer and Water, thanked the Council, the Mayor and City staff for their support in obtaining low-interest funding for the sludge dewatering project at the wastewater treatment plant.

Frank Turney, 201 7th Avenue, Fairbanks – Mr. Turney thanked Mr. Roberts and Ms. Stiver for their service on the City Council. He stated that Mr. Roberts has served as a gentleman and has shown a respectful demeanor towards fellow Council Members and citizens. He stated that he

and Ms. Stiver's views have differed, but stated that they can agree to disagree. He spoke to Public Testimony as being an appropriate forum for constructive criticism and quoted former U.S. President Harry S. Truman: "If you can't stand the heat, get out of the kitchen." Mr. Turney welcomed newly-elected Council Members Renee Staley and Perry Walley.

Victor Buberger, PO Box 58192, Fairbanks – Mr. Buberger commended Mr. Turney for his comments in regards to the Council. He thanked Public Works for taking care of various potholes before the snow fell.

David Lerman, 126 Second Avenue, #15, Fairbanks – Mr. Lerman congratulated the newly-elected Council Members. He announced that he has created a new website titled, *Voter Butter*, and stated that his *Renovation Fairbanks* website is still operational. He stated that the inspiration behind the new site is to "churn" good ideas for Fairbanks and Interior Alaska and encouraged everyone to visit the website. Mr. Lerman stated his intent to run in the 2013 Municipal Election and added that it will be his sixth campaign for City Council. He thanked those who supported him in the 2012 election with their vote. Mr. Lerman spoke to the Polaris Hotel and to Mr. Marlow's intent to renovate the structure into an apartment complex. He stated that Mr. Marlow indicated that federal grants would have to be obtained before renovation could occur. Mr. Lerman expressed his belief that condemning the building is a mistake and that the Council should approve a resolution in support of Mr. Marlow's efforts. He added that the City should waive all building permit fees to offset the cost for those who wish to renovate dilapidated structures within the City limits. He requested that statistics be placed on the City's website in regard to things such as deteriorated properties, DUI's and domestic violence cases. Mr. Lerman spoke to the creation of various task forces as being the start of a solution for these problems.

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

APPROVAL OF AGENDA AND CONSENT AGENDA

Mayor Cleworth explained that Resolution No. 4598 is being hand-carried due to a meeting with Governor Parnell the next day. He stated that the City would like to present a project to the Governor at that meeting. He stated that the Council must approve to add the resolution to the agenda unanimously in order for it to happen.

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

Mr. Roberts, seconded by **Mr. Gatewood**, moved to ADD Hand-carried Resolution No. 4598 to the Agenda under New Business.

Mayor Cleworth called for objection to the ADDITION of Hand-carried Resolution No. 4598 to the Agenda and, hearing none, so ORDERED.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPROVE THE AGENDA, AS AMENDED, AS FOLLOWS:

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

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

APPROVAL OF PREVIOUS MINUTES

a) Regular Meeting Minutes of September 10, 2012.

PASSED and APPROVED on the CONSENT AGENDA.

b) Regular Meeting Minutes of September 24, 2012.

PASSED and APPROVED on the CONSENT AGENDA.

SPECIAL ORDERS

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, Location and Name Change:

Type: Beverage Dispensary
License: **Geraldo's Restaurant, #542**
Licensee/Applicant: Garlic Lover, LLC
Physical Location 701 College Road, Fairbanks
Current DBA: Husky Lounge
Licensee: The Kishan Group
Location: 1521 Cushman Street, Fairbanks

Ms. Stiver, seconded by Mr. Gatewood, moved to WAIVE Protest on the 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 APPLICATION FOR TRANSFER AND RESTAURANT DESIGNATION PERMIT, AS FOLLOWS:

YEAS: Roberts, Matherly, Gatewood, Hilling, Eberhart, Stiver
NAYS: None

Mayor Cleworth declared the MOTION CARRIED.

MAYOR'S COMMENTS AND REPORT

Mayor Cleworth stated that this is a bittersweet time, seeing the changeover in Council Members. He thanked Mr. Roberts for representing the City of Fairbanks on the FMATS Policy Committee and for his integrity as a Council Member. **Mayor Cleworth** spoke to Ms. Stiver's service on the Hotel/Motel Discretionary Fund Committee and to her representation of the City at the Borough Assembly meetings. He thanked Ms. Stiver for her willingness to serve as a Council Member and wished both departing Council Members the best. He welcomed Council Member elects, Renee Staley and Perry Walley. **Mayor Cleworth** spoke to the City Attorney's Memo and to the Borough Assembly's adoption of the utility ordinance. He explained that the Assembly had made some changes to the verbiage of what the City adopted in Ordinance No. 5895, as Amended. He asked the Council to include their thoughts on the issue during their comments. **Mayor Cleworth** stated that the promised report from Chief Zager would come later in the meeting.

Mayor Cleworth spoke to his recommendations for the two City appointments to the Interior Alaska Natural Gas Utility (LANGU) Board of Directors, Frank Abegg and Michael Meeks. He explained that the City has the opportunity to appoint two seats on the Board initially. He stated that after a certain period of time, four seats on the Board would become elected and only three would be appointed (one seat each representing the Cities of North Pole and Fairbanks and one to represent the Borough). He spoke to the utility experience of both gentlemen and to their professional roles in the community. He asked the Council to make a motion to approve the appointments later in the meeting if they so wished.

Mayor Cleworth spoke to the problem with inoperable street lights throughout the City. He stated that the City is looking into the issue. He asked Deputy Fire Chief Ernie Misewicz to come forward for the presentation of badges for the Fairbanks Fire Department.

Mr. Misewicz provided a brief history of fire service in the Fairbanks area and the dangers and challenges that fire fighters are faced with. He stated that training has become very significant to the occupation, with a minimum of 160 training hours required for employment and that requirements in that line of work are constantly increasing. He gave a PowerPoint presentation applauding 2012 recruits of the Fairbanks Fire Department who have successfully completed training requirements: Nicholas Clark, Zach Rittel and Kevin Nelson. Mr. Misewicz recognized Joy Beth Cottle who coordinated the academy for the Fairbanks Fire Department.

New recruits recognized Ms. Cottle for the time she dedicated to their training.

Mayor Cleworth thanked Mr. Misewicz for the presentation. He informed Ms. Stiver and Mr. Roberts that they would receive their plaques soon, but that they were not ready yet. **Mayor Cleworth** recognized Ruby Riddle, stating that it is good to have her in attendance at the meeting.

UNFINISHED BUSINESS

- a) Ordinance No. 5897 – An Ordinance Amending the 2012 Capital Appropriations Fund Budget for the First Time and Setting an Effective Date. Introduced by Mayor Cleworth. SECOND READING AND PUBLIC HEARING.

Mr. Roberts, seconded by **Mr. Matherly**, moved to ADOPT Ordinance No. 5897.

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. 5897, AS FOLLOWS:

YEAS: Stiver, Matherly, Gatewood, Hilling, Eberhart, Roberts

NAYS: None

Mayor Cleworth declared the MOTION CARRIED and Ordinance No. 5897 ADOPTED.

- b) Ordinance No. 5898 – An Ordinance Creating a Downtown Local Improvement District. Introduced by Council Member Stiver. SECOND READING AND PUBLIC HEARING.

Ms. Stiver, seconded by **Mr. Gatewood**, moved to ADOPT Ordinance No. 5898.

Mayor Cleworth called for Public Testimony.

David van den Berg, 332 Slater Drive, Director of Fairbanks Downtown Association (DTA) – Mr. van den Berg distributed a handout to the Mayor and Council stating the DTA Board of Directors' position on the LID. He spoke in support of Ordinance No. 5898 and thanked members of the LID Committee for their work in bringing the ordinance forward. Mr. van den Berg spoke to the experience and expertise of the DTA and Festival Fairbanks in providing clean and safe services in the downtown Fairbanks area. He expressed DTA's desire to continue their services under the LID. He spoke to the proposed budget of the CSP and Clean Team after the DTA/Festival Fairbanks merge and to keeping the millage rate as low as possible for LID property owners. He reminded the Council that the Clean Team program would likely die soon unless something is done.

Mr. Matherly asked Mr. van den Berg if the \$83,000 he outlined in the budget would be sufficient funds for the DTA/Festival Fairbanks to operate the clean and safe programs.

Mr. van den Berg replied that the number is a rough estimate, but it is in the ball park of what is needed for the services to remain "status quo."

Mr. Eberhart asked Mr. van den Berg if he has seen any positive impact in the downtown area since the opening of the Housing First project.

Mr. van den Berg replied that he has seen a positive change since Housing First opened its doors in May, 2012. He stated that he believes it takes about two months of residency with the Housing First project for individuals to change their habits based on the pattern from this year.

Mr. Eberhart asked how close to capacity Housing First is.

Mr. van den Berg replied that he is unsure.

Mr. Eberhart asked Mr. van den Berg how long the DTA has been operating the CSP program and if DTA has all the equipment, staff, supplies and office facilities in place to continue the service.

Mr. van den Berg replied that the CSP has been operated by the DTA since 2007 and that they have all the resources in place to continue the service.

Mr. Eberhart asked if Mr. van den Berg to place an estimated value on the CSP's assets.

Mr. van den Berg replied that the only significant capital in the program is the CSP van which cost \$42,000 to purchase in 2010.

Mr. Eberhart spoke to the relationships that are already established with the existing CSP staff. He asked how long Festival Fairbanks has been operating the Clean Team.

Mr. van den Berg replied that Festival Fairbanks has been running the Clean Team program since 2005.

Mr. Eberhart asked Mr. van den Berg if he is requesting that the merged DTA/Festival Fairbanks be substituted as the "qualified organization" referenced in Ordinance No. 5898.

Mr. van den Berg suggested that the clean and safe services can be performed at a lesser cost than the \$200,000 maximum assessment stated in the ordinance. He explained that he and the DTA would like to provide a level of certainty, if necessary, to see Ordinance No. 5898 adopted. He spoke to the role of the LID Advisory Committee.

Mr. Gatewood addressed the proposed 2013 budget of the CSP/Clean Team. He indicated that the programs cannot depend on grant funding and donations from other organizations in the future. He asked how the proposed budget would be impacted if those donations and funds were not included in the proposed budget.

Mr. van den Berg replied that the LID Committee took those unknown factors into consideration when they set the maximum assessment at \$200,000.

Mr. Roberts asked Mr. van den Berg if he is requesting any changes to Ordinance No. 5898.

Mr. van den Berg stated that his concern is that the mill rate be affordable to downtown property owners. He suggested that an assessment range be established in the ordinance naming not only a maximum, but also a minimum.

Mr. Hilling asked Mr. van den Berg to speak to the possibility of large organizations reducing or withdrawing their contribution to the CSP upon implementation of the LID.

Mr. van den Berg stated that he believes the reverse would happen. He expressed his opinion that entities want to become involved when they see other organizations contributing to a successful program.

Mayor Cleworth asked about the current number of staff for the CSP.

Mr. van den Berg replied that there are three CSP employees.

Buki Wright, PO Box 58111, Fairbanks – Mr. Wright stated that he is employed by Aurora Energy, which provides heat for many of the larger buildings in Downtown Fairbanks. He spoke in favor of Ordinance No. 5898, stating that it is important to businesses and community members to have a safe and welcoming Downtown. He stated that the idea of a LID is a stable approach to funding the clean and safe services. Mr. Wright indicated that the DTA and Festival Fairbanks have performed the services in the most efficient and cost-effective way possible and suggested that the merged organization may be the best candidate to continue the programs. He spoke to the two-year term of the LID as being a good trial run. Mr. Wright indicated that the \$200,000 maximum assessment may be a little high, stating that if you give someone a certain amount of money they will find a way to spend it.

Ms. Stiver asked Mr. Wright if he had been shown how the LID Committee arrived at the \$200,000 assessment value.

Mr. Wright replied that he was informed in general but has not seen specifics on how they arrived at that number. He stated that he could understand the reasoning behind a higher number if the clean and safe programs were being started from scratch.

Ms. Stiver clarified that it was not the intent of the LID Committee to overtax downtown property owners and indicated that if overtaxing occurred, residents would be refunded the excess funds.

Mr. Wright spoke to the large “hit” some property owners would take under a \$200,000 assessment. He stated that there may be enough resistance to make the LID fail if the assessment was too high.

Frank Turney, 201 7th Avenue, Fairbanks – Mr. Turney stated that he would like to hear from the President of the Board of Directors for the DTA in regards to the LID issue. He suggested that there may be some duplication of staff after the merger between DTA/Festival Fairbanks is complete. Mr. Turney spoke the quality of work done by Oscar, a Clean Team employee. He spoke to cutting back in some areas of the CSP due to the temperature drop during the winter months. He stated that he opposes any interference Ordinance No. 5898 would bring to his snow removal business downtown. He spoke against taxing downtown local businesses to fund the LID and expressed hope that another plan would come forward.

Mr. Hilling asked Mr. Turney to explain how the enactment of Ordinance No. 5898 would deprive snow removal businesses.

Mr. Turney replied that most downtown businesses already have someone in place to perform snow removal and that he would hate to see those snow removal businesses lose work because of the LID.

Julie Engfer, 1624 Tamarack Street, Fairbanks – Ms. Engfer, representative of Festival Fairbanks, thanked the LID Committee for their discussions and work in preparing Ordinance No. 5898. She informed the Council that she has more information on the Clean Team if they wished to see it. Ms. Engfer clarified that Festival Fairbanks gave up the management of the Clean Team, but arranged for the program to operate at half-capacity for 2012. She indicated that the program is not effective enough with only one staff member.

Ms. Stiver asked Ms. Engfer if the Clean Team's equipment is currently up for sale.

Ms. Engfer replied that Festival Fairbanks is not actively trying to sell the equipment at this time. She stated that the only piece of Clean Team equipment that has been sold is a Bobcat and that Festival Fairbanks still owns a street sweeper, a truck and a stadium vac. She stated that the City's Public Works Department and Wolverine has performed maintenance on the equipment.

Mr. Hilling asked to what extent the Clean Team performs snow removal.

Ms. Engfer stated that she is unsure of the level of snow removal service currently provided since Festival Fairbanks is no longer managing the Clean Team. She expressed her understanding that the LID Committee did not intend for the clean and safe services to take away from local snow removal businesses.

Mr. Gatewood asked what types of services the Clean Team performed under the management of Festival Fairbanks.

Ms. Engfer distributed a handout to the Council illustrating and outlining Clean Team services. She spoke to Clean Team staffing, working hours and duties. She stated that some of the funds that are being used to operate the program for the remainder of 2012 came from a BP grant.

Mike Webb, 531 2nd Avenue, Fairbanks – Mr. Webb stated that he is in favor of a LID program, but is unsure whether or not the structure set out in Ordinance No. 5898 is the right way to create a LID. He stated that he has voluntarily contributed to the CSP and Clean Team for a number of years and that under the proposed LID assessment, he would be paying less than what he contributes to the programs annually. He spoke to the value of the services to his business and to his willingness to continue contributing to the programs. He reasoned that property owners should not be solely responsible for funding the services since the City also benefits from the clean and safe services.

Chris Miller, 410 2nd Avenue, Fairbanks – Mr. Miller stated that he is a downtown property owner, a member and a Board Member of the DTA, and was a member of the LID Ad-hoc Committee. He described the Committee's reasoning in arriving at a maximum LID assessment

of \$200,000. He spoke to the LID election process, representation of property owners on the LID Advisory Board, community support for a LID and to a consistent level of service to all properties within the coverage area. Mr. Miller indicated that CSP expenses increase during the winter months. Mr. Miller spoke in support of Ordinance No. 5898.

Mr. Matherly asked Mr. Miller to speak to the increase in CSP expenses during winter months.

Mr. Miller replied that the statistics were gathered over a five-year period and simply show higher expenditures in winter months than summer months. He stated that the number of CSP “touches” have declined significantly since 2008 and that the program has made a positive impact in the downtown area.

Ms. Stiver stated that one of the LID Committee’s concerns was the unknowns surrounding the merger of Festival Fairbanks and the DTA. She asked Mr. Miller if he would agree that it was important to the Committee to leave the contracting entity unnamed so that the LID Advisory Board would have options.

Mr. Miller agreed that the Committee was adamant that the entity to perform the services should be left unnamed.

Mr. Eberhart addressed Section 2 of Ordinance No. 5898 where it states that LID services cannot be performed by City employees. He asked Mr. Miller the reasoning behind that language.

Mr. Miller replied that the Committee understood that “bigger government” would fail and that the LID services should be in private hands.

Mr. Eberhart stated that there have been discussions about putting a full-time City laborer in the downtown area to perform some of the clean-up services.

Mr. Miller remarked that a private entity would be able to do the job much more efficiently, with three CSP employees and one Clean Team employee.

Mayor Cleworth spoke to the funding that the City agreed to give to the program for a four-year period. He asked Mr. Miller if that City funding was addressed by the Committee.

Mr. Miller replied that the Committee took the City funding into account when they set the two-year term for the LID, which corresponds with the expiration of City funding. He stated that the Committee understood that the City may wish to reduce or do away with the funding in the future.

Victor Buberger, PO Box 58192, Fairbanks – Mr. Buberger spoke to Mr. van den Berg’s push for more funding for his organization. He suggested that if there was going to be a tax, the levy should cover the entire City, not just the core downtown area property owners. He spoke to increasing efficiency of the Clean Team and CSP to maximize service and minimize spending. Mr. Buberger indicated that snow removal in the downtown area could not be done for \$200,000 per year. He spoke against creating the LID tax.

Mr. Gatewood asked Mr. Buberger what he believes is an appropriate figure for snow removal in the downtown area.

Mr. Buberger replied that he thinks it would be appropriate for the Public Works Department to take on the LID services.

David Lerman, 126 Second Avenue, #15, Fairbanks – Mr. Lerman stated that, as a bicyclist, he sees more trash and debris in the City than most people would notice driving in a car. He suggested that the borders for the LID be removed to allow anyone to participate in the taxation and services.

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

Ms. Stiver stated that the LID Committee did not want the tax revenue to be dedicated to any particular entity. She spoke to the total assessment value and stated that the maximum was set at \$200,000 to account for a number of different things such as equipment maintenance and City administration. She added that the maximum total assessment was designed to fully fund the Clean Team and to partially fund the CSP. **Ms. Stiver** stated that she had been opposed to the formation of a LID for several years, but changed her mind when she realized that downtown business owners need a higher level of service than residents. She stated that she believes local businesses will be on board with the LID program when they understand the process and recognize the need for services. She pointed out that the assessment is based on land value only, not structures.

Mr. Roberts asked for clarification on the voting process for the LID.

Ms. Stiver explained that the LID would require a “negative vote” in which information would be sent to property owners informing them of an objection period for filing a protest. She stated that if more than 50% of valued property in the LID area is represented by objections, the LID would fail. She further explained that no response would be automatically counted as a “yes vote.” **Ms. Stiver** stated that Mayor Cleworth has been working on an ordinance that would change the LID election process to more of a ballot-type vote.

Mayor Cleworth clarified that the ordinance to change the method for property owner approval of a LID is Ordinance No. 5904, under New Business.

Mr. Eberhart asked if the adoption of Ordinance No. 5904 would impact Ordinance No. 5898.

Mayor Cleworth replied that he became concerned with the election process for the LID when the discussion at the Finance Committee became more about the “voting” than the creation of the LID. He stated that the negative election set forth in City Code is a rather bizarre system that he believes needs to be changed.

Ms. Stiver explained that the actual LID election would not take place until 2-3 months after the merging of Festival Fairbanks and the DTA. She indicated that this would allow enough time to observe how the new organization is operating.

Mr. Roberts pointed out that the attachment to Ordinance No. 5898 sets the closing date for the objection filing period as March 30, 2013.

Ms. Stiver explained that if Ordinance No. 5904 passed changing the election process, the election dates would remain the same.

Mr. Ewers clarified that Section 4 of Ordinance No. 5898 states that the creation of the LID is subject to FGC Section 58-39, which is the section of City Code that Ordinance No. 5904 would amend.

Mayor Cleworth explained that Ordinance No. 5904 is intended to change the election process so that votes will be taken in a ballot format.

Mr. Hilling argued that the proposed election process being discussed is not a traditional vote system. He explained that a traditional vote system does not count those who do not vote. He stated that his understanding of the new voting system as described in Ordinance No. 5904 is that a non-response would count as a negative vote. He stated that he is not in agreement with that voting process.

Mr. Roberts spoke to the weighted vote and pointed out that, technically, a handful of property owners could decide the LID vote.

Mr. Hilling asked if there has been thought given to the possibility of making the entire budget for clean and safe services \$200,000.

Ms. Stiver stated that she was unclear as to what Mr. Hilling was asking.

Mr. Hilling inquired as to the total current budget for the Clean Team and the CSP.

Ms. Stiver replied that the original \$200,000 maximum assessment came about in an effort to fully fund the Clean Team and partially fund the CSP. She stated that it was the LID Committee's intent for the total assessment to cover the cost of services and administration and not to tax for the maximum amount, unless necessary.

Mr. Hilling asked if bidding out the snow removal portion of services to contractors would be a possibility.

Ms. Stiver stated that she has noticed the Clean Team removing hard-pack and snow mounds, but has only seen Mr. Turney performing snow removal in her area downtown.

Mr. Hilling expressed concern that the creation of the LID as written would interfere with local snow removal businesses.

Mayor Cleworth stated that the Clean Team uses an ATV to clear a simple sidewalk path after a heavy snowfall. He stated the Clean Team does not do a thorough job and that snow removal services are still needed. He stated that the Clean Team does not supplant private snow removal businesses and that Mr. Turney speaks up whenever anyone “steps on his toes.”

Mr. Eberhart addressed Section 2 of Ordinance No. 5898 where it states that “The Mayor *shall* enter into a Letter of Agreement...” He discussed the repercussions of using the word “shall” and questioned whether or not City employees should be prohibited from performing the services.

Ms. Stiver spoke to the LID Committee’s reasoning behind the language in Section 2. She stated that an Advisory Board made up of LID property owners would advise the Mayor on the selection of the entity and the terms of the agreement between the City and the managing organization.

Mayor Cleworth stated that, as Mayor, he would rely heavily on the Advisory Board in regards to the managing entity and contract because they represent the stakeholders of the LID.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 5898, AS FOLLOWS:

YEAS: Hilling, Eberhart, Roberts, Stiver, Matherly, Gatewood

NAYS: None

Mayor Cleworth declared the MOTION CARRIED and Ordinance No. 5898 ADOPTED.

- c) Ordinance No. 5899 – An Ordinance Amending FGC Section 58-34(a) Regarding Limits on Funding for Local Improvement Districts for Services. Introduced by Council Member Stiver. SECOND READING AND PUBLIC HEARING.

Ms. Stiver, seconded by **Mr. Roberts**, moved to ADOPT Ordinance No. 5899.

Mayor Cleworth called for Public Testimony.

Frank Turney, 201 7th Avenue, Fairbanks – Mr. Turney stated that the Clean Team does more snow removal in the downtown area than what Ms. Stiver indicated.

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

Mr. Hilling asked for clarification on what Ordinance No. 5899 would change.

Mayor Cleworth replied that the ordinance was brought about by a concern that City funding for the program, which was promised for four years, would be void unless a change was made to the Code. He asked Mr. Ewers to speak to the issue.

Mr. Ewers explained that during the LID Committee meetings, members recognized a conflict between FGC Section 58-34(a) and the \$50,000 allocated to the CSP for 2011 through 2014. He

stated that without a change to FGC 58-34(a), it is likely that the City's contribution to the CSP would have to stop upon implementation of the LID. He stated that Ordinance No. 5899 would allow the Council to choose to continue the contribution until 2014. He explained that without the Code change, there is a good argument that funding would have to stop.

Ms. Stiver clarified that if the LID is approved by property owners in March of 2013, taxes would not be collected until 2014 based on the prior year's assessment.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 5899, AS FOLLOWS:

YEAS: Eberhart, Gatewood, Stiver, Hilling, Matherly, Roberts

NAYS: None

Mayor Cleworth declared the MOTION CARRIED and Ordinance No. 5899 ADOPTED.

2012 MUNICIPAL ELECTION

a) Council Members' Comments

Ms. Stiver stated that prior to her six years of service on the City Council, she had never entertained the thought of serving in local government. She expressed thankfulness to City voters who provided her with the opportunity to serve. She stated that she has learned a great deal and has made more friends than she has lost along the way. **Ms. Stiver** commented that City staff has been consistently responsive, courteous and gracious in educating her and answering her questions about local government. She pointed out that City staff must constantly educate elected officials, which she now understands and takes part in at her day job. She thanked fellow Council Members for allowing her to enjoy her time on the Council. She recalled her first trip to an AML Conference in Juneau with Mr. Roberts her first year on the Council and commented on how much she has learned since that time.

Mr. Roberts thanked the citizens of Fairbanks for electing him to the City Council for two terms. He stated that he has learned a great deal about local government. He spoke to the revenue crisis that the City had when he was first elected to the Council. **Mr. Roberts** stated that he is proud of his accomplishments on the Council and that he has always based his decisions on what he believed was the right thing to do. He thanked Mayor Cleworth for his guidance and leadership both as a Council Member and as the Mayor. **Mr. Roberts** thanked his family for attending the meeting and wished Ms. Staley and Mr. Walley the best of luck.

Mr. Gatewood thanked Ms. Stiver and Mr. Roberts for their service on the Council stating that it has been a pleasure to work with them. He recalled when he was appointed to the Council in 2008 and to his interactions with Ms. Stiver at that time. He commented that there seem to be no "cliques" amongst the Council Members. He stated that he looks forward to working with Ms. Staley and Mr. Walley.

Mr. Eberhart thanked Ms. Stiver and Mr. Roberts for being strong Council Members and for their work on City Boards and Commissions. He commented that the Council often agrees on

issues and works very efficiently as a body. He stated that even when members disagree, they are still civil to one another and that it takes cooperation and an open mind to serve as a Council Member. **Mr. Eberhart** spoke to the serious role of serving on the Council and to the heavy weight to many of their decisions. He commended fellow Council Members and the Mayor for “weathering the economic storm” that began in 2008 and for keeping the City in good financial shape.

Mr. Hilling spoke to collectivism and thanked the public for participating in City Council Meetings. He applauded Ms. Stiver for being active and informed on issues and the committees she has served on. He spoke briefly to the creation of the LID. **Mr. Hilling** spoke to Mr. Roberts’ gravitas and sincerity when it comes to his duties as a Council Member. He spoke to how quickly Mr. Roberts and Ms. Stiver learned and understood things when they were newly-elected. He commented that his fellow Council Members are genuine people and independent thinkers and wished the departing members the best.

Mr. Matherly recalled when he was first elected and stated how he was the only new Council Member to join that year. He commented that all the Council Members were encouraging to him at that time. He spoke to the value of Ms. Stiver and Mr. Roberts’ friendship and to their intelligence and sincerity. **Mr. Matherly** spoke to civility, courtesy and respect during public meetings, from not only the Council but also the citizens. He commented that he may need to grow “thicker skin” and gave a warm welcome to Mr. Perry and Ms. Staley. He reminded everyone that there will be a debate at the Carlson Center October 23, 2012.

Mayor Cleworth asked Mr. Roberts to give a report on the last FMATS Policy Committee Meeting.

FMATS Policy Committee - **Mr. Roberts** provided a brief report of the October 17, 2012 meeting. He mentioned various projects that money had been allocated to and spoke to the way the federal government has changed the way it distributes funds to entities like the Metropolitan Planning Organization (MPO) and the state. He commented that federal money is shrinking.

b) Certification of the 2012 Municipal Election Results

Ms. Hovenden distributed the Certification of the 2012 Municipal Election and asked Council Members to sign. She read the Certification into the record.

Mayor Cleworth called for a brief recess.

c) Oaths of Office

Ms. Hovenden swore in newly-elected Council Members Renee Staley and Perry Walley.

Mr. Walley and **Ms. Staley** assumed their seats on the City Council.

NEW BUSINESS

- a) Ordinance No. 5900 – An Ordinance Amending FGC Chapter 74, Taxation, Article III, Alcohol Beverage Sales Tax, Sections 74-69, 74-73(a), 74-73(d)-(e), 74-74.1(a), and 74-82(a)-(c) to Modify Factors Relating to Taxes Due and the Penalty Structure. Introduced by Mayor Cleworth.

ADVANCED on the CONSENT AGENDA.

- b) Ordinance No. 5901 – An Ordinance Amending FGC Chapter 74, Taxation, Article IV, Hotel/Motel Tax, Sections 74-121, 74-125(a), 74-125(d)-(e), 74-127(a), and 74-135(a)-(c) to Modify Factors Relating to Taxes Due and the Penalty Structure. Introduced by Mayor Cleworth.

ADVANCED on the CONSENT AGENDA.

- c) Ordinance No. 5902 – An Ordinance Amending FGC Chapter 74, Taxation, Article V, Tobacco Products Distribution and Excise Tax, Sections 74-154(a), 74-154(d)-(e), 74-154.2(a), and 74-157(a)-(c) to Modify Factors Relating to Taxes Due and the Penalty Structure. Introduced by Mayor Cleworth.

ADVANCED on the CONSENT AGENDA.

- d) Ordinance No. 5903 – An Ordinance Amending FGC Chapter 34, Article VI, Section 34-201, to Allow Replacement of Hydronic Heaters. Introduced by Council Member Stiver.

ADVANCED on the CONSENT AGENDA.

- e) Ordinance No. 5904 – An Ordinance Amending FGC Section 58-39 Regarding the Method for Property Owner Approval of Local Improvement Districts. Introduced by Mayor Cleworth

ADVANCED on the CONSENT AGENDA.

- f) Resolution No. 4598 – A Resolution Supporting a Request for State of Alaska Funding to Reconstruct South Cushman Street from 15th Avenue to Mitchell Expressway. Hand-carried. Introduced by Mayor Cleworth.

Mr. Gatewood, seconded by **Mr. Matherly**, moved to APPROVE Resolution No. 4598.

Mayor Cleworth explained that last year the City made a request to be in Governor Parnell's budget for some road construction funding. He stated that the City has not be included in the Governor's budget for some time. He spoke to various areas that have been improved due to that funding. **Mayor Cleworth** stated that South Cushman Street is in bad shape and has been on the City's "wish list" for improvements for decades. He explained that DOT has recently improved that section of Cushman Street from the Mitchell Expressway to Sanduri Avenue and that the City has scheduled improvements in 2013 on South Cushman Street from Airport Way to the

Chena River, which may be the worst segment of Cushman Street. He spoke to the Illinois Street project which connects to Cushman. He stated that there is a meeting scheduled with the Governor in Fairbanks on October 23, 2012, and indicated that it may be a good time to present the project to him.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPROVE RESOLUTION NO. 4598, AS FOLLOWS:

YEAS: Matherly, Hilling, Walley, Staley, Gatewood, Eberhart
NAYS: None
Mayor Cleworth declared the MOTION CARRIED and Resolution No. 4598 APPROVED.

DISCUSSION ITEMS

a) Committee Reports

Public Safety Commission (PSC) – **Mr. Eberhart** stated that the PSC met on October 9, 2012. He spoke to the staff reports given by FFD and FPD. He referenced a binder given to Committee Members by Chief Zager concerning the consolidation of staff by cross-training police and fire service personnel. He stated that the cross-training issue will be discussed further at the next PSC meeting on November 13, 2012.

b) Committee Appointments

Mayor Cleworth spoke to Committee vacancies created by the departure of Ms. Stiver and Mr. Roberts. He listed the current Council Members seated on various Boards and Commissions: Chad Roberts previously seated on the FMATS Policy Committee; Vivian Stiver previously the Chair of the Hotel/Motel Discretionary Fund Committee and the City Representative to the Borough Assembly; Lloyd Hilling sitting on the Fairbanks Convention and Visitor's Bureau (FCVB) Board, Jim Matherly sitting on the Fairbanks Parking Authority Board, John Eberhart sitting on the Public Safety Commission; and Bernard Gatewood sitting on the Permanent Fund Board. He stated that if anyone wishes to change their membership to a Board or Commission, now would be the time to make a request.

Mr. Matherly expressed interest in serving on the FMATS Policy Committee or the FCVB Board.

Mr. Hilling indicated that the FCVB Board meeting times are difficult to attend due to his schedule. He asked Mayor Cleworth how often and at what times the Hotel/Motel Discretionary Fund Committee meets.

Mayor Cleworth replied that the Discretionary Fund Committee will begin meeting soon to review this year's grant applications. He stated that chairing that Committee is a lot of work, but only for a short period of time.

Mr. Hilling stated his interest in the Hotel/Motel Discretionary Fund Committee, but indicated that he would be unavailable on Thursday evenings due to his teaching schedule.

Mr. Eberhart requested to remain on the PSC.

Mr. Gatewood stated that he was satisfied on the Permanent Fund Review Board, but indicated that he would be open to a change, if necessary. He stated that he would be willing to share the responsibility of City representation at Borough Assembly meetings.

Mr. Walley stated that he is the “new kid on the block.” He stated that he would serve wherever Mayor Cleworth saw fit to place him.

Ms. Staley stated that she wouldn’t mind attending Borough Assembly meetings as a City Representative. She expressed an interest in the FCVB Board and added that she would be willing to serve on whatever Committee the Mayor chooses.

Mayor Cleworth stated that he will take the requests into consideration and contact Council Members with their Committee assignments before the end of the week.

Mayor Cleworth asked Chief Zager to come forward to speak to the new traffic enforcement standard at FPD.

Chief Zager distributed a handout to the Mayor and Council titled, “Work Standard Justification.” He spoke to the internal memo he authored regarding the role of patrol officers in traffic enforcement. He stated that after the article on the issue appeared in the News Miner, there has been talk in the community about a “quota.” He explained that there seems to be a disconnect between what was actually intended and what people heard. Chief Zager clarified that the intent of the new work standard is to have all patrol officers perform at a similar rate and to have officers use their “uncommitted” time to enforce traffic laws rather than preventative patrol, which has proven to be less effective. He stated that the new work standard is not a “fundraiser” for FPD, nor was it a recommendation from Mayor Cleworth. Chief Zager provided a brief history of various grants FPD has received for traffic enforcement and spoke to some of the conditions that came along with the funding. He spoke also to past work standards at FPD and provided statistics on traffic stops. He stated that it is likely that the new work standard would only increase City revenue by ten citations per week after court cases, equipment violations and other factors were taken into account. He indicated that the only valid argument he’s heard against the standard is that it will make the officers busier. Chief Zager stated that he believes the new work standard is very powerful and that it will save lives, save properties, reduce crime and make life happier for the general public. He concluded by saying that it is a productive way to bring safety to the City of Fairbanks.

Mr. Gatewood asked Chief Zager what he meant by “uncommitted” time.

Chief Zager replied that “uncommitted” time is the time that patrol officers have between calls when they are simply driving around the City.

Mr. Gatewood stated that if he is speeding, he slows down when he sees a patrol officer. He indicated that prevention is a debatable issue because it is so difficult to measure and asked how it can be proven to work.

Chief Zager cited a Kansas City experiment done in the 1970's in regard to traffic patrol. He stated that the study showed virtually no change in crime rate in areas with increased patrol.

Mr. Gatewood expressed his confidence in Chief Zager's management, but indicated that the new "quota" does have the public on edge. He stated that he has had a number of individuals approach him in regards to the issue.

Chief Zager clarified that the new work standard requires that each patrol officer make only eight traffic contacts in a week's time.

Mr. Gatewood spoke to the public's distrust of law enforcement and indicated that the public may fear being pulled over for no reason due to the new work standard.

Chief Zager stated that officers must have a valid reason to perform a traffic stop. He stated that he was disappointed that the News Miner referred to the new work standard as a "quota" but commended them for the editorial they produced in support of the program.

Mr. Eberhart thanked Chief Zager for providing an explanation of the new work standard and expressed hope that the public would come to understand the reasoning behind it. He spoke in support of the standard.

Mr. Hilling asked if City police regularly patrol neighborhoods like the Riverview area.

Chief Zager replied that it may depend on the officer. He stated that he does not have control over the actions or judgments of patrol officers, but expressed hope that his officers are making worthwhile traffic stops.

Mr. Hilling stated that eight traffic stops per week seems like a minimal benchmark and commended Chief Zager for introducing the work standard.

COMMUNICATIONS TO COUNCIL

- a) Chena Riverfront Commission Meeting Minutes of September 12, 2012.

ACCEPTED on the CONSENT AGENDA.

- b) Public Safety Commission Meeting Minutes of July 10, 2012.

ACCEPTED on the CONSENT AGENDA.

- c) Appointments to the Public Safety Commission.

APPROVED on the CONSENT AGENDA.

- d) Reappointment to the Commission on Historic Preservation.

APPROVED on the CONSENT AGENDA.

COUNCIL MEMBERS' COMMENTS

Ms. Staley stated that she is very excited to serve on the City Council and give back to the community where she was born and raised. She thanked Fairbanks voters for electing her and stated that she has an open door policy. She expressed gratitude to City staff and fellow Council Members for the warm welcome.

Mr. Walley thanked everyone for welcoming him to the Council. He thanked Ms. Stiver and Mr. Roberts for their service and expressed his commitment to give his best effort to the City as a Council Member.

Mr. Gatewood expressed frustration that the Borough did not adopt the City's language in the gas utility ordinance as the Council had adopted it; he indicated, however, that he did not see any changes that were significant enough for concern. He stated that he would like to hear other Council Members' feelings on the changes.

Mr. Eberhart expressed sympathy in the loss of Ivan Grondin, a Fairbanks pioneer and friend. He expressed gratitude to Governor Parnell for his support on the issue of getting cheaper energy to Fairbanks and the Interior. He stated that he hopes the IANGU Board would be a catalyst for funding the gas project. **Mr. Eberhart** expressed his distaste for actions by the Borough that sometimes override or change the City's recommendations. He suggested that it is possible that the Borough has nullified the transfer by changing the language in the City's ordinance. He spoke to the limitations placed on the membership qualifications of the IANGU Board of Directors and expressed concern that the language may be too diluted. He stated that he too would like to hear his fellow Council Members' views on the issue.

Mr. Hilling spoke to the gas utility issue, particularly to the idea of creating a "doughnut hole" around the City, allowing the City of Fairbanks to create its own utility. He spoke to the subsidization of outlying areas that will fall on the shoulders of City residents and to the possibility of overturning the decision to transfer utility power to the Borough. **Mr. Hilling** recapped Chief Zager's statistical analysis of the new work standard implemented by FPD. He stated that he has witnessed blatant traffic violations go unpunished when a patrol officer was present and expressed support for the new work standard. He commended the Building Department for their interactions with him as a homeowner during the recent construction on his home. He expressed condolences for Stephen Anderson, City Plumbing and Mechanical Inspector, who had been hit by a car.

Mr. Matherly stated that he trusts Chief Zager's judgment on the new work standard and asked him to keep a "lookout" for abuses. He expressed dissatisfaction that the Borough had changed the City's language on the gas utility transfer. He stated that the City had made its position very clear on the conditional transfer in Ordinance No. 5895, as Amended, and indicated that it was improper for the Borough to have made changes. **Mr. Matherly** stated that he would like to

hear Mr. Ewers' legal opinion on the issue. He stated that he will support Mayor Cleworth's appointments to the IANGU Board of Directors.

CITY ATTORNEY'S REPORT

City Attorney Ewers advised that Ordinance No. 5895, as Amended, outlined seven conditions for the transfer. He stated that the Borough included all those conditions in their final ordinance and indicated that there is no legal requirement for the Borough to have incorporated the City's ordinance word-for-word in their ordinance. He stated that the changes in regards to the requirements to qualify as an IANGU Board Member appear to be reasonable and that he believes the changes are acceptable. Mr. Ewers clarified that the term "substantial" is commonly used in conflict of interest language.

Mr. Hilling stated that he would be inclined to make a motion to rescind Ordinance No. 5895, as Amended, if other Council Members showed support for such a motion.

Mayor Cleworth asked the Council what their thoughts were on the two City appointments to the IANGU Board of Directors: Frank Abegg and Michael Meeks. He explained that the ordinance states that the Mayor is to make two initial appointments to the Board with the confirmation of the City Council.

Mr. Matherly, seconded by **Mr. Gatewood**, moved to APPROVE Frank Abegg's and Michael Meeks' appointments to the IANGU Board of Directors.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPROVE THE CITY'S APPOINTMENTS TO THE IANGU BOARD OF DIRECTORS AS FOLLOWS:

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

NAYS: None

Mayor Cleworth declared the MOTION CARRIED.

Mr. Ewers stated that Mr. Eberhart had asked him to comment on the Supreme Court's ruling on private email accounts. He stated that the information on that court case is included in his City Attorney's Report and offered to answer any questions the Council may have.

Mr. Eberhart commented that if Council Members are using their private email accounts for any City business, they should not delete any of those records.

Mr. Ewers confirmed that Mr. Eberhart's statement was correct.

ADJOURNMENT

Mr. Matherly moved to ADJOURN the meeting.

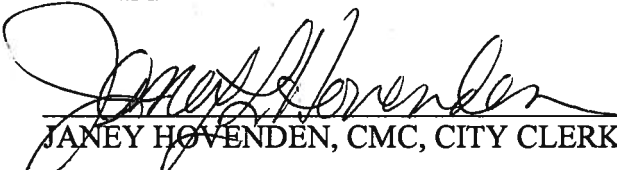
Mayor Cleworth called for objection and, hearing none, so ORDERED.

Mayor Cleworth declared the Meeting adjourned at 10:40 P.M.



JERRY CLEWORTH, MAYOR

ATTEST:



JANEY HOVENDEN, CMC, CITY CLERK

Transcribed by: DS