



FAIRBANKS CITY COUNCIL
AGENDA NO.2012-15
REGULAR MEETING August 06,2012
FAIRBANKSCITY COUNCIL CHAMBERS
800 CUSHMAN STREET, FAIRBANKS, ALASKA

REGULAR MEETING

I 7:00 P.M.

1. ROLL CALL

2. INVOCATION

3. FLAG SALUTATION

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

5. APPROVAL OF AGENDA AND CONSENT AGENDA

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

6. APPROVAL OF PREVIOUS MINUTES

7. SPECIAL ORDERS

8. MAYOR'S COMMENTS AND REPORT

9. UNFINISHED BUSINESS

- a) Ordinance No. 5888 – An Ordinance Amending Fairbanks General Code Chapter 26 Regarding Alarms. Introduced by Mayor Cleworth. SECOND READING AND PUBLIC HEARING.
- b) Ordinance No. 5889 – An Ordinance Seeking Voter Approval for the City to Accept a Pass-Through Loan from the Alaska Clean Water Fund to Golden Heart Utilities of up to \$4.6256 Million for a Sludge Dewatering Project, up to \$650,623 for a Clarifier Project, and Ratifying a Loan of \$637,830 for Prior Improvements at the City-Owned Wastewater Treatment Facility. Introduced by Mayor Cleworth. SECOND READING AND PUBLIC HEARING.

10. NEW BUSINESS

- *a) Resolution No. 4540 – A Resolution Approving Clean-up Costs and Authorizing a Real Property Lien at 2536 Eighteenth Avenue. Introduced by Mayor Cleworth.
- *b) Resolution No. 4541 – A Resolution Approving Clean-up Costs and Authorizing a Real Property Lien at 1725 Willow Street. Introduced by Mayor Cleworth.
- *c) Resolution No. 4542 – A Resolution Amending the Schedule of Fees and Charges for Services by Adjusting Alarm Service Fees. Introduced by Mayor Cleworth.
- *d) Resolution No. 4543 – A Resolution Awarding a Contract to HC Contractors, Inc., for the Graehl Subdivision Improvements Project in the Amount of \$363,756.00. Introduced by Mayor Cleworth.
- *e) Ordinance No. 5890 – An Ordinance Amending Fairbanks General Code Sections 2-471 through 2-474 Regarding the Public Safety Commission. Introduced by Mayor Cleworth and Council Member Eberhart.

11. DISCUSSION ITEMS (INFORMATION AND REPORT)

Committee Reports

12. COMMUNICATIONS TO COUNCIL

- *a) Local Improvement District Committee Meeting Minutes of July 13, 2012
- *b) Local Improvement District Committee Meeting Minutes of July 20, 2012

*c) Chena Riverfront Commission Meeting Minutes of June 13, 2012

*d) Reappointments to the Clay Street Cemetery Commission

13. COUNCIL MEMBERS' COMMENTS

14. CITY ATTORNEY'S REPORT

15. CITY CLERK'S REPORT

16. ADJOURNMENT

ORDINANCE NO. 5888

**AN ORDINANCE AMENDING FAIRBANKS GENERAL CODE CHAPTER
26 REGARDING ALARMS**

WHEREAS, in Chapter 26, Article II, of the Fairbanks General Code, the City adopted regulations governing the connection of private alarm systems to the City's alarm circuit; and

WHEREAS, since the adoption of this section of the code, changes have been made to the standards for such alarms; and

WHEREAS, the different requirements for fire alarms versus security alarms need to be clarified,

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

SECTION 1. That Fairbanks General Code Chapter 26, Article II, is amended as follows [new text is in **bold/underlined** font; deleted text is in ~~strike-out~~ font]:

DIVISION 2. PERMIT

Sec. 26-51. Private connection permit.

(a) ~~*Connection Required.*~~ A person having a private **fire or security** alarm system may connect the **alarm** system to the ~~city alarm circuit~~ **Fairbanks Emergency Communication Center (FECC)** upon obtaining a permit for the connection from the **FECC Manager** ~~director of public safety.~~

(b) ~~*Application.*~~ ~~Any person owning or possessing an alarm shall, within 48 hours of installation,~~ **Fire and security alarm connection permits may be obtained by** submitting an application to the ~~department of public safety~~ **FECC** ~~for an alarm permit.~~ The application shall ~~require~~ **must include** the identity of the owner, location of the alarm, and the name and telephone number of the person responsible for the alarm.

(c) ~~*Standards.*~~ ~~The director of public safety shall issue a~~ **A connection permit for the connection may be issued if the alarm system for which a permit is sought** ~~it is found that the connection:~~

- (1) ~~Will be~~ **Is** compatible with the ~~city~~ **FECC** alarm ~~circuit or~~ **monitoring** system;
- (2) ~~Will connect an adequate and~~ **Is/will be** properly installed and maintained ~~private alarm system;~~ and

- (3) Will ~~substantially benefit the city fire prevention and police procedures.~~

(d) *Restrictions.* The permit may be issued subject to reasonable requirements, terms and conditions as the ~~director of public safety~~ **Fire Chief, Police Chief or FECC Manager** may require ~~to provide the connection of an adequate private system and to maintain the permit standards.~~

(e) *Currency of information.* Any person owning an **fire or security** alarm shall be under a continuing obligation to keep the information on its application current by ~~prompt~~ notification to the ~~department of public safety~~ **FECC** of any change **within no later than five business days of such change.**

(f) *Revocation.* A permit may be revoked by the mayor for noncompliance with the permits standards and restrictions. ~~Regardless of any other provision of this section, the permit may be revoked by the city council at any time if the city council in its discretion finds that the disconnection of the private security alarm system is in the best interests of the city, and T~~ the prior granting of the permit or the expenditure of ~~fundsmoneys~~ by the permit holder in reliance on the permit shall not create any vested rights in the permit holder or any estoppel against the city. **Notice of the revocation shall be made by a police or fire official in person or in a writing mailed to the address listed on the permit.**

Sec. 26-52. ~~Permit display; s~~Street address; messages.

(a) ~~A permit issued under this division shall be displayed at or near the main entrance of the permitted location with the permit number clearly visible and readable from the exterior of the premises.~~

(~~a~~b) The permittee shall have a clearly visible **its** street address number, displayed **in contrasting colors, clearly visible from the street** ~~at or near the front the premises and at other places where access is available.~~

(~~b~~e) All alarm system messages to the **FECC** ~~department of public safety~~ shall **must** include the permit number except as exempted by the **FECC** ~~department of public safety.~~

Sec. 26-53. Connection.

The **permit** holder shall pay the city for the cost of the initial hookup. The permit holder shall provide, install, and maintain ~~his~~ **its** own **private fire or security alarm** system up to but not including the alarm console circuits, all without expense to the city. ~~The maintenance of the private system must be by a qualified person approved by the director of public safety engaged in the business of installing and maintaining a supervisory fire alarm system who shall use Pacific Fire Rating Bureau and National Fire Protection Association standards.~~

Sec. 26-53.1. Installation/Maintenance – Fire Alarms.

The installation and maintenance of a fire alarm system must be by a qualified person who holds a permit issued by the State Fire Marshal’s Office and meets the standards set out in NFPA 72 (National Fire Protection Association).

Sec. 26-53.2. Installation/Maintenance – Security Alarms.

The installation and maintenance of a security alarm system must be by a qualified person using recognized installation practices.

Sec. 26-54. Disconnection of system.

It shall be unlawful for any person, except a person authorized by the **Fire Chief, Police Chief, or FECC Manager** ~~director of public safety to connect or disconnect, temporarily or otherwise, a private~~ **fire or security** alarm system, ~~or other wires or conduits, to a city alarm system~~ **from the FECC.**

Sec. 26-55. Fees.

The permit holder shall pay a fee to the city for the connection of the ~~private~~ **fire or security** alarm system to the city alarm **monitoring** system and a monthly ~~circuit use~~ **monitoring** fee. Fees for this service will be set forth in the city schedule of fees and charges for services.

DIVISION 3. FALSE/NUISANCE ALARMS

Sec. 26-76. Definitions.

The following words, terms and phrases, when used in this division, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Alarm means any operable assembly of equipment and devices or a single device, ~~except an official municipal fire or police alarm, but~~ including without limitation automatic dialing devices which telephone a prerecorded message or transmit a signal or message to the **FECC** ~~department of public safety~~ and devices that produce an audible or visible signal which is intended to alert the police or some other person that a criminal act, fire or other emergency exists and requires assistance. Devices commonly known as single-station smoke alarms intended primarily for private residential use and designed to emit a local signal from the

device upon the detection of smoke, fumes or heat shall not be considered alarms for purposes of this article.

False/Nuisance alarm means an alarm signal that the **Police Chief, Fire Chief, or FECC Manager** ~~director of public safety~~ determines ~~was~~ caused by a reason other than **(1) the** condition which the alarm is designed or intended to detect or **(2) by** a natural phenomenon beyond the control of the owner.

Owner means any person responsible for the proper operation of an alarm ~~and in possession of a permit issued by the director of public safety.~~

Sec. 26-77. Prohibited acts.

It shall be unlawful for any person to:

- (1) Intentionally cause, permit or allow a false/**nuisance** alarm signal to be emitted from an alarm.
- ~~(2)~~ ~~Own, install, connect, operate or possess an alarm except as provided under this article.~~
- ~~(23)~~ Own, operate, connect, install or possess an audible **security** alarm unless that alarm automatically ceases to emit an audible sound after 15 minutes and does not repeat the audible sound thereafter.
- ~~(34)~~ Own, operate, connect, install or possess an audible alarm system that emits a sound similar to that of any civil defense warning system.
- ~~(45)~~ Operate or use a robbery alarm system for any purpose other than detecting and reporting robberies or other crimes involving potential serious bodily injury or death.
- ~~(56)~~ Operate or use a burglary system for any other purpose other than detecting and reporting an unauthorized entry upon the premises protected by such system.
- ~~(67)~~ Operate or use an alarm system which has been disapproved by the **Police Chief, Fire Chief, or FECC Manager** ~~department of public safety.~~
- ~~(78)~~ Install, connect, own or possess an automatic direct dial alarm or any alarm device in such a fashion as to ring any telephone number at the **police department, fire department or FECC** ~~of public safety.~~

- (89) Fail to cooperate with employees of the **police and fire departments or the FECC** of public safety when the permittee's alarm system is the subject of an official investigation.

Sec. 26-78. Alarm response.

Any person in possession of a permit ~~issued~~^{required} pursuant to division 2 of this article shall respond to an alarm activation at its premises as soon as possible after being requested to do so by ~~the police~~ department **or fire department** of ~~public safety~~ officials at the scene **or by the FECC**. Officials will not be required to stand by pending arrival of the permittee.

Sec. 26-79. False/nuisance alarm service charge.

(a) The owner of an alarm **is subject to** ~~shall pay a progressive false/~~**nuisance** alarm charge in accordance with the city schedule of fees and charges for services.

Sec. 26-80. Permit revocation.

(a) The **Police Chief, Fire Chief or FECC Manager** ~~director of public safety~~ may revoke a permit issued pursuant to division 2 of this article if:

- (1) Service charges are not paid within 60 days of the billing date.
- (2) False/**nuisance** alarms exceed ten within a 12-month period.
- (3) The owner has violated any provisions of this article.

(b) Police ~~and fire~~ response for **security** alarms may be terminated to any location without a valid permit or at which the permit has been revoked.

(c) A permit revocation or a response termination made under this section may be appealed to the mayor within 15 days from the time written notice of revocation is received by the permittee. The appeal must be in writing and clearly state what action has been taken to correct the situation. Written notice of revocation shall be deemed received when delivered to the permittee personally or upon proof of mail delivery.

Sec. 26-81. Service charge reversal.

The **Police Chief, Fire Chief, or FECC Manager** ~~director of public safety~~ shall reverse any service charge when a determination is made that such charge was erroneously made or upon verifiable evidence submitted by the permittee within 30 days of the alarm debt that a crime or fire **did** ~~has~~ occurred. **Reversal of the service charge may also be made at the discretion of the Police Chief, Fire**

Chief, or FECC Manager if the cause of the alarm was outside the control of the permittee. The decision of the **Police Chief, Fire Chief or FECC Manager** ~~director of public safety~~ may be appealed to the mayor within 15 days of notice ~~by the director of public safety~~ of denial of a service charge reversal request.

Section 2. That the effective date of this Ordinance shall be the _____ day of August 2012.

Jerry Cleworth, City Mayor

AYES:

NAYS:

ABSENT:

ATTEST:

APPROVED AS TO FORM:

Janey Hovenden, City Clerk

Paul Ewers, City Attorney

ORDINANCE NO. 5889

AN ORDINANCE SEEKING VOTER APPROVAL FOR THE CITY TO ACCEPT A PASS-THROUGH LOAN FROM THE ALASKA CLEAN WATER FUND TO GOLDEN HEART UTILITIES OF UP TO \$4.6256 MILLION FOR A SLUDGE DEWATERING PROJECT, UP TO \$650,623 FOR A CLARIFIER PROJECT, AND RATIFYING A LOAN OF \$637,830 FOR PRIOR IMPROVEMENTS AT THE CITY OWNED WASTEWATER TREATMENT FACILITY

WHEREAS, in 1997 the City sold its utility system to a consortium of buyers in exchange for \$87.5 million in cash, payoff of \$47.6 million in utility debt and other consideration; of the total proceeds, the City received \$2 million cash from the water/wastewater purchasers; and

WHEREAS, since the sale, the Peger Road wastewater treatment plant has been operated by Golden Heart Utilities (“GHU”) under the terms of a lease-purchase agreement paying \$33,075 per month to the City Permanent Fund; to-date the City has received over \$5.6 million in lease payments; and

WHEREAS, GHU has not exercised its option to purchase the treatment plant, opting to continue leasing the facility from the City; and

WHEREAS, as owner of the wastewater treatment plant, the City is eligible to borrow money at a low interest rate (1.5%) from the Alaska Clean Water Fund (“ACWF”), a fund administered by the State of Alaska, Department of Environmental Conservation, to assist eligible recipients in wastewater treatment; and

WHEREAS, a component of the plant known as the sludge dewatering system is nearing the end of its useful life, and GHU proposes to replace the current system with a new, upgraded dewatering facility. The new dewatering facility would be in its own building, which would reduce the air handling requirements on the main plant. The new facility would increase the amount of water removed from the sludge, thereby reducing the total sludge volume and the plant’s operating expenses; and

WHEREAS, the total cost of this project is \$4.6256 million, and the City is eligible to borrow up to that amount from the ACWF with repayment over 15 years at 1.5% interest; the City has applied for a project grant of \$2,775,360.00 that would reduce the amount of the loan accordingly; and

WHEREAS, loan proceeds would be passed through to GHU, and GHU would be responsible for repayment of the loan; and

WHEREAS, all costs incurred by GHU during the construction of the project will be submitted to the City for approval and payment; and

WHEREAS, the City and GHU have entered into the attached agreement whereby GHU provided assurances and remedies to protect the City from having to repay the loan; as part of the agreement, GHU would pay a loan origination fee of 0.5% of the actual loan amount to the City at loan inception, pay the full cost of City employee wage and overhead for time spent administering loans and grants, provide an annual financial audit as required by the City, and obtain a loan repayment guarantee from GHU's parent company, Fairbanks Sewer and Water, Inc.; and

WHEREAS, building this project with funds from a low interest loan from the ACWF will reduce the total cost of the project and will ultimately be a benefit to GHU's rate payers as follows: without any grant funds and using conventional financing, the project would result in an approximate rate increase of 2.89%. With the maximum grant funds and 1.5% loan, the project's approximate rate increase would be 0.56%; and

WHEREAS, in addition to the sludge dewatering project, GHU proposes to rehabilitate the plant clarifier at a total project cost of \$1,626,558; a grant of \$975,935 has been awarded, and a 1.5% pass-through ACWF loan of \$650,623 is available; and

WHEREAS, the City previously accepted a pass through loan from the State to improve the wastewater treatment plant by the installation of a sodium hypochlorite system to replace the use of dangerous chlorine gas. The current balance of the loan is \$637,830. While voter approval of that loan should have been obtained previously, the voters have the chance now to ratify the loan so that ratepayers benefit from the low interest rate. If not ratified, the loan will need to be re-financed at higher rates.

WHEREAS, this ordinance does not take effect until it is ratified by a vote of eligible city voters,

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

Section 1. The Mayor is hereby authorized to

(a) execute any documents necessary to apply for and accept loans through the ACWF for up to \$4.6256 million for the wastewater treatment plant sludge dewatering plant project and up to \$650,623 for the clarifier project, and

(b) enter into the attached agreement with Golden Heart Utilities regarding the terms and conditions for repayment of the sludge dewatering loan and ratification of the 2008 sodium hypochlorite project loan.

Section 2. The City Clerk is directed to put this ordinance on the ballot for ratification by the voters of the City of Fairbanks at the 2012 general election.

Proposition __:

INFORMATION: In 1997, the City sold its utility system to a consortium of buyers in exchange for \$87.5 million in cash, payoff of \$47.6 million in utility debt and other consideration; of the total proceeds, the City received \$2 million from the water/wastewater purchasers. As part of the overall utility sale, the Peger Road wastewater treatment plant has been operated by Golden Heart Utilities (“GHU”) subject to a lease-purchase agreement paying \$33,075 per month to the City Permanent Fund. GHU has not exercised its option to purchase the treatment plant, opting to continue leasing the facility from the City. Over \$5.6 million has been received in lease payments to date.

The City is eligible to borrow funds from the Alaska Clean Water Fund at 1.5% interest and proposes to borrow \$4.6256 million for the sludge dewatering system replacement project. GHU has agreed to repay this loan and interest in full, plus pay the City a 0.5% loan origination fee and other costs. If successful in obtaining grants to offset the loan amount, GHU estimates that ratepayers will see an increase of approximately 0.56% to pay for this project. Using conventional financing sources, the increase would be approximately 2.89%.

In addition to the sludge dewatering project, an ACWF loan of up to \$650,623 at 1.5% interest for a plant clarifier is available to complete the project. GHU has agreed to repay this loan and interest in full, plus pay the City a 0.5% loan origination fee and other costs.

In addition, a loan for a prior wastewater improvement project, the installation of a sodium hypochlorite system, with a current balance of \$637,830, was not approved in advance by the City voters. Ratification of the loan at this time will allow GHU ratepayers to continue the benefit of the 1.5% low interest loan.

Ballot Question No __:

Should City of Fairbanks Ordinance No. 5889 be ratified?

A “yes” vote ratifies Ordinance No. 5889, which would authorize the Mayor to enter into agreements with the State of Alaska and Golden Heart Utilities to borrow up to \$4,625,600.00 at 1.5% interest to construct a sludge dewatering system at the Peger Road Wastewater Treatment Plant and to borrow up to \$650,623.00 at 1.5% interest for the clarifier system project at the Wastewater Treatment Plant, both loans to be paid in full by Golden Heart Utilities, and which would ratify the 2008 loan (current balance of \$637,830.00) for construction of the sodium hypochlorite system at the Wastewater Treatment Plant.

A “no” vote rejects Ordinance No. 5889.

YES _____

NO _____

Section 3. That this ordinance was passed by this Council on the ____ day of August, 2012 but will not become effective until ratified by the voters of the City of Fairbanks.

Jerry Cleworth, City Mayor

AYES:
NAYS:
ABSENT:
ADOPTED:

ATTEST:

APPROVED AS TO FORM:

Janey Hovenden, CMC, City Clerk

Paul Ewers, City Attorney

LOAN REIMBURSEMENT AGREEMENT

BETWEEN

City of Fairbanks, Alaska

And

Golden Heart Utilities, Inc.

RECITALS

Whereas, the Wastewater Treatment Plant, located at 4247 Peger Road, Fairbanks, Alaska, is owned by the City of Fairbanks and leased and operated by Golden Heart Utilities, Inc., and more particularly described on attached “EXHIBIT A”; and

Whereas, the City of Fairbanks has applied for a loan from the Alaska Clean Water Fund FY12 in the amount of \$4,625,600, with an interest rate of 1.5 percent; and

Whereas, the loan proceeds would be passed on to Golden Heart Utilities, Inc., and used to fund Alaska Clean Water Fund Project Number 339091, which would demolish the current sludge dewatering system, which is nearing the end of its useful life, and replace it with new dewatering facilities, equipment and mixing trucks; and

Whereas, this upgrade to the Wastewater Treatment Plant will increase its efficiency and extend the life of the Plant; and

Whereas, financing this project by way of a low-interest loan from the Alaska Clean Water Fund will reduce the cost of the project which will ultimately benefit water and sewer rate payers; and

Whereas, this project is also eligible for grant funds through the State of Alaska, which could reduce the amount of loan by as much as \$2.77536 million; and

Whereas, under the terms of this Loan Reimbursement Agreement, Golden Heart Utilities, Inc., will be responsible for repayment of the loan proceeds; and

Whereas, in addition to other assurances set out below, Golden Heart Utilities’ parent company, Fairbanks Sewer and Water, Inc., will guarantee the repayment of the loan.

TERMS AND CONDITIONS

1. Golden Heart Utilities, Inc. (“GHU”), whose address is 3691 Cameron Street, #201, Fairbanks, Alaska, 99709, promises to pay to the order of the City of Fairbanks (“the City”), whose address is 800 Cushman Street, Fairbanks, Alaska, 99701, the principal sum of

FOUR MILLION, SIX HUNDRED TWENTY-FIVE THOUSAND, SIX HUNDRED and 00/100 DOLLARS (\$4,625,600.00), representing the loan proceeds from the Alaska Clean Water Fund FY12 loan for Project Number 339091 received by the City, together with interest on the unpaid balance from time to time remaining, accruing at the rate of ONE AND ONE HALF PERCENT (1.5%) per annum, compounded monthly on the balance remaining from time to time unpaid. The principal and interest shall be payable to the City at 800 Cushman Street, Fairbanks, Alaska, 99701 or at such other place as the City shall designate in writing, in annual installments of approximately THREE HUNDRED FORTY-SIX THOUSAND SIX HUNDRED SIXTY-THREE and 00/100 DOLLARS (\$346,663. 00), with the exact amount of the annual payment to be determined by the State of Alaska. The first payment will be due on the ___ day of _____ 201____. Subsequent annual loan payments by GHU to the City will be due six months before the date that the yearly payment is due and owing to the State of Alaska and shall continue on the same basis until such time as the principal and interest are paid in full. GHU has the right to prepay the annual payment or the entire loan balance at anytime without penalty.

2. GHU agrees to pay to the City a loan origination fee of 0.5% of the loan amount, due and payable at the time the loan proceeds are received by the City and agrees to pay the full cost of City employee wage and overhead, in the same manner as currently calculated by the Alaska State Department of Transportation & Public Facilities for engineering reimbursement and subject to upward annual adjustments, for any time spent administering the ACWF loan, this loan repayment agreement, or any grants associated with this project.

3. GHU shall comply with all present and future contractual requirements of the contract between the City and the State Department of Environmental Conservation for Project

#339091, including any demand for loan repayment in full by the State in the event of violation of the terms of the loan or for any other reason, as well as any regulatory requirements of the State of Alaska regarding use of these loan funds.

4. Any and all structures and/or equipment constructed or purchased as part of Project Number 339091 with funds from the above-referenced Loan will not be considered “betterments or improvements” under the terms of the Lease Agreement between the City and GHU dated October 6, 1997, and will remain the property of the City.

5. GHU shall list the City as a lienholder on the title of any equipment or vehicles purchased with funds from the loan that are required to be registered under the laws of the State of Alaska, and GHU further agrees that the City will have the right to secure its interest in all property acquired with loan proceeds by any legal means available.

6. In the event of partial prepayment of this obligation, the payment funds will be applied towards the satisfaction of those payments next falling due hereunder. Payment proceeds will be applied first to the satisfaction of accrued interest up to the actual date of such payment, with the excess to be applied in reduction of outstanding principal.

7. In the event that any payment falling due hereunder is not paid within thirty (30) days after the due date thereof, the City may, at any time while such delinquency continues, declare the entire unpaid balance of this obligation, to include the outstanding principal balance, accrued interest, and all other amounts payable, immediately due and owing. Each party signing or endorsing this Agreement hereby waives presentment, demand, protest and notice of non-payment.

8. GHU agrees to execute an assignment of income to secure repayment of loan

Loan Reimbursement Agreement

funds due under this agreement, to become effective in the case of a default as described in the above paragraph.

9. The City may delay or forgo enforcing any of its rights or remedies under this Agreement without losing them. GHU and any other person who signs or endorses this Agreement, to the extent allowed by law, waive presentment, demand for payment, protest and notice of default.

10. GHU may not assign or transfer any of its rights or obligations under this Agreement without the express written consent of the City. Should GHU exercise its purchase option under the Lease Agreement between the City and GHU dated October 6, 1997, the City has the right to declare the entire unpaid balance of GHU's obligation, to include the outstanding principal balance, accrued interest, and all other amounts payable, immediately due and owing.

11. GHU shall indemnify, defend, protect, and hold the City and each of the City's employees, officers and agents free and harmless from and against any and all claims liabilities, penalties, losses, or expenses (including attorney's fees) or death of or injury to any person or damage to any property whatsoever, arising from or caused in whole or part, directly or indirectly, by GHU's undertaking in regards to Project Number 339091 or in regards to this Agreement.

12. By signing below, GHU's parent, Fairbanks Sewer and Water, Inc., agrees to guarantee the loan repayment obligations of GHU in the event of default by GHU.

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

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

THE CITY OF FAIRBANKS

Date: _____

By: Jerry Cleworth, Mayor

State of Alaska)
) ss
Fourth Judicial District)

ACKNOWLEDGMENT

THIS IS TO CERTIFY that on this _____ day of _____ 2012, before me, the undersigned, a NOTARY PUBLIC in and for the State of Alaska, personally appeared Jerry Cleworth, the Mayor of the City of Fairbanks, and that he acknowledged before me that he executed the same on behalf of said City with authority so to do.

IN WITNESS WHEREOF, my hand and official seal.

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

GOLDEN HEART UTILITIES, INC.

Date: _____

By: _____
Its: President

State of Alaska)
) ss
Fourth Judicial District)

ACKNOWLEDGMENT

THIS IS TO CERTIFY that on this _____ day of _____ 2012, before me, the undersigned, a NOTARY PUBLIC in and for the State of Alaska, personally appeared _____, the President of Golden Heart Utilities, Inc., and that she/he acknowledged before me that she/he executed the same on behalf of said corporation with authority so to do.

IN WITNESS WHEREOF, my hand and official seal.

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

FAIRBANKS SEWER AND WATER, INC.

Date: _____

By: _____
Its: _____

State of Alaska)
) ss
Fourth Judicial District)

ACKNOWLEDGMENT

THIS IS TO CERTIFY that on this _____ day of _____ 2012, before me, the undersigned, a NOTARY PUBLIC in and for the State of Alaska, personally appeared _____, the President of Fairbanks Sewer and Water, Inc., and that she/he acknowledged before me that she/he executed the same on behalf of said corporation with authority so to do.

IN WITNESS WHEREOF, my hand and official seal.

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

“EXHIBIT A”

A tract of ground described by three separate deeds filed in the Fairbanks District Recorder’s Office in Book 272 at Page 647, and in Book 380 at Page 688, and in Book 275 at Page 349, situated within the NW ¼ of the W ¼ and Government Lot 1, Section 28, T.1S., R.1W., Fairbanks Meridian, consolidated below without changing the intent of any of three said deeds, and more particularly described as follow:

Commencing at the Section corner common the Sections 20, 21, 28 and 29, T.1S., R.1W. F.M.; thence southerly 990 feet along the section line common to Sections 28 and 29 T.1S., R.1W. F.M. to the S-N-N 1/256 corner common to Sections 28 and 29 T.1S., R.1W. F.M, the TRUE POINT OF BEGINNING of this consolidation of descriptions of a contiguous tract; thence easterly 330 feet to the SW-NW-NW 1/256 corner of Section 28, T.1S., R.1W. F.M.; thence northerly 330 feet to the CW-NW-NW 1/256 corner of Section 28, T.1S., R.1W. F.M.; thence continuing along the northerly extension of the same line 30.00 feet to a point; thence easterly 990 feet to a point on the westernmost north-south 1/16 line of Section 28 T.1S., R.1W. F.M.; thence southerly 30.00 feet along the westernmost 1/16 line of Section 28 T.1S., R.1W. F.M., to the C-N-NW 1/64 corner on the westernmost N-S line of Section 28 T.1S., R.1W. F.M; thence southerly 660 feet along the westernmost N-S 1/16 line to the NW 1/16 corner of Section 28 T.1S., R.1W. F.M.; thence continuing along the southerly extension of the same line 102.63 feet to a point lying offset 100.00 feet north of the centerline of the Chena Lakes Flood Control Project; thence South 82° 42’ 37” West parallel to and offset 100.00 feet north of said centerline a distance of 814.57 feet to a point; thence continuing parallel and offset 100.00 feet north of said centerline along a tangent curve to the right, said curve having a radius of 1809.86 feet and a delta angle of 16° 14’ 40” through an arc length of 513.13 feet to a point on the section line common to Sections 28 and 29, T.1S., R.1W. F.M.; thence northerly along said section line to the S-N-N 1/256 corner common to sections 28 and 29, T.1S., R.1W. F.M., the TRUE POINT OF BEGINNING of this consolidated description of a contiguous tract, said description containing and area of 23.6 acres, more or less.

ORDINANCE NO. 5889, AS AMENDED

AN ORDINANCE SEEKING VOTER APPROVAL FOR THE CITY TO ACCEPT A PASS-THROUGH LOAN FROM THE ALASKA CLEAN WATER FUND TO GOLDEN HEART UTILITIES OF UP TO \$4.6256 MILLION FOR A SLUDGE DEWATERING PROJECT, UP TO \$650,623 FOR A CLARIFIER PROJECT, AND RATIFYING A LOAN OF \$637,830 FOR PRIOR IMPROVEMENTS AT THE CITY OWNED WASTEWATER TREATMENT FACILITY

WHEREAS, in 1997 the City sold its utility system to a consortium of buyers in exchange for \$87.5 million in cash, payoff of \$47.6 million in utility debt and other consideration; of the total proceeds, the City received \$2 million cash from the water/wastewater purchasers; and

WHEREAS, since the sale, the Peger Road wastewater treatment plant has been operated by Golden Heart Utilities (“GHU”) under the terms of a lease-purchase agreement paying \$33,075 per month to the City Permanent Fund; to-date the City has received over \$5.6 million in lease payments; and

WHEREAS, GHU has not exercised its option to purchase the treatment plant, opting to continue leasing the facility from the City; and

WHEREAS, as owner of the wastewater treatment plant, the City is eligible to borrow money at a low interest rate (1.5%) from the Alaska Clean Water Fund (“ACWF”), a fund administered by the State of Alaska, Department of Environmental Conservation, to assist eligible recipients in wastewater treatment; and

WHEREAS, a component of the plant known as the sludge dewatering system is nearing the end of its useful life, and GHU proposes to replace the current system with a new, upgraded dewatering facility. The new dewatering facility would be in its own building, which would reduce the air handling requirements on the main plant. The new facility would increase the amount of water removed from the sludge, thereby reducing the total sludge volume and the plant’s operating expenses; and

WHEREAS, the total cost of this project is \$4.6256 million, and the City is eligible to borrow up to that amount from the ACWF with repayment over 15 years at 1.5% interest; the City has applied for a project grant of \$2,775,360.00 that would reduce the amount of the loan accordingly; and

WHEREAS, loan proceeds would be passed through to GHU, and GHU would be responsible for repayment of the loan; and

WHEREAS, all costs incurred by GHU during the construction of the project will be submitted to the City for approval and payment; and

WHEREAS, the City and GHU have entered into the attached agreement whereby GHU provided assurances and remedies to protect the City from having to repay the loan; as part of the agreement, GHU would pay a loan origination fee of 0.5% of the actual loan amount to the City at loan inception, pay the full cost of City employee wage and overhead for time spent administering loans and grants, provide an annual financial audit as required by the City, and obtain a loan repayment guarantee from GHU's parent company, Fairbanks Sewer and Water, Inc.; and

WHEREAS, building this project with funds from a low interest loan from the ACWF will reduce the total cost of the project and will ultimately be a benefit to GHU's rate payers as follows: without any grant funds and using conventional financing, the project would result in an approximate rate increase of 2.89%. With the maximum grant funds and 1.5% loan, the project's approximate rate increase would be ~~0.56~~ **0.57**%; and

WHEREAS, in addition to the sludge dewatering project, GHU proposes to rehabilitate the plant clarifier at a total project cost of \$1,626,558; a grant of \$975,935 has been awarded, and a 1.5% pass-through ACWF loan of \$650,623 is available; and

WHEREAS, the City previously accepted a pass through loan from the State to improve the wastewater treatment plant by the installation of a sodium hypochlorite system to replace the use of dangerous chlorine gas. The current balance of the loan is \$637,830. While voter approval of that loan should have been obtained previously, the voters have the chance now to ratify the loan so that ratepayers benefit from the low interest rate. If not ratified, the loan will need to be re-financed at higher rates.

WHEREAS, this ordinance does not take effect until it is ratified by a vote of eligible city voters,

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

Section 1. The Mayor is hereby authorized to

(a) execute any documents necessary to apply for and accept loans through the ACWF for up to \$4.6256 million for the wastewater treatment plant sludge dewatering plant project and up to \$650,623 for the clarifier project, and

(b) enter into the attached agreement with Golden Heart Utilities regarding the terms and conditions for repayment of the sludge dewatering loan and ratification of the 2008 sodium hypochlorite project loan.

Section 2. The City Clerk is directed to put this ordinance on the ballot for ratification by the voters of the City of Fairbanks at the 2012 general election.

Proposition __:

INFORMATION: In 1997, the City sold its utility system to a consortium of buyers in exchange for \$87.5 million in cash, payoff of \$47.6 million in utility debt and other consideration; of the total proceeds, the City received \$2 million from the water/wastewater purchasers. As part of the overall utility sale, the Peger Road wastewater treatment plant has been operated by Golden Heart Utilities (“GHU”) subject to a lease-purchase agreement paying \$33,075 per month to the City Permanent Fund. GHU has not exercised its option to purchase the treatment plant, opting to continue leasing the facility from the City. Over \$5.6 million has been received in lease payments to date.

The City is eligible to borrow funds from the Alaska Clean Water Fund at 1.5% interest and proposes to borrow \$4.6256 million for the sludge dewatering system replacement project. GHU has agreed to repay this loan and interest in full, plus pay the City a 0.5% loan origination fee and other costs. If successful in obtaining grants to offset the loan amount, GHU estimates that ratepayers will see an increase of approximately ~~0.56~~ **0.57**% to pay for this project. Using conventional financing sources, the increase would be approximately 2.89%.

In addition to the sludge dewatering project, an ACWF loan of up to \$650,623 at 1.5% interest for a plant clarifier is available to complete the project. GHU has agreed to repay this loan and interest in full, plus pay the City a 0.5% loan origination fee and other costs.

In addition, a loan for a prior wastewater improvement project, the installation of a sodium hypochlorite system, with a current balance of \$637,830, was not approved in advance by the City voters. Ratification of the loan at this time will allow GHU ratepayers to continue the benefit of the 1.5% low interest loan.

Ballot Question No __:

Should City of Fairbanks Ordinance No. 5889 be ratified?

A “yes” vote ratifies Ordinance No. 5889, which would authorize the Mayor to enter into agreements with the State of Alaska and Golden Heart Utilities to borrow up to \$4,625,600.00 at 1.5% interest to construct a sludge dewatering system at the Peger Road Wastewater Treatment Plant and to borrow up to \$650,623.00 at 1.5% interest for the clarifier system project at the Wastewater Treatment Plant, both loans to be paid in full by Golden Heart Utilities, and which would ratify the 2008 loan (current balance of \$637,830.00) for construction of the sodium hypochlorite system at the Wastewater Treatment Plant.

A “no” vote rejects Ordinance No. 5889.

YES _____

NO _____

Section 3. That this ordinance was passed by this Council on the ____ day of August, 2012 but will not become effective until ratified by the voters of the City of Fairbanks.

Jerry Cleworth, City Mayor

AYES:
NAYS:
ABSENT:
ADOPTED:

ATTEST:

APPROVED AS TO FORM:

Janey Hovenden, CMC, City Clerk

Paul Ewers, City Attorney

LOAN REIMBURSEMENT AGREEMENT

BETWEEN

City of Fairbanks, Alaska

And

Golden Heart Utilities, Inc.

RECITALS

Whereas, the Wastewater Treatment Plant, located at 4247 Peger Road, Fairbanks, Alaska, is owned by the City of Fairbanks and leased and operated by Golden Heart Utilities, Inc., and more particularly described on attached "EXHIBIT A"; and

Whereas, the City of Fairbanks has applied for a loan from the Alaska Clean Water Fund FY12 in the amount of \$4,625,600, with an interest rate of 1.5 percent; and

Whereas, the loan proceeds would be passed on to Golden Heart Utilities, Inc., and used to fund Alaska Clean Water Fund Project Number 339091, which would demolish the current sludge dewatering system, which is nearing the end of its useful life, and replace it with new dewatering facilities, equipment and mixing trucks; and

Whereas, this upgrade to the Wastewater Treatment Plant will increase its efficiency and extend the life of the Plant; and

Whereas, financing this project by way of a low-interest loan from the Alaska Clean Water Fund will reduce the cost of the project which will ultimately benefit water and sewer rate payers; and

Whereas, this project is also eligible for grant funds through the State of Alaska, which could reduce the amount of loan by as much as \$2.77536 million; and

Whereas, under the terms of this Loan Reimbursement Agreement, Golden Heart Utilities, Inc., will be responsible for repayment of the loan proceeds; and

Whereas, in addition to other assurances set out below, Golden Heart Utilities' parent company, Fairbanks Sewer and Water, Inc., will guarantee the repayment of the loan.

TERMS AND CONDITIONS

1. Golden Heart Utilities, Inc. ("GHU"), whose address is 3691 Cameron Street, #201, Fairbanks, Alaska, 99709, promises to pay to the order of the City of Fairbanks ("the City"), whose address is 800 Cushman Street, Fairbanks, Alaska, 99701, the principal sum of

FOUR MILLION, SIX HUNDRED TWENTY-FIVE THOUSAND, SIX HUNDRED and 00/100 DOLLARS (\$4,625,600.00), representing the loan proceeds to the City from the Alaska Clean Water Fund FY12 loan for Project Number 339091. GHU promises to pay ~~received by the City, together with~~ interest on the unpaid balance ~~from time to time remaining~~, accruing at the rate of ONE AND ONE HALF PERCENT (1.5%) per annum, compounded monthly on the balance remaining from time to time unpaid.

The principal and interest shall be payable to the City at 800 Cushman Street, Fairbanks, Alaska, 99701 or at such other place as the City shall designate in writing, in _____ annual installments of approximately THREE HUNDRED FORTY-SIX THOUSAND SIX HUNDRED SIXTY-THREE and 00/100 DOLLARS (\$346,663. 00), with the exact amount of the annual payment to be as determined by the State of Alaska under the terms of the Clean Water Fund loan. The first payment will be due on the ___ day of _____ 201____. Subsequent annual loan payments by GHU to the City will be due six months before the date that the yearly payment is due and owing to the State of Alaska under the terms of the Clean Water Fund loan and shall continue on the same basis until such time as the principal and interest are paid in full. GHU has the right to prepay the annual payment or the entire loan balance at anytime without penalty.

In the event the City receives any grant money from the State of Alaska to be applied to or offset the cost of Clean Water Fund Project #339091 and to the extent those grant funds eliminate or reduce the unpaid balance of the Clean Water Fund loan between the City and the State, then the amount due and payable by GHU shall be eliminated or reduced accordingly. If after grant funds are applied to the Clean Water Fund loan there

remains a balance on the loan, then the annual payments due and payable under this Agreement shall be those payable under the terms of the Clean Water Fund loan, as provided for in the above paragraph.

The City agrees to remit payment to the State under the terms of the Clean Water Fund loan between the City and the State by use of funds paid by GHU to the City under the terms of this Agreement and for that purpose.

2. GHU agrees to pay to the City a loan origination fee of 0.5% of the loan amount, due and payable at the time the loan proceeds are disbursed ~~received~~ by the City to GHU. GHU ~~and~~ agrees to pay the full cost of City employee wage and overhead, in the same manner as currently calculated by the Alaska State Department of Transportation & Public Facilities for engineering reimbursement and subject to upward annual adjustments, for any time spent administering the ACWF loan, this loan repayment agreement, or any grants associated with this project.

3. GHU shall comply with all present and future contractual requirements of the contract between the City and the State Department of Environmental Conservation for Project #339091, including any demand for loan repayment in full by the State in the event of violation of the terms of the loan or for any other reason, as well as any regulatory requirements of the State of Alaska regarding use of these loan funds. The City agrees to provide written notice to GHU, within ten working days, of any assertion or notice of violation of the Clean Water Fund loan provisions, notice or request for audit or inspection, or any other such State action implicating GHU's performance of Clean Water Fund Project #339091, repayment of the loan by GHU or the City, or cessation or extension of the Clean Water Fund or

related loan programs.

4. Any and all structures and/or equipment constructed or purchased as part of **Clean Water Fund** Project Number 339091 with funds from the above-referenced loan will not be considered “betterments or improvements” under the terms of the Lease Agreement between the City and GHU dated October 6, 1997, and will remain the property of the City **until such time as the loan is paid in full by GHU.**

5. GHU shall list the City as a lienholder on the title of any equipment or vehicles purchased with funds from the loan that are required to be registered under the laws of the State of Alaska, and GHU further agrees that the City will have the right to secure its interest in all property acquired with loan proceeds by any legal means available.

6. In the event of partial prepayment of this obligation, the payment funds will be applied towards the satisfaction of those payments next falling due hereunder. Payment proceeds will be applied first to the satisfaction of accrued interest up to the actual date of such payment, with the excess to be applied in reduction of outstanding principal.

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

~~signing or endorsing this Agreement hereby waives presentment, demand, protest and notice of non payment.~~

8. GHU agrees to execute an assignment of receivables and receipts ~~income~~ to secure repayment of loan funds due under this Agreement, to become effective in the case of a default as described in the above paragraph. **GHU agrees to provide the City, upon request, a copy of GHU's audited financial statements. GHU agrees that it will maintain a debt to equity percentage (total liabilities/shareholders' equity) not to exceed 240%.**

9. The City may delay or forgo enforcing any of its rights or remedies under this Agreement without losing them. ~~GHU and any other person who signs or endorses this Agreement, to the extent allowed by law, waive presentment, demand for payment, protest and notice of default.~~

10. GHU may not assign or transfer any of its rights or obligations under this Agreement without the express written consent of the City. Should GHU exercise its purchase option under the Lease Agreement between the City and GHU dated October 6, 1997, the City has the right to declare the entire unpaid balance of GHU's obligation, to include the outstanding principal balance, accrued interest, and all other amounts payable, immediately due and owing.

11. GHU shall indemnify, defend, protect, and hold the City and each of the City's employees, officers and agents free and harmless from and against any and all claims liabilities, penalties, losses, or expenses (including attorney's fees) or death of or injury to any person or damage to any property whatsoever, arising from or caused in whole or part, directly or indirectly, by GHU's undertaking in regards to Project Number 339091 or in regards to this Agreement.

12. By signing below, GHU's parent, Fairbanks Sewer and Water, Inc., agrees to guarantee the loan repayment obligations of GHU in the event of default by GHU.

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

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

THE CITY OF FAIRBANKS

Date: _____

By: Jerry Cleworth, Mayor

State of Alaska)
) ss
Fourth Judicial District)

ACKNOWLEDGMENT

THIS IS TO CERTIFY that on this _____ day of _____ 2012, before me, the undersigned, a NOTARY PUBLIC in and for the State of Alaska, personally appeared Jerry Cleworth, the Mayor of the City of Fairbanks, and that he acknowledged before me that he executed the same on behalf of said City with authority so to do.

IN WITNESS WHEREOF, my hand and official seal.

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

GOLDEN HEART UTILITIES, INC.

Date: _____

By: _____
Its: President

State of Alaska)
) ss
Fourth Judicial District)

ACKNOWLEDGMENT

THIS IS TO CERTIFY that on this _____ day of _____ 2012, before me, the undersigned, a NOTARY PUBLIC in and for the State of Alaska, personally appeared _____, the President of Golden Heart Utilities, Inc., and that she/he acknowledged before me that she/he executed the same on behalf of said corporation with authority so to do.

IN WITNESS WHEREOF, my hand and official seal.

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

FAIRBANKS SEWER AND WATER, INC.

Date: _____

By: _____
Its: _____

State of Alaska)
) ss
Fourth Judicial District)

ACKNOWLEDGMENT

THIS IS TO CERTIFY that on this _____ day of _____ 2012, before me, the undersigned, a NOTARY PUBLIC in and for the State of Alaska, personally appeared _____, the President of Fairbanks Sewer and Water, Inc., and that she/he acknowledged before me that she/he executed the same on behalf of said corporation with authority so to do.

IN WITNESS WHEREOF, my hand and official seal.

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

“EXHIBIT A”
Loan Reimbursement Agreement

A tract of ground described by three separate deeds filed in the Fairbanks District Recorder’s Office in Book 272 at Page 647, and in Book 380 at Page 688, and in Book 275 at Page 349, situated within the NW ¼ of the W ¼ and Government Lot 1, Section 28, T.1S., R.1W., Fairbanks Meridian, consolidated below without changing the intent of any of three said deeds, and more particularly described as follow:

Commencing at the Section corner common the Sections 20, 21, 28 and 29, T.1S., R.1W. F.M.; thence southerly 990 feet along the section line common to Sections 28 and 29 T.1S., R.1W. F.M. to the S-N-N 1/256 corner common to Sections 28 and 29 T.1S., R.1W. F.M, the TRUE POINT OF BEGINNING of this consolidation of descriptions of a contiguous tract; thence easterly 330 feet to the SW-NW-NW 1/256 corner of Section 28, T.1S., R.1W. F.M.; thence northerly 330 feet to the CW-NW-NW 1/256 corner of Section 28, T.1S., R.1W. F.M.; thence continuing along the northerly extension of the same line 30.00 feet to a point; thence easterly 990 feet to a point on the westernmost north-south 1/16 line of Section 28 T.1S., R.1W. F.M.; thence southerly 30.00 feet along the westernmost 1/16 line of Section 28 T.1S., R.1W. F.M., to the C-N-NW 1/64 corner on the westernmost N-S line of Section 28 T.1S., R.1W. F.M; thence southerly 660 feet along the westernmost N-S 1/16 line to the NW 1/16 corner of Section 28 T.1S., R.1W. F.M.; thence continuing along the southerly extension of the same line 102.63 feet to a point lying offset 100.00 feet north of the centerline of the Chena Lakes Flood Control Project; thence South 82° 42’ 37” West parallel to and offset 100.00 feet north of said centerline a distance of 814.57 feet to ta point; thence continuing parallel and offset 100.00 feet north of said centerline along a tangent curve to the right, said curve having a radius of 1809.86 feet and a delta angle of 16° 14’ 40” through an arc length of 513.13 feet to a point on the section line common to Sections 28 and 29, T.1S., R.1W. F.M.; thence northerly along said section line to the S-N-N 1/256 corner common to sections 28 and 29, T.1S., R.1W. F.M., the TRUE POINT OF BEGINNING of this consolidated description of a contiguous tract, said description containing and area of 23.6 acres, more or less.

RESOLUTION NO. 4540

**A RESOLUTION APPROVING CLEAN-UP COSTS AND AUTHORIZING A REAL
PROPERTY LIEN AT 2536 EIGHTEENTH AVENUE**

WHEREAS, the Director of Public Works (“Director”) is charged under FGC Sec. 66-10 with the duty to investigate complaints pertaining to the accumulation of refuse or rubbish on properties within the City; and

WHEREAS, upon determination that a violation exists under FGC Sections 66-3, 66-9, or 66-66, the Director shall give written notice to the owner or agent of any property in such violation of demand to abate the refuse or rubbish conditions; and

WHEREAS, the Director, by designee, has given such notice, both in person and in writing by certified mail, to the property owner Louis O’Neill regarding a violation at 2536 Eighteenth Avenue, also known as Lot 3, Block 6 Subdivision of the E.M. Jones Homestead, and;

WHEREAS, the property owner failed to comply within the time limits allowed; and

WHEREAS, the Director implemented clean-up of the property as authorized by FGC Sec. 66-3(c); and

WHEREAS, City cleanup costs were incurred in the amount of \$20,602.53, which costs are summarized and detailed on attached “Exhibit A”,

NOW, THEREFORE, BE IT RESOLVED by the City Council that:

1. The cleanup costs shown on attached Exhibit A are approved by the City Council; and
2. That the Mayor is authorized to execute a lien against said property in the amount of \$20,602.53.

PASSED and APPROVED this 6th day of August 2012.

JERRY CLEWORTH, MAYOR

AYES:
NAYS:
ABSENT:
APPROVED:

ATTEST:

APPROVED AS TO FORM

Janey Hovenden, CMC, City Clerk

Paul Ewers, City Attorney




800 Cushman Street
Fairbanks, AK 99701

Telephone (907) 459-6770
Fax (907) 452-5913

MEMORANDUM

To: Janey Hovenden, City Clerk

From: Michael Schmetzer, Public Works Director 

Subject: Recovery of Clean-up Costs
Lot 3, Block 6 E.M. Subdivision of the Jones Homestead Subdivision.
2536 18th Avenue

Date: July 31, 2012

Pursuant to Sections 66-3, 66-9, 66-10 and 66-66 of the Fairbanks General Code of Ordinances, we responded to Code violations in matter of unlawful rubbish and refuse on the referenced premises, owned by Louis O'Neill, and demanded compliance in person and in writing.

Upon failure to comply, Public Works provided enforcement action as authorized by Code. Cleanup was completed November 4, 2011. Cost of the clean-up is summarized at **\$20,602.53**, and detailed on Exhibit A to the Resolution.

The Code requires that the Council determine by resolution whether such costs are correct, and may declare the cost to be a lien upon the property.

Please place the attached resolution on the Council Agenda at your convenience.

**City of Fairbanks
2011 Abatement Costs
2536 18th Avenue**

<u>Work Order</u>	<u>Description</u>	<u>Equipment</u>	<u>Supplies</u>	<u>Labor</u>	<u>Total</u>
99110102	54 hrs of Dump truck use @ \$70 p/hr	3,780.00	-	-	3,780.00
	10 hrs Case Bobcat Skidder use @ \$45 p/hr	450.00	-	-	450.00
	10 hrs Caterpillar 277 loader use @ \$60 p/hr	600.00	-	-	600.00
	16.5 hrs 1/2 ton chevy pickup use @ \$15 p/hr	247.50	-	-	247.50
	Tipping Fees	-	2,269.02	-	2,269.02
	Airport Equip Rental/Excavator	-	450.00	-	450.00
	Abatement advertising of abandoned property	-	133.50	-	133.50
	Waste Sampling & Disposal	-	1,032.40	-	1,032.40
	Impounds	-	2,430.00	-	2,430.00
	Postage for registered owners impound letters	-	190.06	-	190.06
	HAZMAT Supplies, Labor & Burden	-	741.10	1,622.84	2,363.94
	FPD Labor & Burden	-	-	284.50	284.50
	PW Labor	-	-	1,561.46	1,561.46
	PW Burden	-	-	863.02	863.02
Total Work Order 99110102		5,077.50	7,246.08	4,331.82	16,655.40
89110068	20 hrs of Packer use @ \$120 p/hr	2,400.00	-	-	2,400.00
	20 hrs of 4X4 flat bed use @ \$25 p/hr	500.00	-	-	500.00
	10 hrs of 1.5 ton flat bed use @ \$35 p/hr	350.00	-	-	350.00
	10 hrs os F250 SD pickup @ \$25 p/hr	250.00	-	-	250.00
	Tipping Fees	-	2,679.30	-	2,679.30
	AIH/Hazmat Gloves	-	516.32	-	516.32
	Alaska Rubber/Oil Sorbent Pads	-	42.00	-	42.00
	Caution Tape	-	24.25	-	24.25
	PW Labor	-	-	1,866.00	1,866.00
	PW Labor Burden	-	-	1,281.05	1,281.05
Total Work Order 89110068		3,500.00	3,261.87	3,147.05	9,908.92
29111149	PW Labor	-	163.08	-	163.08
	PW Labor Burden	-	90.13	-	90.13
Total Work Order 29111149		-	253.21	-	253.21
Total 2536 18th Avenue Abatement Costs		8,577.50	10,761.16	7,478.87	26,817.53
Less proceeds from items auctioned 4/28/11					(6,215.00)
Net Lien for 2536 18th Avenue					20,602.53

**RESOLUTION 4540
EXHIBIT 'A'**

RESOLUTION NO. 4541

A RESOLUTION APPROVING CLEAN-UP COSTS AND AUTHORIZING A REAL PROPERTY LIEN AT 1725 WILLOW STREET

WHEREAS, the Director of Public Works (“Director”) is charged under FGC Sec. 66-10 with the duty to investigate complaints pertaining to the accumulation of refuse or rubbish on properties within the City; and

WHEREAS, upon determination that a violation exists under FGC Sections 66-3, 66-9, or 66-66, the Director shall give written notice to the owner or agent of any property in such violation of demand to abate the refuse or rubbish conditions; and

WHEREAS, the Director, by designee, has given such notice, both in person and in writing by certified mail, to the property owner Mike B. Balough regarding a violation at 1725 Willow Street, also known as Lots 9 and 10, Block 6 Johnston Subdivision; and

WHEREAS, the property owner failed to comply within the time limits allowed; and

WHEREAS, the Director implemented clean-up of the property as authorized by FGC Sec. 66-3(c); and

WHEREAS, City cleanup costs were incurred in the amount of \$30,818.89, which costs are summarized and detailed on attached “Exhibit A”,

NOW, THEREFORE, BE IT RESOLVED by the City Council that:

1. The cleanup costs shown on attached Exhibit A are approved by the City Council.
2. That the Mayor is authorized to execute a lien against said property in the amount of \$30,818.89.

PASSED and APPROVED this 6th day of August 2012.

JERRY CLEWORTH, MAYOR

AYES:
NAYS:
ABSENT:
APPROVED:

ATTEST:

APPROVED AS TO FORM

Janey Hovenden, CMC, City Clerk

Paul Ewers, City Attorney



800 Cushman Street
Fairbanks, AK 99701

Telephone (907) 459-6770
Fax (907) 452-5913

MEMORANDUM

To: Janey Hovenden, City Clerk

From: Michael Schmetzer, Public Works Director

Subject: Recovery of Clean-up Costs
Lots 9 and 10, Block 6 Johnston Subdivision.
1725 Willow Street
Mike B. Balough

Date: July 31, 2012

Pursuant to Sections 66-3, 66-9, 66-10 and 66-66 of the Fairbanks General Code of Ordinances, we responded to Code violations in matter of unlawful rubbish and refuse on the referenced premises, and demanded compliance in person and in writing.

Upon failure to comply, Public Works provided enforcement action as authorized by Code. Cleanup was completed October 6, 2011. Cost of the clean-up is summarized at **\$30,819.89** and detailed on Exhibit A to the attached Resolution.

The Code requires that the Council determine by resolution whether such costs are correct, and may declare the cost to be a lien upon the property.

Please place the attached resolution on the Council Agenda at your convenience.

**City of Fairbanks
2011 Abatement Costs
1725 Willow St**

<u>Work Order</u>	<u>Description</u>	<u>Equipment</u>	<u>Supplies</u>	<u>Labor</u>	<u>Total</u>
99110100	25 hrs of Dump truck use @ \$70 p/hr	1,750.00	-	-	1,750.00
	10 hrs Caterpillar 277 loader use @ \$60 p/hr	600.00	-	-	600.00
	36 hrs 1/2 ton chevy pickup use @ \$15 p/hr	540.00	-	-	540.00
	Tipping Fees	-	1,534.26	-	1,534.26
	NC Machinery/Excavator rental	-	731.25	-	731.25
	Impounds	-	-	949.60	949.60
	HAZMAT Supplies, Labor & Burden	-	16,800.58	436.81	17,237.39
	PW Labor	-	-	1,969.50	1,969.50
	PW Burden	-	-	1,088.54	1,088.54
Total Work Order 99110100		2,890.00	19,066.09	4,444.45	26,400.54
89110068	20 hrs of Packer use @ \$120 p/hr	2,400.00	-	-	2,400.00
	10 hrs of 1.5 ton flat bed use @ \$35 p/hr	350.00	-	-	350.00
	10 hrs os F250 SD pickup @ \$25 p/hr	300.00	-	-	300.00
	Tipping Fees	-	2,356.60	-	2,356.60
	DNM/abatement advertising	-	135.00	-	135.00
	Towing	-	1,755.00	-	1,755.00
	Postage for registered owners impound letters	-	145.34	-	145.34
	FPD Labor & Burden	-	-	588.30	588.30
	PW Labor	-	-	1,943.71	1,943.71
	PW Burden	-	-	1,448.85	1,448.85
Total Work Order 89110068		3,050.00	4,391.94	3,980.86	11,422.80
	Engineering Labor & Burden-Not on work orders			1,394.97	1,394.97
	Asbestos removal		661.58		661.58
Total 1725 Will St.		5,940.00	24,119.61	9,820.28	39,879.89
	Less proceeds from items auctioned 4/28/11				(9,060.00)
Net Lien for 1725 Willow St					30,819.89

**RESOLUTION 4541
EXHIBIT 'A'**

Introduced by: Mayor Jerry Cleworth
Date: August 6, 2012

RESOLUTION NO. 4542

**A RESOLUTION AMENDING THE SCHEDULE OF FEES & CHARGES
FOR SERVICES BY ADJUSTING ALARM SERVICE FEES**

WHEREAS, Ordinance 5744 adopted the *City Schedule of Fees & Charges for Services*, which provided for amendment by resolution; and

WHEREAS, Ordinance No. 5888 amended Fairbanks General Code Chapter 26 regarding Alarms; and

WHEREAS, changes to the alarm service fee section of the *Schedule of Fees & Charges for Services* are appropriate with the passage of Ordinance No. 5888,

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS, ALASKA, to approve the attached amended version of the *Schedule of Fees and Charges for Services* amending the alarm service fee rates effective upon approval of this Resolution.

PASSED and APPROVED this 6th day of August 2012.

Jerry Cleworth, MAYOR

AYES:
NAYS:
ABSENT
APPROVED:

ATTEST:

APPROVED AS TO FORM

Janey Hovenden, CMC, City Clerk

Paul J. Ewers, City Attorney

City of Fairbanks Fee Schedule

Resolution 4542 - Effective August 2012

Category	Code Sec.	Topic	Current Fee	Resolution 4542	Unit
Administrative	2-347	Nomination Historic District	\$ 350.00		Non-Refundable Application Fee
			\$ 75.00		Hour for Staff time
		Records Search	\$ 75.00		Hour for Staff time
		Copy of Annual Budget or CAFR			Actual cost of commercial preparation
	2-601	Returned Check	\$ 50.00		Per Check
	2-775	Copies of Public Records (without file research)	\$ 1.00		first page; \$0.25 thereafter (rounded from \$1.10)
			Copy of Police Report	\$25.00	
		Correctable (Fix-It) Citation Processing	\$25.00		Per Citation
		Electronic Media	\$ 25.00		Rounded from \$28.00 Per item of media; tape, disk, CD, sheet, etc. (without need for staff time to research)
		Certified Copy	\$ 5.00		Per Record
		Corrective Deed	\$ 100.00		Non-Refundable Application Fee
			\$ 75.00		Hr for Professional Staff time-rounded from \$83
		Temporary Caterer's Application	\$ 25.00		3 or more days notice (rounded from \$28)
			\$ 50.00		less than 3 days notice
	46-42	Noise Variance	\$ 100.00		non-refundable application - permit fee
none	Computer Services from IT	\$ 75.00		per hour; 15 minute billing increments	
Alarm Service	26-55	Private Alarm System Connection to City Dispatch Center	\$ 100.00		Application or annual registration: & annual information update
			\$ 50.00		Month
	26-79	False/ Nuisance Alarms (Police and Fire)	\$ -	-	no charge for 0 - 4/month up to 10 in a calendar year
			500	\$ 250.00	for each alarm over 10 per calendar year
			1000	-	5 - 10 per month
			-	over 10/month	
Construction	Chpt 10	Building Fees			See Building Department Administrative Code

RESOLUTION NO. 4543

A RESOLUTION AWARDDING A CONTRACT TO HC CONTRACTORS, INC., FOR THE GRAEHL SUBDIVISION IMPROVEMENTS PROJECT IN THE AMOUNT OF \$363,756.00

WHEREAS, in accordance with FGC Chapter 54, Article IV, Competitive Bidding, bids were solicited for the Graehl Subdivision Improvements Project; and

WHEREAS, the successful low bidder for the project is HC Contractors, Inc., North Pole, Alaska; and

WHEREAS, funding for this project is provided to the City of Fairbanks through the Fairbanks Metropolitan Area Transportation System (FMATS) under State of Alaska Preventive Maintenance Funding; and

WHEREAS, the City of Fairbanks currently maintains all ROW features in Graehl Subdivision, and there is no City of Fairbanks match requirement for the construction of this project; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Fairbanks,

SECTION 1. That the Bid by HC CONTRACTORS, INC., in the amount of three hundred sixty-three thousand and seven hundred and fifty-six dollars and 00/cents (**\$363,756.00**) is hereby approved for award.

SECTION 2. That the Mayor is hereby authorized to execute a contract and such other documents in a form approved by the City Attorney as may be necessary to effect award of the contract.

PASSED, APPROVED and EFFECTIVE this ____ day of August, 2012.

JERRY CLEWORTH, MAYOR

AYES:
NAYS:
ABSENT:
APPROVED:

ATTEST:

APPROVED AS TO FORM:

Janey Hovenden, CMC, City Clerk

Paul Ewers, City Attorney

ORDINANCE NO. 5890

**AN ORDINANCE AMENDING FAIRBANKS GENERAL CODE SECTIONS
2-471 THROUGH 2-474 REGARDING THE PUBLIC SAFETY
COMMISSION**

WHEREAS, the Public Safety Commission was created by Ordinance No. 5553 in 2003;
and

WHEREAS, after considerable review with input from Department Heads, the
Commission and City staff, substantial revisions have been recommended,

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

Section 1. That Fairbanks General Code Sections 2-471 through 2-474 are amended as follows
[new text in **bold/underline** font; deleted text in ~~striketrough~~ font]:

Sec. 2-471. Public safety commission.

A public safety commission is hereby established to advise the city mayor and
council on matters relating to public safety in the **Fairbanks** community.

Sec. 2-472. Duties and Powers.

The public safety commission shall:

- (1) **Research issues that are delegated to the commission by the mayor and/or city council and provide advice to the mayor or city council on the referred issues.** Advise the council and mayor regarding police, fire suppression and prevention, emergency medical services, and operation of emergency services dispatch services.
- (2) **Receive and analyze public comments and any complaints that may come before the commission and make recommendations to the mayor and city council.** Review and provide recommendations on public safety policy, including proposed grants.
- (3) **Meetings of the commission shall be held quarterly or on an “as needed” basis. All meetings shall be held in public after adequate notice of the date, time, and location. The commission does not have the power to meet privately in executive session.** Review the annual reports of the police and fire departments and provide recommendations to the council as to future goals.

- (4) ~~Provide advice on optimal organization, equipment and procedures of the police and fire departments, including the police department manual of directives and the fire department standard operating procedures.~~
- (5) ~~Conduct regular public meetings, including public hearings required as a condition of receipt of grants.~~
- (6) ~~If authorized by the city council, convene into executive session in accordance with state law.~~
- (7) ~~Provide input after research on particular issues as requested by the mayor and/or city council.~~

The jurisdiction of the public safety commission does not extend to issues or subjects that have been referred to the city fact finding commission, disciplinary matters, evaluation of employees for promotion, or as otherwise limited by law or terms of labor contracts.

Sec. 2-473. Composition.

(a) The membership of the public safety commission shall be **appointed by the city mayor and shall be confirmed by the city council.** The seven **voting** members **shall be selected** as follows:

- (1) **One member with current or past experience in law enforcement or criminal law.**
- (2) **One member with current or past experience in fire suppression, prevention, or emergency medical services.**
- (3) **Five at-large public members.**

~~Five voting members, residents of the city, appointed by the city mayor and confirmed by the city council.~~

- (a) ~~One member of the city council.~~
- (b) ~~One member with current or past experience in law enforcement or criminal law.~~
- (c) ~~One member with experience in fire suppression, prevention, or emergency medical services.~~
- (d) ~~One member with experience in management, logistics, or operations.~~

~~(e) — One at large public member.~~

(b2) One city council member shall be a Non-voting member of the commission.

~~a. — One current fire department employee, chosen by the employees.~~

~~b. — One current police department employee, chosen by the employees.~~

(c) The chairperson of the public safety commission shall be selected from among the voting members by the voting members.

(d) The City shall ensure the following staff are available to attend meetings:

(1) The chief of police or his/her designee;

(2) One current police department employee chosen by the employees.

(3) The fire chief or his/her designee.

(4) One current fire department employee chosen by the employees.

(5) The director of emergency services dispatch or his/her designee.

(6) One current dispatch employee chosen by the employees.

~~(e3) The city attorney, or his/her designee, shall be made available upon request to provide information to the public safety commission, not to act as legal council.~~

(f) The chief of staff, or his/her designee, shall be made available upon request to provide information to the public safety commission.

~~(4) Officers. The chairperson of the public safety commission shall be selected from among the voting members.~~

Sec. 2-474. Terms of office.

(a) The term of commission members shall be for a period of three years. ~~One of the first~~ **For the initial term of the** voting members, **two** shall be appointed for a term of one year, two for two years and **three** ~~two~~ for three years.

(b) The city council member shall be nominated by the mayor, confirmed by the city council, and shall serve at the pleasure of the city council.

(c) Voting members of the commission shall endeavor to attend all meetings of the commission. If a member is unable to attend, they must notify the city contact person stating the reason for the absence. If a commission member has two unexcused absences in a calendar year, their continued membership on the commission shall be reviewed by the mayor and city council.

(d) In the event of vacancies, the mayor, subject to confirmation by the city council, may make an appointment, at any time, to fill out the unexpired term of the absent member. Members may be removed by the city council at any time.

Section 2. Transitional Provisions. Upon adoption of this ordinance, the commission will be reconstituted and reappointed to comply with the newly amended Sections 2-473 and 2-474.

Section 3. That the effective date of this Ordinance shall be _____, 2012.

Jerry Cleworth, City Mayor

AYES:
NAYS:
ABSENT:

ATTEST:

APPROVED AS TO FORM:

Janey Hovenden, City Clerk

Paul Ewers, City Attorney



LOCAL IMPROVEMENT DISTRICT AD HOC COMMITTEE
MEETING MINUTES, JULY 13, 2012
FAIRBANKS CITY COUNCIL CHAMBERS
800 CUSHMAN STREET, FAIRBANKS, ALASKA

Members Present: Vivian Stiver, Chair
Chris Miller
Patty Mongold
Jewelz Nutter
Karen Lavery
Monty Rostad
Trevor Eller

Absent: None

Also Present: D. Danyielle Snider, Deputy City Clerk
David van den Berg, Fairbanks Downtown Association
Julie Engfer, Festival Fairbanks

NEW BUSINESS

- a) Call to Order – 8:17 A.M.
- b) Roll Call
- c) Approval of Minutes – Regular Meeting Minutes of July 6, 2012

Ms. Stiver called for objection to the approval of the minutes, and, hearing none, so ORDERED.

- d) Discussion

Handouts to Members: Downtown Association 2011 Income and Expense Transaction Report
Downtown Association 2012 YTD Income and Expense Transaction
Report Community Service Patrol (CSP) Transport Record 2008 –
2012
Clean Team Standard Operating Procedures
Clean Team Boundary Map
Clean Team 2012 Budget

Members discussed Festival Fairbanks' annual budget for the Clean Team. Ms. Engfer was asked to come forward to answer questions regarding the employees, payroll, schedule, equipment, duties, and physical boundaries of the Clean Team. Ms. Engfer explained the Board of Directors' decision to divest Festival Fairbanks of the Clean Team in 2012 and sell all the equipment that had been used specifically for the program. Ms. Engfer listed the various types

of equipment and their fair market value. She stated that the Fairbanks Parking Authority now has sole management of the Clean Team and that the program will likely not continue operating beyond 2012.

Members discussed how much funding would be needed annually to sustain both the CSP and the Clean Team. Mr. Rostad suggested that the committee set an annual goal of \$200,000 to fund the Clean Team. Mr. Miller spoke to the importance of having a capital reserve built into the budget. Mr. van den Berg came forward to answer questions about the CSP budget, employees, schedule, duties, and physical boundaries. He stated that \$185,000 is needed to operate the CSP annually. Mr. van den Berg spoke to organizations who consistently donate to the CSP. Mr. Miller spoke to making the CSP program self-sustaining under the district so that, should there be a future decline in donations, the program could continue normal operations. Members spoke of the savings to the hospital and public safety organizations that the CSP services provide. Mr. van den Berg spoke to the benefits of having a foot patrol versus a transport van and the difference in boundary coverage that each type of patrol would constitute. Members discussed the CSP transport record handout from 2008 through the current date and how much time is lost patrolling each time a transport occurs. Mr. Eller spoke to cutting CSP program cost by reducing the number of call-outs for "repeat offenders" and to personal accountability. Mr. Miller stated that the number of repeat offenders and chronic inebriates is an ongoing problem for which a solution has not been found. Ms. Stiver added that the administrative cost associated with issuing fines to repeat offenders would far exceed the revenue it would generate.

Members again discussed the bottom line dollar figure it would take to fund both the CSP and the Clean Team on an annual budget, given the information provided by Mr. van den Berg and Ms. Engfer, and independent of donations from outside organizations. Ms. Stiver stated that she would like to put together a list of recommendations for the Committee to review before taking any action.

Members discussed boundary limits and the costs associated with expanding the district past the borders of the current Clean Team service area. Ms. Nutter asked how the district would be run administratively once it was formed. Ms. Lavery suggested that a non-profit organization could be formed with a board of directors made up of property owners. She stated that the board could expand the district's scope and explore funding sources other than tax revenue in the future, but suggested that keeping it simple and straightforward would be the best way to get the district started. Ms. Lavery explained that business improvement districts are typically not successful when administered jointly by a governmental agency and a private agency. Ms. Lavery stated that downtown is currently struggling to bring in new businesses and suggested that the existing retail needs to be strengthened before making tax demands on new businesses. Mr. van den Berg spoke to the property owners being the key to making the improvement district successful. Mr. Miller spoke to expanding the district's boundaries to mirror the CSP's coverage area. Ms. Mongold cautioned that expanding the district area would also increase the cost. Members debated equal service levels for all areas included within the district boundaries. Ms. Nutter posed the question as to whether or not the district should be limited to commercial properties

only; she stated that the public will need to understand how the improvement district is being operated.

e) Topics for Next Meeting

Ms. Stiver asked Mr. van den Berg if he could provide property assessment numbers for the downtown properties. Mr. van den Berg stated that he could provide the Committee with assessment information for the properties located within the CSP foot patrol boundaries. Ms. Stiver asked Mr. van den Berg to include the call-out areas. Ms. Stiver stated that the Committee needs to discuss how the district should be structured. She stated that districts formed by other organizations should be looked at for ideas and design.

NEXT MEETING

Regular Meeting on Friday, July 20, 2012, at 8:15 A.M. in City Council Chambers.

ADJOURNMENT

Ms. Stiver declared the meeting adjourned at 9:27 A.M.



Vivian Stiver, Chair

Transcribed by: DS



LOCAL IMPROVEMENT DISTRICT AD HOC COMMITTEE
MEETING MINUTES, JULY 20, 2012
FAIRBANKS CITY COUNCIL CHAMBERS
800 CUSHMAN STREET, FAIRBANKS, ALASKA

Members Present: Vivian Stiver, Chair (Excused at 8:55 A.M)
Chris Miller
Patty Mongold
Karen Lavery
Monty Rostad
Trevor Eller

Absent: Jewelz Nutter (Excused)

Also Present: D. Danyielle Snider, Deputy City Clerk
David van den Berg, Fairbanks Downtown Association
Julie Engfer, Festival Fairbanks

NEW BUSINESS

- a) Call to Order – 8:20 A.M.
- b) Roll Call
- c) Approval of Minutes – Regular Meeting Minutes of July 13, 2012

Ms. Stiver called for objection to the approval of the minutes, and, hearing none, so ORDERED.

- d) Discussion

Handouts to Members: Ideas on Creating a Downtown Improvement District (DID)
2002 DID – The Case and FAQ's
2002 DID Boundary Map
Assessment Scenarios – CSP Patrol Area
CSP Transports 2008 – 2012
2008 Anchorage Downtown Partnership Organizational Chart
Anchorage Business Improvement District Map
Clean Team Photographs

Ms. Stiver asked Mr. van den Berg to come forward to explain the handouts. He stated that Festival Fairbanks and the Fairbanks Downtown Association plan to merge by the end of 2012. Mr. van den Berg spoke to the various reference materials. He explained the assessment worksheet in detail pointing out the three different assessment scenarios. He spoke to the various consistent funding sources for the CSP over the past several years and the funding required annually to maintain the current level of service.

Members discussed specific boundary limits and debated whether or not to include residential properties in the district. They spoke to the challenges of securing adequate income for the district without making the mill rate unaffordable for business owners. They discussed how to make the boundaries and level of service match the revenue brought in by the increased mill rate.

Ms. Engfer came forward and spoke to the photographs of what the Clean Team encounters on a daily basis.

Mr. Miller spoke to his correspondence with City Attorney, Paul Ewers, regarding the history of Local Improvement Districts in the City of Fairbanks. A printout of an email authored by Mr. Ewers was distributed to members. He stated that there have been no past district examples to follow in the City of Fairbanks. He spoke to the Fairbanks General Code governing Local Improvement Districts.

Members spoke to the significant number of non-profit organizations, government agencies and other tax-exempt properties in the downtown area. They discussed ways to involve these organizations in the district since they would not be required to pay the increased mill rate. Members discussed target areas for chronic inebriates in the downtown area.

Ms. Stiver excused herself and asked Mr. Miller to act as Chair for the remainder of the meeting.

Ms. Lavery indicated that the mill rate increase would have to be significantly more than .5 mills in order to fund the CSP and Clean Team programs.

e) Topics for Next Meeting

Ms. Stiver stated that she will ask City Attorney, Paul Ewers, to attend the next meeting and answer questions. Mr. van den Berg offered to calculate property assessment values (excluding tax-exempt and residential properties) based on the 2002 district map provided by the Downtown Association. Mr. Miller stated that he would work with Mr. van den Berg to revise the proposed boundaries to exclude much of the residential area and put together more accurate assessment values for the district. Ms. Stiver stated that she will try to present a summary of the Committee's ideas based on those new assessment values.

NEXT MEETING

Regular Meeting on Friday, July 27, 2012, at 8:15 A.M. in City Council Chambers.

ADJOURNMENT

Mr. Miller declared the meeting adjourned at 9:20 A.M.



Vivian Stiver, Chair

Transcribed by: DS

Fairbanks North Star Borough / City of Fairbanks
CHENA RIVERFRONT COMMISSION
MINUTES
June 13, 2012

The Fairbanks North Star Borough/City of Fairbanks Chena Riverfront Commission (CRFC) met on Wednesday, May 13, 2012, with Chair Plager presiding. The following Commission members were in attendance: Anna Plager, Kelley Hegarty Lammers, Matt Wilken, and Lee Wood.

Also present were: Bernardo Hernandez, Director, Community Planning; Jackson Fox, City of Fairbanks; Barry Hooper, DOT; Sarah Schacher, DOT; Dan Adamczak, DOT; Duane Davis, DOT; Jessica Smith, FMATS; Cynthia Klepaski, Asst. Borough Attorney; Melissa Kellner, FNSB Planner; Kellen Spillman, FNSB Transportation Planner; Steve Taylor, FNSB Parks & Recreation; Bobette McKirgan, FNSB Recording Clerk.

1. Call to Order

Plager called the meeting to order at 12:00 p.m.

a. Approval of Agenda of June 13, 2012

Plager asked if there were changes to the proposed meeting agenda. Plager and Hegarty Lammers suggested topics be rearranged to move the Wendell St. Bridge Work Group Report to the first item.

The meeting lacked a quorum for approval of the June 2012 agenda.

b. Approval of Minutes of May 7, 2012

The meeting lacked a quorum for approval of the May 2012 minutes.

2. COMMUNICATIONS TO THE COMMISSION

Plager shared a communication Hernandez received from the City of Fairbanks to the Fairbanks Soil & Water Conservation District in support of the CRFC's resolution regarding early control of Elodea in the Chena River.

3. PUBLIC COMMENTS - No one asked to speak during this time.

4. NEW BUSINESS - No new business.

5. UNFINISHED BUSINESS

A. Wendell St. Bridge work group report (draft resolution)

Plager reported that the working group met to review options regarding the Wendell Street Bridge project. Discussion topics included replacement of the bridge, widening of sidewalks, pedestrian and bicycle connection from the bridge, historic property, stair access, routes, crossings on the bridge, vagrants, lighting, landscaping and safety, the Graehl Street upgrade project, compatibility with neighbors, ease of maintenance, and river access. Plager said group members liked options 1A or 1B, however a consensus had not been reached nor a resolution drafted, pending more information from DOT.

Wood said there was a lot of support for a bike path under the bridge and believed a consensus had been reached. Plager provided emails from Freiburger in support of plan 1A and Taylor in support of 1A and 1B; she agreed that brought the group around to a full consensus.

Schacher emphasized the graphics provided were conceptual and for discussion purposes, and requested that, instead of concentrating on specific options, the focus be on the commission's values as relates to the plan. She said if the issues were defined, DOT could better utilize CRFC and public feedback to make the best decision, adding that comments could be informal.

Plager noted that any commission member could comment as a citizen and the commission would like to submit something in writing that outlined its concerns; adding that Schacher's point was well taken.

Schacher advised of a future Graehl connection project from the Steese bridge that would ideally coordinate with the Wendell Street Bridge project. Discussion of vehicle and pedestrian traffic, pathways in the area around the Graehl parking lot, and sidewalks ensued. Schacher asked if there was an existing path through Graehl Park for DOT to tie into and Taylor replied there was an existing alignment that goes through most of the park, adding it would be a worthwhile location to have a path and it could be expanded with no issues from the borough's perspective. Plager commented that people created a trail to avoid walking in the roadway and Taylor agreed.

Wilken said it would be a valuable tool to hammer out the top three or four priorities and get into the details later.

Hegarty Lammers suggested Plager include the connector between Graehl Park and the Wendell Street Bridge project to her list and Plager agreed.

Adamczak discussed alternate pedestrian paths and noted that options 1A & 1B were fairly indirect connections, adding option 2 provided a direct route. Combining the proposed options was suggested and Adamczak discussed the impacts. Hernandez suggested keeping the stairs and avoid height issues for bicycles on the east side of the bridge, possibly alleviating the historical property issue. Adamczak acknowledged one goal of the commission was to keep the path as close to the river as possible and said clarification of the CRFC's primary goals would be helpful.

Schacher noted there are many different constraints with regard to the bridge project.

Action: Plager and Wood will review the plan and identify goals and objectives to develop a draft resolution

B. Complete Streets Committee Report

Fox provided a handout for presentation to the public and said the city had provided 6.5 million dollars for improvements to Cushman and Barnette streets. Fox explained the scope of the project that would address pedestrian traffic, bicycles, buses, emergency vehicles, and different types of transportation that use these streets. Fox said the purpose of the public meetings is to solicit input about concepts; adding that comments would be accepted to July 20th. He said design will begin this winter for Cushman construction the summer of 2013 and Barnette likely in 2014. Discussion of sidewalk widths, traffic speed, bicycle traffic, types of trees and tree grates, and traffic direction from 10th to 12th avenues ensued.

Hernandez questioned whether traffic or safety issues factored into the change in traffic direction and Fox replied the committee members and mayor believed there was a traffic issue, citing conflict and confusion within the couple of blocks, especially in the winter.

C. FMATS Art Selection RFP

Jessica Smith reported the committee is currently working on a draft for themes and had come up with a good outline for what those would be. She said the committee is seeking a schedule modification to allow additional time for the artist concept and installation. Smith said there would be a June 28th meeting at FMATS. Smith added that public responses could be viewed in the minutes posted online.

D. Ice Alaska Update

Kellner said Ice Alaska was hesitant to have the committee on a site visit because they did not own the adjacent property yet. Hernandez said he and Brickley discussed the interest of the commission in maintaining a good rapport and anticipated there would be a walk through scheduled around the 23rd of July. Plager thanked Hernandez for his effort.

E. Design Committee Report (draft procedures)

Hegarty Lammers advised that the design committee was trying very hard to provide draft procedures and provided a summary written by Plager. Hegarty Lammers urged this remain a priority for the commissioners. She said one of the primary goals was to do this in a timely way, avoiding slowing down the development process. Hegarty Lammers added the assembly wanted the planning commission informed of the CRFC's opinion of proposals along the riverfront and the six steps were a way to attain that. Hernandez said Klepaski from Legal had been invited to answer questions and address the best way to forward commission recommendations to the planning commission.

Hernandez cautioned that responses to email alerts should be to the secretary only. Klepaski said yes or no could go to the secretary but not discussion to all of the commission. Hegarty Lammers suggested the commission would be instructed in an informational email from the secretary to respond yes or no as to whether an item should be subject to the new process. Klepaski said that commission members making comment to the assembly be clear that was being done as an individual and not as a commissioner.

Hernandez said information about an application would be sent to all commissioners, they would respond only to the secretary yes or no and can cc the chair, and Hegarty Lammers agreed.

A motion was made by Hegarty Lammers, seconded by Wood to extend the meeting.

Klepaski noted the commission was an advisory group to the mayor. Hernandez said the planning department could make recommendations to the planning commission that might be disregarded.

Hernandez said it was explained to him by Legal that the recommendation should be made to the planning department and not directly to the planning commission.

Hegarty Lammers was concerned that if the planning commission represents something in conflict with the commission's recommendation, the process would diminish the commission's voice.

Hernandez said the planning department has to look at many aspects before making recommendation and the commission's suggestions would be considered, also. Klepaski said that the planning commission is an advisory commission in some ways and that making suggestion through a report can be done; but through the planning commission, an ordinance change would be required.

Hegarty Lammers voiced concern about a future planning director's commitment to ensuring the commission's recommendations were moved forward.

Plager clarified the process for inclusion of commission comments in the planning commission packet, noting resolutions go to each mayor and then each legislative body. Hernandez said there was an appeal process for delivering information that had to be on the record; and external information could not be received.

Hegarty Lammers wanted language included in the event community planning disagreed with a commission resolution. Klepaski said the commission needed to determine the procedure on how to convey information to Hernandez and could make suggestions, but the commission could not direct community planning. Hernandez said true planning was all information on the table. Klepaski added the resolution would be in place and testimony by the chair of the committee could also be given. Plager suggested changing the wording on day 25-28 from "the complete resolution will be included" to read "if adopted, the planning department will include the complete resolution."

Discussion of the routing of resolutions was made. It was determined resolutions would be addressed to both mayors with copy to the planning department. Klepaski noted recommendations could be very simple.

A motion was made by Hegarty Lammers, seconded by Wood to extend the meeting.

Hernandez read policy #4 in the plan regarding development of review procedures for the commission; adding the job of the commission in general is to determine consistency with the plan. Klepaski added that the commission could not hold up the process but postponements could be requested. Plager said this seemed to be good because it would advise the planning commission when the CRFC needed to become involved. Hernandez said he wanted to ensure good communication with the planning department so all responsibilities were understood. It was agreed to discuss the width of riverfront corridor influence at a design committee meeting.

6. COMMISSIONERS' COMMENTS

7. STAFF and LIAISON COMMENTS

Fox reported on the success of the stream cleanup day, noting 35 volunteers participated and 1,020 pounds of garbage had been retrieved from Noyes Slough.

8. AGENDA SETTING FOR July 11, 2012 COMMISSION MEETING

- A. Design Committee Report
- B. Ice Alaska Update
- C. Wendell St. Bridge Draft Resolution
- D. Complete Streets Committee Report
- E. FMATS Art Selection RFP

9. ADJOURNMENT

The meeting was adjourned at 2:00 p.m.

/b

City Of Fairbanks



MEMORANDUM

To: City Council Members

From: Jerry Cleworth, City Mayor

A handwritten signature in blue ink, appearing to be "JC", is written over the name "Jerry Cleworth".

Subj: Clay Street Cemetery Commission

Date: August 6, 2012

Terms for two members of the Clay Street Cemetery Commission will expire on August 31, 2012. Both expiring members have indicated that they wish to remain on the Commission and are valuable members.

I request your concurrence to the **reappointment** of the following citizens:

Mr. David Pruhs – Term to expire: August 31, 2015

Ms. Joanie Skilbred – Term to expire: August 31, 2015

Thank you.

ABC/