



FAIRBANKS CITY COUNCIL
AGENDA NO. 2012-11
REGULAR MEETING June 11, 2012
FAIRBANKSCITY COUNCIL CHAMBERS
800 CUSHMAN STREET, FAIRBANKS, ALASKA

PRELIMINARY MEETING

- I 6:00 P.M. 2012 Abatements
-

REGULAR MEETING

- II 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

*a) Regular Meeting Minutes of May 7, 2012

*b) Regular Meeting Minutes of May 21, 2012

7. SPECIAL ORDERS

8. MAYOR'S COMMENTS AND REPORT

9. UNFINISHED BUSINESS

10. NEW BUSINESS

- *a) Resolution No. 4527 – A Resolution Authorizing the City Mayor to Apply for and Accept a FFY2012 Bulletproof Vest Partnership Grant. Introduced by Mayor Cleworth.
- *b) Resolution No. 4528 – A Resolution Fixing the Rate of Tax Levy for Municipal Purposes for the 2012 Real Property Tax of the City of Fairbanks, Alaska. Introduced by Mayor Cleworth.
- *c) Resolution No. 4529 – A Resolution by the City of Fairbanks Supporting the Downtown Wayfinding Project. Introduced by Mayor Cleworth.
- *d) Resolution No. 4530 – A Resolution to Apply for and Accept Funding from the Alaska Division of Homeland Security and Emergency Management for Fiscal Year 2013 Local Emergency Planning Committee (LEPC). Introduced by Mayor Cleworth.
- *e) Ordinance No. 5884 – An Ordinance Amending FGC 2-651 Regarding the Preparation of the Annual Budget Estimate and Accounting Terminology and Setting an Effective Date. Introduced by Mayor Cleworth.
- *f) Ordinance No. 5885 – An Ordinance Amending Fairbanks General Code Section 78-572 Special Events Permit Requirements. Introduced by Mayor Cleworth.

11. DISCUSSION ITEMS (INFORMATION AND REPORT)

Committee Reports

12. COMMUNICATIONS TO COUNCIL

- a) Memo Requesting Delegation of Authority to Assign Fund Balance
- *b) Appointment to the Permanent Fund Review Board

- *c) Reappointment to the Board of Plumber Examiners
- *d) Reappointment to the Bed Tax Discretionary Fund Committee

13. COUNCIL MEMBERS' COMMENTS
14. CITY ATTORNEY'S REPORT
15. CITY CLERK'S REPORT
16. EXECUTIVE SESSION – Annexation Appeal
17. ADJOURNMENT



FAIRBANKS CITY COUNCIL
REGULAR MEETING MINUTES, MAY 7, 2012
FAIRBANKS CITY COUNCIL CHAMBERS
800 CUSHMAN STREET, FAIRBANKS, ALASKA

The City Council convened at 7:00 p.m. on the above date, to conduct a Regular Meeting of the Fairbanks City Council at the City Council Chambers, 800 Cushman Street, Fairbanks, Alaska, with Mayor Jerry Cleworth presiding and with the following Council Members in attendance:

Council Members Present: Vivian Stiver, Seat A
Chad Roberts, Seat B
Bernard Gatewood, Seat C
Jim Matherly, Seat D
Lloyd Hilling, Seat E
John Eberhart, Seat F

Absent: None

Also Present: Pat Cole, Chief of Staff
Warren Cummings, Fire Chief
Paul Ewers, City Attorney
Janey Hovenden, City Clerk
Margarita Bell, Grants Administrator
Tony C. Shumate, Director Personnel/Purchasing/RM
Laren Zager, Police Chief
Ernie Misewicz, Assistant Fire Chief

INVOCATION

The Invocation was given by City Clerk Janey Hovenden.

FLAG SALUTATION

Mayor Cleworth led the Flag Salutation.

CITIZEN'S COMMENTS

David Lerman, 126 2nd Avenue, #15, Fairbanks – Mr. Lerman stated his intent to run for a seat on the City Council in the 2012 Municipal Election. He spoke to his website, *Renovation Fairbanks*. He stated that he does not own a car and uses a bicycle to commute. He spoke to the things that he notices as a pedestrian that may go unnoticed to those who travel primarily by car such as inoperable right-of-way buttons for crosswalks at intersections and broken handicapped ramps. Mr. Lerman spoke of the need for various task forces in the City of Fairbanks, particularly a renovation task force.

Mr. Hilling asked Mr. Lerman to share his ideas on how an ordinance be written to create a renovation task force. He asked how one would determine who would be eligible for fee waivers and what criteria would classify a property as “dilapidated.”

Mr. Lerman replied that there are reasonable standards that could be developed in order for a property to qualify; he suggested that the waiving of fees be applied to all parties wishing to renovate a dilapidated property. He provided specific examples of how the ordinance could read.

Victor Buberger, PO Box 58192, Fairbanks – Mr. Buberger spoke to the need for public restrooms and signage in the downtown area. He stated that he has used public parking lots to relieve himself and will continue to do so until the City spends the money to place restroom facilities downtown. He spoke to too much time and money being spent on union negotiations and employee benefits. He thanked Mayor Cleworth for encouraging the public to call and report potholes. He stated that Cushman Street is in dire need of repair and mentioned several more areas in the City need attention.

Mr. Matherly asked Mr. Buberger why he promotes urinating in public when a restroom is not available.

Mr. Buberger stated that the City Council needs to make restroom facilities available with proper signage in the downtown area.

Frank Turney, 201 7th Avenue, Fairbanks – Mr. Turney agreed that public restrooms are needed downtown. He provided an update on industrial hemp farming at the state level and thanked the Council for passing the resolution that encouraged the legislature to support hemp farming. He spoke to the Bill of Rights and to protecting the freedoms and liberties of the American people for future generations.

Marylee Bates, 1290 Saint Anton Drive, Fairbanks – Ms. Bates referred to the memo in the Council packet regarding the Community Development Block Grant (CDBG). She read aloud a letter from the Clearwater Ministries Board of Directors in support of the CDBG Memorandum of Understanding.

Warren Cummings, 3292 Jefferson Drive, Fairbanks – Mr. Cummings stated that his 9-year-old grandson and another boy recently visited the Clay Street Cemetery. He stated that Mr. Turney was there cutting the grass and took twenty minutes of his time to give the boys a history of the cemetery. He shared that Mr. Turney’s attention to those two 9-year-old boys made their day and thought it appropriate to share with the Council.

APPROVAL OF AGENDA AND CONSENT AGENDA

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

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

City Clerk Hovenden read the Consent Agenda into the record.

APPROVAL OF PREVIOUS MINUTES

- a) Regular Meeting Minutes of March 19, 2012.

PASSED and APPROVED on the CONSENT AGENDA.

- b) Regular Meeting Minutes of April 9, 2012

PASSED and APPROVED on the CONSENT AGENDA.

SPECIAL ORDERS

- a) The Fairbanks City Council, Sitting as a Committee of the Whole, heard interested citizens concerned with the below-referenced Liquor License Application for Transfer and Restaurant Designation Permit.

Transfer of Ownership and Name Change:

Type: Beverage Dispensary
License: **Boomtown Grill and Bar, #3969**
Licensee/Applicant: JSR, Inc.
Physical Location: 537 Gaffney Road, Suite 1, Fairbanks
Current DBA: Tony's
Licensee: Full Moon, Inc.
Location: 537 Gaffney Road, Suite 1, Fairbanks

Mr. Roberts, seconded by **Mr. Gatewood**, moved to WAIVE Protest on the Liquor License Application for Transfer and Restaurant Designation Permit.

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

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO WAIVE PROTEST ON THE LIQUOR LICENSE APPLICATION FOR TRANSFER AND RESTAURANT DESIGNATION PERMIT AS FOLLOWS:

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

Mayor Cleworth declared the MOTION CARRIED.

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

Transfer of Ownership (Stock):

Type: Beverage Dispensary
License: **Kodiak Jack's, #4232**
Licensee/Applicant: JSR, Inc.

Physical Location: 537 Gaffney Road, Suite 2, Fairbanks

Current Information: Same

Mr. Hilling, seconded by **Mr. Gatewood**, moved to WAIVE Protest on the Liquor License Application for Transfer.

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

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO WAIVE PROTEST ON THE LIQUOR LICENSE APPLICATION FOR TRANSFER AS FOLLOWS:

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

NAYS: None

Mayor Cleworth declared the MOTION CARRIED.

MAYOR'S COMMENTS AND REPORT

Mayor Cleworth thanked Dorothy Chomicz with the Fairbanks Daily News Miner for the nice article on Warren Cummings' career with the City of Fairbanks. He commented on his attendance at "Lemonade Day," a nationwide event put on locally by UAF that gives children an opportunity to learn about entrepreneurship. He spoke to his and Ms. Stiver's attendance at the Military Appreciation Banquet put on by the Chamber of Commerce. He encouraged others to attend next year. **Mayor Cleworth** announced the military appreciation parade taking place downtown on Saturday, May 12, 2012. He thanked the Police and Public Works Departments in advance for their help with the event and encouraged everyone to attend. He spoke to holding future work sessions to discuss 2012 City abatements and Public Works projects for the next 2-3 years. He stated that the LED streetlight conversion is scheduled for completion this summer. He commented that the City is in a good position right now with a lot of funding that can put a major dent into the backlog of street repair/construction that badly need completed. He spoke to various road construction projects that are scheduled in the near future and asked for patience from the public. **Mayor Cleworth** stated that Frank Turney has returned to work as the grounds keeper at the Clay Street Cemetery. He commended Mr. Turney's work.

Mr. Hilling asked Mayor Cleworth to share what happened that allowed Mr. Turney to return to work.

Mayor Cleworth explained that there are strict rules established by the IRS that determine whether a worker is an employee or a contractor and that employers must abide by that criteria. He stated that Mr. Turney's working relationship with the City was evaluated and discussed and he now meets the criteria to work as a private contractor for the City of Fairbanks.

Mr. Hilling asked Mayor Cleworth to address Mr. Buberger's concern with potholes.

Mayor Cleworth replied that he would try to have Mike Schmetzer, Director of Public Works, address the issue at the next Council Meeting. He commented that the Public Works Department has been working very hard and is ahead of the game so far this year.

NEW BUSINESS

- a) Resolution No. 4523 – A Resolution Approving Purchase of Self Contained Breathing Apparatus from Mine Safety Appliances Company in the Amount of \$300,000. Introduced by Mayor Cleworth.

PASSED and APPROVED on the CONSENT AGENDA.

- b) Resolution No. 4524 – A Resolution to Apply for and Accept Funding from the Alaska Highway Safety Office for FFY2013 Traffic Safety Program. Introduced by Mayor Cleworth.

PASSED and APPROVED on the CONSENT AGENDA.

- c) Ordinance No. 5882 – An Ordinance Amending the 2012 Budget Estimate for the First Time. Introduced by Mayor Cleworth.

ADVANCED on the CONSENT AGENDA.

- d) Ordinance No. 5883 – An Ordinance Ratifying a Collective Bargaining Agreement Between the City and the Fairbanks Fire Fighters Association. Introduced by Mayor Cleworth.

ADVANCED on the CONSENT AGENDA.

DISCUSSION ITEMS

Committee Reports

FNSB Assembly – Ms. Stiver stated that the Assembly split the Borough budget meeting into two and will meet again on May 10, 2012.

Fairbanks Convention and Visitor's Bureau (FCVB) – Mr. Hilling explained that he had an excused absence at the last meeting, but will have a report after the next regular FCVB meeting.

Mayor Cleworth commented that the FCVB has been hosting the Annual Alaska Federation of Natives (AFN) Convention and that there have been recent meetings to discuss the future location of the Convention. He expressed hope that the convention would be held in Fairbanks in 2013.

COMMUNICATIONS TO COUNCIL

- a) Appointment to the Public Safety Commission

APPROVED on the CONSENT AGENDA.

- b) Memo Concerning the CDBG Grant for Emergency Shelter for Homeless Youth – Additional Grant Terms Required by the State of Alaska.

Mayor Cleworth explained that the grant terms are being presented to the Council again due to the changes in the agreement by the State of Alaska. He briefly explained the history of the CDBG terms. He stated that if the Clearwater Ministries project were to fail in the sixth year, the liability to the City would remain the same as before. He spoke to the initial confusion with the new terms, but clarified that Margarita Bell had done research to ensure there would be no change in the City's liability for the grant. He asked Ms. Bell to come forward.

Margarita Bell came forward to explain the changes in the CDBG terms. She spoke to two likely questions that the Council may have: 1) Why was there no notification of the 20-year useful life from the State at the time the grant was awarded?, and, 2) Where did the 5-year-term come from in the beginning? Ms. Bell explained that the CDBG is different from other grants in that pre-grant agreement documentation must be submitted before a draft of the grant agreement is brought forward. She spoke to the draft agreement she created based on the State's change in grant life terms from five to twenty years. Ms. Bell stated that, initially, the useful life of the grant was five years according to federal regulations. She noted that the latest useful life term of twenty years will be outlined in the Scope of Work once the official grant agreement is received. Ms. Bell added that the City could be liable for the full amount of the grant if the project failed within the first five years. She spoke to insuring that the agreement contain language that would protect the City from being liable for more than the fair market value of the property if the project should fail.

Ms. Stiver asked Ms. Bell when she anticipated receiving the agreement.

Ms. Bell stated that they will not provide the final agreement until a pre-grant agreement has been submitted.

Mr. Eberhart asked if the City would be liable for the whole amount of the grant if the facility ceases to operate as a community youth center within 5 years.

Ms. Bell replied that, based on her conversation with the State, the City would be liable for the "fair market value" of the property at that time based on an appraisal. She stated that City liability for the whole grant amount could come into play if the project failed within the first year. She added that the building is expected to depreciate each year.

Mr. Eberhart expressed his confusion with the liability issue. He asked if the City would be liable for the difference in the grant amount and the appraised value of the building if the project failed in year six and the building was only worth \$300,000. He spoke to other grants he is familiar with that have a 20-year useful life and the liabilities involved.

Ms. Bell replied that the City would be "on the hook" only for the appraised value of the building at that time. She stated that there isn't anything in writing that speaks directly to this issue, but that language to protect the City would be drafted before any agreements were signed.

Mr. Roberts asked if Clearwater Ministries was using the purchase of the building as their in-kind contribution for the grant; and, if so, how the grant would be paid back upon failure of the project and sale of the building.

Ms. Bell replied that the grant would be returned to the CDBG Program in proportion to the way the funds were originally spent.

Mr. Hilling asked about the depreciation rate of the building.

Ms. Bell replied that there is not a set rate, only a guess that the building will gradually depreciate over time.

Mr. Hilling inquired as to the definition of “useful life.”

Ms. Bell answered that, in this particular case, the useful life would be twenty years. She clarified that there would be no grant stipulations past that twenty year mark.

Mr. Eberhart stated that he does not feel comfortable moving forward with the CDBG until he sees satisfactory language that would protect the City. He pointed out that the Letter of Guarantee from the Fairbanks Rescue Mission only addresses the conditions set out in Resolution No. 4493, as Amended, for the five-year term.

Mr. Hilling, seconded by **Mr. Eberhart**, moved to REQUIRE a brief report to the City Council outlining the City’s liabilities and obligations concerning the CDBG after the draft documentation is received from the state.

Mr. Eberhart commented that he would like the state to provide the common provisions information for this type of grant.

Ms. Bell explained that the state will not provide the final grant agreement until the City provides them with certain documentation. She stated that they have given her a standard agreement for this type of grant, but that it does not contain the definition of “useful life” or information regarding the specific liabilities to the City throughout the life of the grant.

Ms. Stiver asked what would happen if the draft agreement was approved by the Council, but the final agreement was not.

Ms. Bell replied that the City would still have the opportunity to turn down the agreement at that stage. She explained that moving forward with the pre-grant documentation is the next step in getting a final agreement drafted.

Mr. Gatewood agreed with Mr. Eberhart’s comment about the need for a revised Letter of Guarantee from the Fairbanks Rescue Mission since the terms of the CDBG have changed.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO REQUIRE A BRIEF REPORT TO THE CITY COUNCIL OUTLINING THE CITY’S LIABILITIES AND OBLIGATIONS CONCERNING THE CDBG AGREEMENT, AS FOLLOWS:

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

COUNCIL MEMBERS' COMMENTS

Mr. Gatewood stated that his stepdaughter had returned from college this weekend and commented how nice it is to have family together at home. He spoke to his attendance at the Culinary Arts Dinner at Hutchison Career Center and the 16th Annual Women of Distinction Awards Banquet held by the Farthest North Girl Scout Council. He mentioned those who were honored as Women of Distinction for 2012: Shelby Nelson, Karen Perdue, and Bernice Joseph.

Mr. Roberts thanked the Fairbanks Police and Fire Departments for giving him and his nephew a tour of their facilities.

Ms. Stiver commented that the Military Appreciation Banquet was an emotionally stirring but very nice event. She stated that the Fairbanks community put their "best foot forward" at the recent AFN Board Member Reception. She spoke to the well-attended Senior Luncheon at which senior citizens were able to see what was available to them in the community, such as housing, medical alert, crafts and various activities. She spoke to the impressive number of active senior citizens in the Fairbanks community. She expressed her excitement and hopes for success with the CDBG grant.

Mr. Matherly spoke to Senior Recognition Day and the value of senior citizens in the Fairbanks community. He stated that he missed the Military Appreciation Banquet because he spent the evening at the Alaska Peace Officers Association Annual Banquet. He commented on upcoming graduations and cautioned youth to be safe. He was hopeful that City Staff could provide a definitive report on the City's liability in order to continue in the CDBG grant process.

Mr. Hilling thanked those who regularly vocalize their beliefs in a public forum. He thanked Mr. Turney for the work he does at the Clay Street Cemetery. He spoke to upholding the Bill of Rights as American citizens. He stated that he cannot ignore Mr. Lerman's ideas on creating a Renovation Task Force and spoke to the benefits of renovation. He asked Mayor Cleworth about the broken crosswalks that Mr. Lerman had spoken about in his testimony. **Mr. Hilling** spoke to Mr. Buberger's issue with the lack of public restrooms in the downtown area. He stated that he was unsure who's obligation it would be to make restroom facilities available to the public. He invited citizens to come forward with ideas on how to make more restrooms available to the public. He followed-up on his promise to Mr. Buberger to examine the parking signage along the Northward Building by stating that he thought they were acceptable. **Mr. Hilling** spoke to the CDBG.

Mayor Cleworth, in response to Mr. Hilling's question regarding crosswalks, stated that most crosswalks in the City are controlled and maintained by DOT, but that the City would look into it.

Mr. Eberhart spoke to the 2012 Legislative Session and the City's Capital Budget requests. He highlighted agenda items for the upcoming Public Safety Commission meeting. He spoke to his

and Mr. Matherly's attendance at the Alaska Peace Officers Association Annual Banquet. He thanked the Public Safety Employees Association for inviting him to attend. He commented on the terrific article in the Fairbanks Daily News Miner on Fire Chief Warren Cummings and commended Chief Cummings for his dedication to the City of Fairbanks.

Mr. Roberts, seconded by **Mr. Matherly**, moved to go into Executive Session for the purpose of discussing the Fairbanks Fire Fighters Association Labor Contract.

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

Mayor Cleworth called for a five minute recess.

EXECUTIVE SESSION

Labor Contract Negotiations – Fairbanks Fire Fighters Association

The City Council met in Executive Session to discuss FFA Labor Negotiations. Direction was given to staff and no action was taken.

ADJOURNMENT

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

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

Mayor Cleworth declared the Meeting adjourned at 9:15 P.M.

JERRY CLEWORTH, MAYOR

ATTEST:

JANEY HOVENDEN, CMC, CITY CLERK

Transcribed by: DS



FAIRBANKS CITY COUNCIL
REGULAR MEETING MINUTES, MAY 21, 2012
FAIRBANKS CITY COUNCIL CHAMBERS
800 CUSHMAN STREET, FAIRBANKS, ALASKA

The City Council convened at 7:00 p.m. on the above date, following a Presentation by the Complete/Signature Street Steering Committee, to conduct a Regular Meeting of the Fairbanks City Council at the City Council Chambers, 800 Cushman Street, Fairbanks, Alaska, with Mayor Jerry Cleworth presiding and with the following Council Members in attendance:

Council Members Present: Vivian Stiver, Seat A
Chad Roberts, Seat B
Bernard Gatewood, Seat C
Jim Matherly, Seat D
Lloyd Hilling, Seat E
John Eberhart, Seat F

Absent: None

Also Present: Warren Cummings, Fire Chief
Paul Ewers, City Attorney
D. Danyielle Snider, Deputy City Clerk
Jim N. Soileau, Chief Financial Officer
Laren Zager, Police Chief
Ernie Misewicz, Assistant Fire Chief
Margarita Bell, Grants Administrator

INVOCATION

The Invocation was given by Deputy City Clerk Danyielle Snider.

FLAG SALUTATION

Mayor Cleworth led the Flag Salutation.

PROCLAMATIONS

Mayor Cleworth read aloud a Proclamation praising the Alaska Icebreakers Girls Hockey Team for winning the National Championship at the 2012 USA Hockey Girls 14 and Under Tier 2 National Tournament.

Mayor Cleworth spoke to the great economic impact that buying local can have. He read aloud a Proclamation from Luke Hopkins, Doug Isaacson, and himself declaring May 16, 2012, a day to urge all local citizens to adopt the philosophy of the "Think Local" program.

State Representative Steve Thompson read aloud a Proclamation honoring City Fire Chief Warren Cummings for his many accomplishments and contributions to the Fairbanks community and his dedication to the City of Fairbanks for the past 40 years.

CITIZEN'S COMMENTS

Frank Turney, 201 7th Avenue, Fairbanks – Mr. Turney commended the Alaska Icebreakers Hockey team for their national win. He expressed appreciation for Chief Cummings' acknowledgement of the Bill of Rights. He spoke to the City's removal of the trees and stumps in the visiting area of the Clay Street Cemetery. He thanked Mr. Buberger for reminding him to remove the leaf piles at the Cemetery. He spoke to the value of constructive criticism. Mr. Turney announced that the Republican Convention would reconvene on June 9, 2012. He stated that republican delegates are needed and spoke on behalf of the Republican Party.

Bob McHattie, 1921 Capitol Ave, Fairbanks – Mr. McHattie stated that, as a long-time Fairbanks resident, he has noticed a shortage of street-side parking downtown. He specifically addressed a parking problem on the north side of Mt. McKinley bank along 3rd Avenue. He explained that there is roughly 70 yards of wasted space that could be used for parking. He asked if there was a possibility that the bank had a contract to disallow parking in that specific area. He gave an estimated value of each potential parking space based on the cost of monthly parking in a lot between 2nd and 3rd Avenues and listed the all-around benefits to opening up the space for parking. He asked the Council what could be done to solve the problem.

David van den Berg, Fairbanks Downtown Association, 410 Cushman Street, Fairbanks – Mr. van den Berg announced that, in an effort to attract more users, the downtown parking garage has reduced the daily rate maximum from \$10 to \$4 and the first three hours of parking are free of charge. He stated that the results of a recent survey showed that, by taking out the bulbouts between Lacey and Barnette on 3rd Avenue, 27 parking spaces could be added downtown. Mr. van den Berg thanked the Public Works Department for their support of the military parade and for the banners that have been hung downtown. He spoke to the good signage placed throughout the Illinois Street construction zone to reroute motorists to the downtown area. He announced that the Downtown Market will open in the Golden Heart Plaza on June 4, 2012 and will continue for 17 consecutive Mondays through September. He also announced the "Driven to Move" short-track bike race happening downtown on June 9, 2012 and the Midnight Sun Festival on June 24, 2012. Mr. van den Berg stated that the Community Service Patrol (CSP) recently received \$20,000 in Capital funding thanks to letters written by the City of Fairbanks, the Alaska Mental Health Trust, and Fairbanks Memorial Hospital.

Mr. Hilling asked if the removal of the bulbouts alone would allow for 27 extra parking spaces on 3rd Avenue.

Mr. van den Berg replied that the removal of the bulbouts would only contribute in part to the 27 spaces. He added that additional parking could be created adjacent to Bobby's Downtown.

Ms. Stiver asked why the Midnight Sun Festival has been scheduled for a Sunday instead of a Saturday.

Mr. van den Berg replied that there are too many other events happening on Saturday and that the streets downtown are significantly less congested on Sundays due to many local businesses being closed.

Tim Sovde, 402 Bonnifield Street, Fairbanks – Mr. Sovde commended the efforts of the young people in the community. He expressed his pleasure in seeing young families out and about in his neighborhood. He spoke in support of Resolution No. 4526. He indicated that there is too much debt in Borough government with the growing cost of living and the unstable economy. He suggested that City Officials encourage the Borough to be more financially responsible and responsive to slumps in the community.

David Lerman, 126 2nd Avenue, #15, Fairbanks – Mr. Lerman stated his intent to run for candidacy in the 2012 Municipal Election. He spoke to his online discussion board at his *Renovation Fairbanks* website and the international views it has received. He spoke to his lifestyle of living without a vehicle and to the hazards of being a pedestrian. He suggested that hawk beacons pedestrian signals be placed at some intersections in Fairbanks, giving pedestrians right-of-way. Mr. Lerman recommended that the City create a Renovation Task Force to stimulate renovation and public participation in Fairbanks.

Victor Buberger, PO Box 58192, Fairbanks – Mr. Buberger spoke to the benefits of owning a vehicle. He advocated for the addition of public restrooms downtown instead of fancy sidewalks and flowers, stating that restrooms would be easier to maintain. He commented that Fairbanksans will be heading towards winter in 30 days and spoke to the pothole problem in the City. He referred to the bulbouts downtown as “obstructions” and suggested that they be removed. Mr. Buberger spoke to the parking signage problems for a spot downtown and stated that he would bring more photos to the Council for review. He commented on the nice spring weather.

June Rogers, PO Box 74044, Fairbanks – Ms. Rogers thanked the Council for their involvement in the community and stated that she felt blessed to live in a place where public voice is encouraged. She commented on how encouraging it is to see young people ready to graduate and congratulated the Icebreakers Hockey team on their success at Nationals.

Alexander Bergman, 811 Goldfinch Road, Fairbanks – Mr. Bergman spoke in support of community recycling. He stated that he had heard a rumor that Mayor Luke Hopkins was trying to install plastic recycling facilities at FNSB transfer sites. He indicated that he wasn't sure in which public forum he should testify, but wanted to speak on behalf of a plastic recycling program due to UAF's scaling back in that area.

Mayor Cleworth informed Mr. Bergman that Luke Hopkins is the Mayor of the Fairbanks North Star Borough and that Borough Assembly meetings are on Thursdays at the Borough Administrative Building.

Ms. Stiver provided Mr. Bergman with the FNSB website and link to the 2012 Assembly Meeting schedule. She stated that the next Assembly Meeting would be June 14, 2012, at 6 P.M.

Mr. Hilling asked Mr. Bergman if he was speaking specifically to plastic recycling.

Mr. Bergman replied that he was speaking to all types of recycling at the FNSB transfer sites. He stated that the highest priority would be for plastic recycling since UAF will no longer be recycling plastic.

Mr. Hilling asked if Mr. Bergman could provide a cost vs. benefit analysis for plastic recycling.

Mr. Bergman stated that he doesn't have one right now. He spoke to plastics being converted into fuel, thus creating energy. He stated that he would be willing to get back to Mr. Hilling with numbers.

APPROVAL OF AGENDA AND CONSENT AGENDA

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

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

Deputy City Clerk Snider read the Consent Agenda into the record.

APPROVAL OF PREVIOUS MINUTES

Meeting Minutes of April 23, 2012.

PASSED and APPROVED on the CONSENT AGENDA.

MAYOR'S COMMENTS AND REPORT

Mayor Cleworth stated that there are many City street construction projects underway and scheduled for the next two years. He informed the Council that Mike Schmetzer, Director of Public Works, would soon be providing a report on what is happening and what is to come. He spoke to the CDBG memo by Mr. Ewers in the Council packet. He expressed hope that the revised language from the State of Alaska would mitigate any concerns about City liability. **Mayor Cleworth** commented on the record success of the Heart Walk that occurred over the weekend. He thanked Linda Dewey and Amber Courtney for their help in coordinate the event on behalf of the City. He thanked the City Police and Public Works Departments, the Downtown Association and DOT for the planning and work that went into the Military Appreciation Parade. He stated that the event was appropriate for this year with the Strykers returning from Afghanistan, but that it will not likely be an annual event. **Mayor Cleworth** spoke to his meeting with Governor Parnell, Mayor Hopkins and Mayor Isaacson at which energy issues were discussed. He stated that the Governor is looking for direction from the community. He spoke to various short- and long-term solutions to the energy problem in Interior Alaska, stating that it was unfortunate that the Liquid Natural Gas (LNG) Plant was not funded. He indicated that he'd rather see funding go towards a more permanent solution to the energy problem. **Mayor Cleworth** stated that a meeting with the Secretary of the Air Force had been scheduled to further discuss the movement of the F-16's from Eielson to Joint Base Elmendorf/Richardson (JBER). He expressed his feeling that the situation looks a little more optimistic than it did a month or

two ago. He stated that the local voice has definitely been heard by the Air Force; he expressed hope that those opinions would be taken to heart before a final decision is reached. **Mayor Cleworth** spoke to the parking/bulbout issues on 3rd Avenue. He stated that the problems are a great example of what happens when an outside consultant decides how our streets should be designed. He added that the project was supported by City Administration and the Public Works Director at the time. He stated that the possibility of eliminating the bulbouts has been discussed with Mike Schmetzer and may come before the Council in the form of a resolution. He stated that, according to his recollection, Mt. McKinley Bank had concerns about putting parking along 3rd Avenue, resulting in a contract between the bank and the Public Works Director at the time prohibiting parking in that area. He spoke to the possibility of nullifying that contract and stated that he would look into the issue.

Mr. Hilling asked for an estimate on the cost of removing the bulbouts on 3rd Avenue.

Mayor Cleworth replied that an estimate could be provided at a later time.

UNFINISHED BUSINESS

- a) Ordinance No. 5882, as Modified – An Ordinance Amending the 2012 Budget Estimate for the First Time. Introduced by Mayor Cleworth. SECOND READING AND PUBLIC HEARING.

Mr. Roberts, seconded by **Mr. Matherly**, moved to ADOPT Ordinance No. 5882, as Modified.

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

Ms. Stiver commented that Ordinance No. 5882 primarily contained adjustments for labor contracts.

Mayor Cleworth agreed with Ms. Stiver, stating that another budget amendment would be necessary if/when the FFA Labor Contract was ratified.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 5882, AS MODIFIED, AS FOLLOWS:

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

NAYS: None

Mayor Cleworth declared the MOTION CARRIED and Ordinance No. 5882, as Modified, ADOPTED.

- b) Ordinance No. 5883 – An Ordinance Ratifying a Collective Bargaining Agreement Between the City and the Fairbanks Fire Fighters Association. Introduced by Mayor Cleworth. SECOND READING AND PUBLIC HEARING.

Mr. Matherly, seconded by **Mr. Hilling**, moved to ADOPT Ordinance No. 5883.

Mayor Cleworth stated that copies to correct typos were available on the Councils' bench.

Dominic Lozano, 1101 Cushman Street, Fairbanks – Mr. Lozano, President of the Fairbanks Firefighters Association (FFA), spoke to the negotiation process and expressed his satisfaction that a final agreement was before the Council. He thanked the mediator for bringing both sides together. He offered to answer questions from the Council.

Mr. Eberhart asked if the agreement would be presented to the membership if Ordinance No. 5883 is adopted by Council. He asked Mr. Lozano if he believed the negotiation process was fair and if he would encourage his membership to accept the contract as written in Ordinance No. 5883.

Mr. Lozano replied that the agreement would be presented to the membership in shifts over the next three days if Ordinance No. 5883 is adopted. He spoke to the give-and-take process in negotiation, stating that overall it was a fair process. He stated that he and the negotiating team is in support of the contract as written in Ordinance No. 5883.

Mr. Hilling asked Mr. Lozano if he felt that fairness was an issue in this particular negotiating process.

Mr. Lozano stated that the collective bargaining process is very open and transparent. He expressed his opinion that, in some cases, the City may have a “leg-up” and may use that advantage unfairly. He indicated that, ultimately, he believes in the collective bargaining process.

Ms. Stiver commented on the lengthy process and asked why negotiation sessions are not transcribed or recorded in some way to remove any conflict on what was discussed or stated. She inquired as to the mechanics of the negotiation process and as to how Tentative Agreements (TA's) come about.

Mr. Lozano replied that there has been discussion about recording sessions, but it has not become a practice because of the risk of impeding on individuals' ability to speak freely. In response to Ms. Stiver's inquiry regarding TA's, Mr. Lozano explained that the contract is examined by both parties, section by section. He stated that the Mayor then brings the TA's back to the Council for approval before moving forward with an agreement. He stated that he believes the Mayor should approve the TA's at the negotiating table, instead of bringing them back to the Council for approval.

Mayor Cleworth stated that the question of open negotiations came up when the ground rules for the process were being set. He clarified that all City negotiations are open to the public.

Mr. Eberhart asked if this was the last unsettled labor contract between the unions and the City.

Mayor Cleworth confirmed that this was the last of four contracts.

Mr. Eberhart spoke to the significance of putting the negotiation process to rest. He commented on the idea of open negotiations, stating that, as a former lead negotiator for the City,

he would not be in favor of recording negotiation sessions because it hinders the free-flow of discussion. He spoke to the merits of the collective bargaining process and in support of Ordinance No. 5883.

Mr. Roberts agreed that this contract negotiation has been a give-and-take process. He thanked Pat Cole, Jim Soileau and Mayor Cleworth for all their work throughout the process and for keeping the Council informed. He spoke in support of Ordinance No. 5883.

Mr. Gatewood echoed Mr. Eberhart's and Mr. Roberts' comments and stated that, although he doesn't agree with everything in the agreement, he will support Ordinance No. 5883.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 5883, AS FOLLOWS:

YEAS: Matherly, Hilling, Roberts, Stiver, Gatewood, Eberhart
NAYS: None
Mayor Cleworth declared the MOTION CARRIED and Ordinance No. 5883 ADOPTED.

NEW BUSINESS

- a) Resolution No. 4525 – A Resolution to Apply for and Accept Funding from the Alaska Department of Natural Resources for a FFY2012 Travel and Training Grant. Introduced by Mayor Cleworth.

PASSED and APPROVED on the CONSENT AGENDA.

- b) Resolution No. 4526 – A Resolution by the City of Fairbanks Urging Congress to Retain the Current Level of Funding for the Alaska Railroad Under Federal Transit Administration Formula Funding. Introduced by Mayor Cleworth.

PASSED and APPROVED on the CONSENT AGENDA.

DISCUSSION ITEMS

Committee Reports

Fairbanks Parking Authority – **Mr. Matherly** provided a report of the last Fairbanks Parking Authority Board Meeting. He stated that the parking garage usage and cold-weather ticketing were discussed. He stated that the next meeting is scheduled for June.

Public Safety Commission – **Mr. Eberhart** gave a report of the May 8, 2012, PSC meeting. He stated that the Committee welcomed Robert Fox as Frank Eagle's replacement; they discussed the purchase of new police vehicles and the future role and purpose of the PSC. He announced that the next meeting would take place in three weeks. **Mr. Eberhart** asked Mayor Cleworth for the status of the Downtown Foot Patrol.

Mayor Cleworth asked Chief Zager to come forward to give a report on the Downtown Foot Patrol.

Chief Zager stated that the Downtown Foot Patrol should begin this week, if it hasn't already. He stated that there were some minor delays due to training, but that it will be led by Officer Adams and should be fully functional this week.

Mr. Eberhart asked Chief Zager to speak to the foot patrol idea vs. the implementation of a task force.

Chief Zager explained his vision that the foot patrol would create a friendlier environment downtown. He stated that arrests will be made when they are warranted and that the standard for an arrest is not a "get tough" or "zero tolerance" policy; rather arrests will be made as a last resort.

Mayor Cleworth commented that the task force that was created several years ago was not as successful as was hoped. He stated that the Downtown Foot Patrol will be led by Officer Adams who is passionate about the program.

Ms. Stiver asked if any impact had been made on the downtown area since the opening of the Housing First Facility.

Chief Zager replied that the facility has not been open long enough to have had a notable impact, but that the initial experience is extremely favorable. He defended the task force that was used as a tool to reduce public inebriation downtown in prior years and stated that the task force was successful. He expressed optimism that the Downtown Foot Patrol could maintain the quality of service that was achieved by the task force.

Permanent Fund Review Board – **Mr. Gatewood** provided a report on the May 10, 2012, Permanent Fund Review Board Meeting. He provided an update on the Fund's balance, stating that it is maintaining fairly well overall. He expressed hope that the Fund managers would continue to do their research and make informed decisions that will benefit the City. He spoke to diversifying the Fund's portfolio by making a change in the commodities that may help mitigate exposure. He announced that the Board would meet again in August.

FMATS Policy Committee – **Mr. Roberts** gave a report on the May 16, 2012, FMATS Policy Committee Meeting. He spoke to the presentation given by the Art Selection Committee on the green space between the Barnette and Cushman Street bridges. He added that public input for the green space would be accepted through the end of May. He stated that the committee drafted a letter of support similar to Resolution No. 4526 regarding State funding for the Alaska Railroad. **Mr. Roberts** stated that the Illinois Street Project is on track, but that rights-of-way are always an issue with any street construction project. He mentioned other projects that were discussed at the meeting, such as North Pole pedestrian access points and the bike path on Yankovich Road.

COMMUNICATIONS TO COUNCIL

- a) Chena Riverfront Commission Meeting Minutes of April 2, 2012

ACCEPTED on the CONSENT AGENDA

- b) Public Safety Commission Meeting Minutes of March 13, 2012

ACCEPTED on the CONSENT AGENDA

- c) Public Safety Commission Meeting Minutes of April 17, 2012

ACCEPTED on the CONSENT AGENDA

- d) Appointment to the Building Code Review & Appeals Commission

APPROVED on the CONSENT AGENDA

- e) Memo Concerning the Additional Funds Available from the Department of Homeland Security in the Amount of \$268,350 for Equipment

ACCEPTED on the CONSENT AGENDA

- f) Memo Concerning the CDBG Grant for Emergency Shelter for Homeless Youth

Ms. Stiver, seconded by **Mr. Gatewood**, moved to PROCEED in the CDBG Grant Process in accordance with the language presented in the memo by Mr. Ewers.

Mr. Eberhart stated that, while he has been supportive of the project from the beginning, he has had concerns with the language in the grant agreement that could affect liability to the City. He listed two things that help alleviate that liability: the Letter of Guarantee from the Fairbanks Rescue Mission and the change in the language regarding recourse should the project fail within the grant's useful life (20 years).

Mr. Hilling asked for confirmation that, after the first five years of the grant period, the only liability to the City would be the fair-market appraisal of the building should the project fail.

Mr. Ewers confirmed.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO PROCEED IN THE CDBG GRANT PROCESS IN ACCORDANCE WITH THE LANGUAGE PRESENTED IN THE MEMO BY MR. EWERS, AS FOLLOWS:

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

NAYS: None

Mayor Cleworth declared the MOTION CARRIED.

COUNCIL MEMBERS' COMMENTS

Mr. Gatewood congratulated all the young people graduating in 2012, especially high school graduates. He commented how difficult it is for those graduating from the Fairbanks Youth Facility and commended them for persevering. He stated that he had the pleasure of participating in the Heart Walk on Saturday and praised those in charge of the event for the tremendous success in fundraising this year.

Mr. Roberts thanked Clearwater Ministries and wished them luck with the shelter for youth. He thanked the members of the FFA for coming to a labor contract agreement with the City. He stated that he had attended the Special Olympics and the MS Walk and that both were great events.

Ms. Stiver thanked the Complete/Signature Street Steering Committee for their hard work and presentation. She stated that she is happy with the results and will be easy for the City to maintain. She shared a compliment that was passed along to her from a local business owner for Mike Schmetzer. **Ms. Stiver** expressed her excitement with parades and events happening downtown. She stated her satisfaction that the last City/union labor contract was agreed upon and spoke to streamlining the negotiation process.

Mr. Matherly spoke to the commencement ceremony at Eielson Air Force Base he recently attended. He expressed sadness for the loss of a Fairbanks pioneer and friend of his 94 year-old grandmother. He spoke to the launch of tourist season in Fairbanks. He commended the Council for being responsible and conscientious throughout the CDBG grant process and thanked Mr. Ewers and Ms. Bell for their hard work in preparing the memos and draft agreements. He wished Clearwater Ministries good luck with the youth shelter. **Mr. Matherly** publicly thanked Michelle Gibson for her accomplishments at the Chamber of Commerce and for making such an incredible impact on the Fairbanks community.

Mr. Hilling thanked Mr. Eberhart for his wisdom and for pressing hard to clarify the language in the CDBG agreement. He spoke to the importance of a small percentage of the Permanent Fund being invested in commodities. He spoke to street paving in the City, particularly in the Taku subdivision where he resides. He asked Mayor Cleworth if it would be appropriate for citizens to pay the contractors to go beyond their obligations and join the pavement in their driveways to the street.

Mayor Cleworth stated that that step is typically completed after the paving of the main street is finished. He told Mr. Hilling that he would have to check with Mike Schmetzer to be sure on the process. **Mayor Cleworth** stated that he believes homeowners have paid contractors to go beyond obligation in the past, but would like to talk to Mr. Schmetzer first.

Mr. Hilling mentioned the parking signage downtown that Mr. Buberger had asked him to inspect. He stated that, from what he saw in the area, the signage was adequate. He spoke to getting the word out on the three hours of free parking per day at the Fairbanks Transportation Center. He stated his intent to introduce a resolution encouraging the Borough to be more financially responsible. He commented that the military parade was a neat event to see both for him and his son. He expressed pleasure in seeing Ordinance No. 5883 pass and stated that,

having been a union member in the past, he empathizes with the unions. He spoke in support of the State helping Alaskans with the high cost of heating oil and suggested that the State's Permanent Fund could be tapped to subsidize the cost. He spoke in favor of LNG coming to the Interior.

Mr. Eberhart expressed his excitement for the Complete Streets Project. He stated that he enjoyed the salute to the military parade. He commended those working in fire and rescue in the community. He spoke to the ratification of the FFA Labor Contract and stated his satisfaction that the negotiation process had ended. He expressed sympathy for the passing of Jeanne Rydberg on Mother's Day. He stated that she had been a great volunteer in the Fairbanks community and had a great sense of humor. **Mr. Eberhart** offered congratulations to Shirley Lee, Director of TCC's Housing First Project, on soon becoming an ordained minister.

Mayor Cleworth spoke to commodities and the cycles that need to be watched in order to successfully invest in them. He spoke to "thinking outside the box" and taking a more active management role in the Permanent Fund. He stated that these are just ideas that can be explored and that's why the City has a Permanent Fund Review Board.

ADJOURNMENT

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

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

Mayor Cleworth declared the Meeting adjourned at 9:07 P.M.

JERRY CLEWORTH, MAYOR

ATTEST:

JANEY HOVENDEN, CMC, CITY CLERK

Transcribed by: DS

Introduced by: Mayor Jerry Cleworth
Finance Committee Review: June 5, 2012
Introduced: June 11, 2012

RESOLUTION NO 4527

**A RESOLUTION AUTHORIZING THE CITY MAYOR TO APPLY
FOR AND ACCEPT A FFY2012 BULLETPROOF VEST
PARTNERSHIP GRANT**

WHEREAS, protective ballistic vests (often called “bulletproof” vests) are required by policy to be worn by all Fairbanks Police officers; and

WHEREAS, the City can obtain a Bulletproof Vest Partnership grant from the United States Department of Justice to provide 50% of the retail price for the vests; and

WHEREAS, the City would use this grant to purchase replacements of out-dated vests and vests for newly hired officers; and

WHEREAS, the City has participated in this grant program for several years and has found that the administrative time is minimal;

NOW, THEREFORE, BE IT RESOLVED by the City Council that the Mayor is authorized to accept and execute any and all documents required for requesting and expending up to \$5,000 in funds on behalf of the City for this project.

PASSED AND APPROVED THIS _____ DAY OF JUNE 2012.

Jerry Cleworth, City Mayor

AYES:
NAYS:
ABSENT:
APPROVED:

ATTEST:

APPROVED AS TO FORM:

Janey Hovenden, CMC, City Clerk

Paul J. Ewers, City Attorney

RESOLUTION NO. 4528

**A RESOLUTION FIXING THE RATE OF TAX LEVY FOR
MUNICIPAL PURPOSES FOR THE 2012 REAL PROPERTY
TAX OF THE CITY OF FAIRBANKS, ALASKA.**

WHEREAS, the real property assessment rolls have been completed and the Fairbanks North Star Borough Assessor's Office has advised the City Mayor that the net taxable value of real property as defined by AS 29.71.800 within the City of Fairbanks, Alaska, is estimated at **\$2,452,798,320**.

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

Section 1. That the rate of levy on the net assessed value of taxable real property is hereby fixed at 5.734 mills for municipal purposes within the City of Fairbanks. The 5.734 mill rate as provided in Fairbanks Charter Section 6.5 is comprised of three parts:

General Fund Expenditures:	4.900 mills
Voter approved services(Prop A):	0.284 mills
Claims & Judgments:	0.550 mills

Section 2. That taxes levied hereby are due, delinquent and subject to penalties and interest as provided by FGC Chapter 74, Article II, City of Fairbanks, Alaska.

Section 3. Taxes in any given year may be paid in two equal installments. The first half of taxes thus levied shall be due on the first day of September in the year in which the taxes are levied and are delinquent if not paid prior to the close of business on that day. The second half of taxes thus levied shall be due on the first day of November in the year in which the taxes are levied and are delinquent if not paid prior to the close of business on that day.

Section 4. The sections, paragraphs, sentences and clauses and phrases of this Resolution are severable. Should any part of this Resolution be declared unconstitutional or otherwise unlawful by a valid judgment or decree of any court of competent jurisdiction, such unconstitutionality or unlawfulness shall not affect any of the remaining sections, clauses, sentences, paragraphs and phrases of this Resolution.

Passed and Approved this _____ day of June 2012.

Jerry Cleworth,
CITY MAYOR

AYES:
NAYS:
ABSENT
APPROVED:

ATTEST:

APPROVED AS TO FORM

Janey Hovenden, CMC, City Clerk

Paul J. Ewers, City Attorney

City of Fairbanks
Property Tax Computation for Mill Levy

PREPARED 05/31/2012

City Charter Sec. 6.6 A. Formula for the computation of the maximum allowable tax is: **(A-B)+D+F=G**

		2011		2012
A	Total Amount of City Tax Levied in Prior Year	\$ 18,623,562		\$ 19,081,536
B	Equals the amount of the actual payment of principal and interest on bonds made in prior year	692,880		695,380
	Amount levied for judgments in prior year	1,493,193		1,579,127
	(A-B)	16,437,489		16,807,029
D	The percentage change in the CPI-U for Anchorage, AK during prior year multiplied by the net taxes levied in prior year.	1.80%	3.20%	
		295,875		537,825
F	The total amount of all exclusions under City of Fairbanks Charter			
		2,743,171		2,419,599
G	Total taxes calculated: G=(A-B)+D+F	19,476,535		19,764,453
	Current Year Hotel/Motel Tax Budgeted	2,233,308		2,233,308
	Current Year Alcohol Tax Budgeted	1,900,000		2,000,000
	Current Year Tobacco Tax Budgeted	850,000		920,000
	Total other taxes allowed by tax cap:	14,493,227		14,611,145
	FGC Sec. 74-35 Surplus which exceeds 2% of prior year Revenue Cap	-		-
		<u>14,493,227</u>		<u>14,611,145</u>
	Total net taxable value of Land and Improvements:	\$ 2,413,004,325		\$ 2,452,798,320
		2011		2012
	Calculated mill levy	6.006		5.957
	Amount for voter approved services, Judgments and Claims Insurance	0.943	\$ 2,274,507	\$ 2,044,928
	4.9 mills allowed by Charter change	4.900	11,823,721	12,019,417
	2011/2012 Property tax	5.843	\$ 14,098,228	\$ 14,064,345
	Other Taxes that can be levied	0.163	\$394,999	\$546,800

2012 Mill Levy Break Down	
Allowed by Charter	4.900
Additional voter approved services	0.284
Judgments	0.550
Other taxes that can be levied	0.223
Calculated mill levy	5.957

* Calculation of F: The total amount of all exclusions under City of Fairbanks Charter section 6.5(B).

f.1 The taxes on new construction or property improvements equals the projected tax revenue from the value of that new construction or property improvements, computed by multiplying the tax rate applied to properties in the City during the current fiscal year by the assessed value of the new construction and property improvements:

New construction & improvements from bldg dept:	64,123,097
Year 2011 mill rate:	5.843
	374,671

f.2 The principal and interest due in the next fiscal year on bonds:	0	
f.3 Taxes to provide additional voter-approved services:	695,380	Proposition A - 2011
f.4 Taxes for new judgments & claims mitigation insurance:	1,349,548	
f.5 Special appropriations necessary on an emergency basis:	0	
f.6 Any taxes approved by the voters:	0	
	<u>2,419,599</u>	
	*	

19,476,535	Allowed 2011
<u>394,999</u>	Lost revenue
<u>19,081,536</u>	Levied in prior year

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2012 Tax Cap Calculation

Total amount of city tax that can be levied per City Charter Section 6.5

Total amount approved by City Council in 2011		
Property Tax	14,098,228	2010 Resolution No. 4474, As Amended
2011 Bonds	(695,380)	
2011 Judgments	(1,579,127)	2010 actual judgments
Hotel Motel Tax	2,233,308	2011 beginning budget amount (maximum amount applied to tax cap)
Alcohol Tax	1,900,000	2011 beginning budget amount
Tobacco Tax	850,000	2011 beginning budget amount
	<u>16,807,029</u>	Total amount approved by City Council in 2011
2011 inflation rate -	3.20%	
- used in 2011 Levy	<u>537,825</u>	Inflation amount
	<u>16,807,029</u>	Total amount approved by City Council in 2011
	<u>17,344,854</u>	Total amount approved by City Council in 2011 adjusted for 2011 inflation
	<u>2,419,599</u>	F The total amount of all exclusions under City of Fairbanks Charter Section 6.5(B)
	<u><u>19,764,453</u></u>	2012 Tax Cap

2012 Tax Calculation

Tax Cap	19,764,453	Calculated amount from above
Hotel Motel Tax	(2,233,308)	2011 budgeted amount*
Alcohol Tax	(2,000,000)	2011 budgeted amount
Tobacco Tax	<u>(920,000)</u>	2011 budgeted amount
	<u>14,611,145</u>	Property tax allowed by tax cap

FGC Sec. 74-35. Tax revenue surpluses.

Any tax surplus arising under Charter section 6.5 shall lapse to the city general fund where the amount of the annually audited surplus does not exceed two percent of total tax revenues. Surplus which exceeds two percent of total tax revenues shall, to the extent of the excess, be carried forward to the next fiscal year and credited to the maximum allowable estimated tax revenues established in accordance with Charter section 6.5.

* Hotel/motel tax is to be fixed at the lower of the actual previous year amount or the 1999 level of \$2,233,308.

Taxable Land Value

2001 Taxable value	\$ 1,166,983,736	
2002 Taxable value	\$ 1,239,597,422	6.22% percent increase from previous year
2003 Taxable value	\$ 1,318,490,000	6.36% percent increase from previous year
2004 Taxable Value	\$ 1,443,372,123	9.47% percent increase from previous year
2005 Taxable Value	\$ 1,594,257,518	10.45% percent increase from previous year
2006 Taxable Value	\$ 1,750,438,337	9.80% percent increase from previous year
2007 Taxable value	\$ 1,907,919,011	9.00% percent increase from previous year
2008 Taxable value	\$ 2,065,162,930	8.24% percent increase from previous year
2009 Taxable value	\$ 2,167,193,061	4.94% percent increase from previous year
2010 Taxable value	\$ 2,420,240,995	11.68% percent increase from previous year
2011 Taxable value	\$ 2,413,004,325	-0.30% percent increase from previous year
2012 Taxable value	\$ 2,452,798,320	1.65% percent increase from previous year

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RESOLUTION NO. 4529

**A RESOLUTION BY THE CITY OF FAIRBANKS SUPPORTING
THE DOWNTOWN WAYFINDING PROJECT**

WHEREAS, now is the opportune time for the design of a cohesive wayfinding system to coincide with major road construction projects currently underway and planned for the near future in downtown Fairbanks; and

WHEREAS, the Fairbanks Convention & Visitors Bureau (FCVB) passed a Resolution of support and financial commitment from the Board of Directors; and

WHEREAS, a well-integrated wayfinding system will link the infrastructure projects, transportation, services, tourism information, interpretive and mapping signage within the Fairbanks downtown area; and

WHEREAS, an attractive, cohesive wayfinding system will be beautiful as well as functional, enhancing downtown's character and sense of place for the local community and visitors; and

WHEREAS, a well-designed wayfinding system will improve the navigation of downtown Fairbanks by vehicular, recreational and pedestrian users through an orchestrated plan for high-quality signs in key locations; and

WHEREAS, a wayfinding system will encourage increased use of downtown Fairbanks specifically by transient residents, local residents with visiting family and friends, and visitors to the downtown area by showing them the way to discover the range of services, recreation, attractions and depth of history located in downtown Fairbanks; and

WHEREAS, FCVB is actively pursuing funding for the systematic design of a cohesive downtown wayfinding program through the Fairbanks Metropolitan Transportation System; and

WHEREAS, the City of Fairbanks Public Works Department will lend its expertise in the Phase One Design and will construct, install and provide continued maintenance of the signs.

NOW, THEREFORE, BE IT RESOLVED that the City of Fairbanks supports the
Downtown Wayfinding Project.

PASSED AND APPROVED THIS ____ DAY OF JUNE 2012.

Jerry Cleworth, Mayor

AYES:
NAYS:
ABSENT:
APPROVED:

ATTEST:

APPROVED AS TO FORM:

Janey Hovenden, CMC, City Clerk

Paul Ewers, City Attorney

Introduced By: Mayor Jerry Cleworth
Introduced: June 11, 2012

RESOLUTION NO 4530

**A RESOLUTION TO APPLY FOR AND ACCEPT FUNDING FROM THE
ALASKA DIVISION OF HOMELAND SECURITY AND EMERGENCY
MANAGEMENT FOR FISCAL YEAR 2013 LOCAL EMERGENCY
PLANNING COMMITTEE (LEPC)**

WHEREAS, for a number of years, the City of Fairbanks has received funding for its participation in the Local Emergency Planning Committee ("LEPC"), which plans for responses to emergencies relating to hazardous materials; and

WHEREAS, the City of Fairbanks has received funds which partially fund a Fire Department employee to support, sustain, and enhance the LEPC in order to perform its statutory responsibilities under state and federal law; and

WHEREAS, the Alaska Division of Homeland Security has awarded \$23,693.00 to the City of Fairbanks and no matching funds are required;

NOW, THEREFORE, BE IT RESOLVED by the City Council that the Mayor is authorized to accept and execute any and all documents required for requesting and expending funds on behalf of the City for this project.

PASSED AND APPROVED AND EFFECTIVE THIS _____ DAY OF JUNE 2012.

Jerry Cleworth, City Mayor

AYES:
NAYS:
ABSENT:
APPROVED:

ATTEST:

APPROVED AS TO FORM:

Janey Hovenden, CMC, City Clerk

Paul J. Ewers, City Attorney

ORDINANCE NO. 5884

**AN ORDINANCE AMENDING F.G.C. 2-651 REGARDING THE
PREPARATION OF THE ANNUAL BUDGET ESTIMATE AND
ACCOUNTING TERMINOLOGY**

WHEREAS, it is the intent of the Mayor and City Council to clarify that as initially presented by the Mayor, prior year revenues may not be used to meet current expenditures; and

WHEREAS, in addition, the City follows the accounting terminology adopted by the Governmental Accounting Standards Board; the Board has issued GASB 54 which changed the terminology relating to fund balance,

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

Section 1. F.G.C. 2-651 is amended as follows: (news text **underlined and bold**, deleted text in [strikeout]).

Sec. 2-651. - Preparation and presentation to city council.

a) Pursuant to the Charter, the mayor shall prepare and submit to the city council a balanced annual budget estimate and budget message. The annual budget shall be balanced in a manner wherein current costs will be funded by current revenues expected to be received by the city in the calendar budget year.

(b) **After initial presentation of the mayor's proposed budget estimate, the city council may by ordinance elect to adopt or amend the budget to expend**[For purposes of this section, current revenues shall include] general funds accumulated in prior years; however, in no case shall [unreserved, undesignated, and unrestricted] **unassigned** general fund balances **be** less than the greater of either 20 percent of budgeted operational expenditures or \$4,000,000.00[constitute current revenues. General funds balance shall be reserved for encumbrances and restricted for self-insurance liabilities, and leave not funded elsewhere].

(c) The annual budget and accounting year shall begin on January 1 and shall end on December 31 of each calendar year.

(d) The director of finance shall compile the budget estimate, based upon detailed departmental estimates and work programs and control the budget estimate under the direction of the mayor. The budget estimate shall cover and appropriate for all expenditures of money, including contracts and other commitments, except appropriations for expenditures from bond construction and debt service funds and special assessment construction funds. When the city council is considering the budget estimate, department heads and such other officials as may be interested shall appear and be free to criticize the budget or any of its items

Section 2. This ordinance is effective June ____, 2012.

Passed and Approved this ____ day of _____ 2012.

Jerry Cleworth, Mayor

AYES:
NAYS:
ABSTAIN:
ABSENT:

ATTEST:

APPROVED AS TO FORM

Janey Hovenden, CMC, City Clerk

Paul Ewers, City Attorney

ORDINANCE NO. 5885

**AN ORDINANCE AMENDING FAIRBANKS GENERAL CODE
SECTION 78-572 SPECIAL EVENTS PERMIT REQUIREMENTS**

WHEREAS, the current language of FGC Sec. 78-572 requires a special event permit for races, processions, and parades; and

WHEREAS, considerations of safety and proper traffic control necessitate the need for permits for such events; and

WHEREAS, the literal wording of Sec. 78-572 purports to require a special events permit for events that are primarily conducted on sidewalks; and

WHEREAS, such events may not trigger the traffic and safety concerns that underlie the regulation of special events,

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

SECTION 1. That Fairbanks General Code Section 78-572 is amended as follows [new text in **bold/underline** format; deleted text in ~~strikeout~~ format]:

Sec. 78-572. Special events; permit required.

(a) No race (foot, dogsled, bicycle, etc.) procession or parade, except those of the armed forces of the United States, the military forces of this state or the **Fairbanks police or fire** departments of public safety, shall occupy, march or proceed along any street, ~~or alley-sidewalk~~ except in accordance with a permit issued by the city mayor or designee and such other regulations as are set forth in this article, **or promulgated pursuant to this article**, which may apply. An application for a permit issued under this section shall be made to the city engineer ~~no less than 20 city business days prior to the event for which application is sought~~. In addition to the application, a traffic safety plan must be provided and, if applicable, a street closure application. The police, fire and public works departments shall review the application.

(b) A permit fee, **with deadlines for application**, is set forth in the City's Schedule of Fees & Charges for Services. In addition to the permit fee, the applicant is responsible to pay for any services that are requested or become necessary for the city to provide for the event. Expenses shall include actual labor costs (wage and benefits) and materials, if any, provided for the benefit of the permit holder. Disputes over additional fees may be appealed to the city council. Applicants for events that require a barricade package may either use a private firm that complies with the Manual Uniform Traffic Control Device Code or elect

for the city to provide barricades and labor at a flat fee of \$1,000.00, provided that the mayor is authorized to negotiate in-kind arrangements where the city receives goods or services in lieu of the full or partial flat fee.

(c) Events that take place on sidewalks, pedestrian ways, or bike paths do not require a permit if (1) all participants crossing or traversing a street, alley, or vehicular way will do so in obedience to traffic control devices and the laws governing pedestrians and the operation of non-motorized vehicles; and (2) the event does not interfere with the normal use of the sidewalk, pedestrian way, or bike path by others not involved in the event.

~~(b)~~**(d)** The mayor shall promulgate regulations to ~~insure~~**provide** that ~~at~~**the** ~~proposed~~ parade or other special event ~~does~~**would** not jeopardize the public health, safety or welfare.

Section 2. The Schedule of Fees & Charges for Services is amended to replace the words, “using streets or sidewalks” with the words “using or blocking streets” on page 3, Category “Events.”

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

Jerry Cleworth, City Mayor

AYES:
NAYS:
ABSENT:

ATTEST:

APPROVED AS TO FORM:

Janey Hovenden, CMC, City Clerk

Paul Ewers, City Attorney

City Of Fairbanks



MEMORANDUM

To: City Council Members

From: Jerry Cleworth, City Mayor

JC

Subj: Fund Balance Policy

Date: June 11, 2012

On November 14, 2012 the City Council passed Resolution 4495 adopting the attached Fund Balance and Spending Prioritization Policy. The policy allows the City Council to delegate the authority to assign fund balance to a City official. Generally assigned fund balance will be used to classify encumbrances and self-insurance reserves. These amounts are routine and determined during the annual audit. I am requesting the City Council formally delegate the authority to assign fund balance to the Chief Financial Officer.

Introduced by: Mayor Cleworth
Date: November 14, 2011

RESOLUTION NO. 4495

**A RESOLUTION ADOPTING GOVERNMENTAL ACCOUNTING
STANDARDS BOARD (GASB) STATEMENT 54 AND FUND
BALANCE POLICY**

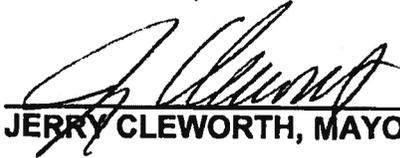
WHEREAS, the Governmental Accounting Standards Board (GASB) is the independent organization that establishes and improves standards of accounting and financial reporting for the U.S., state, and local governments and is recognized by governments, the accounting industry, and the capital markets as the official source of generally accepted accounting principles (GAAP); and

WHEREAS, the financial statements of the City of Fairbanks are required to comply with GASB 54 regarding fund balance classifications beginning with fiscal year 2011; and

WHEREAS, GASB 54 encourages a policy be adopted to provide guidelines relative to classifying fund balance and setting spending prioritizations with GASB 54;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Fairbanks, Alaska, hereby adopts the Governmental Accounting Standards Board Statement 54 with the attached policy.

PASSED and APPROVED this 14th day of November, 2011.

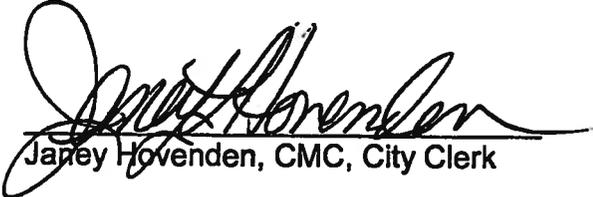


JERRY CLEWORTH, MAYOR

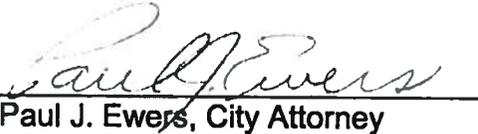
AYES: PASSED and APPROVED on the Consent Agenda
NAYS:
ABSENT:
APPROVED: November 14, 2011

ATTEST:

APPROVED AS TO FORM



Jarrey Hovenden, CMC, City Clerk



Paul J. Ewers, City Attorney

**City of Fairbanks
Policy and Procedures
Fund Balance Classification and Spending Prioritization Policy**

Purpose: Provide guidelines relative to classifying fund balance and setting spending prioritization in accordance with GASB 54.

Policy:

- The City will utilize the following table to classify fund balance components based on what constraints are placed on how resources can be used and the identification of the source of those constraints.

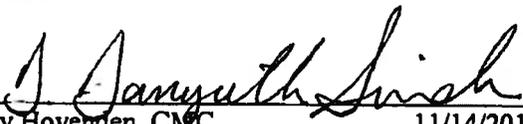
Fund Balance Classification:

Fund Balance Classification	Policy Interpretation
Nonspendable	<ul style="list-style-type: none"> • Consumable Inventories • Prepaids • Property held for resale • Noncurrent loans and contracts receivable must be examined. These may be classified as nonspendable, restricted, committed or assigned based on the restrictions placed on the usage of the loan repayments.
Restricted	<ul style="list-style-type: none"> • Resources are restricted for use by the: <ul style="list-style-type: none"> ○ Alaska Constitution ○ Federal government ○ Debt covenants ○ External parties ○ Grantors • Contract commitments • A restricted fund balance can never be negative.
Committed	<ul style="list-style-type: none"> • Resources are restrained for use by: <ul style="list-style-type: none"> ○ City Council action • Commitments may <u>only</u> be changed or lifted by the council taking the same formal action that imposed the constraint originally. • Commitments are considered spent when the expenditure occurs. • Commitments of fund balance <u>must</u> be in place before the end of the fiscal year. A committed fund balance can never be negative.
Assigned	<ul style="list-style-type: none"> • Resources are restrained for use by: <ul style="list-style-type: none"> ○ Assignment ability is delegated by Council. • Amounts that are not restricted or committed and intended to be used for the purpose of the fund. • Assignments are considered spent when the expenditure occurs. • Assignments can occur anytime before issuance of financial statements. • An assigned fund balance can never be negative. Assignments can never cause the overall fund balance to be negative.
Unassigned	<ul style="list-style-type: none"> • A positive balance is only reportable in general fund. • May be negative (deficit) fund balance for other fund types.

- Unassigned general fund balance shall not be less than 20% of budgeted operational expenditures with a \$4,000,000 minimum level.
- Spending Prioritization: The City's policy is to spend restricted fund balance as external party restrictions have been satisfied. Commitments will be spent as soon as the conditions for the commitment are present and require satisfaction; assignments are spent when the circumstance creating the assignment are ready to be fulfilled. Unassigned fund balance may only be spent after the resources for the other fund balance classifications are not available.

Approved by City Council Approval of Resolution No. 4495 on November 14, 2011; certified copy attached.

ATTEST

for 
Janey Hovenden, CMC 11/14/2011
City Clerk

City Of Fairbanks



MEMORANDUM

To: City Council Members
From: Jerry Cleworth, City Mayor *JC*
Subj: Permanent Fund Committee
Date: May 23, 2012

One position on the Permanent Fund Review Board has been vacated by the resignation of Darren Franz. I request your concurrence to the appointment of:

Ms. Kara Moore – permanent member. To fulfill current term of seat, term to expire: December 31, 2014.

Attached for your review is Ms. Moore's completed Boards and Commissions Application Form.

Thank you.

ABC/



CITY OF FAIRBANKS
 Clerk's Office
 800 Cushman Street
 Fairbanks, Alaska 99701-4615
 Office: 907 459-6774
 jhovenden@ci.fairbanks.ak.us

**BOARDS AND COMMISSIONS
 APPLICATION FORM**

DATE: 5/21/12
 NAME: Kara Moore
 BOARD: Permanent Fund Review Board

The information provided below will be made available to the public. The Clerk's Office will provide a mailing address, at least one phone contact, and an e-mail address, please indicate your preferred method of contact with the public by placing a check mark in the appropriate box(es).

- RESIDENCE ADDRESS: 1090 Coppet Street, Fairbanks, AK 99709
- MAILING ADDRESS: 1090 Coppet Street Fairbanks, AK 99709
- BUSINESS ADDRESS: Cook-Haugberg LLC, 119 N Cushman St, Ste 300 Fairbanks, AK 99701
- CELL PHONE: (907) 378-3625 WORK PHONE: (907) 456-7762
- HOME PHONE: (907) 452-1658 E-MAIL: kara@ch-cpa.com

Statement of Interest:

I am interested in being considered for a position as a committee member of the City of Fairbanks Permanent Fund Review Board

Brief Personal Biography (or attach resume):

Professional Licenses/Training:

BBA in accounting and management. 14+ years in public accounting. Former auditor of City of Fairbanks including auditing of accounting for permanent fund. Please return this application to the City Clerk's Office.

FOR INTERNAL USE ONLY

Date Seated on Board	Date of Resolution or Council Action	Term Dates

Kara Moore, Partner

Ms. Moore is a graduate of University of Alaska Fairbanks with a B.B.A. in Accounting and Management. She began working with us in January of 1999, and earned her Alaska CPA certificate in January 2002.

Ms. Moore has supervised, reviewed, and served on audit teams for a variety of governmental, nonprofit and for-profit entities. Her audit experience includes the City of Fairbanks, Fairbanks North Star Borough and School District, Denali Borough School District, Barrow Utilities and Electric Cooperative, as well as various nonprofit and for-profit organizations. She has extensive federal and state Single Audit experience. Her tax experience includes the preparation and review of corporate, trust and individual returns, as well as tax accounting services.

She is a member of the American Institute of Certified Public Accountants and Alaska Society of Certified Public Accountants.

City Of Fairbanks



MEMORANDUM

To: City Council Members
From: Jerry Cleworth, City Mayor 
Subj: Board of Plumber Examiners
Date: May 23, 2012

I request your concurrence for reappointment of Mike Patrick to the Plumber Examiners Board, Seat B. Mr. Patrick has been a valuable member of the team and wishes to be reappointed.

Mr. Mike Patrick – Term to expire: June 30, 2015

Thank you.

ABC/

City Of Fairbanks



MEMORANDUM

To: City Council Members
From: Jerry Cleworth, City Mayor 
Subj: Bed Tax Discretionary Committee
Date: May 23, 2012

Mr. Darryl Lewis' appointment to the Bed Tax Committee will expire on June 30 of 2012. Mr. Lewis wishes to continue on this commission, and I hereby request your concurrence:

I request your concurrence to the re-appointment of Mr. Darryl Lewis for a three-year term. Second Term to expire: June 30, 2015.

Thank you.

ABC/