

FAIRBANKS CITY COUNCIL AGENDA NO. 2011–24

REGULAR MEETING December 12, 2011

FAIRBANKS CITY COUNCIL CHAMBERS 800 CUSHMAN STREET, FAIRBANKS, ALASKA

REGULAR MEETING

- 1 7:00 P.M.
- 1. ROLL CALL
- INVOCATION
- FLAG SALUTATION
- 4. CITIZENS COMMENTS, oral communications to Council on any item not up for Public Hearing. Testimony is limited to five (5) minutes. Any person wishing to speak needs to complete the register located in the hallway. Normal standards of decorum and courtesy should be observed by all speakers. Remarks should be directed to the City Council as a body rather than to any particular Council Member or member of the staff. In consideration of others, kindly silence all cell phone, electronic and messaging devices.
- 5. APPROVAL OF AGENDA AND CONSENT AGENDA

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

- 6. APPROVAL OF PREVIOUS MINUTES
 - * Regular Meeting Minutes of September 19, 2011.
- SPECIAL ORDERS
- 8. READING OF THE BILL OF RIGHTS
- 9. MAYOR'S COMMENTS AND REPORT

10. UNFINISHED BUSINESS

- a) Ordinance No. 5865 An Ordinance Adopting the 2012 Operating and Capital Budgets. Introduced by Mayor Cleworth. SECOND READING AND PUBLIC HEARING. ADVANCED from the Regular Meeting of November 21, 2011.
- b) Ordinance No. 5869 An Ordinance Amending Fairbanks General Code Chapter 66, Section 66-43, Senior Citizen Rate. Introduced by Mayor Cleworth. SECOND READING AND PUBLIC HEARING.
- c) Ordinance No. 5870 An Ordinance Authorizing Sale of Surplus Property to the Korean Community of Fairbanks, Inc. Introduced by Mayor Cleworth. SECOND READING AND PUBLIC HEARING.

11. NEW BUSINESS

- *a) Ordinance No. 5871 An Ordinance Adopting Fairbanks General Code Section 2-657, Regarding Acceptance of Grants. Introduced by Mayor Cleworth.
- *b) Ordinance No. 5872 An Ordinance Ratifying a Labor Agreement Between the City of Fairbanks and the AFL-CIO Crafts Bargaining Unit. Introduced by Mayor Cleworth.
- 12. DISCUSSION ITEMS (INFORMATION AND REPORT)

Committee Reports

- 13. COMMUNICATIONS TO COUNCIL
- 14. COUNCIL MEMBERS' COMMENTS
- 15. CITY ATTORNEY'S REPORT
- CITY CLERK'S REPORT
- 17. EXECUTIVE SESSION IBEW Labor Negotiations
- 18. ADJOURNMENT



FAIRBANKS CITY COUNCIL REGULAR MEETING MINUTES, SEPTEMBER 19, 2011 FAIRBANKS CITY COUNCIL CHAMBERS 800 CUSHMAN STREET, FAIRBANKS, ALASKA

The City Council convened at 7:00 P.M. on the above date, after a Work Session on the Alaska Legislative Website and a Work Session on the Festival Fairbanks Clean Team, 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 Emily Bratcher, Seat E John Eberhart, Seat F

Absent: None

Also Present: Warren Cummings, Fire Chief

Paul Ewers, City Attorney

D. Danyielle Snider, Deputy City Clerk Stephanie Johnson, Dispatch Center Manager

Tony C. Shumate, Director Personnel/Purchasing/RM

Pat Smith, Development Manager Margarita Bell, Grants Administrator

Laren Zager, Police Chief

INVOCATION

The Invocation was given by Deputy City Clerk Danyielle Snider

FLAG SALUTATION

Mayor Cleworth led the Flag Salutation.

CITIZEN'S COMMENTS

Frank Turney, 201 Seventh Avenue, Fairbanks – Mr. Turney expressed his appreciation for the work of the Festival Fairbanks Clean Team. He mentioned William Wood and Irene Sherman who have also helped clean up the downtown area in the past. Mr. Turney spoke to his Jury Rights handout and the history that has helped form our U.S. justice system. He stated that charges have been filed against the driver in the hit-and-run case that killed Ms. Rockar and that an arraignment will be held on September 13, 2011 at 2:00 P.M. He stated that he was disturbed by an incident last year involving a street preacher in the Golden Heart Park that was asked to leave the area. Mr. Turney spoke to the freedom of speech. He questioned the salary of

Mr. David van den Berg, Executive Director of the Fairbanks Downtown Association, suggesting that much of his income comes from pull tabs. He commented that Downtown Bingo is smelly and dirty in comparison to Youth Sports and Chena Bingo.

Ms. Stiver asked Mr. Turney in which court room the arraignment would be held.

Mr. Turney replied that it would be room #404, Judge Blankenship.

<u>Tim Sovde, 402 Bonnifield, Fairbanks, Candidate for City Council, Seat F</u> – Mr. Sovde commented on the day's events which provided a platform for local candidates to speak. He spoke to the hit-and-run incident that resulted in the death of Ms. Rockar and stated that one life is not more valuable than another.

<u>Victor Buberge, PO Box 58192, Fairbanks</u> – Mr. Buberge stated that although his property may be dirty and some people refer to him as "Dirty Vic", he still cleans up trash and debris in his neighborhood in fall and spring. He spoke strongly against graffiti on public property and in favor of community service for those who are caught. Mr. Buberge asked how the new handicap-accessible ramps downtown were supposed to work, since there are telephone poles in the middle of the sidewalk. He reminded the Council that there are a number of potholes that need repair and offered to make a list of areas that need attention. He again mentioned that the limited visibility to see around corners at certain intersections in Fairbanks is a big problem.

<u>Lloyd Hilling, 1182 Nenana Street, Fairbanks, Candidate for City Council, Seat E</u> – Mr. Hilling encouraged the public to vote in the October 4, 2011 election. He shared memories of his early years in Fairbanks and expressed his hope that the Polaris Building renovation project moves forward. He shared fond recollections of Irene Sherman.

<u>David Lerman</u>, 126 Second Avenue, #15, Fairbanks – Mr. Lerman spoke to the benefits of renovation and shared his own experience. He spoke in support of the City giving incentives such as the waiving of building fees to owners of dilapidated properties for renovation. He again suggested that the City form a Renovation Task Force and a DUI Task Force.

Mr. Roberts asked Mr. Lerman his opinion on the following hypothetical situation: if an owner had renovated his rundown property, then the City passed an ordinance to waive fees for such renovations, then the man's neighbor renovated his dilapidated property and got his building fees waived by the City, would that require the City to reimburse the first owner for his fees?

Mr. Lerman stated that he doesn't believe that the City would be able to afford to make the ordinance retroactive.

Mr. Roberts asked if there was a specific area of Fairbanks on which Mr. Lerman thought should be targeted.

Mr. Lerman replied that the focus needs to be on any area where there is deteriorated property because these areas seem to attract chronic inebriates and crime.

APPROVAL OF AGENDA AND CONSENT AGENDA

Mr. Matherly, seconded by Ms. Bratcher, moved to APPROVE the Agenda and Consent Agenda.

Ms. Stiver, pulled Resolution No. 4489 from the Consent Agenda.

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

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

MAYOR'S COMMENTS AND REPORT

Mayor Cleworth read aloud a Proclamation on behalf of Mayor Hopkins, Mayor Isaacson and himself, declaring October Alaska Energy Awareness Month. Mayor Cleworth announced that the rotten tree in the Clay Street Cemetery had been removed. He brought up the question regarding salaries of non-profit officers or administrators; he stated that according to city ordinance, those salaries must be disclosed and become public information if the organization chooses to apply for bed tax discretionary fund grant dollars. Mayor Cleworth spoke to Mr. Buberge's concern with potholes and curb cuts in the downtown area.

UNFINISHED BUSINESS

a) Ordinance No. 5858, As Amended – An Ordinance to Amend Fairbanks General Code Section 42-1 Regarding Labor Relations. Introduced by Mayor Cleworth. SECOND READING AND PUBLIC HEARING.

Ms. Stiver, seconded by Mr. Matherly, moved to ADOPT Ordinance No. 5858, As Amended.

<u>Tim Sovde</u> – Mr. Sovde spoke in favor of Ordinance No.5858, as Amended, and stated that he supports merit pay and consistency between bargaining units.

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

Mr. Eberhart asked Mayor Cleworth to clarify the meaning "direct labor negotiations" in Section 42-1(j).

Mayor Cleworth explained that the language was intended to address face-to-face negotiations.

Pat Cole further explained that "direct labor negotiations" was intended to suggest the actual bargaining process, not strategy-planning.

Mr. Eberhart, seconded by **Mr. Roberts**, moved to AMEND Ordinance No. 5858, As Amended by striking the word "direct" and replacing it with "substantive."

A ROLL CALL VOTE WAS TAKEN, ON THE MOTION TO AMEND ORDINANCE NO. 5858, AS AMENDED, AS FOLLOWS:

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

NAYS: None

Mayor Cleworth declared the MOTION CARRIED.

Mr. Eberhart expressed his opinion that the new language regarding communication from the union to the City in Section 42-1(l) was not specific enough.

Mr. Eberhart, seconded by **Ms. Stiver**, moved to AMEND Ordinance No. 5858, As Amended, to change "all communication," to read "all communication regarding issues in negotiation," in Section 42-1(1).

Ms. Bratcher expressed her concern that Ordinance No. 5858, As Amended would preclude Council Members from listening to issues brought up by a union member.

Ms. Stiver stated that her intent in amending this section of the ordinance in the previous council meeting was to clarify when negotiations ended.

Mayor Cleworth, in response to Mr. Eberhart's comments, stated that the ordinance would not violate the right to freedom of speech or force any Council Member to be unable to listen to concerns or issues brought up by union members or members of a union's negotiating team. He added that Ordinance No. 5858, As Amended, is intended to set forth rules in order to form a unified, team approach to negotiations.

Ms. Bratcher agreed that negotiating as a team is much more beneficial than as individuals. She used the PSEA labor contract negotiation as an example of how the City could have benefited if they had worked as a team.

Mayor Cleworth clarified that the City never agreed to go to arbitration in the PSEA labor negotiation.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND ORDINANCE NO. 5858, AS AMENDED, AS FOLLOWS:

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

NAYS: None

Mayor Cleworth declared the MOTION CARRIED.

Mr. Gatewood asked Mayor Cleworth to explain the meaning of Section 42-1(n)(1).

Mayor Cleworth replied that this section would allow the City to grant employees an increase based on performance and experience. He added that merit increases are rare and that the City no longer offers longevity pay to employees.

Ms. Bratcher spoke to Section 42-1(n)(1), stating that she believed the intent of the new language would be to allow for more management within departments versus automatic increases for employees.

Mr. Gatewood expressed his disfavor with the language in Section 42-1(n)(1) because of the subjectivity of performance appraisals. He stated that he looks at Ordinance No. 5858, As Amended as a guide to help the City Council to work as a team and remain cohesive during union negotiations. He added that there will always be issues that make consistency nearly impossible with all union contracts.

Mr. Eberhart agreed that contracts with all bargaining units cannot be completely consistent because of the differences in occupations from union to union.

Mayor Cleworth stated that consistency is a worthy goal.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 5858, AS AMENDED, AS FOLLOWS:

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

NAYS: None

Mayor Cleworth declared the MOTION CARRIED and

ORDINANCE NO. 5858, As Amended, ADOPTED.

NEW BUSINESS

a) Resolution No. 4488 – A Resolution Authorizing the City of Fairbanks to Accept a Grant from the State of Alaska Department of Environmental Conservation Municipal Matching Grant Program in the Amount of \$975,935 for Rehabilitation of the Cityowned Peger Road Wastewater Treatment Plant Clarifier System. Introduced by Mayor Cleworth.

PASSED and APPROVED on the CONSENT AGENDA.

b) Resolution No. 4489 – A Resolution to Amend the City Schedule of Fees and Charges for Services. Introduced by Mayor Cleworth.

Mr. Gatewood, seconded by Mr. Roberts, moved to APPROVE Resolution No. 4489.

Ms. Stiver asked for clarification on why emergency response fees are especially hard to collect, thus bringing about the fee changes in the proposed resolution.

Chief Cummings explained that the proposed ambulance fee increase would offset the proposed deletion of the emergency response fee. He stated that billing for emergency response to motor vehicle accidents is extremely labor intensive and it's not a reasonable system.

Ms. Stiver, seconded by **Mr. Eberhart**, moved to POSTPONE Resolution No. 4489 to the Regular Meeting of October 24, 2011.

Ms. Bratcher spoke in support of Resolution No. 4489 and spoke against postponing it.

Ms. Stiver expressed her belief that the Resolution needs more time for consideration.

Mr. Roberts communicated his problem with the current code which requires all those sustaining damage in a motor vehicle accident to be billed, regardless if they were at fault or not.

Ms. Bratcher stated that she did not think it was completely necessary to raise the ambulance fees, but was strongly in favor of eliminating the \$200 emergency response fee.

Mayor Cleworth stated that he has a hard time with government agencies billing people who don't deserve a bill.

Mr. Gatewood supported Ms. Stiver's request to postpone Resolution No. 4489.

Ms. Bratcher mentioned that by not postponing, the impact to the community would be lessened with the first snowfall impending.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO POSTPONE RESOLUTION NO. 4489 TO THE REGULAR MEETING OF OCTOBER 24, 2011, AS FOLLOWS:

YEAS: Matherly, Stiver, Gatewood, Eberhart

NAYS: Bratcher, Roberts

Mayor Cleworth declared the MOTION CARRIED and

RESOLUTION NO. 4489, POSTPONED.

c) Ordinance No. 5860 – An Ordinance to Amend Fairbanks General Code Section 50-205 Eliminating the Alaska Day Holiday. Introduced by Mayor Cleworth.

ADVANCED on the CONSENT AGENDA.

DISCUSSION ITEMS

Committee Reports

<u>Public Safety Commission</u> – **Mr. Eberhart** gave a brief report on the September 13th meeting and announced that the next meeting would be October 11, 2011.

Mayor Cleworth added that Chief Zager had done a great deal of research on FPD's take-home vehicle policy.

Fairbanks Parking Authority – **Mr. Matherly** provided a brief report.

COUNCIL MEMBERS' COMMENTS

Mr. Gatewood wished luck to all the candidates running for City Council.

Mr. Roberts mirrored Mr. Gatewood's wishes towards candidates, not only for City Council, but also for Borough Assembly. He encouraged the public to participate in the upcoming election.

Ms. Stiver pointed out that the Council Members' invitations for Access Alaska's open house were hand delivered. She inquired as to when the Bed Tax Grant Application would be available on the City's website and was informed by the Deputy City Clerk that the application was placed on the website that day. She thanked Reneva Moss for putting on the work session for the legislative website and encouraged the public to use it. She commented on the eye-opening presentation of the Festival Fairbanks Clean Team and commended the team for their good work in keeping the downtown area clean. She reminded fellow Council Members to be patient with new Members as they come into office. **Ms. Stiver** encouraged the public to educate themselves and vote on October 4, 2011.

Mr. Matherly remarked that he has learned a great deal in his short time on the City Council and expressed appreciation to fellow Council Members for their passion for the City of Fairbanks. He spoke of the upcoming fundraiser for the Breast Cancer Detection Center at the Carlson Center. He applauded Mayor Cleworth for the Energy Awareness Proclamation and encouraged Fairbanks citizens to make small changes at home.

Ms. Bratcher expressed hope that the Clean Team would receive funding, whether it be private or public. She reminded the public to vote. **Ms. Bratcher** asked to be excused for the Regular Meeting of October 24, 2011.

Mayor Cleworth called for objection regarding **Ms. Bratcher's** request to be excused on October 24, 2011 and, hearing none, so ORDERED.

Mr. Eberhart gave a brief report of his business trip to Washington D.C. on September 11th and commented specifically about the difficulties in traveling on the anniversary of 9/11. He stated that although travel was not easy, we Americans should not let terrorism change our way of life. Mr. Eberhart spoke in support of Proposition A, which, if passed by voters, would make the City debt-free; he commended Mayor Cleworth for guiding the City in that direction. He gave credit to the Festival Fairbanks Clean Team for the beautification of the downtown area and expressed hope for their continued funding.

Ms. Bratcher, seconded by **Mr. Gatewood**, moved to go into Executive Session for the purpose of discussing Labor Negotiations and Dispatch Contract Renegotiations.

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

Mayor Cleworth called for a five minute recess.

EXECUTIVE SESSION

- a) Labor Negotiations
- b) Dispatch Contract Renegotiations

The City Council met in Executive Session to discuss Labor Negotiations and Dispatch Contract Renegotiations. No action was taken.

ADJOURNMENT

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

Mayor Cleworth declared the Meeting adjourned at 10:21 P.M.

JERRY CLEWORTH, MAYOR

ATTEST:

JANEY HOVENDEN, CMC, CITY CLERK

Transcribed by: DS

Introduced By: Mayor Cleworth Finance Committee Review: November 15 - 18, 2011 Introduced: November 21,2011

ORDINANCE NO. 5865

AN ORDINANCE ADOPTING THE 2012 OPERATING AND CAPITAL BUDGETS

WHEREAS, pursuant to City Charter Section 5.2, on October 31, 2011 Mayor Cleworth presented a recommended annual operating and capital budget estimate for 2012; and

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

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

SECTION 1. There is hereby appropriated to the 2012 General Fund budget from the following sources of revenue for the City of Fairbanks in the amount indicated to the departments named for the purpose of conducting the business of said departments of the City of Fairbanks, Alaska, for the fiscal year commencing January 1, 2012 and ending December 31, 2012

	RE	MAYOR COMMENDS	COUNCIL ROPRIATION
Taxes, (all sources)	\$	19,476,971	\$ 19,476,971
Charges for Services		4,123,905	4,123,905
Intergovernmental Revenues		3,213,390	3,213,390
Licenses & Permits		1,796,078	1,796,078
Fines, Forfeitures & Penalties		959,175	959,175
Interest & Penalties		122,000	122,000
Rental & Lease Income		157,919	157,919
Other Revenues		212,500	212,500
Other Financing Sources		2,925,129	 2,925,129
Total Appropriation	\$	32,987,067	\$ 32,987,067

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

DEF	PT DESCRIPTION	RE	MAYOR COMMENDS	COUNCIL ROPRIATION
10 11 12 13 14 15 16 20 21 30 50	Mayor and Council Office of the City Attorney Office of the City Clerk Finance Department Information Technology General Account Risk Management Police Department Dispatch Fire Department Department of Public Works Engineering Division	\$	473,250 162,906 289,336 863,867 1,401,750 4,947,120 1,367,748 6,503,934 1,933,941 6,098,719 6,689,020 582,116	\$ 473,250 162,906 289,336 863,867 1,401,750 4,947,120 1,367,748 6,503,934 1,933,941 6,098,719 6,689,020 582,116
60	Building Department Total general fund appropriation 12/31/11 (estimate) general fund balance Increase to fund balance (Estimate) Committed for 2011 encumbrances Committed for snow removal (Estimate) Committed self insurance reserve 12/31/12 Unassigned balance	\$ \$	9,512,734 1,046,323 (200,000) (250,000) (500,000) 9,609,057	\$ 9,512,734 1,046,323 (200,000) (250,000) (500,000) 9,609,057

SECTION 3. There is hereby appropriated to the 2012 Capital Fund budget from the following sources of revenue for the City of Fairbanks in the amount indicated:

	RE	MAYOR COMMENDS	COUNCIL ROPRIATION
Transfer from Permanent Fund	\$	486,615	\$ 486,615
Transfer from General Fund		700,000	700,000
Transfer Ambulance Mileage from General Fund		50,000	50,000
Budgeted Garbage Equipment Replacement		202,800	202,800
Equipment Replacement - Engineering		35,000	35,000
Equipment Replacement - Public Works		210,000	210,000
Equipment Replacement - Building Department		10,000	10,000
Equipment Replacement - Police		160,000	160,000
Equipment Replacement - Dispatch		80,000	80,000
Equipment Replacement - Fire		250,000	250,000
Equipment Replacement - I/T		105,000	105,000
Property Repair & Replacement		145,000	145,000
·			
Total Appropriation	\$	2,434,415	\$ 2,434,415

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

SECTION 4. There is hereby appropriated to the 2012 capital budget, expenditures for the City of Fairbanks in the amount indicated:

	14	Information Technology	\$ 289,331	\$ 289,331
•	20	Police Department	320,000	320,000
	21	Dispatch Department	5,000	5,000
•	30	Fire Department	636,000	636,000
•	50	Department of Public Works	2,270,625	2,270,625
•	51	Engineering Division	35,000	35,000
		Total capital fund appropriation	\$ 3,555,956	\$ 3,555,956
	12/31/11	(estimate) capital fund balance	3,500,710	3,500,710
		Decrease to fund balance	(1,121,541)	(1,121,541)
	12/	31/12 Restricted fund balance	\$ 2,379,169	\$ 2,379,169

SECTION 5. All appropriations made by this ordinance lapse at the end of the fiscal year to the extent they have not been expended or contractually committed to the departments named for the purpose of conducting the business of said departments of the City of Fairbanks, Alaska, for the fiscal year commencing January 1, 2012 and ending December 31, 2012.

SECTION 4. The effective date of t December,2012.	this ordinance shall be theday of
	JERRY CLEWORTH, MAYOR
AYES: NAYS: ABSENT: ADOPTED:	
ATTEST:	APPROVED AS TO FORM
Janey Hovenden, CMC, City Clerk	Paul J. Ewers, City Attorney

Introduced By: Mayor Cleworth Finance Committee Review: November 15 - 18, 2011 Introduced: November 21,2011

ORDINANCE NO. 5865, AS AMENDED

AN ORDINANCE ADOPTING THE 2012 OPERATING AND CAPITAL BUDGETS

WHEREAS, pursuant to City Charter Section 5.2, on October 31, 2011, Mayor Cleworth presented a recommended annual operating and capital budget estimate for 2012; and

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

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

SECTION 1. There is hereby appropriated to the 2012 General Fund budget from the following sources of revenue for the City of Fairbanks in the amount indicated to the departments named for the purpose of conducting the business of said departments of the City of Fairbanks, Alaska, for the fiscal year commencing January 1, 2012 and ending December 31, 2012

	RE	MAYOR COMMENDS	COUNCIL ROPRIATION
Taxes, (all sources)	\$	19,476,971	\$ 19,476,971
Charges for Services		4,123,905	4,123,905
Intergovernmental Revenues		3,213,390	3,213,390
Licenses & Permits		1,796,078	1,796,078
Fines, Forfeitures & Penalties		959,175	959,175
Interest & Penalties		122,000	122,000
Rental & Lease Income		157,919	157,919
Other Revenues		212,500	212,500
Other Financing Sources		2,925,129	 2,925,129
Total Appropriation	\$	32,987,067	\$ 32,987,067

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

[DEPT	DESCRIPTION	RE	MAYOR COMMENDS	COUNCIL ROPRIATION
	10	Mayor and Council	\$	473,250	\$ 480,919
	11	Office of the City Attorney		162,906	164,771
	12	Office of the City Clerk		289,336	291,943
	13	Finance Department		863,867	863,867
	14	Information Technology		1,401,750	1,401,750
	15	General Account		4,947,120	4,947,120
	16	Risk Management		1,367,748	1,371,112
•	20	Police Department		6,503,934	6,518,934
	21	Dispatch		1,933,941	1,933,941
	30	Fire Department		6,098,719	6,098,719
	50	Department of Public Works		6,689,020	6,774,611
•	51	Engineering Division		582,116	582,191
	60	Building Department		627,037	 627,037
		Total general fund appropriation	\$	31,940,744	\$ 32,056,915
		12/31/11 (estimate) general fund balance	\$	9,512,734	\$ 9,512,734
		Increase to fund balance		1,046,323	930,152
		(Estimate) Committed for 2011 encumbrances		(200,000)	(200,000)
		Committed for snow removal		(250,000)	(250,000)
		(Estimate) Committed self insurance reserve		(500,000)	 (500,000)
		12/31/12 Unassigned balance	\$	9,609,057	\$ 9,492,886

SECTION 3. There is hereby appropriated to the 2012 Capital Fund budget from the following sources of revenue for the City of Fairbanks in the amount indicated:

	RE	MAYOR COMMENDS	COUNCIL ROPRIATION
Transfer from Permanent Fund	\$	486,615	\$ 486,615
Transfer from General Fund		700,000	700,000
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Budgeted Garbage Equipment Replacement		202,800	202,800
Equipment Replacement - Engineering		35,000	35,000
Equipment Replacement - Public Works		210,000	210,000
Equipment Replacement - Building Department		10,000	10,000
Equipment Replacement - Police		160,000	160,000
Equipment Replacement - Dispatch		80,000	80,000
Equipment Replacement - Fire		250,000	250,000
Equipment Replacement - I/T		105,000	105,000
Property Repair & Replacement		145,000	 145,000
Total Appropriation	\$	2,434,415	\$ 2,434,415

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

SECTION 4. There is hereby appropriated to the 2012 capital budget, expenditures for the City of Fairbanks in the amount indicated:

	14	Information Technology	\$ 289,331	\$ 289,331
	20	Police Department	320,000	320,000
	21	Dispatch Department	5,000	5,000
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•	50	Department of Public Works	2,270,625	2,270,625
•	51	Engineering Division	35,000	35,000
		Total capital fund appropriation	\$ 3,555,956	\$ 3,555,956
	12/31/11	(estimate) capital fund balance	3,500,710	3,500,710
		Decrease to fund balance	 (1,121,541)	(1,121,541)
	12	31/12 Restricted fund balance	\$ 2,379,169	\$ 2,379,169

SECTION 5. All appropriations made by this ordinance lapse at the end of the fiscal year to the extent they have not been expended or contractually committed to the departments named for the purpose of conducting the business of said departments of the City of Fairbanks, Alaska, for the fiscal year commencing January 1, 2012 and ending December 31, 2012.

SECTION 4. The effective date December 2012.	of this ordinance shall be the d ay of
	JERRY CLEWORTH, MAYOR
AYES: NAYS: ABSENT: ADOPTED:	
ATTEST:	APPROVED AS TO FORM
Janev Hovenden, CMC, City Clerk	Paul J. Ewers, City Attorney

SUMMARY OF ORDINANCE 5865, AS AMENDED AMENDING 2012 GENERAL FUND OPERATING BUDGET

ESTIMATED GENERAL FUND REVENUES NO CHANGE

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

ESTIMATED GENERAL FUND EXPENDITURES

\$116,171 INCREASE

- 1. Mayor & Council \$7,669 Increase for 2.5% increase on wage package effective February 16, 2012 for non-union employees.
 - a. \$6,585 Increase to wages.
 - \$1.750 Increase to leave accrual.
 - c. \$ 96 Increase to benefits.
 - d. \$ 762 Decrease for Inter Departmental risk services.
- 2. City Attorney's Office \$1,865 Increase for 2.5% increase on wage package effective February 16, 2012 for non-union employees.
 - a. \$3,847 Increase to wages.
 - b. \$ 565 Increase to leave accrual.
 - c. \$ 55 Increase to benefits.
 - d. \$2,602 Decrease to Inter Departmental risk services.
- 3. City Clerk's Office \$2,607 Increase for 2.5% increase on wage package effective February 16, 2012 for non-union employees.
 - a. \$2,042 Increase to wages.
 - b. \$ 536 Increase to leave accrual.
 - c. \$ 29 Increase to benefits.
- 4. Finance Department No Change
- 5. General Account No Change
- 6. Risk Management \$3,364 Increase for 2.5% increase on wage package effective February 16, 2012 for non-union employees.
 - a. \$3,364 Increase to Inter Departmental risk service.
- 7. Police Department \$15,000 Increase.
 - a. \$15,000 Increase to training.
- 8. Dispatch No Change
- 9. Fire Department No Change

- 10. Public Works \$85,591 Increase for 2.5% increase on the wage package effective February 16, 2012 AFL-CIO CBA.
 - a. \$42,192 Increase to wages.
 - b. \$1,094Increase to overtime.
 - c. \$16,953 Increase to temporary wages and benefits.
 - d. \$4,153 Increase to leave accrual.
 - e. \$21,199 Increase to benefits.
- 11. Engineering \$ 75 Increase for 2.5% increase to the wage package effective February 16, 2012 AFL-CIO CBA. Only affects non grant reimbursed benefits.
 - a. \$ 75 Increase to benefits.
- 12. Building Department No Change

Introduced by: Mayor Cleworth

Finance Committee Review: November 29, 2011

Date: December 5, 2011

ORDINANCE NO. 5869

AN ORDINANCE AMENDING FAIRBANKS GENERAL CODE CHAPTER 66, SECTION 66-43, SENIOR CITIZEN RATE

WHEREAS, the Finance Department staff and City Finance Committee have reviewed the provisions of the Senior citizen rate and its administration and made suggestions to increase efficiency and improve the process for the City's senior citizens,

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS, as follows (new text in <u>underline bold font</u>, deleted text in strikeout font):

Sec. 66-43. - Senior citizen rate.

- (a) A qualified senior citizen may apply to the office of the city clerk <u>or the</u> <u>city finance department</u> for <u>the</u> senior citizen rate. The senior citizen rate <u>will</u> shall be as provided in <u>the</u> city's schedule of fees and charges for services and will become effective <u>the</u> first billing quarter following a qualified filing.
- (b) The term "qualified senior citizen" as used in this section is defined as a person at least 65 years of age or a person at least 60 years of age who is the widow or widower of a person who was receiving the senior citizen rate at the time of his/her death. The widow or widower must file a new application for the senior citizen rate and must meet the requirements of subsection (c).
- (b) (c) To receive the senior citizen rate of fees under this section <u>a</u> <u>qualified senior citizen</u> the applicant must:
- (1) Be a property owner and refuse customer. Be an owner of record of the property receiving the refuse service.
- (2) Reside at the residence of exemption. Occupy the property as a permanent place of abode. If the qualified senior citizen owns multiple properties, only the primary residence will be eligible for the senior rate.
- (3) File for the senior citizen rate with the city clerk or the city finance department, provide proof of age, and have the application signature notarized. A qualified senior citizen need not file such an

application for successive years if there is no change in ownership, no change in permanent place of abode, and no change as to the owner of record.

- (4) Verify annually that the senior rate still applies. Maintain all City accounts in current status. The senior citizen rate will be revoked if a City account(s) is delinquent. The senior citizen rate will be reinstated without requiring a new filling for the senior citizen rate when the account(s) are brought into current status.
- (5) If living in a residence provided service pursuant to section 66-41(a)(2), all residents must be qualified.
- (c) The term "qualified senior citizen" as applied in this section shall be defined as a person 65 years and older.
- (d) The applicant will be required to show proof of age at time of filing. Annually, the city finance department will review a minimum of 10 percent of the accounts receiving the senior citizen rate to determine eligibility and compliance with this section.
- (e) The applicant qualified senior citizen receiving a senior citizen rate or their designated representative is responsible for notifying the city clerk City of Fairbanks or Ffinance Office department of any changes in ownership, residency, or permanent place of abode. to their eligibility for the senior citizen rate. Any account that is receiving the senior citizen rate for any period during which it is not eligible will be billed for the ineligible period at the regular refuse collection rate and charged interest at the current rate for delinquent refuse accounts.

Section 4. December 2011.	That the effective date of	of this ordinance shall be the day of	
		Jerry Cleworth, Mayor	
AYES: NAYS: ABSENT: ADOPTED:			
ATTEST:		APPROVED AS TO FORM:	
Janey Hovenden, (CMC, City Clerk	Paul Ewers, City Attorney	

Ordinance No. 5869 Page 2

Introduced By: Mayor Jerry Cleworth

Date: December 6, 2011

ORDINANCE NO. 5870

AN ORDINANCE AUTHORIZING SALE OF SURPLUS PROPERTY TO THE KOREAN COMMUNITY OF FAIRBANKS, INC.

WHEREAS, the City of Fairbanks is the owner of Lots 13, 14, 15, & 16, Block 31, Bjerremark Subdivision (the "Property"), located at 24th Avenue and Rickert Street, as shown on attached "Exhibit A"; and

WHEREAS, the Korean Community of Fairbanks, Inc, an Alaska non-profit corporation, has respectfully requested permission to purchase the Property at less than full value, with tender offer of \$30,000 by letter of October 28, 2011, attached as "Exhibit B", including a cash down payment of \$10,000; and

WHEREAS, Fairbanks General Code of Ordinances Section 70-44 provides that the City may sell to a non-profit organization without public sale and for less than market value, whenever in the judgment of the City Council it is advantageous to do so; and

WHEREAS, the Korean Community of Fairbanks intends to construct an English language learning center for students and seniors on the Property, a non-profit purpose beneficial to the community; and

WHEREAS, the City administration has reviewed said Property and determined that same is not required for municipal purposes and can be sold to others; and

WHEREAS, it is the sense of the City Council that sale of the Property described above for the purposes stated is in the best interest of the community.

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

SECTION 1. DETERMINATION: That the terms and conditions expressed in the Korean Community of Fairbanks offer letter of October 28, 2011 are hereby agreed to and accepted, provided that 6% interest compounded monthly apply to the remaining balance, secured by Deed of Trust and Promissory Note, and that all associated costs be paid by purchaser.

<u>SECTION 2. PURCHASE AGREEMENT:</u> That a Real Estate Purchase Agreement as approved by the City Attorney be prepared and executed for the purposes herein.

<u>SECTION 3. RECISION:</u> Any and all prior acts by the City Council which may affect sale of this property are hereby rescinded.

<u>SECTION 4. PERMISSIVE REFERENDUM:</u> This conveyance of real property is subject to the right of the voters, within thirty-days of sale, to reject a sale by permissive referendum under FGC Sec. 70-42, and the City Charter.

<u>SECTION 5. FORM OF CONVEYANCE:</u> That said property shall be conveyed by Statutory Quit Claim Deed.

<u>SECTION 6. CONDITIONS OF CONVEYANCE:</u> That said Deed shall contain a condition limiting the Property to non-profit use, and that the construction of the proposed facility on the Property be commenced within five years of years of conveyance.

SECTION 7. PENALTY FOR DEFAULT: If construction of the facility is not commenced within five years of conveyance, title to the property shall revert to the City. In such event, monies paid to the City shall be returned to purchasers, except that the City shall be entitled to retain interest paid as penalty for default.

<u>SECTION 8. MAYOR'S AUTHORIZATION:</u> That the Mayor is hereby authorized and empowered to execute such agreements, deeds and instruments as necessary to complete sale of said property after Council approval.

SECTION 9. That the effective date of this ordinance shall be the 17th day of December 2011.

	JERRY CLEWORTH, Mayor
AYES: NAYS: ABSTAIN: ABSENT: ADOPTED:	
ATTEST:	APPROVED AS TO FORM:
JANEY HOVENDEN, CMC, City Clerk	PAUL EWERS, City Attorney

Ordinance No. 5870 Page 2 of 2

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Korean Community of Fairbanks

한국 사회

1500 Airport Way #C Fairbanks, Alaska 99701



October 28, 2011

Honorable Mayor Jerry Cleworth Esteemed Council Members 800 Cushman Street Fairbanks, Alaska 99701

Subject:

Request to Purchase City-owned Lots

Korean Learning Center

Dear Mayor Cleworth and Council Members:

For several years the Fairbanks Korean Community has been in need of a site for construction of a Senior College and English learning center.

We have found that the City owns four vacant lots at the corner of 25th Avenue and Rickert Street. This land is large enough to allow space for the Learning Center, with adequate parking for teachers, seniors and students.

We are aware of your great generosity to the JP Jones Community Center located across the street from your land. We do not asking for a same free contribution. However, we humbly request part assistance to us in making this purchase. It is our hope and request that we be granted to purchase the property for \$30,000. We can make a \$10,000 cash down payment, and would like five years to pay off the balance, and will make all efforts to pay it off sooner.

We recently received a personal commitment from South Korean President Lee Myung-bak to assist with our Fairbanks Learning Center building fund on a matching basis. This is a great step in making our dream a reality. We promise that the land and the planned building will never be used for any purpose but bringing services and education to the Fairbanks Korean Community and only for non-profit uses.

We hope for your kind consideration of our request.

Please contact me at 456-1200 if you would like to meet and discuss our exciting project.

Respectfully.

Insuk Frising

Board President

EXHIBIT 'B'
ORDINANCE 5870

Sponsored by: Mayor Cleworth Introduced: December 12, 2011

ORDINANCE NO. 5871

AN ORDINANCE ADOPTING FAIRBANKS GENERAL CODE SECTION 2-657, REGARDING ACCEPTANCE OF GRANTS, AND SETTING AN EFFECTIVE DATE.

WHEREAS, it is the intent of the City Council to prohibit City acceptance of "pass through" grants to other entities that expose the City to financial liability,

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

SECTION 1. That Fairbanks General Code Section 2-657 is hereby adopted:

Sec. 2-657. Acceptance of Certain "Pass Through" Grants Prohibited.

- (a) The City will not seek or accept grant funds on behalf of another entity if the City retains any financial liability for the proper use of the funds or use of facilities purchased with the grant funds, including situations where only the City's eligibility for future grant funding could be impaired.
- (b) This section shall not apply to grants for improvements to City owned facilities.

<u>SECTION 2</u> . 2012.	That the effective date of	of this Ordinance shall be the	_ day of January
		Jerry Cleworth, City May	yor
AYES: NAYS: ABSENT: ADOPTED:			
ATTEST:		APPROVED AS TO FORM	M:
Janey Hovenden,	CMC, City Clerk	Paul J. Ewers, City Attorne	

Introduced by: Mayor Cleworth Introduced: December 12, 2011

ORDINANCE NO.5872

AN ORDINANCE RATIFYING AN AMENDMENT TO THE CURRENT LABOR AGREEMENT BETWEEN THE CITY OF FAIRBANKS AND THE AFL-CIO CRAFTS BARGAINING

WHEREAS, the current Collective Bargaining Agreement ("CBA") between the City and the AFL-CIO Craft Unit contained provisions for annual re-openers of financial terms; and

WHEREAS, tentative agreement has been reached on an amendment to the CBA which incorporates the labor goals of the City Council, is consistent with the terms of other recently adopted labor contracts, and has been approved by the membership of the bargaining unit.

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

Section 1. bargaining a	I hat the attached greement is hereby if	atified.
Section 2. day of Janua		date of this ordinance shall be the
		Jerry Cleworth, City Mayor
AYES: NAYS: ABSENT: ADOPTED:		
ATTEST:		APPROVED AS TO FORM:
Janey Hovenden, CN	MC, City Clerk	Paul J. Ewers, City Attorney

City Of Fairbanks

November 15, 2011



AFL-CIO Joint Crafts & City of Fairbanks Tentative Agreement, 2012 Wage Re-opener, <u>revised</u>

WHEREAS, section 23.4 of the Collective Bargaining Agreement ("CBA") between the parties provides that the parties will reopen negotiations on economic issues in October of 2011; and

WHEREAS, the parties to this agreement mutually desire to amend the CBA to resolve economic issues for 2012 and 2013.

Now, therefore, subject to ratification, the parties tentatively agree to amend CBA section 23.4 as follows (deleted text in strikeout font):

- This agreement is effective until December 31, 2013. PROVIDED THAT the parties agree to reopen negotiations on economic issues only for 2012 and 2013. Such negotiations will commence in October of 2011 for 2012 and 2012 for 2013. The parties agree to utilize mediation and arbitration if the re-opened negotiations result in impasse.
- A. The 2011 package rate for each covered classification will be increased by 2.5% on February 16, 2012 (the first day of the fourth payroll period in 2012).
- B. The 2012 package rate for each covered classification will be increased by 2.5% on February 1, 2013 (the first day of the 3rd payroll period in 2013. The parties agree to further negotiation of economics if the Anchorage annual CPI exceeds 2.5%, negotiations to commence within 30 days of the announcement in 2013.
- C. Starting in 2012, the clothing and boot allowances provided in the Collective Bargaining Agreement will be paid in a single lump sum without the need for employees to provide receipts for all regular employees with the first payroll in July.
- D. Each of the AFL-CIO Joint Craft member unions will allocate sufficient funds from the package rate to comply with the requirements of law regarding minimum and maximum health care funding.
- E. The package rate for member union employees whose pension plan is found to be critically underfunded ("red zone") under the terms of the Pension Protection Act of 2006, as may be amended, will be adjusted. Addendum No. 1 to this agreement applies to Teamster member employees. Addendum No. 1 is hereby incorporated into this agreement and equivalent Addenda will be included should other member unions pension plans be determined to be critically underfunded.

Ratified by the City Council on	by passage of Ordinance	Ratified by the Union
membership on		
SIGNED FOR THE FAIRBANKS	SIGNED FOR THE C	ITY OF
AFL-CIO CRAFTS COUNCIL:	FAIRBANKS:	A
	Mille	
Lake Williams, Business Representative, Operators 302	Jerry Cleworth Mayor, City of Fairba	nke
Date:	Date: //- /5 - //	iiks
	Pana	
Tim Sharp	Patrick B. Cole	
Business Manager, Laborers 942	Chief of Staff	
Date:	Date: 11-15-1	<u> </u>
	Michelalin	1
Eileen Newman	Midhael Schmetzer	
Business Representative, Teamster 959	City Engineer/Public	
Date:	Date:	<u>//</u>
Laird Grantham		
Business Manager, Carpenters 1243		
Date:		
Rodney Brown		
Business Representative, Pipefitters 375		
Date:		
Jay Quakenbush		
Vice President, IBEW 1547 Date:		
Charlie Young	555	
Business Representative IUPAT Local 1 Date:	<i>)))</i>	

Addendum No. 1 Regarding Teamster Employees

1. The 2012 Wage Re-Opener between the City of Fairbanks and the Fairbanks

AFL-CIO Crafts Council includes a 2.5% increase in the package rate for Teamster

employees for 2012 (beginning 2/16/2012) and a 2.5% increase in the package rate for

2013 (beginning 2/1/2013).

2. Under Article 23.2 of the CBA between the City and the Crafts Council, each

Local retains the right to allocate the negotiated package rate to wages, pension and

health and welfare as it sees fit. Because certain provisions of the Pension Protection Act

of 2006 have been triggered by the determination that the Alaska Teamster-Employer

Pension is a critically underfunded ("red zone") plan, the parties recognize that it is

mutually beneficial for the CBA to limit the discretion of the Teamster Local under

Article 23.2.

3. The Teamsters and the City of Fairbanks have agreed to adopt the

Rehabilitation ("Preferred") Plan with 5-year phase in - Supplemental Employer

Contribution Schedule which provides for a supplemental pension contribution beginning

with the implementation of the 2012 Wage Re-Opener (2/16/2012) of 12% of the current

pension contribution rate of \$6.99/hour (\$.84/hour) and 22% of the current rate

(\$1.54/hour) beginning on 2/1/2013.

4. The package rate increases set out in the 2012 Wage Re-Opener include

funding for supplemental contributions to the Alaska Teamster-Employer Pension made

pursuant to the Rehabilitation Plan referenced in paragraph 3 and are intended to

represent the City's total cost for providing pension contributions, including

supplemental contributions, to the Alaska Teamster-Employer Pension during the term of

Addendum No. 1 AFLCIO Re-opener November ___, 2011

Page 1

this agreement. No portion of the package rate increase maybe allocated to any other

purpose unless and until contributions and supplemental contributions to the Alaska

Teamster-Employer Pension Plan have been satisfied. If the Alaska Teamster-Employer

Pension requires any contributions that are in excess of these amounts, or, if the Alaska

Teamster-Employer Pension fails to meet the minimum contribution requirements

established by law, resulting in the imposition of an excise tax, the package rate referred

to in paragraph one shall be immediately reallocated by an equivalent amount to pay for

the increased contributions and/or the excise tax.

5. The Public Employment Relations Act (PERA) limits collective bargaining

agreements between a public employer and its employees to a maximum of three

years [AS 23.40.210(a)]. The parties recognize that, unless the Alaska Teamster-

Employer Pension emerges from critical status before the expiration of the current CBA

on 12/31/2013, future agreements will require supplemental contributions under the

Supplemental Employer Contribution Schedule. The parties agree that all future

increases in supplement pension contributions will be built into the package rate and paid

to the Alaska Teamster-Employer Pension Trust from package rate funds.

6. If at any point, the Alaska Teamster-Employer Pension Plan emerges from its

"red zone" status and the City is no longer required to make supplemental contributions

under a rehabilitation plan, the allocation restriction imposed on the Teamster Local shall

be lifted.

Addendum No. 1 AFLCIO Re-opener November ___, 2011

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