



FAIRBANKS CITY COUNCIL  
REGULAR MEETING MINUTES, NOVEMBER 14, 2011  
FAIRBANKS CITY COUNCIL CHAMBERS  
800 CUSHMAN STREET, FAIRBANKS, ALASKA

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The City Council convened at 7:00 p.m. on the above date, following annual presentations from The Fairbanks Convention and Visitor's Bureau and the Fairbanks Economic Development Corp, 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

Absent: John Eberhart, Seat F (Excused)

Also Present: Pat Cole, Chief of Staff  
Warren Cummings, Fire Chief  
Paul Ewers, City Attorney  
Janey Hovenden, City Clerk  
Ryan Rickels, IT Director  
Laren Zager, Police Chief

### INVOCATION

The Invocation was given by City Clerk Janey Hovenden.

### FLAG SALUTATION

Mayor Cleworth led the Flag Salutation.

### CITIZEN'S COMMENTS

Tim Sovde, 402 Bonnifield, Fairbanks – Mr. Sovde spoke to new technology in hydronic heating and asked that the Council reconsider the ban on the devices. He expressed concerns with Resolution No. 4495, asking about the driving force behind its introduction. He spoke in favor of Resolution No. 4497 regarding the cultivation of industrial hemp in Alaska.

Patrick Endres, 2923 Moose Mountain Road, Fairbanks – Mr. Endres, President of Fairbanks Youth Advocates Board of Directors, spoke to Resolution No. 4493 and youth at risk in the Fairbanks community. He provided a brief history on the planning for the facility and summarized a five-year business plan. He stated that grant funding would go towards renovation of the already-owned structure. Mr. Endres described the program and encouraged the Council to support local youth by approving Resolution No. 4493.

Marylee Bates, 1290 Saint Anton Drive, Fairbanks – Ms. Bates, Program Director for Fairbanks Youth Advocates, addressed the Council regarding the proposed project for the CDBG. She stated that the Youth Advocates' mission to facilitate life transitions for at-risk youth fits well with the CDBG purpose of providing long-term support for community programs. Ms. Bates addressed the following concerns: liability, sustainability and credibility. She spoke to the great need for a youth facility in the Fairbanks area and encouraged the Council to support Resolution No. 4493.

**Ms. Stiver** asked about the current value of the property vs. the estimated value after renovation; when the Youth Advocates Board of Directors was created; and how many homeless youth there are in the Fairbanks area under the age of 12 and between the ages of 12 and 17.

Ms. Bates replied that the value at the time of purchase was estimated at \$179,000; she guessed that the value after renovation would be around \$500,000. Ms. Bates added that the Board of Directors started meeting in November of 2008. She stated that the number of homeless teens is much harder to quantify than those under 12 years of age, but that the FNSB School District may be able to provide those numbers. She stated that the State OCS places younger children in homes, but older children are more difficult to find a home for. She indicated that actual numbers have not been documented.

**Mr. Roberts** remarked that Ms. Bates had spoken well, addressing concerns that the Council may have. He spoke to the risk that the grant would impose upon the City and Fairbanks taxpayers. He asked how best to minimize the liability.

Ms. Bates suggested that a small group be formed to brainstorm ideas that would insure minimal liability.

**Mr. Gatewood** inquired as to the capacity of the proposed facility.

Ms. Bates replied that the building would house up to ten youth at a time, with a maximum stay of 21 days.

**Mr. Matherly** asked what would occur during that 21-day period.

Ms. Bates summarized the steps of the program from intake to release. She stated that they are looking into host homes for those youth who may be unable to reunite with their family.

**Mayor Cleworth** asked if there was a mortgage on the home. He also inquired as to when the business plan was brought to the City.

Ms. Bates replied that there is no mortgage and that the business plan was brought to the City on Thursday.

**Mayor Cleworth** apologized for the misinformation he provided to the Fairbanks Daily News Miner on how grant funds would be appropriated.

Ms. Bates confirmed that the funds will be strictly used for renovation of the existing structure.

Linda Setterberg, 109 Kniffen Road, Fairbanks – Ms. Setterberg, Executive Director of Wellspring Revival Ministries, spoke to the overwhelming need for a youth facility in the community. She explained that their Safe Place Program is in jeopardy due to a lack of shelter for youth in need. She provided a detailed statement on the mission of Joel's Place, including its history, staff, finances, and uncertain future. She spoke in support of the Community Development Block Grant (CDBG) for Fairbanks Youth Advocates.

**Ms. Stiver** asked if the backing for Youth Advocates from Joel's Place, Fairbanks Native Association, Fairbanks Counseling, Access Alaska, and Presbyterian House translated into dollar amounts or mission support only.

Ms. Setterberg stated that she could only speak for Joel's Place, but that their support does have a cash value.

Drenda Tigner, Presbyterian Hospitality House, 209 2<sup>nd</sup> Avenue, Fairbanks – Ms. Tigner spoke in support of the Youth Advocates Program due to the long wait list. She provided a brief history of the Presbyterian Hospitality House and how substantially it has grown over the years. She provided encouraging statistics on the academic progress of students in her organization's program.

**Mr. Hilling** inquired as to the age range of the children in the Hospitality House program.

Ms. Tigner answered that the children in the residential program are ages 12-18, but that foster care is provided to children as young as three years of age. She added that they also offer programs for young adults ages 18-24.

**Mr. Matherly** asked if the proposed facility would overlap with the services provided by the Hospitality House.

Ms. Tigner replied that there would be no overlap due to the waiting list and the lack of space to meet the large demand of children in need. She explained that the Hospitality House operates at 95-100% capacity at all times, unlike another program in Fairbanks.

**Ms. Stiver** asked to which program Ms. Tigner was referring. **Ms. Stiver** also asked if the Presbyterian Hospitality House would be willing to assume some responsibility to help mitigate liability.

Ms. Tigner replied that the Boys and Girls Home often has many empty beds. In response to Ms. Stiver's question regarding liability, she stated that the matter would have to be brought up before her board.

Sarah Finnell, 555 Fairbanks Street, Fairbanks – Ms. Finnell spoke in favor of the CDBG grant and the Youth Advocates Program. She provided a brief background of her experience with youth in the Fairbanks community. She asked the Council to reflect on their own teenage years and what was important to them at that time. She spoke to the basic needs of the young people

she has helped over the years—needs such as shelter, food, personal safety, and adult guidance. She quoted an interview with a homeless young lady who told her story of what it was like to be homeless.

Heather Shaddock, Access Alaska Youth Employment Specialist – Ms. Shaddock spoke to Access Alaska’s mission and Resolution No. 4493. She stated that homelessness is one of the major barriers encountered when trying to help youths reach their goals. She provided staggering statistics of the high school drop-out rate for students with disabilities. She shared a story of a youth that had been in the Access Alaska Program. She spoke to the safety and protection of the youth in Fairbanks and encouraged the City of Fairbanks to invest in the advocacy program.

Barbara Tyndall, 2511 Clydesdale Drive, North Pole – Ms. Tyndall, Youth Advocates Board of Directors member, spoke of her prior experience in working with youth in Alaska. She remarked that there are two common things that most youth desire: a job and a caring adult in their life. She spoke to the general lack of parental guidance in recent years.

Hank Bartos, 3514 Hoonah Drive, North Pole – Mr. Bartos stated his support for the CDBG. He advised that the biggest concern in accepting the grant was the additional requirements by the state once the money is released by the federal government. He suggested that the Council accept the federal guidelines, but negotiate with the state on liability issues. He spoke to accepting these types of grants in the future to benefit the community.

**Mr. Hilling** asked Mr. Bartos to elaborate on the timeline of the negotiation process in which he suggested the City take part.

Mr. Bartos recommended that if there was any hesitation by the City Council to accept the CDBG, they should first approach the administrators of the Department of Commerce and Economic Development to discuss the process.

Frank Turney, 201 7<sup>th</sup> Avenue, Fairbanks – Mr. Turney spoke to the bleak future of homeless youth without help from the community and the mission of homeless outreach programs, questioning if the ultimate objective was to place children in permanent homes. He asked if the programs confiscate the juveniles’ PFD’s. Mr. Turney spoke in support of Resolution No. 4497 and thanked Mr. Hilling for introducing it. He thanked John Brading for providing research and information on hemp products to State of Alaska Legislators. He spoke of the film put on by the U.S. government Department of Agriculture during World War II, titled *Hemp for Victory*, that encouraged hemp cultivation in the United States. He listed a few of the more than 25,000 products made from hemp, and spoke to how it could help lower energy costs. Mr. Turney cautioned comparing hemp and marijuana. He added that the two plants do not grow well together and are vastly different in their composition.

**Mr. Gatewood** asked why marijuana growth was not conducive to hemp cultivation.

Mr. Turney replied that marijuana plants cause hemp plants to go to seed.

Steve Ginnis, 288 Shannon Drive, Fairbanks Native Association – Mr. Ginnis spoke in support of Resolution No. 4493, stating that youth homelessness is an increasing problem in the Fairbanks community. He commented that safety of young people far outweighs the risk of accepting the CDBG proposal. He expressed his belief in the success of the Fairbanks Advocates Program. Mr. Ginnis thanked Mayor Cleworth for introducing the resolution.

Victor Buberger, PO Box 58192, Fairbanks – Mr. Buberger thanked Mike Schmetzer for his rapid response in repairing the sidewalk on South Cushman. He also thanked Fairbanks Police Officer Rigdon and FPD for assisting him until his stalled vehicle could be moved from the Airport/Richardson intersection. He expressed hope that the Police Department could remain fully staffed in spite of the recently high turnover rate. Mr. Buberger thanked all the citizens who testified on behalf of the proposed youth facility and spoke in favor of the CDBG grant. He recommended the placement of portable restrooms throughout the downtown area in order to reduce the amount of human waste that has to be removed and to eliminate the intrusion on downtown businesses. He concluded by requesting that the Council find a solution. Mr. Buberger spoke to the bad air quality on the Richardson Highway near Fort Wainwright and on First Avenue.

Dave Bates, 1290 Saint Anton Drive, Fairbanks – Mr. Bates, Director of Clearwater Counseling and founder of Hope Counseling Center, summarized his résumé and gave a brief history of his work with the youth in the Fairbanks area.

David Lerman, 126 2<sup>nd</sup> Avenue, #15, Fairbanks – Mr. Lerman expressed his satisfaction that Resolution No. 4497 regarding hemp was before the Council. He suggested the City form a Renovation Task Force for the rebuilding of dilapidated structures in Fairbanks and waive all associated building permit fees, stating that renovation helps reduce crime and drug trafficking. Mr. Lerman spoke to his campaign for a City Council seat in 2012.

**Mr. Matherly** asked Mr. Lerman if the owner of his apartment complex, Smith Apartments, was granted a waiver of fees to renovate the property. He also asked how the City would determine who should receive a waiver of fees and who shouldn't.

Mr. Lerman replied that, to his knowledge, the owner of Smith Apartments did not receive a waiver. He stated that all renovation of rundown property should be granted a waiver. He explained that by eliminating building fees, the property values would increase, thus increasing taxes.

Lance Roberts, PO Box 83449, Fairbanks – Mr. Roberts asked if agenda packets and meeting information could be accessed on the City website. He spoke against Resolution No. 4497. He stated that if there are farmers in the area, they should be the ones petitioning for the legalization of its cultivation. He added that he does not believe it is the City's place to take a position on the hemp issue. He suggested that there is a bigger agenda behind the push for its legalizing hemp. He spoke in favor of more drug enforcement by the Fairbanks Police. He stated that there are many other important issues on which the City Council should be focusing their attention.

**Mr. Hilling** asked Mr. Roberts if he could see the potential economic benefits to the City of Fairbanks by making hemp cultivation legal.

Mr. Roberts replied that he did not see potential employment opportunities in the City because hemp cultivation would likely take place outside City limits; however, he acknowledged that any economic development in the area would benefit the City of Fairbanks in some way.

**Mayor Cleworth** clarified for Mr. Roberts that all City Council meeting agendas, audio recordings, meeting minutes, ordinances and resolutions were available online at the City of Fairbanks website.

Ann LaFavore, 3840 Old Nenana Highway, Fairbanks Youth Coalition – Ms. LaFavore spoke to the immense local support by similar organizations for the Youth Advocacy Program. She stated that she had tried to bring some homeless youth to speak to the Council about their experiences, but due to the weather and other factors, they were unable to make it. She acknowledged the risk of accepting the CDBG, but stated that it would be irresponsible to do nothing.

Leonard Thiltgen, 2263 Bridgewater Drive, Fairbanks – Mr. Thiltgen referenced the article on the CDBG in the Fairbanks Daily News Miner. He acknowledged the need for youth programs, but stated his concerns as a citizen for the City's liability. He asked who would be responsible for grant money allocation and cautioned that there are too many variables in regards to City liability.

**Mayor Cleworth** called for a five-minute recess.

#### **APPROVAL OF AGENDA AND CONSENT AGENDA**

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

**Mr. Roberts**, pulled Resolution No. 4493 from the Consent Agenda.

**Mr. Hilling** pulled Resolution No. 4497 from the 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 July 18, 2011.

PASSED and APPROVED on the CONSENT AGENDA.

b) Regular Meeting Minutes of July 25, 2011.

PASSED and APPROVED on the CONSENT AGENDA.

- c) Regular Meeting Minutes of August 8, 2011.

PASSED and APPROVED on the CONSENT AGENDA.

### MAYOR'S COMMENTS AND REPORT

**Mayor Cleworth** stated that he had attended the court hearing on the Bill Stroecker estate case and complimented Detective Gibson on his detective work. He added that everything in the theft had been recovered with the exception of about five notes that had a total value of less than \$1,000. He referenced an article in the Fairbanks Daily News Miner regarding the diminishing number of van rides for the Community Service Patrol. He stated that the statistics were encouraging and that he believes the homeless situation is improving in the downtown area. He gave a brief report on the AML Conference at the Westmark Hotel and commended City Staff for various presentations. Mayor Cleworth corrected an earlier statement that the City had over \$11 million in the General Fund; he stated that after voters elected to pay off outstanding bonds at the October 2011 election, the balance was now at roughly \$8 million.

### UNFINISHED BUSINESS

- a) Ordinance No. 5863 – An Ordinance Amending the 2011 Budget Estimate for the Third Time. Introduced by Mayor Cleworth. SECOND READING AND PUBLIC HEARING.

**Mr. Matherly**, seconded by **Mr. Gatewood**, moved to ADOPT Ordinance No. 5863.

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

**Mr. Gatewood** remarked that it is nice to see costs lower than what was budgeted.

A ROLL CALL VOTE WAS TAKEN, ON THE MOTION TO ADOPT ORDINANCE NO. 5863, AS FOLLOWS:

YEAS: Gatewood, Stiver, Hilling, Matherly, Roberts

NAYS: None

**Mayor Cleworth** declared the MOTION CARRIED and Ordinance No. 5863 ADOPTED.

- b) Ordinance No. 5864 – An Ordinance to Amend Fairbanks General Code Chapter 14, Article XIII Business Licensing Regarding Application Information and Fees. Introduced by Mayor Cleworth. SECOND READING AND PUBLIC HEARING.

**Mr. Gatewood**, seconded by **Mr. Hilling**, moved to ADOPT Ordinance No. 5864.

**Mayor Cleworth** called for Public Testimony.

Lance Roberts – Mr. Roberts stated that the changes in Ordinance No. 5864 were trivial, but he suggested that business licensing fees were a sales tax. He indicated that all fees charged to a business are passed on to the consumer.

**Mr. Hilling** asked if Mr. Lance Roberts was opposed to the City's business licensing fees.

Mr. Lance Roberts replied that he objected to taxes in general, but that this was less onerous than a property tax.

**Mr. Roberts** spoke to the origins of the City's business license requirement, recalling the need for the fee because of the cap on the property tax mill rate. He advised future City Councils to lower business licensing fees if the property tax cap were ever removed.

**Mr. Hilling** asked for clarification on the proposed changes in the City's business licensing fees.

**Mayor Cleworth** provided clarification on the changes.

**Mr. Matherly** asked what the collection rate is for business licensing and what the consequences are for non-compliance. He also inquired about the City's auditing process.

**Mayor Cleworth** answered that there is a position in the Finance Department responsible for monitoring and auditing business licensing. He added that the proposed changes in Ordinance No. 5864 would affect only six large-grossing businesses in the City. He spoke to the history of the tax cap in relation to business licensing fees.

**Mr. Hilling** asked if those six company names could be disclosed.

**Mayor Cleworth** replied that number of companies was an estimate and that the information was confidential.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO ADOPT ORDINANCE NO. 5864, AS FOLLOWS:

YEAS: Gatewood, Roberts, Matherly, Stiver, Hilling

NAYS: None

**Mayor Cleworth** declared the MOTION CARRIED and Ordinance No. 5864 ADOPTED.

### NEW BUSINESS

- a) Resolution No. 4493 – A Resolution Authorizing the City of Fairbanks to Participate in the FFY2011 Community Development Block Grant (CDBG) Program. Introduced by Mayor Cleworth.

**Mr. Roberts**, seconded by **Mr. Gatewood**, moved to APPROVE Resolution No. 4493.

**Mayor Cleworth** asked Margarita Bell to provide a staff report on the Community Development Block Grant.



Ms. Bell provided a staff report and explained the Community Development Block Grant process. She clarified that Resolution No. 4493 was only for authorization to apply for the grant and that, in the event that the City was awarded the money, another resolution would have to be approved by the Council to accept the funds. She spoke to the community support offered at the required public hearing in October for the CDBG.

**Mr. Matherly** thanked Ms. Bell for her time. He inquired about the City of Fairbanks' history with the CDBG, stating his understanding that this was the first time an outside agency was involved. He asked what the block grant funds have been used for in the past.

Ms. Bell explained that prior block grant funding went towards City property or projects, so they did not require a match. She indicated that this grant would be different because it involves a building that is not owned by the City.

**Ms. Stiver** asked for clarification on who the applicant of the grant is and what criteria must be met in order to be successful in applying.

Ms. Bell stated that the City of Fairbanks would be the applicant, applying on behalf of Clearwater Ministries. She added that sustainability is a factor of the grant application, and that in order for them to keep the grant money, the renovation will have to be successful. Ms. Bell spoke to the many factors involved in a successful application: community support, organization management, and purpose (outreach to low- and middle-income residents). She explained that the program must be sustained for a minimum of five years before liability to the City is withdrawn.

**Mr. Matherly** commented that there is no guarantee that the City's grant application will be successful.

**Mr. Gatewood** asked if the City has an indirect rate.

Ms. Bell replied that if the grant is approved, the City would be reimbursed for the administration of the grant; but if the project was not successful, that reimbursement would have to be returned with the rest of the grant dollars.

**Mr. Roberts** asked about the time frame for the grant and asked if Resolution No. 4493 could be postponed.

Ms. Bell stated that the grant deadline was December 2, 2011, but that if the resolution was postponed, it would eliminate the secondary plan to apply for funding of a fire engine.

**Mr. Hilling** asked if authorization to apply obligated the City to accept funds granted.

Ms. Bell replied that there would be no obligation for the City to accept funding.

**Mr. Hilling** asked if the \$250,000 grant match was based on 25% of the total grant and in what terms the match would be made.

Ms. Bell confirmed that the match is 25% of the grant total, and that the match would change if renovation costs were revised. She explained that the grant does not support operating costs, with the exception of administration, and that the funds would strictly support renovation. Ms. Bell stated, that to the best of her knowledge, the organization intends to make an in-kind contribution for the \$250,000 match by using the appraisal value of the building along with a donation.

**Mr. Hilling** asked to whom the building ownership goes upon completion of the renovation. He asked about the organization's means of financial support.

Ms. Bell replied that Clearwater Ministries will retain ownership and that they receive in-kind support for staffing. She stated that they also plan to apply for various grants through the Fairbanks North Star Borough and other sources.

**Ms. Stiver** asked for clarification on who has to make the 25% match.

Ms. Bell clarified that the City is required to make the match, but that the organization will be obligated to make that match as part of the agreement between the City of Fairbanks and Clearwater Ministries.

**Ms. Stiver** asked why the secondary plan for the CDBG could not be in place if Resolution No. 4493 was postponed and failed.

Ms. Bell replied that there was only one more City Council Meeting before the grant deadline and that would not allow enough time for a replacement resolution to be approved.

**Mayor Cleworth** suggested that, if Resolution No. 4493 is postponed, an alternate resolution to apply for the grant to purchase a fire engine could be prepared if the current proposal fails.

**Mr. Hilling** stated his support for Resolution No. 4493, given the City still has the option to back out of accepting the grant.

**Mr. Gatewood** stated his firm support for Resolution No. 4493. He commented that while the proposed business plan isn't rock solid, it appears that Youth Advocates has a strong Board of Directors and a good plan. He stated his belief that the lives of homeless youth are more important than the financial risk to the City.

**Ms. Stiver** acknowledged the importance of the issue at hand, and stated her respect for the project plan. She hesitated with the approval of Resolution No. 4493 due to the inexperience of the Youth Advocates organization and the financial liability that would fall upon the City.

**Mr. Matherly** reflected upon his experience as a banker and the desired qualities of an applicant: tenacity, passion, good history in the community. He spoke to the value of the public testimony and community support expressed earlier in the meeting. He stated his unequivocal support for Resolution No. 4493.

**Mr. Hilling** thanked Mr. Gatewood for his comments. He expressed his support for Resolution No. 4493.

**Ms. Stiver** stated that she would support the project if it was backed by a long-standing organization in the community who would be willing to share the risk.

**Mr. Roberts** stated that he shared Ms. Stiver's concerns. He asked Ms. Stiver if she would like to postpone the resolution until the next meeting to see if such support could be obtained, or move forward with the authorization to apply for the CDBG and hope that the support will follow.

**Ms. Stiver** replied that her intent from the beginning has been to postpone.

**Mr. Roberts**, seconded by **Ms. Stiver**, moved to POSTPONE Resolution No. 4493 until the Regular Meeting of November 21, 2011.

**Mr. Gatewood** stated his respect for his fellow Council Members and added that postponing Resolution No. 4493 was more than fair.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO POSTPONE RESOLUTION NO. 4493, AS FOLLOWS:

YEAS: Roberts, Matherly, Gatewood, Hilling, Stiver

NAYS: None

**Mayor Cleworth** declared the MOTION CARRIED and Resolution No. 4493 POSTPONED to the Regular Meeting of November 21, 2011.

- b) Resolution No. 4494 – A Resolution Amending the City Schedule of Fees and Charges for Service. Introduced by Mayor Cleworth.

PASSED and APPROVED on the CONSENT AGENDA.

- c) Resolution No. 4495 – A Resolution Adopting Governmental Accounting Standards Board (GASB) Statement 54 & Fund Balance Policy. Introduced by Mayor Cleworth.

PASSED and APPROVED on the CONSENT AGENDA.

- d) Resolution No. 4496 – A Resolution Authorizing the City of Fairbanks to Accept Funds from the Alaska Division of Homeland Security and Emergency Management Under the FFY2011 Homeland Security Grant Program. Introduced by Mayor Cleworth.

PASSED and APPROVED on the CONSENT AGENDA.

- e) Resolution No. 4497 – A Resolution Urging the Alaska State Legislative and Executive Branches to Make Expressly Legal the Cultivation of Industrial Hemp in the State of Alaska. Introduced by Council Member Hilling.

**Mr. Hilling**, seconded by **Mr. Matherly**, moved to APPROVE Resolution No. 4497.

**Mr. Hilling**, seconded by **Mr. Gatewood**, moved to AMEND Resolution No. 4497 by striking “small-scale (“illegal”) producers in the Delta region and” in the third paragraph.

**Mr. Matherly** asked Mr. Hilling the reasoning behind the entire third paragraph of the resolution, and why the term “illegal” had been used.

**Mr. Hilling** indicated that the reason for the third “WHEREAS” was because of the variety of local demands for hemp. He explained that he would like to strike the portion that referred to illegal production in the Delta region because it was hearsay.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND RESOLUTION NO. 4497, AS FOLLOWS:

YEAS: Hilling, Roberts, Stiver, Matherly, Gatewood

NAYS: None

**Mayor Cleworth** declared the MOTION CARRIED.

**Mr. Gatewood** indicated that he had done some research on hemp products and could see some benefits. He referenced Mr. Lance Roberts’ testimony and expressed his own conflict in supporting the legalization of hemp, stating his fears that it may be misinterpreted as support for marijuana growth. He stated that the two products are so closely aligned that it is difficult to separate them and see the value of hemp cultivation. He stated his hesitation to support the resolution solely because he could not afford to be associated with the legalization with marijuana in any way.

**Mr. Matherly** stated that he has always associatedd hemp and marijuana, but offered the possibility that the two may be very different. He recognized that “pot growers” will always cultivate marijuana illegally, but if hemp is a viable product that will be beneficial to the community, he would be willing to broaden his horizons and extend his support for Resolution No. 4497, as Amended.

**Mr. Hilling** stated that the U.S. is the largest importer of raw hemp in the world. He listed various common products that contain hemp and the possibilities for its use in fuel. He addressed the concern of the correlation between hemp and marijuana and stated that he doesn’t believe the comparison is an issue.

**Mr. Gatewood** asked for clarification on the pollination process if the two products grow closely.

**Mr. Hilling** replied that if marijuana and hemp are cultivated closely, the THC in the hemp will increase while the THC in marijuana will decrease.

**Mr. Roberts** clarified that Resolution No. 4497, as Amended, would not legalize the cultivation of hemp, rather, it would ask the state to reconsider the benefits of its production.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPROVE RESOLUTION NO. 4497, AS AMENDED, AS FOLLOWS:

YEAS: Stiver, Matherly, Hilling, Roberts

NAYS: Gatewood

**Mayor Cleworth** declared the MOTION CARRIED and Resolution No. 4497, as Amended, APPROVED.

### **DISCUSSION ITEMS**

#### Committee Reports

Permanent Fund Review Board – **Mr. Gatewood** gave a brief report on the November 2, 2011 meeting.

Bed Tax Discretionary Fund Committee – **Ms. Stiver** gave an update on the number of applicants for the 2012 disbursement and informed Council that presentation meetings would be scheduled for December.

FMATS Policy Committee – **Mr. Roberts** announced the committee's upcoming meeting on November 16, 2011 in the DOT Conference Room.

### **COMMUNICATIONS TO COUNCIL**

- a) Approval of the 2012 City Council Meeting Schedule

**Mr. Gatewood**, seconded by **Mr. Matherly**, moved to ADOPT the 2012 City Council Meeting Schedule.

Ms. Hovenden informed the Council that Mr. Eberhart (not present) had requested to move the February 13, 2012 meeting to February 27, 2012.

**Mayor Cleworth** called for objection to the revised schedule and, hearing none, so ORDERED.

- b) Permanent Fund Review Board July 20, 2011 Meeting Minutes

ACCEPTED on the Consent Agenda.

- c) Reappointment to the Bed Tax Discretionary Committee

APPROVED on the Consent Agenda.

### **COUNCIL MEMBERS' COMMENTS**

**Ms. Stiver** expressed her hope that Clearwater Ministries could obtain local support and move forward with the project.

**Mr. Roberts** commented on the busy season with budget approval approaching. He stated that he looks forward to seeing fellow Council Members at the budget review meetings.

**Mr. Gatewood** stated his appreciation for citizen participation in public testimony and expressed his respect for fellow Council Members. He spoke to the Champions for Children dinner he recently attended that honored three outstanding Fairbanks citizens and offered his thanks to those individuals.

**Mr. Hilling** expressed his appreciation for the public participation in the meeting. He spoke briefly to the CDBG and conveyed hope that Clearwater Counseling could find support for their project. He thanked Mr. Turney for helping educate him on the hemp issue. He spoke to smaller federal government and the constitution.

**Mr. Matherly** echoed Mr. Gatewood's sentiments about serving with fellow Council Members. He thanked Ms. Hovenden and the Clerk's Office for their service to the City Council.

**Mayor Cleworth** gave a brief update on the renovation of the City Hall gymnasium.

**Mr. Matherly**, seconded by **Mr. Roberts**, moved to go into Executive Session for the purpose of discussing AFL-CIO Labor Negotiations.

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

**Mayor Cleworth** called for a five minute recess.

### EXECUTIVE SESSION

Labor Contract Negotiations – AFL-CIO

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

### ADJOURNMENT

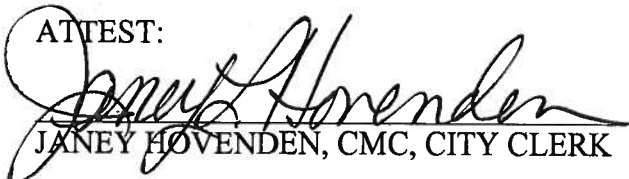
**Mr. Roberts**, seconded by **Ms. Stiver**, moved to ADJOURN the meeting.

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

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

  
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JERRY CLEWORTH, MAYOR

ATTEST:

  
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JANEY HOVENDEN, CMC, CITY CLERK

Transcribed by: DS