



FAIRBANKS CITY COUNCIL
REGULAR MEETING MINUTES, NOVEMBER 25, 2019
FAIRBANKS CITY COUNCIL CHAMBERS
800 CUSHMAN STREET, FAIRBANKS, ALASKA

The City Council convened at 6:30 p.m. on the above date, following a Work Session to discuss Legislative Priorities, to conduct a Regular Meeting of the Fairbanks City Council at the City Council Chambers, 800 Cushman Street, Fairbanks, Alaska, with Mayor Jim Matherly presiding and with the following Council Members in attendance:

Council Members Present: Shoshana Kun, Seat A
 June Rogers, Seat B
 Valerie Therrien, Seat C
 Aaron Gibson, Seat D
 Jerry Cleworth, Seat E
 David Pruhs, Seat F

Absent: None

Also Present: D. Danyielle Snider, City Clerk
 Paul Ewers, City Attorney
 Mike Meeks, Chief of Staff
 Kristi Merideth, FECC Manager
 Angela Foster-Snow, HR Director
 Nancy Reeder, Police Chief
 Dominic Lozano, Firefighter
 Tod Chambers, Assistant Fire Chief
 Jim Styers, Fire Chief
 Scott Raygor, Firefighter
 Nick Clark, Firefighter

City Clerk Danyielle Snider read the Mission Statement of the City of Fairbanks.

Mayor Matherly reported that Mr. Frank Turney passed away earlier in the day, and his next of kin has been notified. **Mayor Matherly** said kind words about Mr. Turney and stated that he will be missed.

INVOCATION

The Invocation was given by City Clerk Danyielle Snider.

FLAG SALUTATION

Mayor Matherly asked everyone to join him in the Pledge of Allegiance.

CITIZENS' COMMENTS

Pam Wertz, 326 Ketchikan Avenue, Fairbanks – Ms. Wertz stated it is sad to hear of the passing of Mr. Turney. She spoke of the town hall meeting that the police union held and stated that emotions ran high because of lack of staffing and resources. Ms. Wertz asked the Council to remember the testimony of the late Sgt. Brandt and questioned whether the outcome would have been different if Sgt. Brandt had had another officer with him. She asked the Council to reflect on Sgt. Brandt's words and act. She stated she understands that the Council only deals with 30,000 residents, but the Fairbanks Police Department (FPD) deals with the community at-large and needs more help. She asked the Council to show FPD its support.

Dominic Lozano, 2980 North Point Court, Fairbanks – Mr. Lozano stated he works at the Fairbanks Fire Department. He spoke to the legislative priorities resolution, particularly in regard to the defined benefits program for certain public employees. He stated he hopes the City Council will support the resolution as written, because it is a retention tool. He stated the bill has bipartisan support and addresses unfunded liabilities. He stated public safety employees look at the bill as a light at the end of the tunnel. He stated that working public safety is demanding, and public safety employees cannot work until a late age because of the physical demands.

Nick Clark, 249 Brighton Drive, Fairbanks – Mr. Clark state he is attending on behalf of the Fairbanks Firefighters Union (FFU) and recommended that the Council approve the resolution as it is currently written.

David van den Berg, 332 Slater Drive, Fairbanks – Mr. van den Berg stated he is attending on behalf of the Downtown Association and spoke to some of the things going on downtown. He shared they met the 2019 fundraising goal for the Service Patrol. He spoke to upcoming local events for winter solstice and about the relocation of Downtown Bingo. He spoke to the businesses springing up on Lacey Street and to how good it is for the downtown area. He stated Public Works is doing a good job with snow removal.

Alan Mitchell, 2663 Turner Street, Fairbanks – Mr. Mitchell stated he came directly from JB Carnahan's memorial service and spoke to all the good things Mr. Carnahan had done. Mr. Mitchell stated he attended the police town hall at the library where there was a lot of talk but no substance. He spoke to officer shootings throughout the country and stated that the issue is not about officers not being paid enough, it is about not valuing the time an officer has invested. Mr. Mitchell stated knowledge and experience has left the department, and he urged the Council to stop fighting a sales tax. He stated that North Pole has had a sales tax for a long time, and they are thriving. He stated it is time for the Council to do something about a sales tax that would allow the City to retain public safety personnel.

Randy Griffin, P.O. Box 75653, Fairbanks – Mr. Griffin stated he attended the town hall meeting on November 18, and he found it interesting and informative. He stated he feels for the police because they feel as though they do not have enough backup. He stated the City should get rid of collective bargaining. He explained that Fairbanks exempted itself from the Public Employment Relations Act (PERA) but later the Council voted to join PERA in 1983. He stated the Council should encourage the legislature to exempt cities from collective bargaining; he stated that North Pole is thriving because they do not have collective bargaining.

Victor Buberger, P.O. Box 58192, Fairbanks – Mr. Buberger stated he attended the police town hall meeting, and it is a joke for them to say it is not all about the money. He stated it is always about money to the officers. He stated Alaska police officers are the eighth highest paid officers in the country, so they should not continue to ask for more money. Mr. Buberger stated everyone knows they want to get their three highest paid years in because their retirement is based on that. He asked the City to pay closer attention to clearing sidewalks to prevent accidents.

Hearing no more requests for comment, **Mayor Matherly** declared Citizens' Comments closed.

APPROVAL OF AGENDA AND CONSENT AGENDA

Ms. Therrien, seconded by **Ms. Kun**, moved to APPROVE the Agenda Consent Agenda.

Ms. Therrien pulled Resolution No. 4895 from the Consent Agenda.

Mayor Matherly called for objection to the Agenda, as Amended, and, hearing none, so ORDERED.

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

APPROVAL OF PREVIOUS MINUTES

a) Regular Meeting Minutes of September 23, 2019.

APPROVED on the CONSENT AGENDA

SPECIAL ORDERS

a) The Fairbanks City Council heard interested citizens concerned with the following Liquor License Applications for Renewal:

Lic. #	DBA	License Type	Licensee	Premises Address
3489	Arctic Fox Bar	Beverage Dispensary	Arctic Fox Bar, LLC	623 Old Steese Highway
704	Costco Wholesale #1342	Package Store	Costco Wholesale Corporation	48 College Road

Mr. Pruhs, seconded by **Ms. Therrien**, moved to WAIVE PROTEST on the Liquor License Applications for Renewal.

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

Mayor Matherly asked Police Chief Nancy Reeder to come forward for a staff report. Chief Reeder stated the calls on the report provided are standard calls, many of which are traffic stops.

Ms. Rogers asked how the previous year compared to the call volume in the current year. Chief Reeder stated they did not pull the previous year's call list, but she would be happy to get that information for Ms. Rogers. **Ms. Rogers** stated it would just be interesting to compare.

Chief Reeder stated when a DUI is listed on a report, it may not necessarily be related to the liquor license; she stated it could simply be the location where the person was pulled over.

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

YEAS: Therrien, Rogers, Pruhs, Gibson, Kun, Cleworth

NAYS: None

Mayor Matherly declared the MOTION CARRIED.

MAYOR'S COMMENTS AND REPORT

Mayor Matherly shared that JB Carnahan, a former City police officer, has passed away. He stated that he was a friend of his family's for forty years. **Mayor Matherly** stated the passing of Frank Turney was unexpected, and his family and close friends will greatly miss him. He stated it is Thanksgiving week and reminded everyone to be thankful for all they have.

Mayor Matherly asked Alysha Childs to come forward to speak about the 2020 Census. Ms. Childs stated the Census will be coming to the Fairbanks North Star Borough beginning March 13, 2020. She stated there will be invitations sent out, and she explained why it is vital that everyone participate and respond. She explained the purpose of the Census and how it affects federal funding. She stated that missing the count of only one person affects federal funding by \$30,000, so getting an accurate count is important.

Helen Renfrew, Explore Fairbanks – Ms. Renfrew stated she is the Director of Meetings and Conventions for Explore Fairbanks. She stated they are putting in a bid for the 2022 Alaska Federation of Natives (AFN) Convention, and she spoke about the past year of tourism in Fairbanks. She spoke to the excitement of hosting the ASHA Hockey Tournament in Fairbanks., and to upcoming local events in 2020. She thanked the Council for reinvesting bed tax dollars.

Mayor Matherly spoke briefly about the Alaska Municipal League (AML) Conference; he expressed disappointment that none of the Governor's staff nor the Governor attended. He stated he was pleased with how many City staff attended classes throughout the week.

COUNCIL MEMBERS' COMMENTS

Mr. Gibson thanked everyone for sharing their opinions and reminded folks that the City has paid sign-on bonuses to hire police officers. He stated he would like to hear other solutions besides enacting a sales tax, because City voters have rejected a sales tax every time the issue has come up. He stated the issue is not that the Council does not care; it is that the Council's hands are tied in many respects.

Mr. Cleworth stated he read about the town hall meeting at the library, but he has heard some things that went unreported. He stated he heard that people commended the Council for getting a Public Safety Employees Association (PSEA) contract signed and for increasing funding. He stated the new insurance plan that PSEA employees are now a part of is much cheaper than the former plan, and the Council has increased its contribution which allows employees to take more money home. **Mr. Cleworth** explained that the PSEA insurance was one of the most expensive plans at the City, so the change has helped employees. He stated the Council did not take salary saving funds away from the department because they want to fill vacant positions. **Mr. Cleworth** commended Chief Reeder for the good job she is doing.

Mr. Pruhs thanked those who came and shared their thoughts with the Council. He stated there are fine individuals working at FPD, and the Council has done many things over the years to help PSEA employees. He stated that PSEA dropped their insurance and went with a different provider without any forewarning, and the Council could have pushed a labor violation. **Mr. Pruhs** stated that when Sgt. Brandt passed away, the union dropped him and his family from their health insurance plan – not the City Council. He stated the City has been blamed for being the bad guy, but it was the Council that fought to find a better policy for the Brandt family. He stated the Council gives and will continue to give law enforcement all the support it can.

Ms. Therrien stated she was unable to attend the police town hall meeting. She agreed with other Council members that the Council does support the police department, and there is evidence of such in the budget.

Ms. Rogers expressed her continued respect for Police Chief Reeder for her understanding, regard, and years of service that show her dedication is real. **Ms. Rogers** stated she feels very secure having Chief Reeder at the City. She thanked everyone for sharing their thoughts and feelings and apologized for missing the town hall meeting. She stated she was attending the AML conference at the time the town hall meeting was held.

Ms. Kun thanked Mr. Lozano and Mr. Clark for attending the meeting. She stated that she sat down with them and was shocked to hear that 300 firefighters nationwide commit suicide each year; she indicated that it is related a lack of benefits and support. She stated the issue sits heavily with her, and something needs to be done about it. She stated that stacking police calls is not far away, and it terrifies her. She spoke briefly to the need for the City to recruit and retain police officers. **Ms. Kun** asked what level of service is acceptable and how the City can do better. She stated the City staffed 84 police officers in the early 1980s, and it is no wonder people felt so safe back then. She stated the City is facing an opioid crisis, and there are only 45 authorized officer positions at FPD. She stated everyone needs to feel safe and it does not feel that way anymore. She acknowledged the Downtown Association for the fund raising they did to help support the Service Patrol.

NEW BUSINESS

- a) Resolution No. 4895 – A Resolution Stating the City of Fairbanks Legislative and Capital Priorities for 2020. Introduced by Mayor Matherly.

Ms. Kun, seconded by **Ms. Therrien**, moved to APPROVE Resolution No. 4895.

Ms. Therrien, seconded by **Ms. Rogers**, moved to AMEND Resolution No. 4895 by adding “SART Funding” to the list of Legislative Priorities.

A ROLL CALL VOTE WAS TAKE ON THE MOTION TO AMEND RESOLUTION NO. 4895 BY ADDING “SART FUNDING” TO THE LIST OF LEGISLATIVE PRIORITIES AS FOLLOWS:

YEAS: Rogers, Gibson, Therrien, Pruhs, Cleworth, Kun

NAYS: None

Mayor Matherly declared the MOTION CARRIED.

Ms. Therrien, seconded by **Ms. Kun**, moved to AMEND Resolution No. 4895, as Amended, by moving Capital Priority #1 to Legislative Priority #7 on the list.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND RESOLUTION NO. 4895, AS AMENDED, BY MOVING CAPITAL PRIORITY #1 TO LEGISLATIVE PRIORITY #7 ON THE LIST AS FOLLOWS:

YEAS: Kun, Gibson, Therrien, Pruhs, Cleworth, Rogers

NAYS: None

Mayor Matherly declared the MOTION CARRIED.

Mr. Cleworth, seconded by **Ms. Rogers**, moved to AMEND Resolution No. 4895, as Amended, by rewriting the “Defined Benefit” summary attached to the resolution to read as follows:

Concern with HB79 Reestablishing a Defined Benefit Plan for Certain Employees.

The State of Alaska in 2006 switched from a defined benefit plan to a defined contribution plan. This change was absolutely necessary to help mitigate the alarming growth and unsustainability of the PERS unfunded liability. Despite the #3 billion infusion by the State in 2014, the liability is again increasing. Alaska’s unfunded liability on a per capita basis is \$46,774 per person, the highest in all 50 states. The city carries a liability on our books as of 12-31-18 of \$14,946,734 and the State of Alaska every year has to help pay down the debt by budgeting from \$400 to \$550 million for PERS and TRS liability reduction which are monies that could be used for education, roads, and all other governmental functions. Tier 4 employees do not receive the full benefit of the funds the city provides on their behalf. The majority of this contribution goes to pay the debt incurred under the defined benefit plan for Tier 1 to 3 employees. If a change is to be made, it should be to fix this inequity with Tier 4. Finally, HB 79 only allows certain classes of employees into this new plan which is inherently unfair.

Mr. Cleworth stated he was okay with the wording of the language in the original version he last saw but was shocked to see how much it had changed when he picked up his agenda packet. He spoke to the history of the PERS plan and shared his concern with the Council going forward without careful consideration. He explained that, no matter what, City taxpayers would be liable for the PERS expense. He cautioned that the cost could be way more than anyone anticipated. **Mr. Cleworth** stated that many entities cannot afford the State’s defined benefit plan, and he

read from an AML resolution in his handout stating the same. He stated that employee retirements must be funded which may prohibit an agency from being able to afford to hire a replacement. He stated that pension schemes are a problem because they are based on the employee's highest three years of earnings, and it is creating a huge shortfall. He spoke of all the advice from financial advisors against the defined benefit program; he stated that the Council should heed their warning.

Mr. Gibson stated that overtime is guaranteed in some of the contracts at the City, and overtime creates an issue when it calculates toward retirement. He stated everyone should be aware of the cost of unfunded liabilities and of other municipalities' struggle with the same issue.

Ms. Therrien stated she could not support Mr. Cleworth's amendment; she stated she supported the language introduced by the Mayor.

Mr. Pruhs stated it seems there has been a snafu with the way the language was introduced, and he supports Mr. Cleworth's language. He stated defined benefits have proven not to be affordable for the future, and he could not see putting a financial burden on a future Council. He stated he would vote in favor of Mr. Cleworth's amendment because Mr. Cleworth is most knowledgeable about the issue.

Mr. Cleworth spoke to the State's projected rate of return for the plan and stated that the City's Permanent Fund cannot even reach a 7% return.

Mayor Matherly indicated that there is no way to determine the outcome in Juneau.

Ms. Therrien stated the Legislative Committee needs to pay attention to the bill. She stated they will continue to keep the Council updated as to legislative actions. **Mr. Pruhs** agreed.

Ms. Kun, seconded by **Mr. Pruhs**, moved to CALL THE QUESTION.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO CALL THE QUESTION AS FOLLOWS:

YEAS: Kun, Gibson
NAYS: Pruhs, Therrien, Cleworth, Rogers
Mayor Matherly declared the MOTION FAILED.

Ms. Rogers stated the topic is of great concern, and everyone's needs should be addressed.

Mr. Cleworth explained that there have been four CPAs who have recommended not moving forward with the State's defined benefit program because of the lack of funding to support it. He stated it is a Ponzi scheme, and he could not support it.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND RESOLUTION NO. 4895, AS AMENDED, BY REWRITING THE "DEFINED BENEFIT" SUMMARY ATTACHED TO THE RESOLUTION TO READ AS WRITTEN ABOVE AS FOLLOWS:

YEAS: Cleworth, Pruhs, Rogers, Gibson
NAYS: Kun, Therrien
Mayor Matherly declared the MOTION CARRIED.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPROVE RESOLUTION NO. 4895, AS AMENDED, AS FOLLOWS:

YEAS: Gibson, Cleworth, Rogers, Kun, Therrien, Pruhs
NAYS: None
Mayor Matherly declared the MOTION CARRIED and Resolution No. 4895, as Amended, APPROVED.

- b) Resolution No. 4896 – A Resolution in Support of State House Resolution Supporting Issuance of Elizabeth Peratrovich \$1 Coin. Introduced by Council Member Cleworth.

APPROVED on the CONSENT AGENDA.

WRITTEN COMMUNICATIONS TO COUNCIL

- a) Acknowledgment of Payment of Lateral Hire Sign-on Bonuses (FPD)

ACCEPTED on the CONSENT AGENDA

- b) Acknowledgment of Payment of Lateral Hire Sign-on Bonus (FECC)

ACCEPTED on the CONSENT AGENDA

- c) Hotel/Motel Discretionary Fund Committee Meeting Minutes of January 9, 2019

ACCEPTED on the CONSENT AGENDA

- d) Clay Street Cemetery Commission Meeting Minutes of October 2, 2019

ACCEPTED on the CONSENT AGENDA

COUNCIL MEMBERS' COMMENTS

Ms. Therrien stated she has been thinking about new revenue measures and shared that Mayor Berkowitz raised gasoline taxes in Anchorage. She suggested that the Council look into something similar. She offered condolences to the family of JB Carnahan and shared that she served on the Borough Assembly with him. She offered condolences also to the family of Frank Turney.

Mr. Pruhs thanked the Carnahan family for all they have done for the City of Fairbanks and stated that JB was an excellent person and friend of his family.

Mr. Cleworth stated he is working on gasoline taxes and thanked Ms. Therrien for raising the issue. He stated he is working with Acting Chief Financial Officer Margarita Bell and City Attorney Paul Ewers to come up with a wholesale tax. He shared fond memories of Frank Turney and stated it would be nice to honor him in some way at the Clay Street Cemetery for all the time and love he put into the cemetery. **Mr. Cleworth** stated JB Carnahan used to be a police officer at the City, and he used to call to get Mr. Carnahan's insight on issues when he first became a Council Member.

Mr. Gibson gave condolences to the Carnahan family and stated he was unaware that Mr. Carnahan was a former City police officer. **Mr. Gibson** shared that he always found Mr. Turney to be an interesting person, and he was engaged in so many different issues. He encouraged everyone to support FPD and stated that he would support less-lethal weapon options.

Ms. Kun gave a land acknowledgement and shared that if anyone out there is hurting to know that they are loved. She reminded everyone that some people may not have anywhere to go for Thanksgiving and suggested that folks invite guests to their table for the holiday. She shared that November is Alaska Native Heritage month as well as Adoption Awareness month.

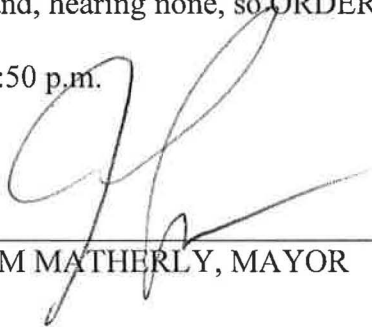
Ms. Rogers spoke well of Mr. Turney and Mr. Carnahan and of all that they did for their communities. She stated she would continue to work on the issue of racism in the jury pool – an issue that Mr. Turney championed; she shared that it is an issue he also brought to the Diversity Council on many occasions.

ADJOURNMENT

Ms. Kun, seconded by **Mr. Pruhs**, moved to ADJOURN the meeting.

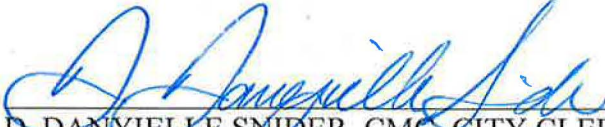
Mayor Matherly called for objection and, hearing none, so ORDERED.

Mayor Matherly declared the meeting adjourned at 8:50 p.m.



JIM MATHERLY, MAYOR

ATTEST:



D. DANVIELLE SNIDER, CMC, CITY CLERK

Transcribed by: EB