



ASSEMBLY FINANCE COMMITTEE AGENDA

October 1, 2020

This meeting will be held by teleconference in the
Mona Lisa Drexler Assembly Chambers
Juanita Helms Administration Center
907 Terminal Street, Fairbanks, Alaska
5:30 p.m.

1. CALL TO ORDER

2. ROLL CALL

3. MEMORANDA/REPORTS/PRESENTATIONS

NONE

4. CONTRACTS/BID AWARDS

- a. Contract Award: Sourcewell Contract #080819-SII
Flooring Replacement at Big Dipper Recreation Center

Approval of contract with Shaw Integrated Solutions in the amount of \$105,005.51 (**Page 2**)

5. ADVANCED ORDINANCES AND RESOLUTIONS

- a. ORDINANCE NO. 2020-32. An Ordinance Providing For The Sale Of Lot 1, Block 23 Of Re-Plat Of Block 23, Davis Subdivision, Setting The Date Of Sale And Prescribing Terms Of Sale (601 Snowman Lane, North Pole). (Sponsor: Mayor Ward) (**Page 4**)

6. OTHER COMMITTEE BUSINESS/DISCUSSION ITEMS

- a. Monthly Budget and Fund Balance Reports

7. MAYOR/ASSEMBLY COMMENTS

8. ADJOURNMENT

THE AGENDA ITEMS AS LISTED MAY NOT BE CONSIDERED IN SEQUENCE. THIS AGENDA IS SUBJECT TO CHANGE TO INCLUDE THE DELETION OF ITEMS; OR EXECUTIVE SESSIONS, IF NEEDED.



Fairbanks North Star Borough General Services

907 Terminal Street • PO Box 71267 • Fairbanks, Alaska 99707-1267
907/459-1297 • FAX 459-1100

MEMORANDUM

TO: Leah Berman Williams, Finance Committee Chair
Fairbanks North Star Borough Assembly

THROUGH: Bryce Ward, Borough Mayor *BW* for BW

FROM: Cory T. Beal, Chief Procurement Officer *CTB*
General Services Department

DATE: October 1, 2020

SUBJECT: RECOMMENDATION TO APPROVE AWARD
Sourcewell Contract #080819-SII
Flooring Replacement at Big Dipper Recreation Center

CONTRACTOR: Shaw Integrated Solutions

CONTRACT AMOUNT: \$105,005.51

The Department of Public Works recommends Assembly approval of a contract with Shaw Integrated Solutions in the amount of **\$105,005.51**.

The contract consists of replacing the flooring in the locker rooms, hallways, and entrance way at the Big Dipper Recreation Center.

Funding for this project has been made available by Ordinance Number 2020-20 (General Fund).

As allowed under FNSB Code 16.08.040, Cooperative Purchasing, the Borough will be utilizing the cooperative contract through Sourcewell for this purchase.

Please place this recommendation to award on the Assembly Finance Committee agenda for the meeting to be held October 1, 2020.

Attached is the documentation package provided by the Department of Public Works.



Fairbanks North Star Borough

Department of Public Works • 1885 Marika Road • PO Box 71267 • Fairbanks, Alaska 99707-1267
(907) 459-1319 Fax (907) 205-5193

MEMORANDUM

TO: Cory Beal, Chief Procurement Officer
Department of General Services

THROUGH: David Bredlie, Director of Public Works *DB*

FROM: Travis Smith, Facilities Maintenance Manager *TS*
Department of Public Works

DATE: September 16, 2020

SUBJECT: Flooring Replacement at Big Dipper Recreation Center
Sourcewell contract #080819-SII, Shaw Integrated Solutions

Action Requested: The Department of Public Works recommends the purchase and installation of rubber flooring in the Big Dipper Recreation Center. Cost for this project is \$105,005.51.

Project Description: The current flooring in the Big Dipper Recreation Center is worn and damaged due to years of use and in need of replacement. This project includes the removal and replacement of flooring in the locker rooms, hallways and entrance way.

Funding Source: Ordinance # 2020-20 General Fund,
Multi-Year Program Public Works - Repair and Maintenance
ORG Key LGFREM-61710



FAIRBANKS NORTH STAR BOROUGH Division of Land Management

907 Terminal St ✦ P O Box 71267 ✦ Fairbanks, Alaska 99707-1267 (907) 459-1241 ✦ FAX (907) 459-1122

M E M O R A N D U M

TO: Fairbanks North Star Borough Assembly

THROUGH: Bryce Ward, Mayor 

FROM: Sandra Mota, Natural Resources Development Manager 

DATE: September 24, 2020

SUBJECT: Ordinance No. 2020-32

AN ORDINANCE PROVIDING FOR THE SALE OF LOT 1, BLOCK 23 OF RE-PLAT OF BLOCK 23, DAVIS SUBDIVISION, SETTING THE DATE OF SALE AND PRESCRIBING TERMS OF SALE (601 SNOWMAN LANE, NORTH POLE)

The attached ordinance requests authorization for sale by auction of Borough-owned land, Lot 1, Block 23 of Re-plat of Block 23, Davis Subdivision, at less than fair market value and without Borough financing (cash sale).

FNSBC 20.20.020(A) states the Mayor may sell unretained Borough land according to the terms fixed by the Assembly by ordinance. In 2016, the Assembly approved sale of the property referenced above, known as the Old North Pole Library, for fair market value. A facility condition inspection report, procured by Land Management from an independent source prior to the sale, indicated that "...with the exception of the aged roofing, [there were] ...very few obvious or significant repairs that warranted immediate attention." Subsequent inspections to specifically address concerns with the condition of the roof have produced estimates to repair or replace it between \$200,000 and \$355,000.

The property sold for \$365,000 in 2018, with a 10% down payment made by the buyer and the balance financed at 8.5% interest on a 10-year deed of trust security. Regrettably, the buyer defaulted on payments and the Borough initiated non-judicial foreclosure proceedings, having received a Trustees' Deed to the property in April of this year.

It is the Borough's intent to re-offer the property for sale at auction, for less than fair market value. Specifically, the proposed sale price would deduct the lower cost to cure estimate amount of \$200,000 from the appraised fair market value, resulting in a minimum bid amount of \$165,000. The cost to maintain the property in Borough ownership since 2015, when the building was vacated, has averaged \$13,000 per year in utilities and \$6,500 per year in labor and parts for on-going maintenance and site inspections.

We support the ordinance and urge its adoption. Thank you.

By: Bryce J. Ward, Mayor
Introduced: September 24, 2020

FAIRBANKS NORTH STAR BOROUGH

ORDINANCE NO. 2020 - 32

AN ORDINANCE PROVIDING FOR THE SALE OF LOT 1, BLOCK 23 OF RE-PLAT OF
BLOCK 23, DAVIS SUBDIVISION, SETTING THE DATE OF SALE AND PRESCRIBING
TERMS OF SALE (601 SNOWMAN LANE, NORTH POLE)

WHEREAS, FNSBC 20.20.020(A) states the Mayor may sell unretained
Fairbanks North Star Borough (Borough) land according to the terms fixed by the
Assembly by ordinance; and

WHEREAS, On October 13, 2016, the Borough Assembly adopted Ordinance
No. 2016-61, which approved the sale of this same property known as the Old North Pole
Library for fair market value (FMV), by auction sale, offering Borough financing to
qualified buyers through a ten- (10) year deed of trust security requiring interest at six
(6) percentage points above the then federal discount rate, and a ten percent (10%)
down payment; and

WHEREAS, The property did not sell during the auction held September 1
through September 30, 2017 and was then offered for sale over the counter. It sold in
December 2018 for \$365,000, with Borough financing made available to the buyer; and

WHEREAS, Said buyer defaulted on the terms of the deed of trust, and the
Borough as beneficiary of that security interest accepted a Trustee's Deed through non-
judicial foreclosure proceedings held in April 2020; and

WHEREAS, Various engineering reports obtained between August 2017 and
November 2019 indicated the building's roof required extensive repair, and possible
replacement, estimated to cost upward of \$200,000; and

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WHEREAS, FNSBC 20.20.030(C) states the Assembly may authorize the Mayor to sell land for less than FMV if the ordinance authorizing the sale contains a finding that the sale for less than FMV is in the best interest of the Borough; and

WHEREAS, It is the Borough’s intent to eliminate the ongoing financial burden of oversight, maintenance and utilities, and the potential future cost of demolition.

NOW, THEREFORE, BE IT ORDAINED by the Assembly of the Fairbanks North Star Borough:

Section 1. Classification. This ordinance is not of a general and permanent nature and shall not be codified.

Section 2. Sale Approval. The Borough Mayor is hereby authorized to offer for sale, at a sealed bid auction to be conducted between October 12, 2020 and November 11, 2020, the property known as Lot 1, Block 23 of Re-Plat of Block 23, Davis Subdivision, according to the plat filed on November 14, 1972 as Plat No. 72-46, F.R.D., Fourth Judicial District, State of Alaska, within Section 9, T.2S., R.2E., F.M.

Section 3. Sale for Less Than Fair Market Value. The minimum bid will be less than FMV and set at \$165,000. The finding, that sale at less than FMV is in the best interest of the Borough, is based on the following factors:

1. Repairing the roof in order to facilitate sale of the property at FMV could cost the Borough as much as \$355,000.
2. Demolishing the facility in order to facilitate sale of the land at FMV could cost the Borough as much as \$238,500.
3. Cost to maintain the property in Borough ownership since 2015, when the building was vacated, has averaged \$13,000 per year in utilities and \$6,500 per year in labor and parts for on-going maintenance and site inspections.

64 4. Experience supports the concern that a vacant building may attract vandalism
65 and criminal nuisance which negatively impacts surrounding property values
66 and community safety.

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68 Section 4. Terms. The terms of the auction are as follows:

69 1. Five percent (5%) of the bid amount will be submitted by certified check or
70 credit card authorization with the bid.

71 2. Successful bidders will provide an additional five percent (5%) of the bid
72 amount at signing of the purchase and sale agreement for a total down
73 payment of ten percent (10%) of the purchase price.

74 3. The sale shall be a cash sale with no Borough financing made available to the
75 successful bidder.

76 4. The Borough may pay up to three percent (3%) in sales commission to a State
77 of Alaska real estate licensee acting as the buyer's representative.

78 5. Fee simple ownership shall be conveyed to the purchaser by quit claim deed.

79 6. Participants in the auction must be at least eighteen (18) years of age. No
80 person who is delinquent in any tax, debt, or obligation to the Borough may
81 participate.

82 7. The following persons are ineligible to participate in the auction either in their
83 own name or in the name of their spouse, dependent child or solely-owned or
84 family-owned business: the Borough Mayor, the Borough Chief of Staff, all
85 employees of the Land Management Division, and the professional responsible
86 for the appraisal pertaining to the sale property. This restriction shall not apply
87 if the property does not sell at auction and is subsequently placed for over-the-
88 counter sale.

89 8. Should the property not sell at auction, it may be reoffered for sale without
90 further Assembly action by any of the methods contemplated in Borough Code
91 at less than fair market value and by terms to be determined by the
92 Administration.

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Section 5. Mining Claims and Other Third-Party Interests. Land Management has reviewed records for the property and there are no existing mining claims or other third-party interests known to Land Management within the proposed sale property which Land Management believes impact or are impacted by the proposed sale.


Section 6. Effective Date. This ordinance is effective at 5:00 p.m. on the first Borough business day following its adoption.

ADOPTED THE _____ DAY OF _____, 2020.

Christopher Quist
Presiding Officer

ATTEST:

April Trickey, CMC
Borough Clerk

APPROVED:


Jill S. Dolan
Borough Attorney