

**ASSEMBLY FINANCE COMMITTEE AGENDA**

February 4, 2021

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

**1. CALL TO ORDER**

**2. ROLL CALL**

**3. MEMORANDA/REPORTS/PRESENTATIONS**

- 3.a. A presentation by the Administration introducing a Parks and Recreation cost recovery model, to include a question and answer period.

**4. CONTRACTS/BID AWARDS**

NONE

**5. ADVANCED ORDINANCES AND RESOLUTIONS**

5.a. ORDINANCE NO. 2021-02.

An Ordinance Providing For An Election For Tax Cap Revision To The Whitman Service Area. (Sponsor: Mayor Ward)

Documents:

[2021-02 Backup Information.pdf](#)

5.b. ORDINANCE NO. 2021-03.

An Ordinance Amending Chapter 8.04 FNSBC To Add An Energy Efficient New Construction Tax Credit Program. (Sponsors: Mayor Ward, Assemblymembers Sanford and Cooper)

Documents:

[2021-03 Backup Information.pdf](#)

5.c. ORDINANCE NO. 2020-20-1P.

An Ordinance Amending The FY 2020-21 Budget By Appropriating \$55,000 From The Emergency Coordination Center Technology And Equipment Replacement Reserve To The Capital Projects Fund For An Information Technology Equipment Replacement Project. (Sponsor: Mayor Ward)

Documents:

[2020-20-1P Backup Information.pdf](#)

**6. OTHER COMMITTEE BUSINESS/DISCUSSION ITEMS**

6.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

DEPARTMENT OF PUBLIC WORKS  
Rural Services Division

ruralservices@fnsb.us  
Main: (907)459-1223  
Fax: (907) 459-1499

## MEMORANDUM

**TO:** Fairbanks North Star Borough Assembly

**THRU:** Bryce Ward, Mayor *BW* for BW

**FROM:** David Bredlie, Director *DB*  
Department of Public Works

**DATE:** January 14, 2021

**SUBJECT:** Ordinance 2021-02  
Election for Tax Cap Revision for Whitman Road Service Area

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In August, service area commissions received tax cap election guidelines. In response, the Division of Rural Services received a request from Whitman Road Service Area to participate in the March 2021 tax cap election.

They requested that their revenue be increased by \$5,460. This will add approximately 1.754 mills to their current rate of 1.996, giving them a new mill rate of approximately 3.750.

The Whitman Service Area held a public meeting to discuss budget issues. The commission submitted a request to increase their budget. The listed mill rates were calculated from the 2019 certified tax values.

I urge adoption of this ordinance.

**Attachments:** Ordinance  
Service Area Map - Exhibit A  
Staff Report

By: Bryce Ward, Mayor  
Introduced: 01/14/2021

FAIRBANKS NORTH STAR BOROUGH

ORDINANCE NO. 2021 – 02

AN ORDINANCE PROVIDING FOR AN ELECTION FOR TAX CAP REVISION TO THE  
WHITMAN SERVICE AREA

WHEREAS, Chapter 8.04 FNSBC provides for revision of the tax cap amount  
by voters within taxing jurisdiction, by election; and

WHEREAS, The Whitman Service Area Commission has indicated that their  
present tax cap produces insufficient funds to provide maintenance and capital  
construction services; and

WHEREAS, The election is required for a taxing jurisdiction to determine if  
the voters authorize an increase to their taxes in order to provide those services.

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

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

Section 2. Election. An election shall be held pursuant to FNSBC  
5.04.050(C) on the fourth Tuesday of March, March 23, 2021, within the area shown on  
the map attached to this ordinance as Exhibit A, to place before the registered voters  
residing within the Whitman Service Area the following question:

32 "Shall the Whitman Service Area be authorized to increase its annual  
33 property tax revenue in the amount of \$5,460 in order to fund road maintenance and  
34 capital construction services?"

35  
36 An increase of \$5,460 will add approximately 1.754 mills to the rate allowed  
37 by the existing tax cap.

38  
39 Section 3. Effective date. This ordinance shall be effective at 5:00 p.m. on  
40 the first borough business day following its adoption.

41  
42 ADOPTED THE \_\_\_\_\_ DAY OF \_\_\_\_\_ 2021.

43  
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45 \_\_\_\_\_  
46 Mindy O'Neall  
47 Presiding Officer

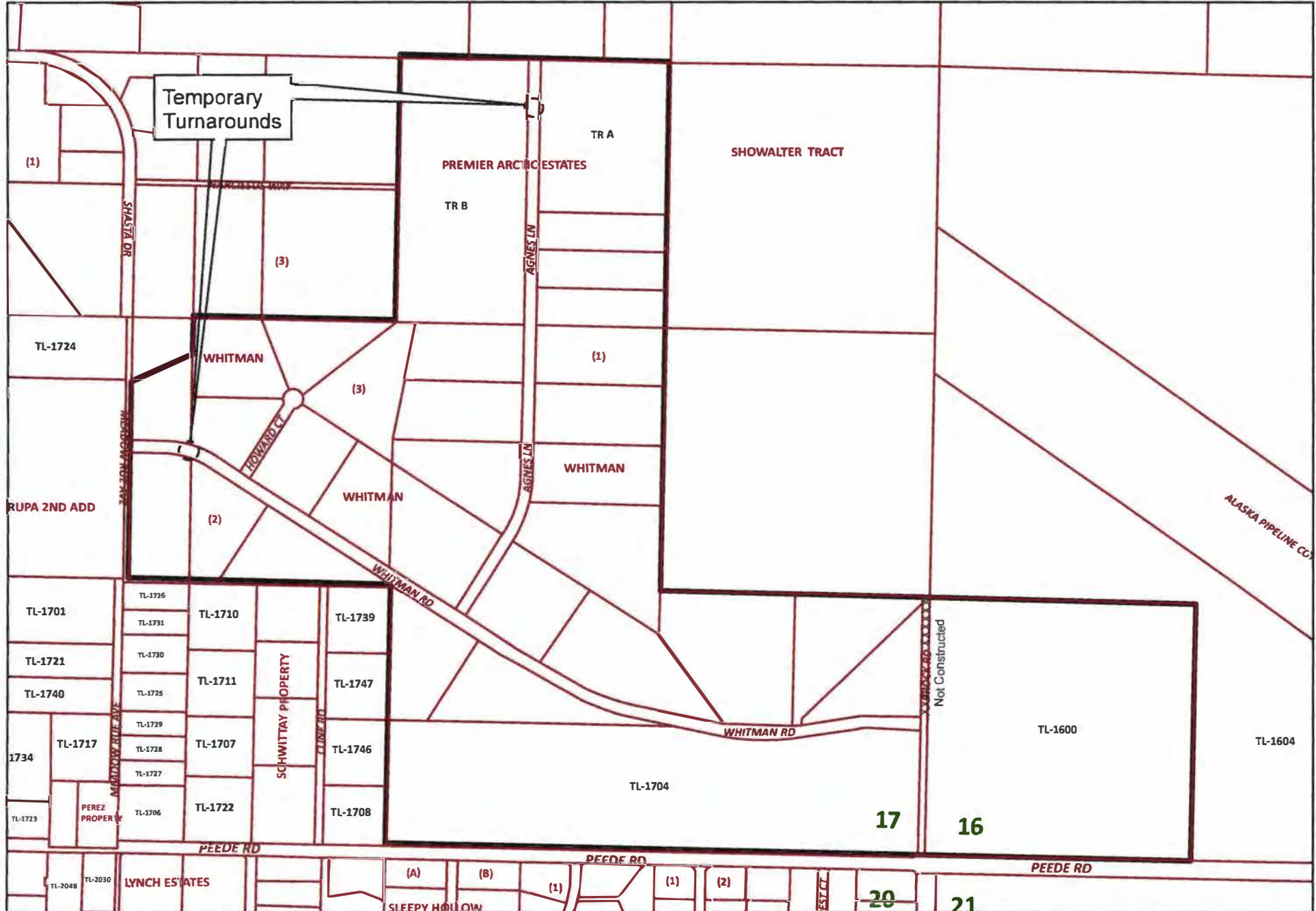
48 ATTEST:  
49  
50 \_\_\_\_\_  
51 April Trickey, CMC  
52 Borough Clerk

APPROVED:  
  
*Approved by JSD*  
\_\_\_\_\_  
Jill S. Dolan  
Borough Attorney



# WHITMAN SERVICE AREA

Ordinance 2021-02 Exhibit A



## STAFF REPORT

### Ordinance for the Tax Cap Revision to the Whitman Service Area

NARRATIVE. Each year service areas are given the opportunity to participate in an election to adjust their tax cap. Whitman Service Area commissioners initiated the Tax Cap Election Request on December 17, 2018.

The Whitman Service Area held a publicly noticed meeting on December 17, 2018 to discuss budget issues. Eight residents attended the meeting including service area commissioners. Based on discussion, the commissioners decided in favor of a tax cap increase. The service area commission voted to participate in a tax cap election to increase their tax cap revenue. The meeting minutes reflect that the service area commissioners in attendance voted to hold an election to raise their tax cap to \$11,680 an increase of \$5,460.

2019 Service Area Taxable Assessment:	\$3,114,171
Current Tax Cap:	\$6,220
Current Mill Rate:	1.991
FY 20 Operating Budget:	\$6,220
Amount FY 20 Budget was supplemented From the Service Area Fund Balance:	\$0.00
Current Fund Balance:	\$11,266
FY 21 Expenditures as of 10/31/20:	\$0
Year Established:	1994
Initial Taxing Year:	1994
Number of Commissioners:	2
Road Miles Maintained:	1.51



# Fairbanks North Star Borough

MAYOR'S OFFICE

mayor@fnsb.gov  
Main: (907) 459-1300  
Fax: (907) 459-1102

## MEMORANDUM

TO: Fairbanks North Star Borough Assembly

From: Bryce Ward, Mayor *BW for BW*

Date: January 28, 2021

Subject: Ordinance 2021 –03  
An Ordinance Amending Chapter 8.04 FNSBC Adding and Energy Efficient New Construction Tax Credit Program

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Attached for your consideration is a proposed ordinance that would establish an energy efficient new construction tax credit program. If adopted, the program would allow a one-time property tax credit of up to \$7,500 for new residential construction built to a 6-star energy standard rating.

In consultation with the Chief Financial Officer, a Financial Impact Statement (FIS) is not needed at this time, nor was and FIS attached to the proposed ordinance. This ordinance would only establish the administrative components of the program – the Assembly would have to, by separate ordinance each year, fund the tax credit program.

I urge your adoption of this ordinance.

Attachments: Ordinance

/jw





1 By: Bryce J. Ward, Mayor  
2 Marna Sanford  
3 Matt Cooper  
4 Introduced: 01/28/2021  
5

6 FAIRBANKS NORTH STAR BOROUGH  
7  
8 ORDINANCE NO. 2021 – 03  
9

10 AN ORDINANCE AMENDING CHAPTER 8.04 FNSBC TO ADD AN ENERGY EFFICIENT  
11 NEW CONSTRUCTION TAX CREDIT PROGRAM  
12

13 WHEREAS, The 31<sup>st</sup> Alaska Legislature authorized, and the Governor signed  
14 House Bill 232 (HB 232) with an effective date of July 19, 2020; and  
15

16 WHEREAS, HB 232 amended Alaska Statutes by adding a new Section  
17 29.45.049 authorizing municipalities to develop an energy efficient construction tax credit  
18 program; and  
19

20 WHEREAS, The Fairbanks North Star Borough (Borough) program is aimed  
21 at only new construction; and  
22

23 WHEREAS, Higher quality construction that incorporates energy efficiency  
24 into the design benefits the occupant and the community by reducing the energy per  
25 square foot requirements of such buildings compared to standard building code minimum  
26 requirements; and  
27

28 WHEREAS, Energy efficient building techniques can pay for themselves and  
29 will save building occupants money over time; and  
30

*AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT*  
Text to be *added* is underlined  
Text to be *deleted* is [BRACKETED, CAPITALIZED]

31                   WHEREAS, The best time to incorporate features that reduce energy  
32 consumption and promote energy efficiency in buildings is at the planning and design  
33 stages; and

34  
35                   WHEREAS, Reduced energy consumption not only benefits the occupant of  
36 a building by reducing cost but also benefits the environment by reducing pollution; and  
37

38                   WHEREAS, The cheapest form of energy is the one that is never consumed;  
39 and

40  
41                   WHEREAS, The energy efficient new construction tax credit is mirrored after  
42 the successful Alaska Housing Finance Corporation home energy rebate program that  
43 provided a rebate for six-star new construction; and

44  
45                   WHEREAS, It is in the economic best interest of the community to  
46 incentivize projects that deliver high-quality construction into borough housing markets;  
47 and

48  
49                   WHEREAS, The Borough’s energy efficient new construction tax credit  
50 program will be limited to the total credit amount appropriated by the Borough Assembly  
51 annually.

52  
53                   NOW, THEREFORE, BE IT ORDAINED by the Assembly of the Fairbanks  
54 North Star Borough:

55  
56                   Section 1. Classification. This ordinance is of a general and permanent  
57 nature and shall be codified.

58

*AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT*  
Text to be *added* is underlined  
Text to be *deleted* is [BRACKETED, CAPITALIZED]

59 Section 2. FNSBC 8.04.145, Energy efficient new construction tax credit, is  
60 hereby added as follows:

61 To the extent permitted by state law, the Fairbanks North Star Borough may offer an  
62 energy efficient new construction tax credit that will offset a portion of the areawide  
63 property taxes due on certain real property improvements made in the immediately  
64 preceding tax year. This tax credit shall be subject to the following eligibility requirements,  
65 conditions, and other criteria:

66 A. Tax credits shall be available only to the extent that funds, lawfully appropriated  
67 for that purpose, are available to fund the tax credit. If the approved applications exceed  
68 appropriations for this program, funds will be distributed on a pro-rata basis.

69 B. The owner of the property must meet and fully comply with all requirements of  
70 any applicable program of the Fairbanks North Star Borough providing for an energy  
71 efficiency tax credit.

72 C. To be eligible for a tax credit, the owner of the property must submit a completed  
73 Borough-approved application before April 1st with verification and other documentation  
74 required for the credit, including proof that:

75 1. Construction was for an entirely new residential structure(s) and not an  
76 extension or modification of existing structures on the property;

77 2. Construction was completed during the immediately preceding tax year;

78 3. The structure provides living facilities for one or more persons and includes  
79 permanent provisions for living, sleeping, eating, cooking, and sanitation; and

80 4. The structure(s) achieved a six-star standard as certified by an eligible rater  
81 using the Building Energy Efficiency Standards for Alaska, consisting of the International  
82 Energy Conservation Code (IECC) of 2018, ASHRAE 62.2, 2016 and 2018 International  
83 Residential Code, with Alaska Specific Amendments adopted November 28, 2018.

84 D. To the extent a tax credit is approved after application, that tax credit may be  
85 claimed only in the initial qualifying year. A claim must be submitted on a Borough-

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86 approved form after property taxes are paid in full for the applicable tax year and no later  
87 than December 1<sup>st</sup>.

88 E. Applicants must have no delinquent property taxes or penalty or interest owing at  
89 the time of application and at the time the tax credit is claimed.

90 F. A tax credit shall not exceed \$7,500 or the amount of areawide property taxes  
91 attributable to the energy efficient improvements for that year, whichever is less.

92  
93 Section 3. Effective Date. This ordinance is effective at 5:00 p.m. on the  
94 first Borough business day following its adoption.

95  
96 ADOPTED THE \_\_\_\_\_ DAY OF \_\_\_\_\_ 2021.  
97  
98  
99

100 \_\_\_\_\_  
101 Mindy O'Neall  
102 Presiding Officer

103 ATTEST:

APPROVED:

104  
105  
106 \_\_\_\_\_  
107 April Trickey, CMC  
108 Borough Clerk

104  
105  
106 Approved by JSD  
107 Jill S. Dolan  
108 Borough Attorney

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT  
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# Fairbanks North Star Borough

## DIGITAL SERVICES

Main: (907) 459-1488

Fax: (907) 459-1486

To: Fairbanks North Star Borough Assembly

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

From: Blake Moore, Director, Digital Services *BM*

Date: January 28, 2021

Subject: Ordinance 2020 – 20 - 1P  
Replacement of Emergency Operations Center A/V and IT Equipment

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The Fairbanks North Star Borough (Borough) Emergency Operations Center (EOC) is an integral part of the Borough's Emergency Management program. The equipment deployed at the EOC, including the audio/visual (A/V) and information technology (IT) equipment, is necessary for the effective functioning of the EOC. Some of the A/V and IT equipment (workstations, displays, and network switches) currently installed at the EOC is in excess of six years old and is either no longer supported by the manufacturer, beyond the standard recommended replacement timeframe, or is not compatible with technology currently used by the Borough.

The Digital Services department would like to replace the dated equipment before any failures negatively impact the operations of the EOC. The table below summarizes the estimated costs of the required equipment.

GIS Workstations	\$12,000
Displays	8,000
Network Switches	25,000
A/V Equipment	10,000
Total	<u>\$55,000</u>

I urge your support of this ordinance.

Attachment

By: Bryce Ward, Mayor  
Introduced: 01/28/2021

FAIRBANKS NORTH STAR BOROUGH

ORDINANCE NO. 2020 - 20 - 1P

AN ORDINANCE AMENDING THE FY 2020-21 BUDGET BY APPROPRIATING \$55,000 FROM THE EMERGENCY COORDINATION CENTER TECHNOLOGY AND EQUIPMENT REPLACEMENT RESERVE TO THE CAPITAL PROJECTS FUND FOR AN INFORMATION TECHNOLOGY EQUIPMENT REPLACEMENT PROJECT

WHEREAS, Ordinance No. 2011-20-2U appropriated funds for the purchase of the equipment for the Fairbanks North Star Borough (Borough) Emergency Operations Center (EOC), including audio/visual (A/V) and information technology (IT) equipment (workstations, displays, switches, and other IT infrastructure) necessary to operate the EOC; and

WHEREAS, Ordinance No. 2014-20 established the Non-Areawide Emergency Coordination Center Technology and Equipment Replacement Reserve (ECC Reserve) to accumulate funds for the replacement of technology and other equipment at the Borough's EOC. The ECC Reserve currently has an estimated balance of \$370,000; and

WHEREAS, The EOC is an integral part of the Borough's Emergency Management program; and

WHEREAS, The A/V and IT equipment deployed at the EOC is necessary for the effective functioning of the EOC; and

WHEREAS, Some of the A/V and IT equipment currently installed at the EOC are in excess of six years old and are either no longer supported by the

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33 manufacturer, beyond the standard recommended replacement timeframe, or are not  
34 compatible with technology currently used by the Borough; and

35  
36 WHEREAS, The department of digital services seeks to replace the dated  
37 A/V and IT equipment at the EOC before it negatively impacts the operations of the EOC  
38 and estimates the total cost of the project to be \$55,000.

39  
40 NOW, THEREFORE, BE IT ORDAINED by the Assembly of the Fairbanks  
41 North Star Borough:

42  
43 Section 1. Classification. This ordinance is not of a general and  
44 permanent nature and shall not be codified.

45  
46 Section 2. Emergency Coordination Center Technology and Equipment  
47 Replacement Reserve Appropriation. The FY 2020-21 budget is hereby amended by  
48 appropriating \$55,000 to the Emergency Coordination Center Technology and Equipment  
49 Replacement Reserve budgetary guideline entitled "Contribution to Capital Projects Fund"  
50 and by increasing Contribution from Fund Balance by a like amount.

51  
52 Section 3. Capital Projects Fund Appropriation. The FY 2020-21 budget  
53 is hereby amended by appropriating \$55,000 to the Capital Projects Fund budgetary  
54 guideline entitled "EOC IT Equipment Replacement Project" and by increasing  
55 Contribution from Emergency Coordination Center Technology and Equipment  
56 Replacement Reserve by a like amount.

57  
58 Section 4. Lapse of Funds. Upon completion or abandonment of this  
59 project, any unexpended, unencumbered funds will lapse to the fund balance of the  
60 Emergency Coordination Center Technology and Equipment Replacement Reserve.

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT

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

ADOPTED THE \_\_\_\_\_ DAY OF \_\_\_\_\_ 2021.

\_\_\_\_\_  
Mindy O'Neall  
Presiding Officer

ATTEST:  
\_\_\_\_\_  
April Trickey, CMC  
Borough Clerk

APPROVED:  
Approved by JS  
\_\_\_\_\_  
Jill S. Dolan  
Borough Attorney

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FAIRBANKS NORTH STAR BOROUGH  
FISCAL NOTE

I. Request

Ordinance No: 2020-20-1P Date Introduced: January 28, 2021

Abbreviated Title: Appropriate \$55,000 from the Emergency Coordination Center Technology and Equipment Replacement Reserve for an EOC Information Technology Equipment Replacement Project

II. Financial Detail

Department/Division Affected: Digital Services/Technology Support

EXPENDITURE	Emergency Coordination Center Technology and Equipment Replacement Reserve	Capital Projects Fund
	FY 20/21	FY 20/21
Awaiting Budget		55,000
Contribution to Capital Projects Fund	55,000	
Total	55,000	55,000

SOURCE OF FUNDING

Contribution from Fund Balance	55,000	
Contribution from Emergency Coordination Center Technology and Equipment Replacement Reserve		55,000
Total	55,000	55,000

Specify Funding Sources: Emergency Coordination Center Technology and Equipment Replacement Reserve fund balance

OTHER FUNDING (PREVIOUSLY APPROPRIATED)

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III. Project Purpose:

Replace dated audio/visual and information technology equipment at the EOC

IV. Analysis of Future Liabilities and Funding Sources:

Ongoing equipment repairs and maintenance

IV. Fund Certification: I certify that funding sources are available as detailed in II above.

Debra L. R. Brady  
Debra L. R. Brady  
Chief Financial Officer

1/5/21  
Date

mk	FA	SrGLA
ms	GA	CA
	SpA	C
PA	TBM	GLA

**Fairbanks North Star Borough Fiscal  
Impact Statement (FIS) (FNSBC 3.20.010 C.)**

Check	Date
Version 1	
Version 2	
Version 3	
Version 4	

Originator's Name: Blake Moore Department: Digital Services

To Be Introduced/Sponsored By: Mayor

Abbreviated Ordinance Title: ECC Equipment Replacement

Department(s)/Division(s) Affected: Digital Services / Technology Support

Proposed Introduction Date: January 28th, 2021 Ordinance No.: 2020-20-1P

**Does this ordinance authorize:**

- 1) a new or expansion of services which entails additional costs beyond that approved in the current adopted budget? Yes \_\_\_ No  \*
- 2) a project that is capital in nature and increases operational costs of the Borough in the current or any future fiscal year? Yes \_\_\_ No  \*

Required Information/Estimates	FISCAL IMPACT PRO FORMA SUMMARY - BEST ESTIMATE				
	Remainder of Current FY	1st Full FY of Operations	2nd Full FY of Operations	3rd Full FY of Operations	4th Full FY of Operations
	FY 20__ / __	FY 20__ / __	FY 20__ / __	FY 20__ / __	FY 20__ / __
1. Timeline inclusive of all phases					
2. Number and type of new positions which may be required					
3. Cost of operations and maintenance					
4. Future costs to complete capital assets					
5. Estimated revenue impact					
6. Estimated non-Borough funds that may be received:					
a. to fund the ordinance					
b. to fund future phases					
c. to fund future operations and maintenance costs					
7. Anticipated annual tax subsidy					

Is backup attached? Yes \_\_\_ No \_\_\_

Contact Person's Name, for FIS questions: Blake Moore Extension: 1485

Director(s) Signature(s): [Signature] Date: 12-28-2020

Mayor's Office or Assembly Member Signature: [Signature] Date: 1-4-21

Chief Financial Officer Signature: [Signature] Date: 1/5/21