

A. CALL TO ORDER

A regular meeting of the Palmer City Council was held on November 23, 2010 at 7 pm in the council chambers, Palmer, Alaska.

Mayor Johnson called the meeting to order at 7:07 pm.

B. ROLL CALL

Comprising a quorum of the Council, the following were present:

Ken Erbey	Richard Best
Kevin Brown	DeLena Johnson
Kathrine Vanover	Edna DeVries

The following council members were absent and excused by the council:

Brad Hanson

Also in attendance were the following:

Doug Griffin, City Manager
Michael Gatti, City Attorney
Janette Bower, City Clerk
Shelly Acteson, Deputy City Clerk

C. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mike Madar.

D. APPROVAL OF AGENDA

1. Approval of Consent Agenda
 - a. Introduction – Ordinance No. 10-023: Amending Palmer Municipal Code Chapter 17.68 to Allow Replacement of Damaged or Destroyed Legal Nonconforming Residences in Any Residential District, Replacement of Damaged or Destroyed Legal Nonconforming Buildings or Structures Listed on the National Register of Historic Places, and Exempting Buildings or Structures on the National Register from the Limitations of Palmer Municipal Code 17.68.080 Repairs and Maintenance (IM 10-099)
 - b. Action Memorandum 10-077: City Council Statement of Non-Objection to the Transfer of Location and Name Change of Liquor License #2098, for Carr-Gottstein Foods Company, Doing Business as Oaken Keg #1739, Located at 664 W. Evergreen Avenue, Palmer
 - c. Action Memorandum 10-078: Approve Extension of Authorization for Temporary

Placement of State of Alaska Department of Environmental Conservation Air Quality Monitoring Trailer on City Maintained Parks and Recreation Land and Authorize City Manager to Sign Revised Memorandum of Understanding with Alaska Department of Environmental Conservation

2. Minutes of Previous Meetings
 - a. November 9, 2010, Special Meeting
 - b. November 9, 2010, Regular Meeting

E. COMMUNICATION AND APPEARANCE REQUESTS

F. REPORTS

Item 1 – City Manager’s Report

City Manager Doug Griffin reported on the following items:

- City employees released early on November 27, 2010 due to bad weather;
- Alaska Municipal Manager’s Association Conference;
- City Christmas party December 9;
- Alaska Rural Water Association award;
- Update concerning Council requested list of City contracts;
- Memorandum of Understanding in partnership with the Mat-Su Borough School District; and
- Upcoming office closures due to the Thanksgiving holiday.

Council Member DeVries:

- suggested a resolution honoring our Waste Water Treatment Plant employees. There were no objections.

Item 2 – City Clerk’s Report

City Clerk Janette Bower reported on the following items:

- Tentative Joint meeting with the City of Wasilla Council February 7;
- Alaska Association of Municipal Clerks Conference;
- Alaska Municipal League Local Government Conference;
- Council requested items tickler list; and
- Cancellation of December 21 and 28 Council meetings.

The Council unanimously agreed to cancel the December 21 and 28 meetings.

Council Member Brown:

- noted a Board of Economic Development meeting was also scheduled for February 7.

Item 3 – Mayor’s Report

Mayor Johnson reported on the following items:

- Alaska Municipal League Local Government Conference in Juneau.

Council Member DeVries

- inquired of Mayor Johnson’s perceived conflict of interest regarding the Mat Maid property noted during the last meeting.

Mayor Johnson:

- suggested Council discuss the possible conflict during the January 18 Special Meeting.

G. AUDIENCE PARTICIPATION

Candace Kopperud, City of Palmer Library employee:

- commented favorably on Community Services Acting Director Beth Skow;
- explained previous personnel issue at the Palmer Library;
- noted the Library was a better place to work with Ms. Skow at the helm; and
- recommended Council retain Ms. Skow.

Verda Lewis, owner, Verda's Cakes and Things:

- submitted proposed changes to the City's business license requirements; and
- recommended Council review and implement the proposed changes.

Becky Knowlton, City Library employee:

- spoke in favor of Ms. Skow's professional demeanor;
- explained library employees' skill set requirements;
- stated the library does not need another level of management; and
- commented on Management of Library Sciences degree requirements.

Joseph Hawkins:

- welcomed the incoming Council Members and Mayor;
- commented on the effects of recently adopted and proposed Code changes; and
- requested Council be mindful of the public's interests.

Chuck Kenley, P. and D. Engineers Representative;

- spoke against Ordinance No. 10-022.

Randy Kaer, Alpine Energy Representative:

- explained the timeline for a Central Heating Power Plant (CHP) at the State Fairgrounds;
- encouraged the Council to adopt Ordinance No. 10-021-Z-2; and
- commented on the importance of site selection.

H. PUBLIC HEARINGS

Item 1 - Resolution No. 11-001: Adopting a Budget for the City of Palmer, Alaska, for the Fiscal Year Beginning January 1, 2011, and Ending December 31, 2011, and Appropriating Monies (Public Hearing 1 of 2) (Council action may be taken following the public hearing)

Mayor Johnson opened the public hearing.

Joseph Hawkins:

- questioned the amount of budgeted overtime.

MOVED BY:	Best	To adopt Resolution No. 11-001
SECONDED BY:	Erbey	

Primary Amendment #1 to Main Motion		
Moved by:	DeVries	To amend Resolution No. 11-001 by moving the non-departmental categories to their original locations
Seconded by:	Erbey	

Director of Administration Kelli Veech:

- responded to council questions concerning the legislation.

Council Member Brown:

- spoke in favor of the non-departmental breakdown in the budget; and
- commented on the possibility of inflated legal fees.

Council Member DeVries:

- expressed a preference for reviewing the legal and insurance fees for each department.

Council Member Vanover:

- spoke in favor of reviewing the cost in totality to operate a department in the City; and
- stated legal fees should be considered a non-discretionary line item.

Council Member Best:

- inquired of the line items listed under the non-departmental section of the budget; and
- spoke in favor of the amendment.

Secondary Amendment #1 to Main Motion		
Moved by:	DeVries	To amend by "changing their original locations to allocate to all department"
Seconded by:	Best	

Council Member Brown:

- inquired of the predictability of legal fee expenditures.

City Attorney Gatti:

- explained the legal fees billing process; and
- commented on the unpredictable nature of budgeting for insurance by department.

City Manager Griffin:

- expounded on the unpredictability of the insurance line item.

Vote on Secondary Amendment #1: Motion carried by unanimous voice vote			
Yes:			No:
Johnson	Best	Brown	
DeVries	Vanover	Erbey	

Vote on Primary Amendment #1: Motion carried by 5 to 1 voice vote			
Yes:			No:
Johnson	Best	Erbey	Brown
DeVries	Vanover		

Primary Amendment #2 to Main Motion		
Moved by:	Vanover	To amend by adding "within the non-

Seconded by:	DeVries	departmental, leave the Transfer Out in the line item"
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Vote on Primary Amendment #2: Motion carried by unanimous voice vote

Yes:			No:		
Johnson	Best	Erbey			
DeVries	Vanover	Brown			

Primary Amendment #3 to Main Motion		
Moved by:	Best	To request a whole new budget document
Seconded by:	DeVries	

Vote on Primary Amendment #3: Motion carried by unanimous voice vote

Yes:			No:		
Johnson	Best	Erbey			
DeVries	Vanover	Brown			

Primary Amendment #4 to Main Motion		
Moved by:	Vanover	To compress the expanded categories in Public Works to the previous year's line item categories
Seconded by:	DeVries	

MOVED BY:	Brown	To postpone the vote on Primary Amendment #4 until the next budget meeting
SECONDED BY:	Erbey	

Vote on the motion to postpone: Carried by unanimous voice vote

Yes:			No:		
Best	Brown	DeVries			
Johnson	Vanover	Erbey			

Item 2 - Ordinance No. 10-019: Amending Palmer Municipal Code Chapter 3.16 Sales Tax, By Specifically Enacting Sections 3.16.035 Transaction in the City, to Clarify When a Transaction is Taxable; Section 3.16.065 Application of Sales Tax Payment, to Specify How Tax Payments are to be Applied; Enacting Subsection 3.16.080 G. Tax Returns – Contents – Administration Cost and Interest, to Allow for a Waiver of Penalty and Interest Within a Twenty-Four Month Period; Enacting 3.16.087 Tax Records – Inspection and Audit, to Meet Records Retention Requirements; Amending Section 3.16.040 Examples of Taxed Transactions, By Adding Games of Chance and Computer Programmers, to Clarify Applicable Requirements; and Amending Various Sections to Replace Finance Director with Director of Administration to Accurately Reflect the Title of the Position, and Repealing Sections 3.16.130 and 3.16.140 in the Entirety to Reflect the Relocation of the Language to the Business License Section, Palmer Municipal Code Chapter 5.04

A staff report was provided by Department of Administration Director Kelli Veech.

Mayor Johnson opened the public hearing. There were no comments.

MOVED BY:	Brown	To adopt Ordinance 10-019
SECONDED BY:	Best	

Council Member Brown:

- inquired of amending 3.16.080 G., concerning the use of the term "may".

City Attorney Michael Gatti:

- stated the term "may" was generally discretionary, and the term "shall" was generally mandatory.

Primary Amendment #1 to Main Motion		
Moved by:	DeVries	To amend Ordinance 10-019 by changing "may" to "shall" in PMC 3.16.080 G
Seconded by:	Best	

Vote on Primary Amendment #1: Motion carried by unanimous voice vote		
Yes:		No:
Johnson	Best	Erbey
DeVries	Vanover	Brown

Council Member Best:

- inquired who reviewed the legislation; and
- recommended the Board of Economic Development review the legislation.

Council Member DeVries:

- commented in favor of instituting an electronic payment process for sales tax payments; and
- requested support to add discussion of formulating an electronic payment process to a future Committee of the Whole Meeting agenda. Council Member Brown offered support.

City Manager Griffin:

- requested Council adopt the legislation during the meeting.

Mayor Johnson:

- spoke in favor of the legislation.

Council Member Brown:

- spoke in support of the legislation; and
- suggested Council direct the Board of Economic Development to review the City's business license process and procedures.

VOTE ON THE MAIN MOTION: Carried by unanimous voice vote		
Yes:		No:
Best	Brown	DeVries
Johnson	Vanover	Erbey

Item 3 - Ordinance No. 10-020: Amending Palmer Municipal Code Section 2.05.060 Mayor Pro Tempore to Amend the Title to Deputy Mayor as Approved by the City of Palmer Voters in the October 5, 2010, Election (IM 10-094)

A staff report was provided by City Clerk Janette Bower.

Mayor Johnson opened the public hearing. There were no comments.

MOVED BY:	Erbey	To adopt Ordinance 10-020
SECONDED BY:	Vanover	

VOTE ON MAIN MOTION: Carried by unanimous voice vote			
Yes:			No:
Best Johnson	Brown Vanover	DeVries Erbey	

Item 4 - Ordinance No. 10-021-Z-2: Amending the Zoning Map to Revise the Zoning Designation of the Southern Five Acres of Lot 2, Alaska State Fair 2010, Located within Section 8, Township 17 North, Range 2 East, Seward Meridian, Alaska, from P-Public Use to I-Industrial Use District, with Special Limitations (IM 10-064)

A staff report was provided by Community Development Director Sandra Garley.

Mayor Johnson opened the public hearing.

Ray Ritari, Manager of the Alaska State Fair:

- expressed support for the rezone;
- recapped the salient points for the proposed rezone;
- expounded on capital projects for the Fairgrounds;
- stated the Alaska State Fair Board of Directors and staff fully support the rezone and the development of a co-generation plant;
- confirmed the project was not contingent upon City involvement in the distribution system; and
- noted the project partners were Alpine Energy, Matanuska Electric Association, and the Alaska State Fair.

MOVED BY:	Best	To suspend the rules to allow for additional testimony
SECONDED BY:	Vanover	

Vote to suspend the rules: Carried by unanimous voice vote			
Yes:			No:
Best Johnson	Brown Vanover	DeVries Erbey	

Ray Ritari:

- commented on the structural inadequacies of the Farm Exhibit building and other capital projects; and
- expounded on local job creation within the project.

Randy Kaer:

- spoke in favor of the legislation.

City Manager Doug Griffin read a letter of support submitted by Matanuska Electric Association.

MOVED BY:	Erbey	To adopt Ordinance 10-021-Z-2
SECONDED BY:	Brown	

Council Member Best:

- questioned whether the rezone was considered "spot zoning"; and
- commented on zoning at the gravel pit.

Director Garley:

- explained spot zoning; and
- responded to Council inquiries.

Council Member Brown:

- questioned the applicability of the "spot zone" term; and
- spoke in favor of the project.

Primary Amendment #1 to Main Motion		
Moved by:	Best	To amend Ordinance 10-021-Z-2, Section 4 by changing PMC 17.064.030 A to PMC 17.036.030 A
Seconded by:	Vanover	

Vote on Primary Amendment #1: Motion carried by unanimous voice vote		
Yes:		No:
Johnson	Best	Erbey
DeVries	Vanover	Brown

Primary Amendment #2 to Main Motion		
Moved by:	Best	To amend Ordinance 10-021-Z-2, Section 4, by adding #5. Power plants in this instance shall mean natural gas fired, co-generation power plant
Seconded by:	Erbey	

City Attorney Gatti:

- spoke favorably concerning the City's Conditional Use Permit process; and
- stated the permit process already addresses the proposed amendment.

Discussion ensued regarding the proposed amendment.

Secondary Amendment #1 to Main Motion		
Moved by:	Brown	To strike "co-generation" from the proposed amendment
Seconded by:	Best	

Council Member Erbey:

- requested a definition of co-generation.

Public Works Director Carter Cole:

- responded to Council inquiries.

Vote on Secondary Amendment #1: Motion carried by 5 to 1 voice vote			
Yes:		No:	
Johnson	Best	Brown	Erbey
DeVries	Vanover		

Secondary Amendment #2 to Main Motion		
Moved by:	Best	To add "At the request of the applicant, this request is to build a natural gas fired power plant."
Seconded by:	Erbey	

City Manager Griffin:

- stated the amendment could be considered redundant and superfluous.

Council Member Brown:

- clarified perceived Council concerns.

Director Garley:

- explained the Conditional Use Permit process.

Attorney Gatti:

- clarified Conditional Use Permit issuance requirements.

Vote on Secondary Amendment #2: Motion failed by a unanimous voice vote			
Yes:		No:	
		Erbey	Best
		Johnson	Vanover
			Brown
			DeVries

Vote on Primary Amendment #2: Motion failed by a unanimous voice vote			
Yes:		No:	
		Erbey	Johnson
		DeVries	Best
			Vanover
			Brown

Primary Amendment #3 to Main Motion		
Moved by:	Best	To amend by adding:, 5. If prior to five years

Seconded by:	Brown	after the effective date of this ordinance the Palmer Planning Commission finds that the development of a gas fired power plant has not been completed, the Industrial zoning classification shall then terminate on the effective date thereof. Such a finding shall be made only after notice to the property owner and a public hearing. 6. Upon the effective date of termination of the Industrial zoning classification, the property shall revert to the zoning classification in effect prior to the adoption of this ordinance (P-Public), unless otherwise zoned
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Vote on Primary Amendment #3: Motion carried by a unanimous voice vote

Yes:			No:
Erbey	Best	Johnson	
Brown	DeVries	Vanover	

Mayor Johnson:

- inquired of possible noise and nuisance issues created by the project.

Council Member Brown:

- stated the type of power plant described was an incredibly quiet plant.

VOTE ON MAIN MOTION: Carried by unanimous voice vote

Yes:			No:
Best	Brown	DeVries	
Johnson	Vanover	Erbey	

Item 5 - Ordinance No. 10-022: Amending the Palmer Municipal Code Title 15 Building and Construction to Provide for Updated Wind Load Determination (IM10-096)

A staff report was provided by Director Garley.

David Meneses, Community Development Building Inspector:

- expounded on the legislation.

Mayor Johnson opened the public hearing.

MOVED BY:	Best	To adopt Ordinance No. 10-022
SECONDED BY:	Erbey	

Building Inspector Meneses and Director Garley responded to Council inquiries.

VOTE ON MAIN MOTION: Carried by unanimous voice vote			
	Yes:		No:
Best Johnson	Brown Vanover	DeVries Erbey	

MOVED BY:	Erbey	To extend the meeting past 11 pm
SECONDED BY:	Best	

I. ACTION MEMORANDA

Item 1 - Action Memorandum 10-079: Authorize the City Manager to Negotiate and Execute a Brand Licensing Agreement with Matanuska Telephone Agreement

MOVED BY:	Brown	To approve Action Memorandum 10-079
SECONDED BY:	DeVries	

Primary Amendment #1 to Main Motion		
Moved by:	Best	To amend and correct the title of Action Memorandum 10-079 by adding "Association"
Seconded by:	Brown	

Vote on Primary Amendment #1: Motion carried by unanimous voice vote			
	Yes:		No:
Johnson DeVries	Best Vanover	Erbey Brown	

VOTE ON MAIN MOTION: Carried by unanimous voice vote			
	Yes:		No:
Best Johnson	Brown Vanover	DeVries Erbey	

J. UNFINISHED BUSINESS

K. NEW BUSINESS

Item 1 - Resolution No. 10-052: Accepting and Appropriating Municipal Matching Grant 67119 from the State of Alaska, Department of Environmental Conservation (ADEC) in the Amount of \$1,750,000 for the Southwest Utility Extension, Phase IIb and Appropriating a Match From the Water and Sewer Fund (02) Unrestricted Fund Balance to the Southwest Utility Extension, Phase IIb Capital Project fund (24) in the Amount of \$750,000 and Approving the Scope of Work and Budget (IM 10-070)

MOVED BY:	Best	To adopt Resolution No. 10-052
SECONDED BY:	Vanover	

A staff report was provided by Director Veech.

VOTE ON MAIN MOTION: Carried by unanimous voice vote			
	Yes:		No:
Best Johnson	Brown Vanover	DeVries Erbey	

Item 2 - Resolution No. 10-073: Accepting and Appropriating a Grant Up to \$223,565 From the Alaska Highway Safety Office to the State of Alaska Department of Public Safety and the City of Palmer Capital Project Fund (08) for the Traffic and Criminal Software and Approving the Scope of Work and Budget for the Grant (IM 10-098)

MOVED BY:	Best	To adopt Resolution No. 10-073
SECONDED BY:	Erbey	

VOTE ON MAIN MOTION: Carried by unanimous voice vote			
	Yes:		No:
Best Johnson	Brown Vanover	DeVries Erbey	

Item 3 - Resolution No. 10-074: Accepting and Appropriating State Homeland Security Program Grant No. 10SHSP-GR34067 from the Alaska Division of Homeland Security and Emergency Management to the Capital Project Fund (08) in the Amount of \$50,000 and Approving the Scope of Work and Budget for the Grant (IM 10-100)

MOVED BY:	Best	To adopt Resolution No. 10-074
SECONDED BY:	Erbey	

VOTE ON MAIN MOTION: Carried by unanimous voice vote			
	Yes:		No:
Best Johnson	Brown Vanover	DeVries Erbey	

Item 4 - Resolution No. 10-001 (A): Amending the Budget for the City of Palmer for the Fiscal Year Ending December 31, 2010, and Appropriating Monies (IM 10-101)

MOVED BY:	Best	To adopt Resolution No. 10-001 (A)
SECONDED BY:	Erbey	

Director Veech provided a staff report.

VOTE ON MAIN MOTION: Carried by unanimous voice vote			
	Yes:		No:
Best Johnson	Brown Vanover	DeVries Erbey	

L. RECORD OF ITEMS PLACED ON THE TABLE

Letter from Matanuska Electric Association
Press Release from City Manager Griffin
Letter from Verda Lewis
Memo from Manager Griffin concerning City contracts
Email correspondence
Ordinance 612-Z-57

M. AUDIENCE PARTICIPATION

N. COUNCIL COMMENTS

Council Member Brown:

- requested support to instruct the Board of Economic Development to review the sales tax, and business licenses section of the Code, and return a report to the Council no later than June 1, 2011. Council Member Best offered support.

Council Member DeVries:

- commented on the Alaska Municipal League Local Government Conference;
- questioned City contractual obligations ending in December;
- recommended a welcome letter to new businesses in the City;
- requested support to add City Attorney Report to the January Regular Council meeting agenda. Council Member Best offered support.
- commented on formulating a gift limitation policy and an ethics policy; and
- questioned the use of a variety of social media websites.

City Attorney Gatti:

- stated he would review the City Code regarding gift limitations and ethics policies.

Council Member Best:

- recommended using extra caution driving home on the ice roads.

Council Member Vanover:

- informed Council of her absence January 21 through February 27;
- commented on the Taku winds in Juneau during the conference;
- thanked City Clerk Bower for conference attendance oversight; and
- wished everyone a Happy Thanksgiving.

Mayor Johnson:

- thanked the Clerk's Office for the chambers painting project coordination; and
- expressed thankfulness for the sand placed on the treacherous walkways near City Hall.

O. ADJOURNMENT

With no further business before the Council, the meeting adjourned at 11:41 pm.

Approved this fourteenth day of December, 2010.

DeLena M. Goodwin Johnson, Mayor

Janette M. Bower, MMC, City Clerk