

**A. CALL TO ORDER**

A regular meeting of the Palmer City Council was held on July 13, 2010 at 7 pm in the council chambers, Palmer, Alaska.

Mayor Combs called the meeting to order at 7:02 pm.

**B. ROLL CALL**

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

Brad Hanson	Richard Best
Kevin Brown	Ken Erbey

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

Mike Chmielewski, John Combs, and Kathrine Vanover

Also in attendance were the following:

Bill Allen, 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 Council Member Brown.

**D. APPROVAL OF AGENDA**

1. Action Memorandum 10-049: City Council Statement of Non-Objection to the New Liquor License, License #4995, for Rusty's at Dahlia Street, Located at 320 E. Dahlia Street
2. Minutes of Previous Meetings
  - a. June 15, 2010, Special Meeting
  - b. June 22, 2010, Special Meeting
  - c. June 22, 2010, Regular Meeting

**E. COMMUNICATION AND APPEARANCE REQUESTS**

**F. REPORTS**

**Item 1 – City Manager's Report**

## Item 2 – City Clerk’s Report

City Clerk Janette Bower reported on the following items:

- Special Meeting July 20.

## Item 3 – Mayor’s Report

### G. AUDIENCE PARTICIPATION

### H. PUBLIC HEARINGS

**Item 1 - Resolution No. 10-042:** Approving a Supplemental Appropriation of \$885,385 from the General Fund (Fund 01) Undesignated Fund Balance to the Capital Project Fund (08) and Approving a Scope of Work and Budget for Expansion of the Palmer Ice Arena (IM 10-058) (Note: this public hearing complies with Palmer Municipal Code 15.04.045)

A staff report was provided by City Manager Bill Allen.

Mayor Pro Tempore Best opened the public hearing for Resolution No. 10-042. There were no comments.

MOVED BY:	Best	To adopt Resolution No. 10-042
SECONDED BY:	Brown	

Council Member Brown:

- questioned the retention guidelines for the Avalanche Hockey Team in Palmer;
- requested clarification concerning the transfer of funds; and
- expressed concern regarding making the decision without the entire Council's attendance.

City Manager Bill Allen:

- responded to Council concerns;
- provided an update concerning the Palmer Ice Arena liquor license;
- remarked favorably on working with Matanuska Telephone Association (MTA); and
- noted MTA was a great community neighbor.

Mayor Pro Tempore Best:

- inquired of the insurance cost estimate;
- conveyed concern with the cost of expanding the larger parking area; and
- questioned MTA's responsibilities related to the expansion project.

Primary Amendment #1 to Main Motion		
Moved by:	Brown	To postpone action on the legislation until the July 27 Regular Meeting
Seconded by:	Best	

Mayor Pro Tempore Best:

- expressed reservations with project time constraints.

Vote on the amendment: Motion carried by unanimous voice vote		
Yes:	No:	
Erbey Hanson	Brown	Best

**I. ACTION MEMORANDA**

**Item 1 - Action Memorandum 10-044:** Authorize the City Manager to Award and Execute a Contract for Front Loading Dumpsters to Environmental Metal Works, Ltd. in the Amount of \$22,551

MOVED BY:	Hanson	To authorize Action Memorandum 10-044
SECONDED BY:	Erbey	

Public Works Director Carter Cole provided a staff report.

VOTE ON MAIN MOTION: Carried by unanimous voice vote		
Yes:	No:	
Hanson Best	Brown	Erbey

**Item 2 - Action Memorandum 10-047:** Authorize the City Manager to Execute Amendment No. 2 to Hattenburg Dilley and Linnell (HDL) for the Palmer Southwest Utility Extension, Phase II in the Amount of \$150,902

MOVED BY:	Erbey	To authorize Action Memorandum 10-047
SECONDED BY:	Brown	

Director Cole put forth a staff report.

VOTE ON MAIN MOTION: Carried by unanimous voice vote		
Yes:	No:	
Hanson Best	Brown	Erbey

**Item 3 - Action Memorandum 10-050:** Authorize the City Manager to Execute Amendment No. 1 to Larsen Consulting Group, Inc. (LCG) for the Sewage Lift Station No. 3 in the Amount of \$54,316

MOVED BY:	Brown	To authorize Action Memorandum 10-050
SECONDED BY:	Erbey	

Director Cole supplied a staff report.

VOTE ON MAIN MOTION: Carried by unanimous voice vote		
Yes:	No:	
Hanson Best	Brown	Erbey

**Item 4 - Action Memorandum 10-051:** Authorize the City Manager to Purchase Two New Police Cars from Anchorage Chrysler Dodge for the State of Alaska Contract Price of \$52,636

MOVED BY:	Brown	To authorize Action Memorandum 10-051
SECONDED BY:	Erbey	

A staff report was provided by Public Safety Director Jon Owen.

VOTE ON MAIN MOTION: Carried by unanimous voice vote		
	Yes:	No:
Hanson Best	Brown Erbey	

**Item 5 - Action Memorandum 10-052:** Authorize the City Manager to Negotiate and Enter Into a Lease and Facility Use Agreement with the Alaska Avalanche Hockey Club LLC for a Period of Five (5) Years

MOVED BY:	Erbey	To authorize Action Memorandum 10-052
SECONDED BY:	Brown	

City Manager Allen provided a staff report and responded to Council inquiries.

City Attorney Gatti:

- spoke to the legality of the contract.

Mayor Pro-Tempore Best:

- inquired of garnering a parking fee at the Palmer Ice Arena.

Primary Amendment #1 to Main Motion		
Moved by:	Brown	To postpone action on the legislation until the July 27 Regular Meeting
Seconded by:	Best	

City Manager Allen:

- spoke against postponement; and
- explained the value approving the legislation.

Council Member Brown:

- questioned the legality of adding a contingency to the legislation; and
- inquired of the advantage of taking action tonight.

City Attorney Gatti:

- conveyed the legal ramifications of adding a contingency clause to the legislation.

Vote on the amendment: Motion failed by unanimous voice vote		
Yes:		No:
	Erbey Hanson	Brown Best

Primary Amendment #2 to Main Motion		
Moved by:	Brown	To Amend Action Memorandum 10-052 by adding "The contract shall be signed following passage of approval of funding"
Seconded by:	Hanson	

Vote on the amendment: Motion carried by unanimous voice vote		
Yes:		No:
Erbey Hanson	Best Brown	

VOTE ON MAIN MOTION: Carried by unanimous voice vote		
Yes:		No:
Hanson Best	Brown Erbey	

**J. UNFINISHED BUSINESS**

**K. NEW BUSINESS**

**Item 1 - Resolution No. 10-049:** Re-Appropriating the Original Budgeted Insurance Costs in the Amount of \$167,058 from the General fund (Fund 01) to the Capital Project Fund (Fund 08) for the Purpose of Upgrading the Palmer Arena (IM 10-065)

MOVED BY:	Erbey	To adopt Resolution No. 10-049
SECONDED BY:	Hanson	

VOTE ON MAIN MOTION: Carried by unanimous voice vote		
Yes:		No:
Hanson Best	Brown Erbey	

**Item 2 - Resolution No. 10-038:** Entering Into a Memorandum of Agreement with the State of Alaska Department of Transportation and Public Facilities Pertaining to the Maintenance of Dogwood Avenue from South Cobb Street Across the Glenn Highway (IM 10-053)

MOVED BY:	Brown	To adopt Resolution No. 10-038
SECONDED BY:	Hanson	

Deputy City Manager Sara Jansen provided a Staff Report.

VOTE ON MAIN MOTION: Carried by unanimous voice vote		
Yes:		No:
Hanson Best	Brown Erbey	

**Item 3 - Resolution No. 10-044:** Accepting and Appropriating Grant No. 11-DC-328 from the State of Alaska Department of Commerce, Community and Economic Development in the Amount of \$750,000 for the Lift Station and Sewer System Rehabilitation (IM 10-060)

MOVED BY:	Erbey	To adopt Resolution No. 10-044
SECONDED BY:	Brown	

VOTE ON MAIN MOTION: Carried by unanimous voice vote		
	Yes:	No:
Hanson Best	Brown Erbey	

**Item 4 - Resolution No. 10-045:** Submitting a Charter Amendment to the City's Qualified Voters the Question of Amending Section 3.5, The Mayor Pro Tempore at the Election for the City of Palmer on October 5, 2010 (IM 10-061)

MOVED BY:	Hanson	To adopt Resolution No. 10-045
SECONDED BY:	Erbey	

VOTE ON MAIN MOTION: Carried by unanimous voice vote		
	Yes:	No:
Hanson Best	Brown Erbey	

**Item 5 - Resolution No. 10-046:** Providing for the Submission to the Qualified Voters of the City of Palmer the Question of the Issuance of Not to Exceed Three Million Dollars (\$3,000,000) of General Obligation Bonds to Pay Costs of Acquiring Real Property Located on the City Block Known as the Mat-Maid Block at an Election in and for the City of Palmer on October 5, 2010 (IM 10-062)

MOVED BY:	Erbey	To adopt Resolution No. 10-046
SECONDED BY:	Hanson	

City Manager Allen:

- provided a staff report;
- recommended an environmental assessment on the Mat-Maid Block;
- suggested provisions for the land acquisition;
- explained the financial obligations of the legislation; and
- responded to council questions.

Council Member Hanson:

- requested the current interest rate for general obligation bonds.

Council Member Best:

- inquired of the amount of property tax generated by the Mat Maid Block.

Primary Amendment #1 to Main Motion		
Moved by:	Brown	To Lay on the Table discussion until later in the meeting
Seconded by:	Hanson	

Vote on the amendment: Motion carried by unanimous voice vote		
	Yes:	No:
Erbey Hanson	Best Brown	

*Clerk's note: The legislation was placed on the table to allow staff time to gather information regarding property taxes. The council addressed item K.6. during the time the resolution was on the table. Resolution no. 10-041 was then removed from the table and returned to the Council without objection.*

Deputy City Manager Sara Jansen:

- stated the property taxes generated by the Mat Maid Block properties was approximately \$5,482.

Council Member Hanson:

- commented on the speculative nature of the legislation; and
- spoke in favor of obtaining citizen approval of the concept via an election.

Mayor Pro Tempore Best:

- concurred with Council Member Hanson's comments.

VOTE ON MAIN MOTION: Carried by unanimous voice vote		
	Yes:	No:
Hanson Best	Brown Erbey	

**Item 6 - Resolution No. 10-047:** Approving a Supplemental Appropriation of \$10,000 from the General Fund Undesignated Balance (Fund 01) to 01-01-05-6030 Contractual Services and Authorizing the City Manager to Enter into an Agreement with Wolf Architecture to Conduct Preliminary Work on a Governmental Office Campus (IM 10-063)

MOVED BY:	Hanson	To adopt Resolution No. 10-047
SECONDED BY:	Brown	

City Manger Allen provided a Staff Report.

VOTE ON MAIN MOTION: Carried by unanimous voice vote		
	Yes:	No:
Hanson Best	Brown Erbey	

**Item 7 - City Manager's Monthly Report Concerning Public Construction Projects**

Mayor Pro Tempore Best:

- inquired of the large "Soccer Ball" project; and
- expressed concern with water and sewer costs for the project.

City Manager Allen:

- responded to Council inquiries.

Parks and Recreation Director Beth Skow:

- stated soccer user groups were unsure of the project.

MOVED BY:	Hanson	To hold a public hearing on the "Soccer Ball" Project
SECONDED BY:	Best	

VOTE ON MAIN MOTION: Carried by unanimous voice vote			
	Yes:		No:
Hanson	Brown	Erbey	
Best			

Council Member Brown:

- inquired of the need for a public hearing concerning Resolution No. 10-042.

MOVED BY:	Brown	To hold a public hearing concerning Resolution No. 10-042 during the July 27 Regular Meeting
SECONDED BY:	Hanson	

VOTE ON MAIN MOTION: Carried by unanimous voice vote			
	Yes:		No:
Hanson	Brown	Erbey	
Best			

#### L. RECORD OF ITEMS PLACED ON THE TABLE

#### M. AUDIENCE PARTICIPATION

#### N. COUNCIL COMMENTS

Council Member Erbey:

- commented favorably on his trip to Petersburg.

City Manger Allen:

- remarked on his recent trip to Seldovia.

Mayor Pro Tempore:

- expressed concern with large motor-homes camping overnight on city streets.

#### O. ADJOURNMENT

With no further business before the Council, the meeting adjourned at 9:03 pm.

**Approved this twenty-seventh day of July, 2010.**

---

John C. Combs, Mayor

---

Janette M. Bower, MMC, City Clerk