

A. CALL TO ORDER

A regular meeting of the Palmer City Council was held on December 11, 2007, at 7 p.m. in the council chambers, Palmer, Alaska.

Mayor Combs called the meeting to order at 7 p.m.

B. ROLL CALL

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

Mike Chmielewski	Richard Best	John Combs
Ken Erbey	Tony Pippel	Kathrine Vanover

The following member was absent and excused by the council:

Brad Hanson

Also in attendance were the following:

Bill Allen, City Manager
Michael Gatti, City Attorney
Janette Bower, City Clerk

C. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Council Member Erbey.

D. SPECIAL ORDER OF BUSINESS

Jon Owen, Public Safety Director expanded on the Senior Care Program implemented by Palmer Police Department Dispatch Supervisor Karen Ripley.

Council Member Chmielewski presented the 2007 Alaska Community Award of Excellence to Supervisor Ripley.

E. APPROVAL OF AGENDA

1. Approval of Consent Agenda
 - a. Action Memorandum 07-105: Authorize the City Manager to Execute License Number 07ABWB227 with the National Oceanic and Atmospheric Administration for the Felton Street Upgrade Project
2. Minutes of Previous Meetings
 - a. November 20, 2007, Special Meeting
 - b. November 27, 2007, Regular Meeting
 - c. December 4, 2007, Special Meeting

F. COMMUNICATIONS AND APPEARANCE REQUESTS

G. AUDIENCE PARTICIPATION

John Leiner:

- clarified his lack of association with Museum Director Gerri McCann;
- stated the word bastard was neither profane or obscene;
- read the dictionary definition of bastard;
- questioned the City's hiring process of City Manager Allen; and
- stated the City's reason for hiring City Manager Allen was money.

Sara Jansen:

- spoke on behalf of Greater Palmer Chamber of Commerce President John Douglas;
- expressed their thanks for the City's support of Colony Christmas;
- estimated the crowd size during the event; and
- stated the Chamber would visit area businesses to thank them for their participation.

Lynn Fuller:

- commented on the proposed radio tower on Lazy Mountain;
- stated it was 199 feet tall with a blinking red light;
- voiced concern over view sheds;
- commented on the five large issues regarding radio towers; and
- highlighted the Borough's conditional use process.

Gerri McCann, Palmer Museum Director:

- encouraged the council's support of the Museum;
- explained the use of money through the City's funding to the Museum;
- expanded on Museum staffing; and
- commented on the year round activities.

H. PUBLIC HEARINGS

Item 1 – Public Hearing (2 of 2) – Resolution No. 07-020: Adopting a Budget for the City of Palmer, Alaska for the Fiscal Year Beginning January 1, 2008 and Ending December 31, 2008 and Appropriating Monies

Mayor Combs opened the public hearing for resolution no. 07-020. There being no one who wished to speak, the public hearing was closed and the matter was brought before the council.

MOVED BY:	Best	To adopt resolution no. 07-020
SECONDED BY:	Vanover	

City Manager Allen:

- commented on the work involved in the budget process;
- stated the budget was a performance based budget and did not contain all the bells and whistles he would have liked;
- commented on the elements of time, objectives and activities to measure performance;
- expanded on the plan to concur with council instructions to meet quarterly to provide updates on projects and funding status;

- expanded on the performance indicators implemented in future years;
- explained the establishment of a grant team and the off-set of salary increases through grant funding;
- announced the Public Safety Director would assume the duties of Risk Management;
- stressed the goal to deposit \$1 million in the capital fund by May 1, 2008;
- mentioned the funding formal for municipal assistance in the Governor's budget;
- described the City's budget as a planning document;
- assured the council that the administration would be frugal in spending;
- expanded on future budget cutbacks should they become warranted;
- requested the council review his record regarding cutbacks and the elimination of positions;
- addressed council concerns regarding the Public Safety Director, assessed efficiencies, benefits of a unified department, and qualifications;
- expanded on the current OSHA issues and ISO ratings;
- noted the recommendations of the Citizens Efficiency Review Team regarding the increased efficiencies with a combined fire and police department;
- commented on the increased salary of the Public Safety Director;
- spoke to the issue of budget sustainability and stated the offset of fees from grant administration had not been included in the budget;
- described the grant team and their success in obtaining grants;
- expanded on his lobbying abilities and the option of hiring a lobbyist should it be deemed necessary;
- spoke of management and management styles;
- expanded on the duties of the Finance Director and the provision of additional help for the department;
- voiced the intent to hire a financial/human resource person;
- commented on the establishment of performance indicators to meet the goals of the council; and
- commented on the system to monitor state legislation.

Council Member Pippel:

- inquired of the fee schedule;
- stated pay level 13 was too high;
- described the pay structure as having too many people at the top of the pay scale;
- stated the deputies received too large of an increase;
- described the employee costs as legacy costs;
- stated the revenues were not growing as fast as the employee costs;
- stated that the Finance Director and Public Works Director job duties had not changed;
- spoke in favor of the Planning Director position;
- questioned the duties of the Public Safety Director;
- spoke of the fiduciary duties of tax payers;
- voiced concern regarding the creation of an additional department called Community Services;
- expanded on the likelihood that Library services would go to the Borough;
- encouraged the inclusion of a lobbyist in the budget;
- stated that although promised, in reality, budget cuts do not occur;

- commented on the previous argument of grant writing by the Police Lieutenant and questioned the duties of the Lieutenant;
- commented on the successes of lobbyists and the political atmosphere in Juneau;
- spoke of the needed abilities to manage personnel and the different skill set required to operate the Library as opposed to combined City department; and
- described the implementation of the budget and activities as too much, too soon.

Finance Director Baugh:

- explained the origination of fees within the Code and their inclusion in a fee schedule;
- spoke of the inclusion of a \$500 call out fee for fire calls and the fees charged by other municipalities;
- stated that a fund balance policy would be before the council within the year; and
- spoke of the updated pay structure which reduced levels 10 through 13.

Council Member Chmielewski:

- asked if any fees would be more vigorously charged;
- referred to the fee charged for fire calls and questioned the legitimacy of the fee;
- questioned the mechanism of informing homeowners of the fee in advance;
- commented on performance based budgeting and the proposed structure;
- described the process as a normal process with an evaluation period of the performance of staff;
- stated the city manager had asked for the envelope and stated that the process should not go well, the next year another envelope would not be passed;
- supported the change in the manner in which business was being done; and
- spoke of the hiring a manager who would structure the city and the responsibility of the council to manage the funds to do so.

Mayor Combs:

- expanded on the variations in homeowner insurance policies;
- voiced support of the addition of a Planning Director and expanded on the investment in quality employees;
- commented on the hands-on function of the Public Safety Director;
- supported the development of a community services department and the function of the community services director;
- commented on the need for quarterly review of budget performance;
- stated the Governor would not respond to lobbyists;
- described the best lobbyists as the mayor, city manager, appropriate city council member and staff persons;
- requested the council stand back and let the manager manage the City; and
- requested the budget be reviewed every fourth month.

Council Member Vanover:

- spoke of the fund balance and the expenditure of funds which would reduce the fund balance;
- stated the fee information sheet was helpful;
- voiced concern over budget sustainability;

- supported the budget but voiced concern regarding the institution of performance based budgeting and a two year budget at the same time; and
- described the vital nature of risk management and human resources.

Council Member Best:

- questioned the budget cycle and the timeframe for review of the budget in the future.

Primary Amendment #1 to Main Motion		
Moved by:	Pippel	To correct the typo in section 1 to reflect 2008 as opposed to 2007
Seconded by:	Combs	

Vote on Primary Amendment #1: Motion carried by unanimous voice vote.

Yes:			No:	
Pippel	Erbey	Vanover		
Chmielewski	Best	Combs		

Primary Amendment #2 to Main Motion		
Moved by:	Pippel	To include \$30,000 to be used at the discretion of the manager for the retention of a lobbyist
Seconded by:	Erbey	

City Manager Allen:

- supported the reservation of funds to hire a lobbyist should it become necessary; and
- stated that the team of Mayor Combs, Council Member Chmielewski, and City Manager would lobby on behalf of the City.

Vote on Primary Amendment #2: Motion carried by 5-1 voice vote.

Yes:			No:	
Pippel	Erbey	Vanover	Best	
Chmielewski	Combs			

Primary Amendment #3 to Main Motion		
Moved by:	Pippel	To amend the fee schedule to include: Library Community Rental - \$40 annually (entitles renter to two uses per month) Contractor Certificate of Exemption - \$150 per calendar year
Seconded by:	Combs	

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

Yes:			No:	
Pippel	Erbey	Vanover		
Chmielewski	Best	Combs		

VOTE ON MAIN MOTION: Carried by 5-1 voice vote.

Yes:					No:
Vanover	Erbey	Chmielewski	Pippel		
Best	Combs				

Item 2 –Ordinance No. 07-029: Repealing Fees Throughout the Palmer Municipal Code with the Intent of Placing the Fees in the Resolution Adopting the City’s Fiscal Year Budget (IM 07-050)

Mayor Combs opened the public hearing for ordinance no. 07-029. There being no one who wished to speak, the public hearing was closed and the matter was brought before the council.

MOVED BY:	Pippel	To adopt ordinance no. 07-029
SECONDED BY:	Vanover	

Primary Amendment #1 to Main Motion		
Moved by:	Pippel	To amend the ordinance to include: 3.16.055 Sales tax certificate of exemption. F. A contractor duly licensed under AS 8.18 may obtain a sales tax certificate of exemption for one calendar year upon payment of the fee established in the current, adopted budget. 15.02.304.2 Permit fees. Amend the first sentence to read as follows: The fee for a permit shall be as set forth in the current, adopted budget.
Seconded by:	Erbey	

Vote on Primary Amendment #1: Motion carried by unanimous voice vote.

Yes:			No:		
Pippel	Erbey	Vanover			
Chmielewski	Best	Combs			

VOTE ON MOTION: Carried by unanimous voice vote.

Yes:			No:		
Pippel	Erbey	Vanover			
Chmielewski	Best	Hanson			

Item 3 – Ordinance No. 07-034: Amending Palmer Municipal Code Subsection 3.16.055 F, Certificate of Exemption, to Increase Fees for Contractor Exemption Certificates (IM 07-056)

Mayor Combs opened the public hearing for resolution no. 07-034. There being no one who wished to speak, the public hearing was closed and the matter was brought before the council.

MOVED BY:	Pippel	To adopt ordinance no. 07-034
SECONDED BY:	Best	

Primary Amendment #1 to Main Motion		
Moved by:	Pippel	To amend section 3.16.055 to read as follows: Original language: 3.16.055 Sales tax certificate of exemption. F. A contractor duly licensed under AS 8.18 may obtain a sales tax certificate of exemption for one calendar year for \$30.
Seconded by:	Best	

		Amended language: 3.16.055 Sales tax certificate of exemption. F. A contractor duly licensed under AS 8.18 may obtain a sales tax certificate of exemption for one calendar year upon payment of the fee established in the current, adopted budget.
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Vote on Primary Amendment #1: Motion carried by unanimous voice vote.

	Yes:	
Pippel	Erbey	Vanover
Chmielewski	Best	Hanson

	No:	
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VOTE ON MOTION: Carried by unanimous voice vote.
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	Yes:	
Pippel	Erbey	Vanover
Chmielewski	Best	Hanson

	No:	
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I. BIDS

J. ACTION MEMORANDA

K. UNFINISHED BUSINESS

L. NEW BUSINESS

M. CITY MANAGER’S REPORT

City Manager Allen reported on the following items:

- Executive Management Team Meetings;
- Grant Team Activities;
- “We Listen” Program;
- Legislative Revues;
- Attendance at Governor’s Press Conference regarding Operating Budget;
- Meeting regarding acquisition of the Mat-Maid Property;
- State of Alaska General Obligation Bond for \$100 million for Crime Lab;
- Five-Year Programs for Progress Capital Improvement Program;
- Police Street Patrol in Downtown Palmer; and
- Accelerated focus on wastewater treatment and road projects.

N. CITY CLERK’S REPORT

City Clerk Bower reported on the following:

- December 18, Regular Council Meeting; and
- Deputy Clerk position.

O. MAYOR'S REPORT

Mayor Combs reported on the following:

- Attendance at Library meeting;
- Skateboard Project;
- Meeting with Dr. Don Benice;
- Colony Christmas Event;
- Dahlia Street Market Grand Opening;
- Governor's Press Conference; and
- Meeting with Don Young's Chief of Staff.

P. RECORD OF ITEMS PLACED ON THE TABLE

- Amendments to Ordinance No. 07-029;
- Amendments to Resolution No. 07-020;
- Amendment to Ordinance No. 07-034.

Q. AUDIENCE PARTICIPATION

R. COUNCIL COMMENTS

Council Member Vanover:

- commented on the production of Handel's Messiah at the Baptist Church on Helen Drive;
- requested a report on the sewer lagoon in January;
- supported the concept of the City's ownership of the Mat-Maid property;
- supported construction of the State's Crime Lab in Palmer;
- supported an 85/15 revenue sharing formula computation; and
- commented on the radio tower on Lazy Mountain.

Council Member Erbey:

- requested the City investigate the radio tower in relation to airport operations.

Council Member Pippel:

- commented on the radio tower;
- encouraged police activity in the downtown area;
- spoke of the Co-op building and previous opportunity to purchase the property;
- highlighted the Colony Christmas activities;
- expanded on the Palmer Amateur Hockey feed;
- commented on the trees which had been run over at the Ice Arena;
- reminded members that the United Way of Mat-Su was wrapping up their campaign;
- commented on the budget's public process;
- welcomed John Barn back to the community;
- encouraged the Mayor that while meeting with non-profit agencies to voice the City's support of their endeavors; and
- voiced concern regarding the Palmer Municipal Airport Master Plan Update, jet aircraft noise, the completion of the Plan by airport people, and requested the council hold a meeting regarding the plan to discuss the matter.

Council Member Best:

- commented on the budget process and the addition of a public safety director;
- voiced his appreciation of Dan Contini;
- commented on increased accountability and performance by City employees;
- described Colony Christmas as a Norman Rockwell event;
- welcomed the Dahlia Street Market and the other businesses that were opening in the downtown area; and
- voiced pride in being part of the community.

Council Member Chmielewski:

- stated he would attend the December 18 meeting via teleconference;
- commented on his attendance at the Governor's Press Conference;
- stated the City of Palmer was the only city represented at the Conference;
- recognized David Meneses for his participation in the basketball game held during Colony Christmas;
- commented on the examination of radio towers by the Mat-Su Borough;
- spoke of the City map displayed on the City website and the Borough's production of the map; and
- expanded on his review of the journal on e-government and the arena of website usage.

S. ADJOURNMENT

With no further business before the council, the meeting adjourned at 9:48 p.m.

Approved this eighth day of January, 2008.

/s/

John C. Combs, Mayor

/s/

Janette M. Bower, CMC, City Clerk