

**A. CALL TO ORDER**

A regular meeting of the Palmer City Council was held on July 26, 2005, at 7 p.m. in the council chambers, Palmer, Alaska.

Mayor Combs called the meeting to order at 7:03 p.m.

**B. ROLL CALL**

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

Tony Pippel	Ken Erbey
Jim Wood	Steve Carrington
John Combs	Brad Hanson

Also in attendance were the following:

Tom Healy, City Manager  
Jack Snodgrass, City Attorney  
Janette Bower, City Clerk

**C. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Council Member Hanson.

**D. APPROVAL OF AGENDA**

*The agenda was approved as presented.*

1. Approval of Consent Agenda
  - a. Action Memorandum 05-083: Accept Grant from the Alaska Police Standards Council in the Amount of \$3,000 for Training Related Expenses
2. Minutes of Previous Meetings – *the minutes were amended and approved.*
  - a. July 12, 2005, Regular Meeting

**E. COMMUNICATIONS AND APPEARANCE REQUESTS**

1. Kirt Imig, Willis of Alaska – Presentation Regarding Insurance Coverage

Mr. Imig reported on the following items:

- Significant premium reductions across the board;
- Achieved efficiencies in the work comprehensive rates;
- Highlighted the Client Bill of Rights;
- Highlighted the changes in expiring rates at renewal exposures;
- Last year, high digit increases were seen, this year, the market appears to be softening;
- Charges made by fees rather than commission;

- Highlighted the client service team;
- Highlighted the market response regarding public entities;
- Highlighted the A.M. Best Company Rating information;
- Provided an overview of the following items listed under Coverage Summary: Replacement costs, commercial property schedule, electronic data processing, contractor's equipment, commercial general liability, public entity liability rates, commercial automobile, workers comp, law enforcement liability, employee theft, airport owners & operators general liability.

**F. AUDIENCE PARTICIPATION**

**G. ACTION MEMORANDUMS**

**Item 1** – Action Memorandum 05-087: Ratify the Administration’s Action Purchase Insurance Coverage for the July 1, 2005, through June 30, 2006 Period

MOVED BY:	Pippel	To ratify the administration’s action regarding the purchase of insurance coverage for the July 1, 2005, through June 30, 2006 period
SECONDED BY:	Erbey	

City Manager Healy explained the coverage purchased by the former finance director and the involved timeframes regarding the coverage.

VOTE ON MAIN MOTION:	Motion carried by unanimous voice vote.
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**Item 2** – Action Memorandum 05-086: Authorize City Manager to Approve Amendment Number Eleven (11) of State of Alaska Lease 2043 for Palmer Public Safety Subdivision, Block 1, Lot 1

MOVED BY:	Pippel	To authorize the city manager to approve amendment number eleven (11) of State of Alaska Lease 2043 for Palmer Public Safety Subdivision, Block 1, Lot 1
SECONDED BY:	Erbey	

City Manager Healy explained the request to update the current price index rate and the current market lease rate.

Attorney Snodgrass asked of the ability to include an automatic adjustment into the lease amendment. City Manager Healy stated that he would include that amendment.

VOTE ON MAIN MOTION:	Motion carried by unanimous voice vote.
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**Item 3** – Action Memorandum 05-079: Authorize an Amendment to a Professional Services Agreement with Hattenburg, Dilley and Linnell Engineers for Dogwood Avenue Intersection Design Services

MOVED BY:	Pippel	To authorize an amendment to a professional services agreement with Hattenburg, Dilley and Linnell Engineers for Dogwood Avenue intersection design services
SECONDED BY:	Hanson	

City Manager Healy explained the initial four-way intersection design and the subsequent design of a three-legged intersection. He explained the additional costs related to the plans and

specifications. City Manager Healy explained the deleted sections – assistance during bidding and assistance during construction.

Council Member Hanson asked of the original agreement regarding the City’s administration of the job and the State’s assumption of the job. City Manager Healy explained that the State will administer the project. He explained the securing of funds and project schedule.

Mayor Combs asked of the original costs to prepare the document. City Manager Healy stated that he believed the original costs were \$200,000. Mayor Combs spoke of the changes between the three-way and four-way design and asked of HDL’s original work. City Manager Healy explained that the original design work on the four-way intersection had not been completed and thus the reason for the request.

Attorney Snodgrass suggested that a not to exceed amount be included.

Council Member Hanson asked that the final design work be presented to council.

Primary Amendment #1 to Main Motion		
Moved by:	Pippel	To include the language “not to exceed \$26,469”
Seconded by:	Carrington	
Vote on Amendment:		Motion carried by unanimous voice vote.

VOTE ON MAIN MOTION:	Motion carried by unanimous voice vote.
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**Item 4 – Action Memorandum 05-084: Authorize City Manager to Execute a Contract for Construction to Premier Alaska, Inc., in the Amount of \$31,216 for the Upgrade of E. Caribou Avenue Between N. Alaska and No. Bonanza Streets, and to Install a Sanitary Sewer Manhole**

MOVED BY:	Pippel	To authorize the city manager to execute a contract for construction to Premier Alaska, Inc., in the amount of \$31,216 for the upgrade of E. Caribou Avenue between N. Alaska and N. Bonanza Streets, and to install a sanitary sewer manhole
SECONDED BY:	Hanson	

City Manager Healy explained the required work and the impassibility of the street. He explained the existence of a sewer maintenance issue, the combination of work required to install a manhole and reconstruction of the road.

Council Member Hanson applauded Mr. Koch for his creative method of financing to get the road fixed.

Council Member Pippel commented on the glacial silt and sustainability of the roads.

VOTE ON MAIN MOTION:	Motion carried by unanimous voice vote.
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## H. HEARINGS, ORDINANCES AND RESOLUTIONS

**Item 1 – Public Hearing – Resolution No. 05-025: Authorizing the Establishment of a Retiree Rehire Program Consistent with State Legislation (HB 161) and Opening Recruitment to Public Employees Retirement (PERS) Retirees Due to Shortage of Qualified Employees (IM 05-069)**

MOVED BY:	Pippel	To adopt resolution no. 05-025
SECONDED BY:	Wood	

Mayor Combs opened the public hearing for resolution no. 05-025. There were no persons who wished to testify.

City Manager Healy explained that the resolution was not specific to any position or former employee but that adoption of the resolution allows the City to implement a policy to hire employees who have retired under PERS. He stated that the City has chosen to participate in the program due to the loss of skilled employees and broadening of the future hiring base.

Council Member Pippel spoke of the State’s interference with local municipal hiring practices and of the ability to hire retired employees at a local cost.

Council Member Wood described participation in the program as favorable for the City and the City’s participation will ensure the hiring of qualified individuals which will benefit the City as a whole.

VOTE ON MAIN MOTION:	Motion passed by unanimous voice vote.
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**Item 2 – Public Hearing – Resolution No. 05-026:** Authorizing the City Manager to Enter Into the Water and Waste System Grant Agreement with the U.S. Department of Agriculture Rural Utilities Service Regarding Grant Funds for Utility Improvements

MOVED BY:	Pippel	To adopt resolution no. 05-026
SECONDED BY:	Erbey	

Mayor Combs opened the public hearing for resolution no. 05-026. There were no persons who wished to testify.

Council Member Pippel asked of the funding levels. City Manager Healy listed the following funding sources:

- DEC Grant - \$1.8 million
- City of Palmer Bond - \$2.3 million
- EPA Grant - \$600,000
- Utility Reserves - \$1.3 million

Discussion ensued regarding the approaches made to the Borough for funding requests.

Council Member Hanson asked of the language indicating the maximum project funding and percentage levels. City Manager Healy stated that he will be in conversation with the funding agency regarding the language.

VOTE ON MAIN MOTION:	Motion passed by unanimous voice vote.
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**Item 3 – Public Hearing – Resolution No. 05-027:** Authorize City Manager to Accept a Grant from the Department of Education and Early Development, Division of Libraries, Archives and Museums to Undertake the Museum Assessment Program Survey (IM 05-071)

MOVED BY:	Pippel	To adopt resolution no. 05-027
SECONDED BY:	Erbey	

Mayor Combs opened the public hearing for resolution no. 05-027. There were no persons who wished testify.

Council Member Hanson asked of the total amount of grant funds received thus far for the project. City Manager Healy stated \$9,000.

City Manager Healy explained that grants original receipt through the Chamber of Commerce and request made by the Chamber for grant administration by the City.

Council Member Wood inquired of the use of unexpended funds following the completion of the scope of work. City Manager Healy explained the expectation that the funds would be fully expended.

VOTE ON MAIN MOTION:	Motion carried by unanimous voice vote.
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**Item 4 – Public Hearing – Resolution No. 05-028:** Authorizing the City Manager to Officially Name Any Unnamed City Parks and Any Future City Parks Created By the City of Palmer, After Mayors Who Have Served This Community Since 1951, Beginning with the First Mayor of Palmer and Continuing Forward (IM 05-072)

MOVED BY:	Pippel	To adopt resolution no. 05-028
SECONDED BY:	Wood	

Mayor Combs opened the public hearing for resolution no. 05-028. There were no persons who wished testify.

Council Member Pippel commented on the City’s efficiency as due in part to the volunteers and voiced his support of the resolution.

Council Member Erbey asked of the preclusion of naming a park after an individual who may have dedicated time and energy on a park. Mayor Combs stated that the resolution would not preclude a park from being named after a worthy individual.

Attorney Snodgrass spoke of the language which authorizes but does not require a park to be named after a former mayor.

VOTE ON MAIN MOTION:	Motion carried by unanimous voice vote.
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**I. BIDS**

**J. UNFINISHED BUSINESS**

**Item 1 - Resolution No. 05-024:** Providing for the Submission to the Qualified City of Palmer Voters the Question of Whether to Amend the City of Palmer Charter by Changing the Form of Government (Section 1.2), From Council-Manager To Mayor-Council Form, and Expanding the Powers of Mayor (Section 3.4), Deleting the Term City Manager (Section 5.4), Deleting the Term “City Manager” From Officers (section 2.1), Compensation of Officers (Section 2.5), Removal from Office (Section 2.11) and Administrative Officers and Employees – Appointment, Terms and Compensation (Section 5.3(a)); and Substituting the Term “Mayor” for “City Manager” in Powers of the Council to Appoint Citizen Boards (Section 3.7), Restrictions of Power of the Council (Section 3.8), Administrative Officers and Employees – Appointment, Terms and Compensation (Section 5.3(b)), City Attorney (Section 5.6), Budget Statement of the

City Manager (Section 6.2), Budget Adoption Procedure (Section 6.3), Budget Control (Section 6.4), Detailed Procedure to be Fixed in the Code (Section 8.2), Public Utility Franchises (Section 13.5), and Plans of Facilities in Streets and Public Places (Section 13.9) of the City of Palmer Charter at an Election In and For the City of Palmer on October 4, 2005 (IM 05-067)

MOVED BY:	Vanover	To adopt resolution no. 05-024
SECONDED BY:	Erbey	

*Clerk's note: Resolution No. 05-024 was postponed during the June 12 meeting. Mayor Combs recused himself and passed the gavel to Mayor Pro-Tempore Pippel.*

Mayor Pro-Tempore Pippel highlighted the work session held on July 25 regarding resolution no. 05-024.

Council Member Hanson stated that the current system is adequate, provides stability and consistency and at present, the current form of government is desirable for the city.

Mayor Pro-Tempore Pippel reassured the public that the attempt to change the form of government was an effort to aid in the manner to solve a problem of efficiency.

VOTE ON MAIN MOTION:	Motion failed by unanimous voice vote.
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*Clerk's note: Following item J.1., Mayor Combs presided over the remainder of the meeting.*

**K. NEW BUSINESS**

**Item 1** - Discussion and Possible Action Regarding the July 19, Joint Palmer City Council and Palmer Planning and Zoning Commission Work Session (IM 05-073)

Council Member Pippel spoke of the density of people versus the density of automobiles and stated that should compromises be necessary, people should be considered rather than cars. He stated that he would like to see a change in the regulations regarding churches and the establishment of a formalized process for shared parking with credit given for shared parking.

Council Member Hanson stated his opposition to the formalization of the shared parking process and asked that the aspect of maintenance of snow removal be addressed in the parking code as well. He expressed his desire to see the ice arena parking modeled after Anchorage, one space per 400. He stated that there are significant changes in the language and asked that all of the costs associated with the language be identified. Council Member Hanson stated that significant costs will be incurred by the developer for development of off-street parking.

Council Member Pippel commented on the need to recognize existing buildings without parking. He stated that currently credit is not given for shared parking and stated that as the city become denser, the issue will come before the council more often.

Council Member Carrington stated the need to have shared parking documented but stated that the document does need to be documented with the Recorder's Office as recommended by the Attorney.

Attorney Snodgrass voiced his concern regarding bankruptcies or owners with two separate deeds of trusts and stated his preference of a more formal system. He stated that if in the future, the need changes, then the language can be removed. He stated that the cure is the documentation

within the recorders office.

Council Member Hanson asked the attorney to speak of the shared use issue. Attorney Snodgrass spoke of buildings with low use and the requirement of retainment of land for future use.

Council Member Wood described the shared parking issue as an availability issue. Attorney Snodgrass stated his desire to have the shared agreement as described through a covenant.

Council Member Pippel stated that public members would not enter into an agreement for shared parking. He stated that the City could enact a set of rules in an effort to protect the City that are so stringent, no one will enter into them.

City Manager Healy stated that the shared parking can be of mutual benefit. He stated that his research indicates that the use of a recorded document is common.

Council Member Pippel asked of the government entities desire to encumber their property. Attorney Snodgrass stated that exemptions can be granted with governmental entities.

Council Member Wood described the risk of not having a code requirement which requires a covenant or record to address the needs of each property owner in a shared parking arrangement. He expressed the concern that should one property owner leave; the other property owner would be left with inadequate parking.

Council Member Erbey suggested that there be a differentiation between public properties and private properties. He suggested the allowance of a waiver for public use buildings such as churches. He stated that as far as private commercial property, those entities are in the business to make money and must have the required parking or be required to contribute to a community parking area.

Mayor Combs voiced his concurrence with Council Member Erbey and stated that a private commercial entity must meet the requirements. He spoke of the possible changes in future uses and spoke in opposition of the setting aside of land for the future use. Attorney Snodgrass clarified his position of the requirement for group homes and alike entities rather than for all developments.

Council Member Pippel voiced his desire to not pave landscape to provide unneeded parking spaces and the creation of a situation where good reasonable developments would be denied by the City because of technicalities. He stated that he would like to err on the side of people than cars.

Council Member Wood spoke of possibility of variances for public uses rather than a recorded document. Attorney Snodgrass suggested the term conditional use rather than variance.

**Item 2 – Discussion and Possible Action Regarding the July 25, Palmer City Council Work Session (IM 05-074)**

Mayor Combs was recused from the discussion.

Council Member Hanson described the need to more equitability separate the work load in relation to intergovernmental activities that the Mayor performs.

Council Member Wood asked of any involved time “crunches” and asked that a work session be held to address the issue. He stated his belief that the mayor’s position is an important decision

and all information should be examined.

Council Member Carrington commented on the function of the former ceremonial mayors and that in practice, the job of the mayor has shifted. He stated that the matter is recognition that the function of the mayor is changing. He stated that it may not be necessary to hold a work session regarding the matter.

Council Member Hanson stated his belief that the work session atmosphere would aid in the formation of the scope and parameters of the mayor. He stated the necessity to inform the public of the change and to provide for further understanding by the public.

Council Member Erbey stated that due to Palmer's growth, the change is necessary and agreed to the necessity of a work session.

Council consensus was reached to set a special meeting for August 1 at 7 p.m.

**Item 3 – Action Memorandum 05-085: Personnel Action Regarding City Manager**

City Manager Healy highlighted his letter regarding the requested renewal of his contract which arose simultaneously with the proposed change of government. He asked the council to renew his contract and to raise his annual salary to \$87,000.

MOVED BY:	Pippel	To extend the city manager's contract for a two year period ending on September 27, 2007 and to increase the salary to \$87,000 per year
SECONDED BY:	Wood	

Moved by:	Combs	To schedule an executive session for August 23 to address the issue
Seconded by:	Carrington	

Vote on Amendment:	Motion carried by unanimous voice vote.
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VOTE ON MAIN MOTION:	Motion postponed.
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**L. CITY MANAGER'S REPORT**

City Manager Healy reported on the following items:

- Southwest Utility – preconference with engineers and contractors was held with a conditional notice to proceed;
- Helen Drive – project has started;
- Urban Revitalization – the engineer has submitted 65% design plans;
- Downtown streetlight project – in receipt of \$100,000 in grant funds, the design and engineer costs are approximately \$20,000, the public works department is investigating the possibility of obtaining materials under the grant conditions, installation will take place under a contract with additional funds during the next fiscal year;
- PERS legislation – two positions have been affected by PERS legislation, the finance director and planning and code compliance technician; seven applications have been received for finance director and 12 for planning and code compliance technician, currently review the applications with the intent of hiring within the week;
- Public Utilities Insurance Trust – attended meeting, will meet again on September 9 to consider the final draft of participation agreements, a municipality with 90 employees

desires to join the trust, the premiums are currently the premiums are level with expenses, the lawsuit has not been settled as of this time;

- Animal Control Board – on the next agenda will be the recommendation of the Animal Control Board to dissolve the Board and to turn the functions over to the Borough;
- Vacation – August 4 -15.

#### **M. CITY CLERK'S REPORT**

Ms. Bower reported on the following items:

- Willis of Alaska insurance packet;
- Financial statements from the Finance Department.

#### **N. RECORD OF ITEMS PLACED ON THE TABLE**

The following items were placed on the table:

- Willis of Alaska insurance packet;
- Financial statements from

#### **O. AUDIENCE PARTICIPATION**

#### **P. COUNCIL COMMENTS**

**Council Member Erbey** apologized for not attending the work session held on July 25 and stated that he would be out of town on July 28 and August 16-23, 2005.

**Council Member Pippel** commented on the Little League tournament held in Palmer last week and thanked the organizers for the efforts. He also extended thanks to Mr. Koch and Council Member Hanson.

**Council Member Hanson** thanked Council Member Pippel for participating as the umpire in the tournament. He announced that the Ice Arena has operated in the black during the first six months and that the facility has not brought any additional costs to the city except those incurred by the loan payment.

**Mayor Combs** commented on the form of government issue and stated that when the resolution was originally submitted he believed that the requested change was the only avenue in which the mayor could serve full-time to accomplish desired tasks. He thanked the council and attorney for their suggestion regarding other avenues which will accomplish the same goals. He stated that the council continues to unite to make the community a great place to live. Mayor Combs highlighted the Palmer Pride activities and spoke of the Citizen of the Year – Stan Guthrie. He stated that he is in receipt of a petition with 521 signatures requesting the creation of a skateboard park within the City and voiced his support of the park. He spoke of the creation of an association and the opportunity to apply for grants to complete the project. An organizational meeting with the skateboard group will be held in the council chambers on August 2.

**Q. ADJOURNMENT**

With no further business before the Council, the meeting adjourned at 10:10 p.m.

**APPROVED THIS 9<sup>th</sup> day of August, 2005.**

*/s/*  
John C. Combs, Mayor

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Janette M. Bower, City Clerk