

A. CALL TO ORDER

A regular meeting of the Palmer City Council was held on January 10, 2006, at 7 p.m. in the council chambers, Palmer, Alaska.

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

B. ROLL CALL

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

Brad Hanson	Tony Pippel
Larry Hill	John Combs
Jim Wood	

Also in attendance were the following:

Dan Contini, Acting City Manager
Jack Snodgrass, City Attorney
Janette Bower, City Clerk

C. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Council Member Jim Wood.

D. APPROVAL OF AGENDA

The agenda was approved as presented.

1. Approval of Consent Agenda
 - a. Introduction – Ordinance No. 06-001: Amending Title 15 (Buildings and Construction) of the Palmer Municipal Code to Provide for Updated Building Code Requirements (IM 06-001)
 - b. Introduction – Ordinance No. 06-002: Amending Palmer Municipal Code Section 2.04.110; Specifically to Amend the Order of Business for Regular City Council Meetings (IM 06-002)
2. Minutes of Previous Meetings– *the minutes were amended and approved.*
 - a. December 27, 2005, Regular Meeting

E. COMMUNICATIONS AND APPEARANCE REQUESTS

1. Sara Jansen – City of Palmer Community Development Coordinator

Ms. Jansen reported on the following items:

- There were 21 ordinances passed which amended Title 17 during 2005;
- Comprehensive Plan – the Planning and Zoning Commission completed their first review of the Plan on January 5;

- Annexation study – explained the meetings held with Northern Economics and cooperation of the Borough GIS department;
 - Spoke of the Business Improvement District enabling legislation,
 - Borough Planning Department is working on their Comprehensive Plan, the Chapter 1 update is complete, chapter 1 encompasses land use, hopeful that by the end of the winter a draft of the core area Comp Plan will be available for review;
 - Borough Long Range Transportation Plan;
 - Discussion ensued regarding the Knik Arm Bridge Committee meetings.
2. Rick Koch – City of Palmer Public Works Director
- Mr. Koch reported on the following items:

- Capital and operational activities:
 - Southwest Utility Extension project is within schedule but has used a large level of “float”, Mr. Koch expressed his concern over the timeframes;
 - South Chugach roadway and water main replacement is in the process of going out to bid; (Discussion ensued regarding Fireweed) (Discussion ensued regarding sidewalk improvements)
 - Waste water treatment plant improvements;
 - Felton Street project;
 - Steel water main improvement, phase IV;
 - Helen Drive water main extension;
 - Motor grader purchase for airport;
 - Sander truck chassis purchase;
 - Street lighting grant and projects;
 - Palmer sign project;
 - Palmer Urban Revitalization project will go out to bid within the week;
 - Park improvements;
 - Public Safety building improvements;
 - City Hall renovations;
 - Soccer fields;
 - Visitor Center improvements;
 - Skateboard park;
 - Records management;
 - Asset management software;
 - Three LIDs will be closed out in the near future;
 - Subdivision development and waste water mandates.

F. AUDIENCE PARTICIPATION

G. PUBLIC HEARINGS

Item 1 – Public Hearing – Ordinance No. 05-041: Adopting Chapter 3.10 of the Palmer Municipal Code Authorizing Business Improvement Districts, Specifying Services Provided Thereby, Providing Controls on Related Contracts, Establishing the Terms Thereof, and Specifying Taxation as a Means for Funding (IM 05-107)

MOVED BY:	Pippel	To adopt ordinance no. 05-041
SECONDED BY:	Hanson	

Mayor Combs opened the public hearing for ordinance no. 05-041. There being no persons who wished to testify, the public hearing was closed and the matter was brought back before the council.

Ms. Jansen explained the proposed amendments and voiced property owner concerns over the current language in section 3.10.040. She explained the suggested amendments as clarifying language.

Attorney Snodgrass spoke of the proposed amendment to section 3.10.040 C and presented scenarios regarding the presentation of an unlimited mil rate to property owners.

Council Member Wood asked of the ability of the council and BID board to adjust mil rates. Ms. Jansen explained the council’s involvement in the approval of the rate.

Council Member Pippel asked of the legal cap and operation within the cap at the discretion of the BID board. Ms. Jansen explained the requirement that all requests must brought before the council. Attorney Snodgrass stated the language as written would provide for the specific mil rate on a yearly basis. Ms. Jansen explained that a varying mil rate degree may be used.

Council Member Wood suggested that the permissive use of “may” be amended to read “shall”.

Primary Amendment #1 to Main Motion		
Moved by:	Wood	To amend the following sections to read as follows: 3.10.040 Term. A. A business improvement district may be created for a specific term of years or for an indefinite period. Districts with a specified term may be extended beyond the end of the term with the concurrence of the property owners who would bear more than 50 percent of the estimated special property taxes for the district. B. Business improvement districts may be dissolved with the concurrence of the property owners who would bear more than 50 percent of the estimated assessment fees in the district. 3.10.060 C. C. The mil rate for a business improvement district may not exceed ___ mils; provided that the petition to initiate a business improvement district may set a lower mil rate, which may not be exceeded. Subject to this limitation, the business-improvement-district committee (representing property owners who will bear more than 50 percent of the estimated special property taxes for a
Seconded by:	Hanson	

		district) may annually request the council to set a specific mil rat for the next year. The request must be in writing and delivered to the city clerk between July 1 and November 15. If the committee fails to duly request a specific mil rate, then the council will set the mil rate at the rate requested in the petition for the first year of the district and at the level set for the prior year after the first year.
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Secondary Amendment #1 to Primary Amendment		
Moved by:	Pippel	To insert three in the blank (regarding mil rate) and to strike may and insert shall in section 3.10.060 C.
Seconded by:	Hanson	

Attorney Snodgrass asked of the terminology “shall”. Council Member Wood stated that “may” implies the group “can or will or will not” request that the council set the mil rate. He explained the connotation that “shall” will require the group to request the council to set the mil rate annually. Attorney Snodgrass explained the default mode and the mil rate as being set in the petition. Council Member Pippel explained the default mode as being zero.

Vote: Motion carried by unanimous voice vote.	
Yes:	No:
Hill Wood Combs	Hanson Pippel

Attorney Snodgrass expressed his concern over the lack of language regarding the ability of the council to reduce a mil rate request. Council Member Wood stated his desire for the council to address all mil rate issues.

Council Member Pippel asked of the common practices of other Alaskan cities. Ms. Jansen spoke of the practices of the Municipality of Anchorage.

Council Member Pippel voiced his agreement with Council Member Wood regarding the council retaining the authority to adjust the mil rate. Ms. Jansen spoke of the reasonableness of the council to retain their taxing authority.

Ms. Jansen spoke of the structure of the BID board and the desire of the board to tax themselves to complete desired projects.

Council Member Wood spoke of the council’s responsibility to establish tax rates. Discussion ensued regarding maximum and annual rates.

Secondary Amendment #2 to Primary Amendment		
Moved by:	Pippel	To insert "The council shall consider the request, and then the council shall exercise its discretion and set the mill rate at a rate that best services the public interest" in section 3.10.060 C. following the sentence which reads, "The request must be in writing and delivered to the city clerk between July 1 and November 15" and to amend last sentence to read as follows: If the committee fails to duly request a specific mil rate, then the council will set the mil rat at zero.
Seconded by:	Wood	

Council Member Hanson voiced his agreement with the council's authority to establish the mil rate. He expressed his concern over the concept of "suing the public interests" and the possible attempts by the public to undermine the authority of the BID.

Vote: Motion carried by unanimous voice vote.	
Yes:	No:
Hill Wood Combs	Hanson Pippel

Secondary Amendment #3 to Primary Amendment		
Moved by:	Pippel	To amend section 3.10.040 B. to read as follows: B. Business improvement districts may be dissolved with the concurrence of the property owners who would bear more than 50 percent of the estimated special property taxes for the district.
Seconded by:	Wood	

Vote: Motion carried by unanimous voice vote.	
Yes:	No:
Hill Wood Combs	Hanson Pippel

Vote: Motion carried by unanimous voice vote.		
Yes:	No:	
Wood Combs	Hanson Hill	Pippel

Council Member Hanson asked for clarification regarding the process for dissolution of the BID. Ms. Jansen stated that the petitioners of the BID can set length of the district for an indefinite period of time. She stated that the BID could choose to no longer be in existence or the board

could gather signatures from those with over 50 percent of the assessed fees and come to the city council to dissolve the district.

Ms. Jansen explained the formation of a corporate entity to operate within the district. Attorney Snodgrass stated that the council establishes the district and the property owners establish the corporation. He stated that should the group not submit the budget and a zero mil rate existed, the district would remain in place. He explained that should the group or the persons who pay more than 51 percent of the tax request the district be dissolved, it would be dissolved. Attorney Snodgrass explained the Council's retention of authority to dissolve the district. Discussion ensued regarding the City's maintenance responsibility should the BID be dissolved.

Council Member Hanson asked of the accounting functions. Ms. Jansen explained the special revenue funds and contracts. Council Member Hanson spoke of the need for language which addresses the distribution of funds and clarification regarding the BID board executing any special functions. Attorney Snodgrass explained the audit language included in the ordinance.

Primary Amendment #2 to Main Motion		
Moved by:	Pippel	To amend the section 3.10.040 A to read: A. A business improvement district may be created for a specific term not to exceed ten years. Districts with a specified term may be extended beyond the end of the specified term by the property owners who would bear more than 50 percent of the estimated special property taxes for the district.
Seconded by:	Wood	

Vote: Motion carried by unanimous voice vote.		
Yes:		No:
Wood	Hanson	Pippel
Combs	Hill	

VOTE ON MAIN MOTION: Motion carried by unanimous voice vote.		
Yes:		No:
Hill	Hanson	Pippel
Wood	Combs	

Item 2 – Public Hearing – Ordinance No. 05-042: Enacting a Definition for Senior Citizen (17.08.398) and Senior Citizen Housing (17.08.399) in Title 17 Zoning; Adding Senior Citizen Centers as a Permitted Use in Commercial Limited Zoning Districts (17.28.020); and Adding Senior Citizen Centers, Senior Citizen Housing, Assisted Living Facilities and Hospice Facilities as Conditional Uses in Public Use Zoning Districts (17.40.030) (IM 05-109)

MOVED BY:	Pippel	To adopt ordinance no. 05-042
SECONDED BY:	Hanson	

Mayor Combs opened the public hearing for ordinance no. 05-042. The following person testified:

Gabriel Layman spoke on behalf of the Palmer Senior Center to voice support of ordinance 05-042. He stated that the ordinance will accomplish two objectives. The first objective being the provision of senior centers as a permitted use in the commercial limited zoning

district. He stated that the existing center is within a commercial limited district and emphasized the services offered to seniors. Mr. Layman explained the second main objective to make senior centers, housing, assisted living and hospice facilities conditional uses within a public use. He explained that the facilities will allow family members to remain within the community and by making the use conditional rather than permitted the code ensures that the number and character of the facilities are appropriate for the City. He stated that the Palmer Senior Citizen Center strongly supports the ordinance.

Council Member Pippel asked of the origination of the definition for senior centers. Ms. Jansen stated that the description is from the Alaska Housing Finance Corporation.

Council Member Hanson asked why the senior citizen housing would be considered a conditional use within a public use zone. He voiced his opposition with the use as conditional and stated his desire for it to be permitted. He stated that with the respect to the senior community, he did not view the facilities to be numerous. He described the facilities as being some of the nicest facilities in town and stated that the facilities preserve the character of the community. Ms. Jansen expanded on the permitted uses within the zone. Council Member Hanson spoke of the hospital and its need to constantly contact the City to alter their permit. He stated that while processes are good, if those processes become too cumbersome, the processes should be altered.

Council Member Pippel described the land use within a public use zone. He stated that senior housing and centers are wonderful things but are not for overall public use. He spoke of financial gain by developers. Council Member Pippel voiced his support of conditional permits for senior facilities within the public use zone.

Council Member Wood spoke of the lack of definitions within the ordinance and current code language. He stated that the ordinance is geared to the access of public use districts for retirement communities. Council Member Wood stated that the ordinance is a great work in progress and stated that the City should take the time to flesh out other concerns. He recommended action be delayed to include all necessary definitions. He described the need to issue conditional use permits as a measure to provide scrutiny of the facility to ensure that it meets the intent of the district.

Council Member Hanson stated the need to add definitions for clarification. He stated that public use districts are owned by the government and when public zoned property becomes private, the zoning designation should be changed.

Council Member Pippel concurred with Council Member Wood regarding the additional descriptions. He spoke of the activities of a senior center and voiced his agreement with Council Member Hanson regarding public use zones as being property owned by the public.

Council Member Pippel spoke of the different types of senior housing and questioned whether conditional use permits should be issued within the public zone which could possibly subsidize high end senior housing. Ms. Jansen spoke of the creation of a complex which encompasses services for the end stages of life. She spoke of the ability to place certain conditions on the type of housing within the public use district.

Discussion ensued regarding the availability of public use zoned land and the current uses within the zone.

Primary Amendment #1 to Main Motion		
Moved by:	Pippel	To postpone to the February 14 meeting
Seconded by:	Hanson	

Vote: Motion carried by unanimous voice vote.		
Yes:		No:
Wood	Hanson	Pippel
Combs	Hill	

VOTE ON MAIN MOTION: Motion postponed.

Item 3 – Public Hearing – Ordinance No. 05-043: Amending Conditional Uses in an Industrial Zoning District (17.36.030) to Require Fences for Junk Yards and Maintenance Yards When Next to Residential Zones and Arterial Roads (IM 05-110)

Mayor Combs opened the public hearing for ordinance no. 05-043. There being no persons who wished to testify, the public hearing was closed and the matter was brought back before the council.

Clerk's note: the ordinance failed due to the lack of motion.

Item 4 – Resolution No. 06-002: Accepting and Appropriating \$4,960.00 from the State of Alaska Department of Transportation and Public Facilities for Acquisition of Snow Removal Equipment for the Palmer Municipal Airport (IM 06-004)

MOVED BY:	Pippel	To adopt resolution no. 06-002
SECONDED BY:	Hill	

Mayor Combs opened the public hearing for resolution no. 06-002. There being no persons who wished to testify, the public hearing was closed and the matter was brought back before the council.

Primary Amendment #1 to Main Motion		
Moved by:	Wood	To amend the resolution to read \$4906
Seconded by:	Hanson	

Vote: Motion carried by unanimous voice vote.		
Yes:		No:
Wood	Hanson	Pippel
Combs	Hill	

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

Yes:		No:
Wood	Hanson	Pippel
Combs	Hill	

Item 5 – Resolution No. 06-003: Accepting and Appropriating \$7,305.00 from the State of Alaska Department of Transportation and Public Facilities for Acquisition of Land for the Runway Protection Zone for the Palmer Municipal Airport (IM 06-005)

MOVED BY:	Pippel	To adopt resolution no. 06-003
SECONDED BY:	Hanson	

Mayor Combs opened the public hearing for resolution no. 06-003. There being no persons who wished to testify, the public hearing was closed and the matter was brought back before the council.

VOTE ON MAIN MOTION: Motion carried by unanimous voice vote.		
	Yes:	No:
Wood	Hanson	Pippel
Combs	Hill	

Item 6 – Resolution No. 06-004: Accepting and Appropriating \$48,643.00 from the State of Alaska Department of Transportation and Public Facilities for Apron, Taxiway, Security Fencing and Rotating Beacon Improvements at the Palmer Municipal Airport (IM 06-006)

MOVED BY:	Pippel	To adopt resolution no. 06-004
SECONDED BY:	Hill	

Mayor Combs opened the public hearing for resolution no. 06-003. There being no persons who wished to testify, the public hearing was closed and the matter was brought back before the council.

Council Member Pippel asked that the beacon improvements include improvements which make the light point upwards towards the direction of the planes.

VOTE ON MAIN MOTION: Motion carried by unanimous voice vote.		
	Yes:	No:
Wood	Hanson	Pippel
Combs	Hill	

H. BIDS

I. ACTION MEMORANDUMS

Item 1 – Action Memorandum 06-001: Authorize City Manager to Purchase Two Vehicles Using a Joint Purchase Arrangement Under the State of Alaska Contract with Nye Ford

MOVED BY:	Pippel	To authorize the city manager to purchase two vehicles using a joint purchase arrangement under the State of Alaska contract with Nye Ford
SECONDED BY:	Wood	

Council Member Pippel asked of the City Manager’s current vehicle. Mayor Combs explained the City Manager’s use of the Ford Expedition and described the vehicle as using a large amount of gasoline.

Council Member Pippel asked why the City would purchase a new vehicle as opposed to driving the Expedition.

Council Member Hill voiced his agreement with Council Member Pippel and stated that he doesn’t see the need to replace it. He spoke of additional use of the vehicle.

Mayor Combs explained the gas consumption of the Expedition and suggested that the

Expedition be sold outright.

Council Member Pippel spoke of depreciation and use of assets.

Primary Amendment #1 to Main Motion		
Moved by:	Pippel	To delete manager's vehicle and purchase the police vehicle
Seconded by:	Hill	

Council Member Hanson voiced his agreement with Council Member Pippel and asked Council Member Pippel to be certain to address the issue during the budget season.

Council Member Wood asked of the line item and funding within the budget. Acting City Manager Contini explained the line item and funding within the 2006 budget.

Vote: Motion failed by 3-2 (Combs, Wood) voice vote.				
Yes:		No:		
Hill	Hanson	Pippel	Combs	Wood

VOTE ON MAIN MOTION: Motion failed by 2-3 voice vote.				
Yes:		No:		
Wood	Combs	Hanson	Hill	Pippel

J. UNFINISHED BUSINESS

K. NEW BUSINESS

L. CITY MANAGER'S REPORT

Acting City Manager Contini reported on the following items:

- Sister City Program – a group of citizens will arrive tomorrow, asked that a member of the council greet them at 7:30 a.m. and lunch on Friday at 11:30 a.m.

M. CITY CLERK'S REPORT

Ms. Bower reported on the following items:

- Paperless Packets;
- The second Palmer voting precinct;
- Records Management;
- The 2006 budget documents;
- January 17, special meeting.

N. RECORD OF ITEMS PLACED ON THE TABLE

The following items were placed on the table:

- Information regarding ordinance no. 05-041;
- Special meeting notice;
- City Manager memo.

O. AUDIENCE PARTICIPATION

Gabriel Layman stated that he will work with Ms. Jansen to clarify any of the definitions in ordinance no. 05-042 and thanked the council for their time.

P. COUNCIL COMMENTS

Council Member Hill commented on the manager's vehicle action. He stated that he has a close friend in the auto business and that all of the big three are meeting regarding pricing. He stated that the resale value on a used vehicle is at an all time low. Council Member Hill stated that there are vehicles available through the State of Alaska.

Mayor Combs asked of the building department report and reported on the following items:

- Commented on the Building Department report;
- Testified at the House Transportation Committee meeting;

Q. ADJOURNMENT

With no further business before the Council, the meeting adjourned at 11 p.m.

APPROVED THIS 24th day of January, 2006.

/s/

Anthony J. Pippel, Mayor Pro-Tempore

/s/

Janette M. Bower, City Clerk