

A. CALL TO ORDER

A regular meeting of the Palmer City Council was held on May 9, 2006, at 7 p.m. in the council chambers, Palmer, Alaska.

Mayor Combs called the meeting to order at 7:01 p.m.

B. ROLL CALL

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

Brad Hanson	John Combs
Tony Pippel	Kathrine Vanover
Larry Hill	

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 Palmer Police Department Police Chief Boatright.

D. SPECIAL ORDER OF BUSINESS

Item 1 – Proclamation of the City of Palmer, Proclaiming the Week of May 14-20, 2006, as National Police Week

E. APPROVAL OF AGENDA

The agenda was approved as presented.

1. Approval of Consent Agenda
 - a. Introduction – Ordinance No. 06-011-Z-3: Ratifying the Recommendation of the City Planning and Zoning Commission Concerning Requested Amendment to the Zoning Map Instituted by the Commission to Rezone Tax Parcel 2723000T00A (349 E. Arctic Avenue) From R-4 (High Density Residential) to C-G (Commercial General District) (IM 06-023)
 - b. Introduction – Ordinance No. 06-012-Z-4: Ratifying the Recommendation of the City Planning and Zoning Commission Concerning Requested Amendment to the Zoning Map Instituted by the Commission to Rezone the Tax Parcels 18N02E33B011 (425 E. Arctic Avenue) and 18N02E33B012 (413 E. Arctic Avenue) from R-4 (High Density Residential) to C-G (Commercial General District) (IM 06-024)
2. Minutes of Previous Meetings – *the minutes were amended and approved*
 - a. April 25, 2006, Regular Meeting

b. May 2, 2006, Special Meeting

F. COMMUNICATIONS AND APPEARANCE REQUESTS

1. Dan Contini – City of Palmer Fire Chief

Chief Contini reported on the following items:

- Building Department report contained within the packet;
- 2006 fires;
- Burning within the City limits;
- Capital budget funding.

G. AUDIENCE PARTICIPATION

Barbara Miller spoke to ordinance no. 06-009, and asked of the designed purpose of the business improvement district. She spoke of the inability to purchase clothing within the City and encouraged the council to say yes to large retail establishments. She stated that the same persons who were attempting to initiate the business improvement district are those whose businesses operate in the dark ages. Ms. Miller spoke of the purposed mil rate and maximum mil rate. She spoke of City matching funds and the City's surplus of money. Ms. Miller expanded on increased taxes should the business improvement mil rates be increased.

Jesse Mitchell spoke to ordinance no. 06-009 and stated that while he was not opposed to beautification of Palmer, he was opposed to taxation of churches. He spoke of his previous meeting with the committee and the subject of non-profit organizations.

Jean Holt spoke to ordinance no. 06-009 and asked for a presentation regarding the mechanics of business improvement district.

Joseph Hawkins applauded Palmer for its efforts to improve Palmer. He voiced concern regarding ordinance no. 06-009 and the inequity of the ordinance. He spoke of the increased mil rate factor. Mr. Hawkins stated that due to the division of lots and taxes imposed on individual lots, the business improvement tax would encourage property owners to combine lots. He stated that monies generated from the tax should not be used to acquire property through eminent domain. He stated that a mechanism should be developed whereby no single property owner may have a certain percentage of influence and asked for a definition of conflict of interest.

H. PUBLIC HEARINGS

Item 1 – Public Hearing (4 of 4) – Action Memorandum 06-014: Approve 2006 City of Palmer Comprehensive Plan Update

MOVED BY:	Vanover	To approve the 2006 city of Palmer Comprehensive Plan Update
SECONDED BY:	Erbey	

Prior to the public hearing, Ms. Sara Jansen, Community Development Coordinator and Chris Beck of Agnew:Beck highlighted the process of the Comprehensive Plan. Ms. Jansen explained the 2006 Comp Plan as an update of the 1999 Comp Plan. She spoke of the Planning Team and their affiliations. She spoke of the public meetings held thus far and the solicitation of public comments.

Chris Beck highlighted the following amendments made from the time of the last work session:

- Chapter 4, Public Services, Facilities, & Infrastructure, pages 4-3 through 4-8. Edits were made in the Police, Fire, Water, Sewer and Storm Drain sections. Palmer Ice Arena and Palmer Arts Council were added to the document;
- Chapter 6, Land Use, reference to a landscaping code was added under Goal 4. Specific references to cooperative planning with the Mat-Su Borough were added to the annexation section. The water district and sewer district boundaries were also clarified;
- Chapter 8, Parks, Recreation, and Culture, the list of parks in operation and slated for the future was updated. Wording was changed on page 8-5 in the Youth Council and Youth Center section;
- Small changes made to improve consistency and alleviate typographical errors throughout the document.

Council Member Hanson asked of Chapter 3 – Community Vision and spoke of the focus of the chapter as being the downtown area. He stated that due to possible misinterpretation, the chapter could be alarming. Mr. Beck summarized the origination of the chapter and stated that the chapter articulates a vision of what the community desires to become in broad terms. He stated that rather than repeating the vision in several places, it was consolidated into one chapter. Mr. Beck stated that the chapter was common and provides the reader, at a glance, a glimpse of the direction the community desires to go. He stated that the chapter contains quotes and provides for expression of public comments.

Mayor Combs opened the public hearing for action memorandum 06-014. The following person testified before the council:

Jim Colberg asked of the future annexation of his property. City Manager Healy explained the City’s water/sewer district boundaries and stated that the Comp Plan identifies the conceptual boundaries of Palmer. Mr. Colberg asked that his property be annexed into the City.

Council Member Pippel spoke of his discomfort with the Comp Plan. He spoke of the Comp Plan as being very specific at times and at other times being overly general. He spoke of communities which have been sued because they did not follow their Comp Plan.

Attorney Snodgrass suggested changing the word “minimize” to “reasonably mitigate”. He asked of goal 7 in Chapter 6 and the minimization of driveways and frontage roads. Mr. Beck spoke of the language’s intention to address the Glenn Highway and to lessen congestion on the road. Discussion ensued regarding the perpendicular and frontage road language.

Attorney Snodgrass spoke of page 8-3 and the language regarding Matanuska River Park.

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

Item 2 – Public Hearing – Ordinance No. 06-008: Amending Chapter 2.07 (Legislation) to Include Language Regarding Council Initiated Legislation Requests (IM 06-020)

MOVED BY:	Hanson	To adopt ordinance no. 06-008
SECONDED BY:	Vanover	

Mayor Combs opened the public hearing for ordinance no. 06-008. 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 spoke of the goal to provide legislation which would provide a reasonable manner for council members to initiate legislation, to prevent abuse of the process, to allow effective minority views to be heard, and highlighted the current process.

Council Member Hanson voiced his opposition to language which would require an immediate vote on whether a subject supported by two council members should be pursued. He spoke of the limiting factors of what may be brought forward to the council and of an intermediate step which would include an action memorandum to be brought forward at a subsequent meeting for council discussion and potential direction. He stated the action memorandum should contain a certain amount but not exhaustive amount of staff work.

Council Member Pippel suggested that the subject be brought forward as a discussion item at a subsequent meeting and voted upon at that time. He spoke of the attorney's concurrence but stated that the process becomes slower. Council Member Pippel spoke of required public notice. Attorney Snodgrass spoke of the ability to direct staff to prepare an ordinance for introduction at a future meeting.

Mayor Combs commented on retaining the ability of the mayor to place items on the agenda.

City Clerk Bower highlighted the differences between the initiation and introductory process.

Council Member Pippel stated that the code should allow the manager, the mayor and the council to bring legislation forward.

Council Member Hanson asked that the differences between the initiation and introduction process be defined and outlined. He spoke of the need to include the mayor, council and manager in the process and asked that an outline of their respective rolls in the initiation and introduction process be provided.

Primary Amendment #1 to Main Motion		
Moved by:	Pippel	To postpone to the June 13 meeting
Seconded by:	Vanover	

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

VOTE ON MAIN MOTION: Postponed to June 13.
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Item 3 – Public Hearing – Ordinance No. 06-009: Creating Business Improvement District 06-1, Setting the Special Property Tax Levy and Authorizing the District to Provide Services to Promote the Vitality Stability and Improvement of the Business Improvement District as a Whole (IM 06-018)

Mayor Combs declared a financial conflict of interest. Attorney Snodgrass advised the Mayor to step down. Mayor Pro-Tempore Pippel ruled that Mayor Combs had a conflict of interest and the decision was not overruled by the council.

Council Member Hanson declared a financial conflict of interest. Mayor Pro-Tempore Pippel ruled that Council Member Hanson had a conflict of interest and the decision was not overruled by the council.

The remaining council members took public testimony but took no action on the matter due to lack of a quorum.

Ms. Sara Jansen, Community Development Coordinator highlighted the following information regarding the business improvement district process:

- Formation of a special assessment or tax district by property owners in a certain area;
- University of Washington study which recommended the formation of the district in the downtown area;
- Enabling legislation and petition process;
- Initial exemptions of single family residences and government owned properties;
- City and the non-profit corporation responsibilities;
- Petition and public notice processes;
- Differences between a special assessment and special tax;
- Exemptions for utility cooperatives;
- Exemptions for non-profit organizations.

Barbara Miller spoke of the persons who were chosen to sign the petition and stated that some of the persons who signed the petition were not those whose names were listed as having legal ownership. She stated that there were property owners who provided one signature when there were two persons listed under the legal ownership. She asked that every person listed in the business improvement district be sent a ballot to vote on the matter. She voiced her concern regarding the lack of understanding of the matter and the ability to raise the mil rate.

Jim Walker, Senior Counsel for Matanuska Electric Association spoke of the state statute requirement for exemptions of utility cooperatives. He stated that MEA does not have a preference how they will be exempted whether in section seven of the ordinance or from the boundaries of the district.

Attorney Snodgrass spoke of the amendment to exempt all properties exempted by law.

Jean Holt voiced concurrence regarding sending out a vote to property owners and stated that taxes are high enough. She stated that she does not view a benefit for her property and stated that only a preferred group would benefit from the tax.

Joyce Hubbard spoke of her ownership of seven small lots and stated due to she and her husband's senior citizen status, they are exempt from taxes. She asked if her house and lots would exempt from the business improvement tax.

Howard Bess, Pastor of Church of the Covenant explained that after examination by the church board, he was instructed to sign the petition. He stated that the church does not view the issue as a separation but as their responsibility for the common good. He stated that it his personal

opinion that tax exemptions for non-profit organizations are completely out of control and stated the need to revisit the issue of non-profit tax organizations.

Detlef Wanke spoke of ordinance no. 05-041 and spoke of representation of a non-profit corporation. He asked if the City intended to provide matching funds.

DeLena Johnson voiced her support of the business improvement district and stated that when businesses choose to tax themselves there is a great impact on what they choose to do with their money.

Janet Kincaid thanked the City in their efforts for getting the sand off of the streets. She spoke of her work with the business improvement district and her family's ownership of the Valley Hotel. She voiced her passion for the community and urged the council to support the opportunity to make the community better.

Item 4 – Public Hearing – Ordinance No. 06-010: Amending Palmer Municipal Code Title 15 (Buildings and Construction) to Provide for Housekeeping Amendments (IM 06-019)

MOVED BY:	Pippel	To adopt ordinance no. 06-010
SECONDED BY:	Vanover	

Mayor Combs opened the public hearing for ordinance no. 06-010. There being no persons who wished to testify, the public hearing was closed and the matter was brought back before the council.

Discussion ensued regarding the origination of the ordinance and reason for the removal of the definition of Public Works Director.

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

I. BIDS

Item 1 – Action Memorandum 06-054: Award Contract for the 2006 Palmer Street Crack Sealing Bid to Alaska Sure Seal in the amount of \$9,900

MOVED BY:	Pippel	To accept the bids from Sockeye Asphalt Mtx., Pacific Asphalt, Inc. and Alaska Sure Seal and to award the contract to Alaska Sure Seal in the amount of \$9,900
SECONDED BY:	Hill	

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

J. ACTION MEMORANDUMS

Item 1 – Action Memorandum 06-053: Authorize a Variance from the Provisions of PMC 12.12.030 for Street Construction in Proposed Raven's Ridge Subdivision

MOVED BY:	Pippel	To authorize a variance from the provisions of PMC
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SECONDED BY:	Hanson	12.12.030 for street construction in proposed
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City Manager Healy explained the map plan view and property location. He stated that originally a circular cul de sac was proposed and explained that because of the terrain on the property, the circular turn around was impractical. He spoke of the proposed variance from the circular turnaround and allowance of a hammerhead turn around. City Manager Healy summarized the findings and stated that a condition on the property exists which makes it impractical and unreasonable to build the circular turnaround. He stated that the variance was not detrimental to public welfare and stated that in response the third finding, the variance does not nullify the intent and purpose of the Comp Plan. City Manager Healy spoke of the R-1 standard and future commercial use. He spoke of the conditions mentioned in the action memorandum.

Council Member Hanson asked of the road upgrade and requirement to provide on-street parking. City Manager Healy explained the standard for commercial streets. Council Member Hanson recognized the need for a sidewalk.

Council Member Pippel voiced his agreement with the findings and spoke of the topography of the property. He stated that the hammerhead meets Borough and State requirements.

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

Item 2 – Action Memorandum 06-055: Authorize the Donation of a Surplus Police Vehicle to the City of Houston

MOVED BY:	Pippel	To authorize the donation of a surplus police vehicle to the City of Houston
SECONDED BY:	Vanover	

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

Item 3 – Action Memorandum 06-056: Authorize the City Manager to Negotiate an Agreement with the Matanuska-Susitna Borough Regarding Ballfields

MOVED BY:	Pippel	To authorize the city manager to negotiate an agreement with the Matanuska-Susitna Borough regarding
SECONDED BY:	Vanover	

City Manager Healy spoke of the Borough request and the use of the Busby Field area. He spoke of the City’s cost to relocate or expand other facilities to meet the City’s needs. City Manager Healy highlighted the identified improvements.

Council Member Vanover asked of the use of the field. Council Member Hanson explained the use and impact of the field for the 2006 season and stated that the loss of the field was acceptable at this time.

Council Member Pippel spoke of the need for the Borough to expand and stated that the selected site is a logical place for them to go. He voiced his agreement with the selected improvements.

Council Member Vanover asked that the Borough set aside some Borough owned property for a future Palmer field. Council Member Pippel stated that the Borough does not have land within the greater Palmer area for a field.

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

K. UNFINISHED BUSINESS

L. NEW BUSINESS

M. CITY MANAGER’S REPORT

City Manager Healy reported on the following items:

- Capital budget;
- Representative from Capital Paving regarding the property exchange;
- Salvation Army property;
- Property issues on Felton Street;
- Palmer Urban Revitalization project – the project is not out to bid at this time (Council Member Pippel left his position at the table at 9:54 p.m, he rejoined the council at 9:55.);
- S. Chugach project;
- Working through interviews for public works director position;
- Rough draft from Northern Economics for the annexation;
- Meeting with the Borough regarding planning for future fire stations;
- Progress of the rate study;
- Ground surface and water failure regarding the Southwest Utility Extension project;
- Railroad right-of-way permit fee.

N. CITY CLERK’S REPORT

O. MAYOR’S REPORT

Mayor Combs reported on the following items:

- Memo contained within the packet;
- Contact with Senator Green’s office;
- Palmer requested legislative items.

P. RECORD OF ITEMS PLACED ON THE TABLE

The following items were placed on the table:

- Suggested amendment for ordinance no. 06-009;
- Notice for the May 16 special meeting.

Q. AUDIENCE PARTICIPATION

R. COUNCIL COMMENTS

Council Member Vanover asked that Mrs. Hubbard's question be addressed and answered.

Council Member Pippel stated that the Urban Re-vitalization process is exhaustive.

Mayor Combs complimented Council Member Pippel for his services as Mayor Pro-Tempore.

S. ADJOURNMENT

With no further business before the Council, the meeting adjourned at 10:17 p.m.

APPROVED THIS 23rd day of May, 2006.

/s/

John C. Combs, Mayor

/s/

Janette M. Bower, City Clerk