

A. CALL TO ORDER

A special meeting of the Palmer City Council was held on March 6, 2007, at 7 p.m. in the Palmer Community Center (Railroad Depot), 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:

Ken Erbey	Richard Best	Jim Wood
John Combs	Brad Hanson	

Also in attendance were the following:

Tom Healy, City Manager
Michael Gatti, City Attorney
Janette Bower, City Clerk

C. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Council Member Hanson.

D. AUDIENCE PARTICIPATION

E. NEW BUSINESS

Item 1 – Public Hearing – Ordinance No. 07-007: Authorizing a Proposal for Annexation of Territory, Approximately 3,817 Acres, to the City of Palmer

MOVED BY:	Combs	To ordinance no. 07-007
SECONDED BY:	Best	

Tom Sojka:

- announced a petition containing 737 signatures in opposition to the annexation;
- stated the proposed annexation area was too big, too fast;
- highlighted the overall cost of annexation;
- asked the council to defeat the ordinance and consider the fiscal impact of annexation;
- spoke of the council's previous negative vote regarding annexation and subsequent reintroduction which passed by a narrow margin;
- commented on the City Manager's term, term of the Mayor and council members; and
- spoke of fiscal support by area residents.

Arthur Keyes:

- voiced opposition to the annexation;
- stated that annexation “flies in the face” of what Palmer was founded upon;
- explained that historically farms do not survive within City limits;
- described the rules and ordinances as counter productive to the farmlands;
- stated that if council members value the open spaces brought by farms, they will vote no on the annexation;
- highlighted his previous meeting with the Mayor and described his disappointment regarding the ability of the City to preserve the farmland.

Will Carpenter:

- urged the council to vote no on the annexation;
- stated there were no additional services received for taxes collected;
- commented on the lack of full-time emergency services in the annexed area; and
- voiced concern over school redistricting.

Jack Didrickson:

- voiced opposition to the proposed annexation;
- stressed the lack of additional services for the taxes to be paid;
- commented on the annexation plans by the City of North Pole; and
- stressed the Local Boundary Commission’s amendment and suggested that audience members voice their objection to the Commission.

Monty Hotchkiss:

- stated that annexation was a bad idea;
- highlighted previous meetings held with Mayor Combs;
- spoke of the Local Boundary Commission requirements regarding the need for City government;
- commented on the area agricultural land;
- voiced objection to the lack of involvement by the residents within the proposed annexation area;
- stated that the residents do not receive any type of benefit by annexation; and
- asked the council to defeat the ordinance and “go back to the drawing board”.

Jim Psenak:

- spoke of his property on Scott Road and the established utility services;
- commented on the ability of the newly annexed persons to become council members;
- spoke of the lack of dedicated funds to pay for additional City services; and
- asked the council to slow down and listen to the residents.

Noel Woods:

- described himself as a 61 area year resident;
- voiced concern regarding the annexation, stating the majority of the residents were in opposition to the annexation;
- asked the council to consider the effect opposition would have on the City’s standing with the State Legislature;
- outlined the appeal process and voiced concern regarding the action becoming acrimonious; and
- stated that input by area residents had been lacking in the annexation process.

Pam Bue:

- voiced opposition to the annexation;
- indicated errors in the annexation plan;
- asked the council to take time to study the report;
- commented on the impacts to area farmers;
- described the annexation as a hostile takeover; and
- asked the City to communicate with area residents.

Brian Bue:

- voiced opposition to the annexation;
- described his career field in comparison to the petition;
- commented on the fiscal analysis and errors within the annexation petition; and
- highlighted the active farming activities of his farm.

Bill Longbrake:

- described his ownership of land on the Springer system;
- commented on the responsibility to care for the land;
- stated that there was no other land in Alaska as good for food production and commented on the land proposed for annexation and development;
- referred to the error contained in the petition regarding the actual amount of farmland;
- voiced concern regarding the PERS deficit;
- described the regressive cycle listed in the Northern Economics study; and
- encouraged the council to oppose the annexation plan.

Dave Jenkins:

- described the annexation as a grab for power and money;
- highlighted the five phases of annexation;
- commented on the immoral process of annexation;
- stated the City chose a legislative annexation because of the knowledge that the issue would be defeated through the election process;
- stressed that the petition process would not end at the conclusion of the evening and voiced the intent to place pressure on the Local Boundary Commission and State Legislature; and
- commented on the freedoms of the citizens and the right to vote.

Dean Whisler:

- commented on his move to the Palmer area;
- spoke of the circulating petition and the one person interested in annexation;
- stated that he had not spoken to anyone who requested the annexation;
- commented on government activities and the quest for money; and
- voiced opposition to the annexation.

Connie Hogan:

- took offense to the comments regarding the City police department providing better service than the State Troopers;
- asked when the three percent sales tax would be increased to four percent; and
- asked if all the council members lived within the City.

Stefan Marty:

- highlighted his immigration and current residency within the proposed annexation area;
- stated that life was good within the Springer Loop and voiced objection to annexation;
- commented on the financial and legal process to improve his property; and
- requested the annexation process end.

Kim Zello:

- commented on her ownership of property within the proposed annexation area;
- explained the term gerrymandering and described the proposed area as cherry picked;
- stated the boundary was created to benefit some but not all;
- inquired of any public health or safety issues within the area; and
- asked the council to consider the character of farmland.

Yvonne Marty:

- commented on the discrepancy of the Borough assessments for property within the proposed annexed area; and
- spoke of the lack of cleanliness within the City and Borough.

Tina Whisler:

- commented on her residency within the area;
- spoke of the founding fathers and destruction of land;
- stated that at a later date, annexed residents are required to connect to City services; and
- stressed the City's unwillingness to sign a contract regarding City services.

James Tracy:

- described himself as a 50 year Valley resident;
- commented on the previous annexation and annexation issues involving the State Fair; and
- asked the council to vote no on the proposed annexation.

Jess Lee:

- stated that he and his wife have left the City due to deterioration of City services;
- spoke of the junk vehicle ordinance and lack of code enforcement;
- explained his new residency within Equestrian Acres and highlighted the homeowners association;
- stated that at one time some residents may have been in favor of annexation but have not been offered anything in return;
- spoke of the discrepancy regarding the lack of city water and sewer services; and
- requested council members vote no on annexation and to further examine why residents do not desire to be in the City.

Michael Stanton:

- commented on the Governor's campaign process and lack of faith in government;
- expanded on the homeowner's association within Equestrian Acres and the equitable system of the association;
- highlighted the recent vote within the association and suggested the council look to the process as an example; and
- voiced opposition to the annexation.

Hank Roesing:

- spoke of the Valley as the preferred area in which his family had lived;
- encouraged the council to preserve the character of the area;
- described the area as being homogeneous; and
- spoke in opposition to the annexation and asked the council to go back to the drawing board.

Bill Whittaker;

- described himself as a farmer and spoke of the loss of fields to City development;
- voiced concern over the added cost for utilities, sales taxes, business licenses, fees and permits for everyday farm activities;
- spoke of local competition outside of the City;
- described his farmland as nine percent of the total farmland listed in the proposed annexation area; and
- stated there were no benefits to being annexed to the City.

Jay Wickham:

- noted that the financial problems in Palmer have chased away more businesses than Wasilla can absorb;
- stated the City bought the best farmland in the world and turned it into the Industrial area and subsequently chased away investors;
- commented on land given to the State Fair and developed as a subdivision;
- spoke of his service within the military and fight for democracy; and
- stated that a vote of the people would not be in favor of the annexation.

Amanda Taylor:

- stated the persons most impacted by the annexation do not have an opportunity to vote;
- explained that she bought property outside of the City because of her desire to be outside of the City; and
- highlighted her business outside of the City and the support of her family by the property.

Guy McConnell:

- stated his opposition to annexation and does not live within the proposed area;
- voiced opposition to the manner in which the annexation was being approached and stated that the country was founded on the principal that the people who are governed should be represented in the decisions that are made for them;
- spoke of the council's attempt to go around the people's representation; and
- stated the council was elected to represent the people of the Palmer.

Matt Bue:

- spoke in opposition to the annexation;
- stated that the residents, City of Palmer, and council members were in a lose/lose situation;
- spoke of increased voter turnout at the next election and described the ability of the council as hampered;
- asked that a vote of the people be honored; and
- stressed the far reaching ramifications of annexation.

Betty Smith:

- spoke of her residency within the proposed annexation area;
- explained her social security income and spoke of the increased taxes within the City;
- voiced opposition to the annexation process and requested the right to vote on the matter; and
- inquired of the increased taxes.

James McCormick:

- highlighted his farming activities of 27 years; and
- stated the Matanuska Valley has the best soil in the State and stated that once the farmland is taken away, it will never be given back.

Ed Stratton:

- described his relocation in the area due to the farmland;
- stated that the manner in which the City was going about the annexation process was wrong; and
- stated that once the farmers leave the area, so will the residents.

William Burke:

- stated the City should compare the snow removal service in Equestrian acres with City services; and
- highlighted his service as an armed forces member.

Giles McDonald:

- described the annexation petition as established by power hungry bureaucrats; and
- asked the council to encourage development so that he may buy socks within the City.

Jean Woods:

- described the largest investment any citizen would make as real estate and stated that the owners of the property are the best caretakers of the property;
- expanded on her development of property and restrictions on the property;
- stated that there are lots of green spaces within Palmer; and
- spoke of the businesses who have left and the lack of property tax in Wasilla.

Tiny Rosemarie DuPriest:

- spoke in memory of Jack Mets, Mr. Conway and John Bugge, the colonists and veterans;
- stated that the City had not been friendly with the farmers;
- spoke of the emergency medical services in the Palmer area and the fires in early days of Palmer; and
- thanked the audience members for the attendance and voice.

Romie Deschamps:

- voiced opposition to the annexation and suggested the item be postponed until a better proposal could be written;
- spoke of the unfunded City services;
- commented on the fluoridated water; and
- asked that the voice of the people be heard.

Erika Nowka:

- spoke of her residency and the permission granted by her family for the use of land for the City's lagoon;
- stated the annexation process was unfair;
- commented on the Anchorage process and the lack of vote by the Upper Hillside residents;
- described Palmer as a dictatorship; and
- voiced opposition to the action and applauded those who spoke of the action.

Dorothy Meyer:

- spoke of the ability to ride her 4-wheelers and snowmachines out the back door of her home; and
- stated that should those freedoms be taken away, it would be detrimental to the community.

Tracy Moffit:

- described himself as a Palmer citizen and spoke of his ownership of commercial buildings in the City of Wasilla;
- highlighted conversations regarding working within the City of Palmer and the ease of doing so in Wasilla;
- spoke of the condemnation of 28 acres of his property to supply water to a subdivision;
- questioned the ability to supply water to the new residents; and
- voiced opposition to the annexation and commended the City for bringing the small and large property owners together.

Leo Nardin:

- highlighted the previously held annexation open house;
- comment on his favor of the Palmer area and the tone of those who were opposed to annexation;
- asked if the annexation were to go through without the benefit of a public vote, would public disobedience follow; and
- spoke of the spirit of independence.

Russell Grandell:

- highlighted the four parts of decision making.

Gary Korthius:

- stated that the City was not asking the residents to subsidize the City's mismanagement but telling the citizens to do so; and
- stated that the citizens were saying no overwhelming.

There being no one who wished to speak, the public hearing was closed and the matter was brought back before the council.

Council Member Wood:

- commented on the development of "chicken little" fervor;
- depicted the annexation as being anchored to the need to bridle land owners in the annexed area with the City's zoning controls;

- stated that development in the area of the Springer system continues to progress in an orderly fashion;
- described the proposed annexation area as not being utilitarian in scope and size and stated that the annexation would not offer the area any of the City's protections or services;
- stated that the chosen area appears to be myopic in nature;
- commented on the concerns regarding the cost of annexation and stated the proposed area does not ameliorate those concerns;
- stated the annexation should reflect a quid pro quo arrangement between the City and those to be annexed;
- noted the previous two annexations and consent for the annexation by the property owners in the area;
- voiced concern regarding the citizens in the proposed area and their requirement to pay additional taxes to benefit the City at large and in return they receive land restrictions;
- stressed that too few citizens would require City utilities;
- commented on the area's adequate fire and police services and the reluctance of the City's current governing body to increase police manpower within the existing structure;
- stated the persons who reside in the proposed area already pay City sales from their patronization of City stores and if their property taxes would not cover the cost of services extended to them;
- voiced concern regarding the lack of preservation of agricultural land for open space and agricultural use;
- expanded on stated intent of Palmer Municipal Code Title 17 regarding agricultural land as an avenue to serve the needs of City expansion by transitioning farmland to urban uses through the conditional use process and the preference of the City's governors to award zoning based on the highest and best use of property;
- commented on the right of land owners to seek the highest value for their property;
- described the mitigating strategies and incentives that could convince agricultural land owners to retain their agricultural zoning designations;
- stated that in the rush to annex, the City failed to prepare the way with actions that might spur continued agricultural use of lands to be annexed; and
- voiced opposition to the annexation and proposed the City spend the next year refitting its reason for annexation, reexamining the boundary for a new city limit, and preparing the way for annexation by putting in place incentives to preserve agricultural land open spaces in the area to be annexed.

Council Member Hanson:

- thanked the audience for their comments;
- stated that annexation was important to the City and its long term survival;
- stated that the current annexation was on the fast track;
- voiced concerns over the current financial PERS obligation and the necessity of understanding the obligations;
- spoke of the references made to the zoning regulations and the need to reexamine the code to encourage economic development; and
- voiced his intent to vote no on the matter.

Council Member Erbey:

- spoke of the City of Palmer and the greater community of Palmer and the need to examine the community as a whole;
- spoke of the University of Washington study which indicated the need to preserve the agricultural areas;
- voiced disagreement with the destruction of farmland due to the farms becoming part of the City;
- described zoning as a manner to ensure the viability of farmland;
- countered the comments regarding annexation as a means of money grabbing and described annexation as a financial liability rather than a means of economic development;
- spoke of the perception of increased taxes within the City and stated that historically the Borough and Palmer have been equal in the taxation totals;
- provided information regarding the Borough's PERS indebtedness;
- spoke of the benefit of taxation within the City as a direct benefit to the City as opposed to the taxes which are paid in the Borough which may benefit different areas of the Borough;
- responded to the comments regarding control and highlighted the ability to control the growth and development within the City;
- expanded on the recent prison issue and the request of those who reside outside the area and the lack of the ability of the City to provide assistance;
- responded to the statements regarding the City having nothing to offer citizens in the proposed area and expanded on the City's ability to control junkyards, used car lots and prisons;
- highlighted a conversation with a Springer System resident regarding the desire to turn the property into a rental property;
- commented on the services of the State Troopers and their location within the City of Palmer;
- highlighted his recent accident involving a moose and response by the Palmer Police Department;
- commented on the building codes for the betterment of the City;
- stressed the power of controlled growth;
- commented on the importance of agricultural land and the benefit of taxation to the City of Palmer; and
- voiced his support of the annexation.

Mayor Combs:

- spoke of City representation and the ability of area residents to address the council and City officials;
- stated that there may not be anything in annexation for them at this time but they would become City residents;
- highlighted the Borough/City tax rates;
- commented on Alaska Statute 29.45.060 and 09.45.235 regarding agricultural usage and the inability of the City to override the exemptions;
- stated the intent to examine language which would strengthen the agricultural zoning district;
- commented on the lack of taxation of wholesale agricultural products;

- spoke of area growth and the need to address the growth; and
- voiced his desire for the community to plan growth in a respectable manner.

Community Coordinator Sara Jansen:

- commented on the Borough/City tax rates within the past ten years.

Primary Amendment #1 to Main Motion		
Moved by:	Combs	To provide for the following technical amendments:
Seconded by:	Hanson	
		<ol style="list-style-type: none"> 1. Page 1, Section 4, first paragraph, sentence 5 to read as follows: There are 1,135 acres of lands classified as farming by MSB's Division of Assessment. A portion of some of those lands receive tax deterrents as determined by the farm land tax deferral program (AS 29.45.060). 2. Page 3, paragraph 5, sentence 3 to read as follows: The City population grew 58% from 1990 to 2000 (2,866 to 4,533 residents) and increased another 23% from 2000 to 2006 for a current population of 5,574 residents. 3. Page 53 under the paragraph titled Water Pollution Control, second paragraph, fourth sentence to read: The 2009 revenues for the territory proposed for annexation are projected to be \$1,105,345. 4. Page 50, paragraph four, first sentence to read: Property owners in the area proposed for annexation in 2007 pay the Borough .65 mils for fire protection services provided through the Greater Palmer Fire Service Area (GPFSA). 5. Page 52 under the paragraph titled Water Pollution Control, second paragraph seventh sentence to read: The 2009 operating budget for the territory proposed for annexation is projected to have expenditures of \$584,366.

		<p>6. Under Exhibit % Federal Voting Rights Acts Information, number 1, first sentence to read: The City's population was 5,574 (source: State of Alaska DCED).</p> <p>7. Page 54, Exhibit G, number 6 to read: The City designates, an Alaskan Native, as the Alaska Native designated U.S. Department of Justice contact. Address and telephone number are: Patricia Wade PO Box 4794 Palmer, AK 99645 (907) 745-3191</p>
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Vote: Motion carried by unanimous voice vote.

Yes:			No:		
Erbey	Wood	Best			
Hanson	Pippel				

City Manager Healy:

- spoke of the proposed areas and the areas eligible from exclusion of the petition.

Primary Amendment #2 to Main Motion		
Moved by:	Combs	To exclude the properties described by City Manager Healy
Seconded by:		

Motion died with lack of second.

Primary Amendment #3 to Main Motion		
Moved by:	Wood	To postpone ordinance no. 07-007 to the March 27 meeting and a map of the area described by City Manager Healy is produced and completion of a corresponding cost analysis
Seconded by:		

Motion died with lack of second.

VOTE ON MOTION: Failed by 2-3 voice vote.

Yes:			No:		
Erbey	Combs		Wood	Best	Hanson

F. ADJOURNMENT

With no further business before the council, the meeting adjourned at 10:18 p.m.

Approved this twenty-seventh day of March, 2007.

/s/

John C. Combs, Mayor

/s/

Janette M. Bower, CMC, City Clerk