

A. CALL TO ORDER

A regular meeting of the Palmer City Council was held on October 24, 2006, at 7 p.m. in the council chambers, Palmer, Alaska.

Mayor Combs called the meeting to order at 7:04 p.m.

B. ROLL CALL

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

Jim Wood	Ken Erbey
John Combs	Kathrine Vanover
Brad Hanson	Richard Best
Tony Pippel	

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 council consented to move item D.1.a. to J.5.

1. Approval of Consent Agenda
 - a. Action Memorandum 06-119: Accept \$43,822.68 from the State of Alaska Department of Transportation and Public Facilities for the State Match to Airport Improvement Project 3-02-0211-013-2006 and Direct the City Manager to Prepare an Amendment to the 2006 Fiscal Year Budget to Appropriate the Funds (*moved to J.5.*)
2. Minutes of Previous Meetings
 - a. October 9, 2006, Special Meeting
 - b. October 10, 2006, Regular Meeting

E. SPECIAL ORDER OF BUSINESS

Item 1 – A Proclamation of the City of Palmer, Designating the Month of October as Community Planning Month

Mayor Combs proclaimed the month of October as Community Planning Month.

F. COMMUNICATIONS AND APPEARANCE REQUESTS

1. Jane Conard – Public Health Nurse, Mass Dispensing Clinic
Ms. Conard reported on the following items:
 - Career as a public health nurse;
 - Mass Dispensing Clinic;
 - Emergency planning;
 - Invited the City to participate in the Mass Dispensing Clinic exercise;
 - Coordination with the Incident Command System;
 - Palmer location.
2. Dean Baugh – City of Palmer Finance Director
Mr. Baugh reported on the following items:
 - Budget process;
 - Sales tax collections for the Alaska State Fair and activities at the fairgrounds;
 - Implementation of the new Depot rates and 2007 schedule;
 - Upcoming renewal of auditor contract;
 - Finalization of letter with collection agency;
 - Local Improvement District (LID) billing.

G. AUDIENCE PARTICIPATION

Larry Hill voiced concern regarding the water reservoir west of town. He expressed the need to immediately address the issue of building a new reservoir in the area. Mr. Hill spoke of the nearing capacity of the sewer lagoon and the need to investigate the issue. He spoke of the needed additional acreage and expansion of the lagoon. Mr. Hill commented on the PERS issue, stating that it was an important issue but encouraged the members not to be caught up in the “chicken little” syndrome. He voiced his support of annexation. He stated that growth is coming to the Valley and stated that if annexation is not addressed, the City would look like other area communities. Mr. Hill urged the council to approve of hiring a consultant to address the issue.

Noel Woods spoke of the proposed annexation and identified phase I. He stated that as an outsider looking at the City, he was extremely disappointed in the economic activities of the City. He spoke of Wasilla’s ability to reduce their taxes. He offered this advice to the council: the council would have a hard time encouraging economic development within the community due to the increased taxation costs.

Russell Grandell spoke of a previous meeting in which the Mayor stated that the benefits of annexation were very small to those in Mr. Grandell’s subdivision. He expanded on the qualities of Palmer and Wasilla and stated that the persons who live outside of either city do not desire to be annexed. He stated that the citizens will fight the annexation process.

Greg Dellinger asked if the City could afford annexation. He spoke of the previous meeting in which the council voted against annexation. Mr. Dellinger commented on the council’s determination to annex persons outside of the City who do not want to be in the City. He spoke of the exclusion of Dellinger Estates and stated that the subdivision would not require City water/sewer, police services and road maintenance.

H. PUBLIC HEARINGS

Item 1 – Public Hearing – Ordinance No. 06-024-Z-8: Rezoning 17N02E06D020, 11683 East Helen Drive and 17N02E06D026, 11753 East Helen Drive, from the R1, Single Family Residential District to the R1E, Single Family Residential Estate District (IM 06-059)

MOVED BY:	Pippel	To adopt ordinance no. 06-024-Z-8
SECONDED BY:	Best	

Mayor Combs opened the public hearing for ordinance no. 06-024-Z-8. There being no one who wished to speak, the public hearing was closed and the matter was brought back before the council.

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

I. BIDS

Item 1 – Action Memorandum 06-116: Authorize City Manager to Award the Palmer Library Control Upgrades Bid to Siemens Building Technologies, Inc. in the Amount of \$46,460

MOVED BY:	Pippel	To accept the action of action memorandum 06-116
SECONDED BY:	Vanover	

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

J. ACTION MEMORANDA

Item 1 – Action Memorandum 06-115: Accept a FY07 Highway Safety Grant in the Amount of \$155,975 to Support the Highway Safety Enforcement Program for Reimbursement of Overtime Expenditures and Equipment Purchase, Authorize the Purchase of Equipment Used in Conjunction with the Program, and Direct the City Manager to Prepare an Amendment to the 2006 Fiscal Year Budget to Appropriate the Funds

MOVED BY:	Pippel	To accept the action of action memorandum 06-115
SECONDED BY:	Vanover	

City Manager Healy directed the council’s attention to the Determination of Sole Source Purchase for purchase of equipment.

Council Member Pippel asked of the status of the current radar equipment. Discussion ensued regarding disposal and use of the current equipment.

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

Item 2 – Action Memorandum 06-117: Designate Phase I as the Preliminary Annexation Boundary as Proposed by Northern Economics in July 2006

MOVED BY	Vanover	To accept the action of action memorandum 06-117
SECONDED BY:	Erbey	

As requested by Mayor Combs, City Manager Healy provided a synopsis of the memorandum.

Council Member Pippel declared a conflict of interest due to his ownership of subdivision within the phased area of the proposed annexation. Mayor Combs excused Council Member Pippel from the discussion.

Council Member Hanson stated that his analysis of annexation had not changed since the previous meeting. He commented on the tremendous benefit of annexation but stated that it was unwise to proceed with annexation at this time and recommended that a review of the City’s current cost structure be completed. He spoke of the completion of the 2007 budget process as an effort to determine the needs of the community.

Council Member Vanover voiced her support of the action. She asked that the work of annexation be completed and stated that the petition did not need to be submitted at this time. Council Member Vanover stated that the study would reveal what the City has to offer its current citizens as well as those in the proposed area.

Council Member Erbey voiced concurrence with Council Member Vanover. He stated that completion of the study would give the council the answers it needs to make a more informed decision. Council Member Erbey expanded on area development.

Council Member Best spoke of the greater Palmer area and of the oath to protect the properties within the City of Palmer. He spoke of the Boundary Commission parameters, the existing and anticipated economic development opportunities. He stated that it was the duty of the council to educate themselves on the annexation process and costs. Council Member Best spoke in favor of the action. He commented on citizens who may be in agreement with the annexation and those properties who desire City water. He voiced his opposition to giving the impression that the City is “rolling over” people and stated the need to provide reliable information to ease citizen concerns.

Council Member Wood commented on the indication that at any phase of annexation, the City would suffer a financial deficit and questioned how the City would pay for annexation. He cautioned members of the PERS issue and stated that the issue would continue to exist both now and in the foreseeable future. He spoke of the PERS projections and the “talk” of the legislature’s effort to resolve the issue. Council Member Wood voiced the need to obtain written assurances regarding the matter. He spoke of the City services in the amended phase I area. He referred to the memo written by Council Member’s Hanson and Pippel and the language regarding staffing levels. Council Member Wood voiced the need to hire additional police

department staff. He stated that he was not prepared to move forward with the issue of annexation.

City Manager Healy spoke of the need for additional information by the public, staff and council. He stated that by proceeding with the process, the City would gain needed information. He commented on the budget process and the valuable exercise of moving forward with the two processes. He spoke of PERS, the question of service levels, and the needs of the community. City Manager Healy spoke of the placement of large commercial development and the longer term planning issues which would be addressed by the process. He stated that if the City were to wait, there would not be enough time to submit the petition in February.

Mayor Combs highlighted the action memorandum and spoke of the importance of economic development. He described a city with healthy economic development as a healthy city. He spoke of the need to annex to further healthy development of the City. Mayor Combs stated that the City was out of room to place large retail establishments and stated that should developers choose to develop in the large undeveloped lots outside of the City, the City had no input regarding development. He spoke of land use, City code, the protection of cultural identity, and current business development within the City. He spoke of the need to be in the position to move forward by March 1, should the City desire to submit a petition for annexation. He voiced disagreement regarding the resolution of the PERS issue and agreement regarding the need to examine the method of delivering services. He spoke of fiscal responsibility to the current community and the protection of the corridors entering into Palmer. Mayor Combs voiced the need to act within the current fiscal year.

VOTE ON MOTION: Carried by 4-2 voice vote.					
Yes:			No:		
Vanover	Erbey	Best	Hanson	Wood	
Combs					

Item 3 – Action Memorandum 06-118: Award Contract for the Preparation of an Annexation Petition by Legislative Review to Lamar Cotten in an Amount Not to Exceed \$35,000

MOVED BY	Vanover	To accept the action of action memorandum 06-118
SECONDED BY:	Pippel	

Council Member Pippel highlighted the qualifications of Mr. Cotten and voiced his support of hiring Mr. Cotten.

VOTE ON MOTION: Carried by 5-2 voice vote.					
Yes:			No:		
Vanover	Erbey	Best	Hanson	Wood	
Combs	Pippel				

Item 4 – Action Memorandum 06-120: Authorize City Manager to Execute Amendment No. Four to the Professional Services Agreement with DOWL Engineers for Additional Design Services for the South Felton Street Improvement Project in the Amount of \$19,035

MOVED BY	Vanover	To accept the action of action memorandum 06-120
SECONDED BY:	Erbey	

City Manager Healy highlighted the memo and spoke of the permitting process of the State of Alaska Department of Transportation (ADOT). He spoke of the need for a capacity analysis of the intersection and the related work of obtaining easements. He spoke of the revisions to the design documents and utility permitting.

Council Member Pippel asked of the timeline. City Manager Healy stated that the project was currently three years old and spoke of the acquisition of right-of-way. Council Member Pippel spoke of the current cost of right-of-way as opposed to the cost two years ago.

Council Member Wood asked of road placement. City Manager Healy explained the configuration. Discussion ensued regarding the placement of road in the area of Helen Drive.

Council Member Pippel asked of the bike path configuration. City Manager Healy stated that there would be a sidewalk in addition to the bike path.

VOTE ON MOTION: Carried by 6-1 (Pippel) voice vote.			
Yes:			No:
Erbey	Vanover	Wood	Pippel
Best	Hanson	Combs	

Item 5 – Action Memorandum 06-119: Accept \$43,822.68 from the State of Alaska Department of Transportation and Public Facilities for the State Match to Airport Improvement Project 3-02-0211-013-2006 and Direct the City Manager to Prepare an Amendment to the 2006 Fiscal Year Budget to Appropriate the Funds

MOVED BY	Vanover	To accept the action of action memorandum 06-119
SECONDED BY:	Erbey	

Primary Amendment #1 to Main Motion		
Moved by:	Pippel	To amend the grant amount to read \$48,691.87
Seconded by:	Erbey	

Vote: Motion carried by unanimous voice vote.			
Yes:			No:
Vanover	Erbey	Best	
Combs	Pippel	Hanson	
Wood			

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

K. UNFINISHED BUSINESS

Item 1 – Action Memorandum 06-114: Confirm the Mayor’s Appointment of Planning and Zoning Commissioners

MOVED BY:	Combs	To accept the action of action memorandum 06-014
SECONDED BY:	Pippel	

Mayor Combs nominated the following persons to appointment to the Planning and Zoning Commission:

- Guy AlLee
- Dusty Silva

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

L. NEW BUSINESS

M. CITY MANAGER’S REPORT

City Manager Healy reported on the following items:

- 2007 Budget;
- APUIT health insurance;
- Southwest Utility Extension project;
- Borough Property issues;
- Bogard Road Extension Project;
- Palmer Museum of History and Art.

N. CITY CLERK’S REPORT

City Clerk Bower reported on the following items:

- November 7 special meeting;
- November 14 regular meeting rescheduled on November 21;
- November 30 joint tri-cities meeting;
- December 7 Borough, joint tri-cities meeting in Wasilla.

O. MAYOR’S REPORT

Mayor Combs reported on the following items:

- Attendance at prison site selection meeting;
- Borough assembly meeting report;
- Resolution of the Borough property issue;
- Skateboard Park;
- Annexation.

P. RECORD OF ITEMS PLACED ON THE TABLE

The following items were placed on the table:

- Information from public health nurse Jane Conard;
- PERS and the 2007 Budget statement by Council Member’s Hanson and Pippel;
- Public Safety Commissioner Tandeske’s invitation;
- Planning and Zoning Commission application;

- City Manager Healy's report;
- Two letters from Mr. John Leiner.

Q. AUDIENCE PARTICIPATION

Fire Chief Dan Contini voiced displeasure with the moving of the regular council meeting on November 14 to November 21. He described the potential conflict regarding the purchase of fire truck.

Clerk's note: the item was placed on the November 7 special meeting agenda.

R. COUNCIL COMMENTS

Council Member Wood commented on the use of the pocket park in the Golden Hills area and the lack accessibility to the picnic table. He asked that the City approach the State to request a gate be placed in the vicinity of the picnic table.

Council Member Best voiced his pleasure with the favorable annexation action and that ability of the members to "grow their knowledge" through the annexation process. He encouraged the public in the affected areas to bring forward to the council their thoughts regarding City services.

Council Member Erbey voiced the comments of a coworker who due to the efforts of the Ice Arena Director, had the ability to schedule a "little league hockey tournament" at the Ice Arena.

Council Member Hanson referred to the memo written by himself and Council Member Pippel and spoke of the responsibility of an open dialogue regarding annexation. He spoke of an overall evaluation of the City and the council's responsibility to respond to the evaluation in a manner which would be most responsive to the City as a whole.

Council Member Pippel described his recent vacation and congratulated Council Member Erbey on his re-election and Council Member Best on his election. He commented on the prison project and the inability of the State to operate the prison on a septic system. Council Member Pippel stated that should the State choose to locate the prison along the City's water/sewer line the State must include funding for upgrades to the City's system in the overall prison project budget. He asked the council to read the memo written by himself and Council Member Hanson.

S. ADJOURNMENT

With no further business before the council, the meeting adjourned at 9:30 p.m.

Approved this twenty-first day of November, 2006.

/s/

Janette M. Bower, CMC, City Clerk

/s/

John C. Combs, Mayor