

**A. CALL TO ORDER**

A special meeting of the Palmer City Council was held on December 5, 2006, at 6 p.m. in the council chambers, Palmer, Alaska.

Mayor Combs called the meeting to order at 6 p.m.

**B. ROLL CALL**

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

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

Also in attendance were the following:

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

**C. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Mr. Bill Pippel

**D. AUDIENCE PARTICIPATION**

**E. NEW BUSINESS**

**Item 1 – 2007 Fiscal Year Budget**

MOVED BY:	Hanson	To enter into the committee of the whole to discuss the 2007 Fiscal Year Budget
SECONDED BY:	Vanover	

The council entered into the committee of the whole at 6:03 p.m. and exited at 8:58 p.m.

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

City Manager Healy highlighted the reductions made in the 2007 Budget.

Upon exiting the committee of the whole, the following motions were made:

MOVED BY:	Pippel	To change the employee insurance coverage from a 90/10 split to an 80/20 split, subject to approval by the Trust
SECONDED BY:	Vanover	

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

MOVED BY:	Pippel	To delete the council donation line item of \$20,000 and add \$1,000 to the council advertising budget
SECONDED BY:	Wood	

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

MOVED BY:	Pippel	To reduce the amount allocated for golf carts by \$10,000
SECONDED BY:	Best	

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

MOVED BY:	Pippel	To remove the two and half janitor positions from the budget
SECONDED BY:	Wood	

Primary Amendment #1 to Main Motion		
Moved by:	Pippel	To amend the main motion by making the effective date March
Seconded by:	Wood	

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

Discussion ensued regarding the amount of employee notice required for a layoff.

Council Member Hanson voiced his preference to direct the Manager to advertise for RFP's in an effort to determine the exact cost for janitorial services. He spoke of the possibility of the contract cost being greater than the current services and the need to "have all of the facts" prior to laying off employees.

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

MOVED BY:	Pippel	To instruct the Manager to put out an RFP for janitorial services with a report back to council by February 15
SECONDED BY:	Wood	

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

MOVED BY:	Pippel	To delete the police clerk from the budget
SECONDED BY:	Best	

Council Member Vanover voiced opposition to the motion.

Council Member Wood asked that action be delayed until the police department could provide justification of the need for the position.

Moved by:	Pippel	To postpone action until the December 12 meeting
Seconded by:	Best	

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

VOTE ON MOTION: Motion postponed.		
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MOVED BY:	Pippel	To add the following to the budget:
SECONDED BY:	Best	
		<ul style="list-style-type: none"> <li>• \$20,000 for bike paths (fund 08 7008)</li> <li>• \$18,000 for park improvements (fund 08 7038)</li> <li>• \$22,000 for residential street lighting (fund 08 7047)</li> <li>• \$60,000 for the soccer fields (fund 08 7108)</li> </ul>

Council Member Hanson voiced support of the motion and spoke of the need to pave the golf course parking lot. He suggested that the park improvement amendment be used for the soccer fields.

Council Member Vanover voiced agreement with Council Member Hanson and stated that the golf course was an asset which must be maintained.

Council Member Best stated that the lack of paving at the golf course was not a deterrent for those who desire to golf.

Primary Amendment #1 to Main Motion		
Moved by:	Pippel	To amend the main motion by eliminating \$60,000 for the soccer fields and adding \$80,000 for paving the golf course parking lot
Seconded by:	Wood	

Council Member Best questioned the fiscal responsibility of funding the parking lot improvement and voiced opposition to the amendment.

Council Member Wood spoke of the object of the golf course to operate as a revenue fund and the means to increase revenues by paving the parking lot.

Council Member Best spoke of the tax payers who pay for road improvements through LID's.

Council Member Hanson spoke of the commitment made to operate the golf course in an appropriate manner and the needed improvements to ensure its viability.

Council Member Pippel spoke of the golf course's ability to produce funds for capital improvements and asked the administration to inform the golf course manager of the City's significant capital outlay for the course.

Vote: Motion failed by 3-3 roll call vote.
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Yes: Vanover      Wood      Hanson	No: Pippel      Best      Combs
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VOTE ON MOTION: Motion carried by unanimous voice vote.
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Yes: Pippel      Vanover      Wood Best      Hanson      Combs	No:
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MOVED BY:	Combs	To delete the second patrol vehicle from the budget
SECONDED BY:	Best	

Moved by:	Pippel	To postpone action until the December 12 meeting to obtain a report from administration regarding the use and need for the vehicle
Seconded by:	Best	

Vote: Motion carried by unanimous voice vote.
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Yes: Pippel      Vanover      Wood Best      Hanson      Combs	No:
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VOTE ON MOTION: Motion postponed.
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MOVED BY:	Hanson	To remove \$15,000 from the police department line items – 6024 and 6026
SECONDED BY:	Pippel	

Moved by:	Pippel	To postpone action until the December 12 meeting to obtain a report from administration regarding the Advanced Command School
Seconded by:	Best	

Vote: Motion carried by 5-1 voice vote.
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Yes: Vanover      Wood      Best Hanson      Combs	No: Pippel
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VOTE ON MOTION: Motion postponed.
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City Manager Healy highlighted his memo regarding revenue enhancement.

City Manager Healy spoke of the amendments to the employee pay plan. He stated that the amendment would increase the level pay for the positions classified as level 12.

Council Member Hanson spoke of the need to establish a “Community & Recreational Services” Department. He suggested that the following departments be included: Tourist Center, Library, Community Center (Depot), Ice Arena and Parks and Recreation. He spoke of the following reasons for doing so:

- Creation of a division within the general fund to identify City’s assets which are provided for the entire community;
- Logical activities between the current departments;
- More accurate comparison of services within the budget process;
- Reduction of administrative oversight;
- Identification and coordination of resources allocated for non-essential services;
- Management of services through a recreational services administrator;
- Advocacy benefit for all facilities included in the new department.

Discussion ensued regarding:

- Exclusion of the golf course;
- Intent of Ice Arena to pay operational costs;
- Question of the distinction of the Ice Arena and Golf Course;
- Ice Arena budget;
- Golf Course budget;
- Debt service fund;
- PERS impact;
- Definitions of essential and non-essential services.

## **F. ADJOURNMENT**

With no further business before the Council, the meeting adjourned at 9:53 p.m.

**APPROVED THIS twenty-eighth day of December, 2006.**

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John C. Combs, Mayor

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Janette M. Bower, CMC, City Clerk