

A. CALL TO ORDER

A regular meeting of the Palmer City Council was held on October 11, 2005, at 7 p.m. in the council chambers, Palmer, Alaska.

Mayor Combs called the meeting to order at 7:05 p.m.

B. ROLL CALL

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

Ken Erbey	Brad Hanson
Jim Wood	John Combs
Larry Hill	Kathrine Vanover

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 Vanover.

D. APPROVAL OF AGENDA

The agenda was approved as presented.

1. Approval of Consent Agenda
 - a. Introduction – Ordinance No. 05-036: Enacting Section: Special Needs Housing (17.08.424); Amending Chapter 17.64, Off-Street Parking and Loading; Specifically Repealing Sections: Space Required (17.64.010), Development Requirements (17.64.020), General Conditions (17.64.030) and Off-Street Parking (17.64.040) and Enacting Sections: Intent (17.64.005), General Provisions (17.64.015), Parking Lot Design Standards (17.64.021), Parking Spaces Required (17.64.031), Off Site Parking (17.64.035), Shared Use Parking (17.64.041), Downtown Parking District (17.64.050), Fee-In-Lieu Parking Program (17.64.055), Off Street Loading (17.64.60), Development Plan Requirements (17.64.070) and Landscape Requirements (17.64.080) of Title 17, Zoning (IM 05-092)
2. Minutes of Previous Meetings – *the minutes were approved as presented.*
 - a. September 27, 2005, Special Meeting
 - b. September 27, 2005, Regular Meeting
 - c. October 10, 2005, Special Meeting

E. COMMUNICATIONS AND APPEARANCE REQUESTS

1. Veteran's of Foreign Wars – Request for Property

Mr. Dick Rice, Bruce Mosier, Al Cordeif reported on the following items:

- Downstairs portion of building is occupied by the VFW, the remainder of the building has been “repossessed” by the owner due to theft by an employee and the VFW has been evicted from the upstairs office;
- The membership has discussed obtaining a piece of property for approximately two years;
- Described two and a half acres as the amount of land needed with space for parking;
- Described the VFW as a family oriented club, interested in community; they speak at the high schools on patriotism and highlighted the community involvement mission;
- Involvement with units which are being deployed from the area;
- Unable to accomplish their mission due to the lack of space;
- Does not possess the finances to purchase land but has the ability to fund a building on the property;
- Proposed a grant or a lease from the City for City property located on the Glenn Highway;
- Discussion ensued regarding the liquor license;
- Discussion ensued regarding the national and state organization which can help with funding the building but not the land.

2. Jeff Barnhart – Palmer Municipal Golf Course

Mr. Barnhart reported on the following items:

- Has begun work on budget numbers and thus far revenues have exceeded original forecast;
- Excellent year for golf course;
- Accomplishments: clubhouse repainted, starter shack constructed and painted, increased signage and course markings, continued dust control, cart barn shelving, deck re-leveled and re-stained;
- Desire to complete this year – cosmetic fence in the maintenance area, bunker reshaping, recycled asphalt in entrance area;
- Finances – final numbers will be available in November, explained the following scenario: in 2000, Mooserun Golf course opened in July, the effect on the Palmer course was minimal. In 2001, Mooserun opened at the end of June and closed earlier than the Palmer course. In 2002, Mooserun opened but had poor conditions, Settlers Bay opened in 2002 but had poor conditions as well, the Palmer Golf Course opened in March 2002 with excellent conditions and closed in December. In 2003, Settlers Bay opened under new management with aggressive pricing which pulled away customers from the Palmer course. 2004 was the only year of consistent weather, consistent opening and closing dates between the courses. Thus far the 2005 figures from June 1 to present indicate that the Palmer course is experiencing a 4 percent growth over 2004 – all other golf course are down;
- The increased gas prices have caused an impact on the overall budget;
- Future needs – stagnant in snack bar and beer sales, a need to increase the service offered, need for the City to decide whether to make improvements at this time or wait 10-12 years;
- Suggested a multi-use shared facility;

- The golf course is the only public use facility that does not have a paved parking lot, suggested that an increase in revenues would be gained with a paved parking lot and asked that the funds be budgeted in the 2006 capital improvement budget;
 - Discussion ensued regarding golf carts and their disposal;
 - Discussion ensued regarding the date of the next surplus sale;
 - Discussion regarding the paving of the golf trails ensued;
 - Discussion regarding accounting practices ensued;
 - Discussion ensued regarding the construction of a full-service restaurant.
3. Sara Jansen – City of Palmer Community Development Coordinator
- Ms. Jansen reported on the following items:
- Community Development sent out approximately 110 code compliance letters and has 15 active cases;
 - Eighteen ordinances amending Title 17 code have been before the council this year;
 - Annexation – awaiting a proposal from Northern Economics, hope to have them on board by the end of October, with a report in December;
 - A list of questions and answers regarding the annexation process is being developed;
 - Comprehensive Plan – the first complete draft will be available on Friday, a joint meeting with the council and Planning and Zoning Commission is scheduled for October 20, the consultant will be in attendance, the community meeting is scheduled on October 29 from 9 a.m. to noon, following the community meeting, comments will be gathered and forwarded to the consultant for an additional draft;
 - Projects in progress – design standards, landscaping, “condo regulations”;
 - Borough – re-writing Title 16, the platting board is in the process of review; the long range transportation plan draft is almost complete.

F. AUDIENCE PARTICIPATION

John Lenier stated that he has requested a meeting with Council Member Pippel but due to illness was unable to meet with him. Mr. Lenier passed out packets of information to the council and asked the council to not mock his way of life.

G. ACTION MEMORANDUMS

Item 1 – Action Memorandum 05-106: Approve Sublease of Airport Lease 00-1 from Christine Woods-Soulak to Security Aviation

MOVED BY:	Hanson	To approve sublease of airport lease 00-1 from Christine Woods-Soulak to Security Aviation
SECONDED BY:	Vanover	

Council Member Hanson asked of the accepted sub-lease practice. City Manager Healy stated that the lease provides for a sub-lease with council approval.

Council Member Wood spoke in favor of the lease and asked how many persons would be employed by Security Aviation. Mr. Gary Cost, Security Aviation explained their operations of a medical helicopter and stated that they would be staffed with eight pilots, eight medical crew, six maintenance staff, one support staff and himself. Mr. Cost explained the long range plan of expansion and voiced his anticipation of providing support to the Municipality of Anchorage in the aspect of search and rescue and law enforcement activities.

Council Member Wood asked of the organization's intent to staff Life Flight. Mr. Cost explained the community based model program regarding Life Flight.

Council Member Wood asked of the jet based in Palmer. Mr. Cost stated that at this point, he would be the only pilot. He explained the Palmer based training program and the on-site training at the Air Force base.

Mayor Combs spoke of the safety and noise abatement activities. Mr. Cost explained the strong safety environment and voiced his desire to minimize impact to the City.

Council Member Erbey asked of the activities of the L39 aircraft and asked of the noise level of the aircraft. Mr. Cost explained the in-house training program and noise abatement activities.

Council Member Hill described his experience of the past weeks and stated that the aircraft was quieter than some of the existing aircrafts. He voiced his appreciation of the additional helicopter for emergency services.

Primary Amendment #1 to Main Motion		
Moved by:	Wood	To include the listed special conditions in AM 05-106 regarding Safety and Noise Abatement
Seconded by:	Vanover	
Vote on Amendment:		Motion carried by unanimous voice vote.

VOTE ON MAIN MOTION:	Motion carried by unanimous voice vote.
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Item 2 – Action Memorandum 05-107: Authorize the City Manager to Enter Into an Agreement with the Matanuska-Susitna Borough and the City of Wasilla to Accept Justice Assistance Grant Funds

MOVED BY:	Vanover	To authorize the city manager to enter into an agreement with the Matanuska-Susitna Borough and the City of Wasilla to accept a Justice Assistance grant funds in the amount of \$6,232
SECONDED BY:	Wood	

Mayor Combs asked of the funding level. City Manager Healy stated that the grant is in conjunction with the Byrne grant.

VOTE ON MAIN MOTION:	Motion carried by unanimous voice vote.
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Item 3 – Action Memorandum 05-108: Accept \$5,000 from the State of Alaska Department of Natural Resources, Division of Forestry for a Volunteer Fire Assistance Program Grant and Direct the City Manager to Prepare an Amendment to the 2005 Fiscal Year Budget to Appropriate the Funds

MOVED BY:	Hanson	To accept \$5,000 from the State of Alaska Department of Natural Resources, Division of Forestry for a Volunteer Fire Assistance Program Grant and direct the City Manager to prepare an amendment to the 2005 Fiscal Year Budget to appropriate the funds
SECONDED BY:	Vanover	

VOTE ON MAIN MOTION:	Motion carried by unanimous voice vote.
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Item 4 – Action Memorandum 05-109: Accept \$98,900 from the Federal Emergency Management Agency for an AFG Grant and Direct the City Manager to Prepare an Amendment to the 2005 Fiscal Year Budget to Appropriate the Funds

MOVED BY:	Vanover	To accept \$98,900 from the Federal Emergency Management Agency for an AFG Grant and direct the City Manager to prepare an amendment to the 2005 Fiscal Year Budget to appropriate the funds
SECONDED BY:	Hanson	

Council Member Erbey asked for a description of the turnout gear. City Manager Healy explained the gear to be the uniform in which the firefighters wear to fight fires.

VOTE ON MAIN MOTION:	Motion carried by unanimous voice vote.
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Item 5 – Action Memorandum 05-110: Authorize City Manager to Enter Into a Joint Purchase Agreement with the Municipality of Anchorage in the Amount of \$45,370 to Purchase Police Patrol Vehicles and Direct the City Manager to Prepare an Amendment to the 2005 Fiscal Year Budget to Appropriate the Funds

MOVED BY:	Wood	To authorize the City Manager to enter Into a joint purchase agreement with the Municipality of Anchorage in the amount of \$45,370 to purchase police patrol vehicles and direct the City Manager to prepare an amendment to the 2005 Fiscal Year Budget to appropriate the funds
SECONDED BY:	Vanover	

City Manager Healy described the opportunity to save money with the vehicle purchase. He described the need for three additional vehicles and the opportunity to purchase two vehicles for the price of \$22,685 each. City Manager Healy stated that the third vehicle would be requested in the 2006 budget.

Council Member Wood asked of the availability of funds within the budget. City Manager Healy explained the requested authorization to amend the budget.

Council Member Hanson asked of established surplus criteria for vehicles. City Manager Healy spoke of the involved maintenance costs with the older vehicles. Council Member Hanson expressed the importance of developing a system in which vehicles are evaluated. He stated that as money becomes tighter and personnel costs become greater, the police vehicles must become more stringently evaluated. He voiced his desire to see the implementation of surplus requirements and criteria program.

Council Member Wood voiced his concurrence with Council Member Hanson. He described the maintenance needs of the vehicles.

Council Member Erbey commented on the increased availability by the Police Chief and Lieutenant with the purchase of the vehicles.

VOTE ON MAIN MOTION:	Motion carried by unanimous voice vote.
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Item 6 – Action Memorandum 05-111: Settlement of Stout Litigation

MOVED BY:	Vanover	To authorize the settlement of the Stout litigation and to accept the Stout offer to purchase the Stout property in the amount of \$350,000
SECONDED BY:	Erbey	

Council Member Wood asked of the property damage caused by the contractor and any City liability. Attorney Snodgrass explained the clause regarding the waiving of the rights against the City.

Council Member Hill asked of the Stout’s rights to pursue litigation against the contractor and the City’s responsibility and liability to pursue the contractor. Attorney Snodgrass stated that the contractor had no authority to enter the property and that the contractor entered the property without any notice to proceed.

Mayor Combs asked of the ability of the Stout’s to pursue the contractor and in that pursuit, would the City come under liability. Attorney Snodgrass stated that there is a possibility but not so that he is significantly concerned.

Council Member Hanson asked of the funding source for the purchase price of land and of the ability for reimbursement by grant funds. City Manager Healy explained that \$38,000 is reimbursable through grant funds and the remainder will be paid through the General Fund. Council Member Hanson asked if the funds could be taken out of the City’s bond. City Manager Healy stated that he would check on the eligibility. Council Member Hanson asked if the manager believed that the course of action is the best course for the City. City Manager Healy explained the construction timeframes and stated the need to obtain the property by March 1. He explained previous conversations with the Stouts and the property appraisal. Attorney Snodgrass explained the land purchase and the reduction of attorney fees. He stated that assuming the appraisal is correct, the City was getting a good deal.

Council Member Vanover spoke of future uses of the land.

Mayor Combs asked of the recoverable revenues of the property. Mr. Koch described the process of having to recommend the action as not something he was particularly fond of and stated that he had previously felt comfortable with the legal process to obtain the property. He stated that both he and the project manager were nervous of the project schedule and stated that the risk became increasingly difficult to accept. Mr. Koch explained the four usable acres which contain marketable gravel and the property appraisal based on commercial property. He stated that the City has an opportunity to market the gravel and when complete, the property would be level with the highway with direct access to water and sewer. Mr. Koch explained the cost of delaying the contractor as \$10,000 - \$25,000 per day.

VOTE ON MAIN MOTION:	Motion carried by unanimous voice vote.
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H. HEARINGS, ORDINANCES AND RESOLUTIONS

Item 1 – Public Hearing – Ordinance No. 05-033: Amending Palmer Municipal Code Section 2.04.110; Specifically to Amend the Order of Business for Regular City Council Meetings (IM 05-089)

MOVED BY:	Vanover	To adopt ordinance no. 05-033
SECONDED BY:	Erbey	

Mayor Combs opened the public hearing for ordinance no. 05-033. 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.
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Item 2 – Public Hearing – Ordinance No. 05-034: Enacting Palmer Municipal Code Sections 17.08.196 and 17.60.075; Specifically to Define Garage or Yard Sales and to Enact Regulations Regarding Their Activities (IM 05-090)

MOVED BY:	Wood	To adopt ordinance no. 05-034
SECONDED BY:	Vanover	

Mayor Combs opened the public hearing for ordinance no. 05-034. 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 section 17.08.196 to read: “Garage or yard sale” means the sale of new, used or secondhand items or personal property at premises that are zoned residential, to include without limitation, R-1, R-1E, R-2, R-3, and R-4. This definition includes the terms “garage sale,” “yard sale,” “flea sale,” “porch sale,” “lawn sale,” “attic sale,” “basement sale”, “rummage sale,” “flea market sale,” etc. The definition does not include the sale of four or fewer specific items where the specific items have been individually advertised for sale.
Seconded by:	Vanover	

Vote on Amendment:	Motion carried by unanimous voice vote.
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Primary Amendment #1 to Main Motion		
Moved by:	Wood	To delete subpart section 17.60.075 D.
Seconded by:	Erbey	

Vote on Amendment:	Motion carried by unanimous voice vote.
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Council Member Hanson asked of the on-going and troublesome yard sales within the City of Palmer. Council Member Wood referenced a garage sale on the west side of Palmer. He explained the on-going garage sale and stated that the intent of the ordinance is to establish guidelines for the sales.

VOTE ON MAIN MOTION:	Motion carried by unanimous voice vote.
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Item 3 – Public Hearing – Ordinance No. 05-035: Providing for Organizational Amendments to Palmer Municipal Code Section 17.16.010 (Districts Established); Specifically to Revise R2 from Medium Density to Low Density, Add R3, Medium Density Multi-Family Residential District, R4, High Density Multi-Family Residential District, and T, Transitional District (IM 05-091)

MOVED BY:	Vanover	To adopt ordinance no. 05-035
SECONDED BY:	Erbey	

Mayor Combs opened the public hearing for ordinance no. 05-035. 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 add “O”, LRE, Large retail establishment
Seconded by:	Hanson	

Attorney Snodgrass stated that the LRE’s are a particular use under Commercial General and the amendment would create a need to amend more than just the title. He stated currently an LRE district does not exist. Council Member Wood stated that there would be no substance to the district at present but passing the amendment would cause an ordinance to be written which would establish LRE as a district. Attorney Snodgrass stated that if the amendment were to pass, a person in CG who desires to have an LRE could still do so but they would not be in the LRE zone but in a CG with an LRE.

City Clerk Bower spoke of the previously failed action memorandum regarding the establishment of a separate LRE district. Council Member Wood spoke of the establishment of “an empty room for the furniture”.

Ms. Jansen spoke of the necessary rezone process. Council Member Wood spoke of the two existing LRE’s and their need to be identified in a different type of zone.

Attorney Snodgrass expressed his concern over the remark regarding “a room with no furniture” and explained it as being known as “a right with no rules”. He spoke of the amendment as a substantive amendment and the necessity of such being addressed by the Planning and Zoning Commission prior to council action.

City Manager Healy voiced his concern regarding the action being a type of piecemeal approach which could lead to uncertainty. He stated that if the intention of the council is to establish LRE’s as an individual zoning district, the normal process should be followed to provide developers a certainty of the rules. City Manager Healy stated that the LRE ordinance was adopted only one year ago and has not been tested. He voiced his concern over changing the rules.

Council Member Hanson stated that the council had been deliberate in its intention throughout the process of establishing an LRE ordinance and the placement of LRE’s within a commercial zone with restrictions on their use. He spoke of the uncertainty created and the unfairness of establishing ordinances and standards which may be subjective.

Council Member Wood stated that the establishment of a district would “un-jumble” the rules within the commercial general district.

Mayor Combs described the use within commercial general as due to the size of a facility rather than its use. He spoke of the current area encompassing Palmer and future expansion. Mayor Combs spoke of the work surrounding the current code and voiced his disagreement with the addition of language regarding an LRE district without additional code language.

Vote on Amendment:	Motion failed by 1-5 (Wood) voice vote.
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Moved by:	Wood	To postpone until the regular October 25 meeting
Seconded by:		

Vote on Amendment:	Motion died due to lack of second.
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VOTE ON MAIN MOTION:	Motion passed by unanimous voice vote.
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I. BIDS

J. UNFINISHED BUSINESS

Item 1 - Action Memorandum 05-105: Authorize City Manager to Pay Back Taxes to the Matanuska-Susitna Borough with the Intent to Receive a Quit Claim Deed for Property Located at 1516 South Bonanza, Case #3PA-04-472 CI

MOVED BY:	Hanson	To authorize the city manager to pay back taxes to the Matanuska-Susitna Borough with the intent to receive a quitclaim deed for property located at 1516 S. Bonanza, Case #3PA-04-472 CI and to authorize the city manager to obtain a title report and a phase I environmental assessment for the property
SECONDED BY:	Erbey	

Mayor Combs spoke of the need and costs of the required environmental study.

Council Member Hanson asked of contact with the property owner. City Manager Healy explained his attempts to contact the property owner.

City Manager Healy explained the involved timeframes regarding the environmental study and stated that due to the approaching deadline, the City would not complete the environmental study and would complete the title report process. He spoke of the shortened redemption period and notice to the property owner.

Mayor Combs spoke of the \$500 held in trust and asked of the former operations of the building.

City Manager Healy explained the buildings use. Council Member Vanover asked of the rights of the City to evict the persons currently using the facility.

Attorney Snodgrass voiced his opposition to the obtainment of the property without an environmental assessment. He spoke of the cleanup costs and exemption from charging a municipality for cleanup if the City were to obtain the property involuntarily. Attorney Snodgrass described the Borough as an involuntary as opposed to the City becoming a voluntary

owner. He spoke of the City's protection in regards to a Phase I assessment.

Council Member Wood voiced his opposition and his suspicions regarding the owner not stepping forward to claim the property. He spoke of possible environmental problems.

Council Member Hill spoke of the possible environmental issues and impact to the property owner.

Council Member Hanson concurred with Council Member Wood and Hill and spoke of the risks to the City.

Mayor Combs spoke in opposition and future processes for informed decisions.

VOTE ON MAIN MOTION:	Motion failed by unanimous voice vote.
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K. NEW BUSINESS

Item 1 – Mayor's Appointment to the Planning and Zoning Commission

Mayor Combs nominated Sharon Allen for a three year term beginning November 1, 2005. The council confirmed Mayor Combs' nomination.

Mayor Combs nominated Darin Hamming for a three year term beginning November 1, 2005. The council confirmed Mayor Combs' nomination.

Mayor Combs nominated Mike Madar for a three year term beginning November 1, 2005. The council confirmed Mayor Combs' nomination.

L. CITY MANAGER'S REPORT

City Manager Healy reported on the following items:

- Spoke with Ron Swanson regarding the Borough's occupancy of the 160 acre parcel;
- Completing the Emergency Operations Plan;
- Anticipates completion of the utility rate study.

M. CITY CLERK'S REPORT

N. RECORD OF ITEMS PLACED ON THE TABLE

The following items were placed on the table:

- October 18, Special Meeting Packet; and
- October 10, Special Meeting Minutes.

O. AUDIENCE PARTICIPATION

P. COUNCIL COMMENTS

Council Member Vanover extended an invitation to the council from the Principal of Sherrod Elementary School to take a tour of the Discovery Playground.

Council Member Wood thanked the Mayor for his indulgence and voiced his appreciation of the VFW. He voiced his appreciation of Mr. Barnhart's presentation regarding the need for a new clubhouse and stated that the clubhouse would serve the needs of the golf community and community at large. Council Member Wood stated that the clubhouse could house an upscale restaurant and provide for additional revenue at the golf course. He recommended a possible joint venture with the VFW to occupy space at the Clubhouse.

Council Member Erbey concurred with Council Member Wood regarding a joint venture with the VFW at the Clubhouse. He described the clubhouse as being the first impression that a patron will have the golf course. Council Member Erbey stated that the clubhouse is under utilized and voiced his support of the project.

Council Member Hill stated that it was pleasure meeting of everyone and voiced his agreement with Council Member's Erbey and Wood regarding the clubhouse. He highlighted his travels and discussions regarding the Palmer Golf course. He spoke of the opportunity for further promotion of the golf course through the development of a club house. Council Member Hill voiced his support of a joint venture with the VFW.

Mayor Combs reported on the following items:

- Responded to the comments regarding the club house and joint venture with the VFW.
- Spoke of an anti-methamphetamine resolution encouraging legislature funding to fight the epidemic and stated that the topic would be on the Tri-City meeting agenda.
- Salvation Army – possible land trade, the Salvation Army desires to expand their programs and to do would need a larger piece of property, explained the possible “land swap” situation and process;
- MYAC – interest in the development of a new soccer field in the vicinity of the Ice Arena;
- Sister City presentation with the Rotary on September 29;
- Business Improvement District – has met with Jeff Johnson regarding the sign development and explained the proposed signs;
- Judged art contest;
- Chamber of Commerce meeting on Wednesday;
- Comprehensive Plan meeting on October 20;
- Meeting with Murph O'Brian;
- Meeting with Bill Sharrow regarding the street needs of the City.

Q. ADJOURNMENT

With no further business before the Council, the meeting adjourned at 10:02 p.m.

APPROVED THIS 25th day of October, 2005.

/s/

John C. Combs, Mayor

/s/

Janette M. Bower, City Clerk