

A. CALL TO ORDER

A regular meeting of the Palmer City Council was held on December 28, 2006, at 7 p.m. in the council chambers, 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:

Jim Wood	Ken Erbey
John Combs	Tony Pippel
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 Wood.

D. APPROVAL OF AGENDA

1. Approval of Consent Agenda
 - a. Introduction – Ordinance No. 06-028: Amending Palmer Municipal Code Section 3.16.030, “Tax Levied – Rate,” And Section 3.16.050, “Exceptions;” and Repealing Section 3.16.110 “Tax Rate”; Specifically to Increase the Maximum Amount Subject to Tax From \$500 TO \$1,000 (IM 06-068)
 - b. Action Memorandum 06-138: Confirm the Mayor’s Appointment of Michael Ravithis to the Planning and Zoning Commission
 - c. Action Memorandum 06-139: Extend the Date of Attorney Snodgrass’ Resignation to January 10, 2007
2. Minutes of Previous Meetings
 - a. December 5, 2006, Special Meeting
 - b. December 12, 2006, Regular Meeting
 - c. December 18, 2006, Special Meeting

E. COMMUNICATIONS AND APPEARANCE REQUESTS

F. AUDIENCE PARTICIPATION

Tony Cox:

- commented on the December 7, Frontiersman article regarding the December 5, Palmer City Council meeting;
- spoke of the legislative review process to effectively carry out an annexation;
- stated that annexation was not a manner to solve the employee morale issue; and
- recommended the city council adopt an 80/20 insurance plan.

Delena Johnson:

- spoke to ordinance no. 06-027;
- stated that the language in the ordinance was not clear;
- commented on the contractor fees and simplification of fees;
- asked for clarification of section 3.16.050 – exceptions; and
- requested clarification of section 3.16.055 – certificate of exemption.

John Leiner:

- commented on Mr. Barnhart’s attendance at a previous meeting and the inappropriateness of wearing of a baseball hat while addressing the council;
- highlighted the water issue in his subdivision; and
- spoke of the diversion of water without a permit.

G. PUBLIC HEARINGS

Item 1 – Public Hearing – Ordinance No. 06-027: Regarding the City Sales Tax: Adding the Definition of “Calendar Year,” Amending Examples of Taxed Transactions (3.16.040) and Exceptions (3.16.050), Adding 3.16.055 (Certificate of Exemption), and Repealing Section 3.16.060 (Special Collection for Building Construction) (IM 06-067)

MOVED BY:	Vanover	To adopt ordinance no. 06-027
SECONDED BY:	Pippel	

Mayor Combs opened the public hearing for ordinance no. 06-027. The following person addressed the council:

Delena Johnson:

- commented on the contractor fees;
- asked that the council to consider the issue of small “mom and pop” contractors; and
- spoke of the effect of the fee for the exemption certificate on mom and pop contractors.

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

Council Member Pippel:

- asked of the need for a building permit;
- spoke of the medium to larger contractors who would obtain the exemption certification;
- commented on the availability of building suppliers;
- spoke of the “mirroring” of language between the cities of Wasilla and Houston;
- commented on renovations and repair of existing buildings; and
- commented on the language “tangible personal property”.

Council Member Wood:

- asked of the ability of a homeowners to obtain an exemption certificate;
- spoke of contractor accounts and exemption of sales tax through the contractor account; and
- asked if an audit had been conducted of area vendors.

City Manager Healy:

- asked of Finance Director Baugh’s recommended amendment; and
- questioned the language regarding major renovations.

Finance Director Baugh:

- explained the recommended amendment; and
- highlighted the current practice regarding exemption certificates.

Attorney Snodgrass:

- defined the term “original construction”; and
- spoke of the need to further define tangible personal property.

Primary Amendment #1 to Main Motion		
Moved by:	Pippel	To postpone to the January 9 meeting
Seconded by:	Wood	

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

VOTE ON MOTION: Motion postponed to January 9, 2007.
--

H. BIDS

I. ACTION MEMORANDA

Item 1 – Action Memorandum 06-136: Accept the Summary Appraisal Reports for the Felton Street Improvement Project to Include the Lucas Remnant Parcel, Parcel 17N02E05A022 (Brymer) and Parcel 17N02E05A028 (Wilder)

MOVED BY:	Pippel	To accept the action of action memorandum 06-136
SECONDED BY:	Erbey	

City Manager Healy:

- explained the involvement of the three involved easements;
- spoke of the remnant piece from the Lucas parcel;
- highlighted the prescriptive rights of the property;
- highlighted the map included in the council packet; and
- commented on the established easements.

Council Member Wood:

- commented on the sale of the Furbush property;
- asked of the settlement regarding the property; and

- stated that a future buyer may not have a concern regarding a right of way in the area.

Attorney Snodgrass:

- explained the legal ramifications of the Furbush property and any future buyers.

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

Item 2 – Action Memorandum 06-137: Accept the Right of Way Acquisition Compensation Policy for the Felton Street Improvement Project

MOVED BY:	Pippel	To accept the action of action memorandum 06-137
SECONDED BY:	Erbey	

City Manager Healy explained the public use easement policy in relation to action memorandum 06-136.

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

J. UNFINISHED BUSINESS

Item 1 – Action Memorandum 06-096: Approve Donation to the Mat-Su Youth Court

MOVED BY:	Erbey	To accept the action of action memorandum 06-096
SECONDED BY:	Wood	

Mayor Combs:

- spoke of previous funding;
- spoke in favor of the Mat-Su Youth Court;
- voiced his desire to work with the Health and Social Services sector to address the issue;
- commented on re-integration of community and intervention programs;
- asked that he be granted an opportunity to work with State legislatures to address the issue; and
- voiced his intent to vote against the action memorandum.

Council Member Wood:

- described the program as a valuable program;
- voiced concern regarding the expansion of the program;
- stated that the program was a quasi-governmental program; and
- asked that statistical information be provided to the council.

Council Member Pippel:

- voiced agreement with Mayor Combs and Council Member Wood;
- described the organization as being effective and the training provided to the students; and

- stated that the program is not what the City of Palmer does and stated that the program was not the City's responsibility to provide juvenile justice.

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

K. NEW BUSINESS

L. CITY MANAGER'S REPORT

City Manager Healy reported on the following items:

- Annexation petition process;
- Refuse collection;
- Status of contracting city services;
- Urban Revitalization Project;
- Palmer Traffic Study;
- Governor's proposed budget; and
- Attendance at Chamber of Commerce meeting.

M. CITY CLERK'S REPORT

N. MAYOR'S REPORT

Mayor Combs reported on the following items:

- Skateboard Park;
- Attendance at the Chamber of Commerce meeting;
- Second phase of Urban Revitalization;
- Senator Murkowski's support of a public safety complex;
- Potential for new retail and administrative headquarters in Palmer;
- PERS funding;
- Snow removal.

O. RECORD OF ITEMS PLACED ON THE TABLE

The following items were placed on the table:

- Memos regarding ordinance no. 06-027 and action memorandum 06-096; and
- *The Touchstone* magazine.

P. AUDIENCE PARTICIPATION

Delena Johnson:

- commented on the process of paying sales tax and an exemption certificate; and
- spoke of subcontractors who would be required to pay the increased exemption fee.

Tony Cox:

- asked that the amount stated in ordinance no. 06-027 be reduced from \$1,000 to \$750.

Finance Director Dean Baugh:

- stated that a note would be included in the utility bills regarding removal of vehicles for snow removal operations.

Q. COUNCIL COMMENTS

Council Member Pippel:

- spoke of the request by the Palmer Historical Society;
- asked why some of the space in the former hospital building couldn't be remodeled for Trooper space so that the space would be "freed up" for the Palmer Police Department;
- inquired why the Police Department wasn't writing tickets for vehicles which are not removed from city streets during snowfall.

Council Member Vanover:

- commented on the street parking;
- extended her thanks to the street maintenance employees;
- wished the council and city employees a happy new year; and
- announced that she would be out of state during the month of February.

S. ADJOURNMENT

With no further business before the council, the meeting adjourned at 8:41 p.m.

Approved this ninth day of January, 2007.

/s/

John C. Combs, Mayor

/s/

Janette M. Bower, CMC, City Clerk