

City Council Minutes City of Palmer, Alaska

Regular Meeting
August 24, 2004

A. CALL TO ORDER

A regular meeting of the Palmer City Council was held on August 24, 2004, at 7:00 p.m. in the council chambers, Palmer, Alaska.

Mayor Cooper called the meeting to order at 7:00 p.m.

B. ROLL CALL, DETERMINATION OF A QUORUM

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

Kathrine Vanover	Brad Hanson
Tony Pippel	
Ken Erbey	
Jim Cooper	

Also in attendance were the following:

Tom Healy, City Manager
Jack Snodgrass, City Attorney
Janette Persinger, City Clerk

C. APPROVAL OF AGENDA

The agenda was approved with the following amendments:

- Item G.3. was reversed with Item G.2.;
- Items M.2. and M.4. were moved to the consent agenda;
- Item F.3. was added to the consent agenda.

D. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Council Member Pippel.

E. APPROVAL OF MINUTES

The minutes of the August 10, 2004, regular meeting were approved by council.

F. CONSENT AGENDA

1. Authorize City Manager to Advertise for Applications to Lease Airport Property
2. Authorize City Manager to Enter Into an Agreement with Alaska Rim Engineering for Survey and Platting Services for Helen Drive
3. Authorize City Manager to Accept a Grant Agreement with the Federal Aviation Administration \$277,598 for Land Acquisition, RPZ Runway 9

G. COMMUNICATIONS AND APPEARANCE REQUESTS

1. Pete Probasco, President of St. John Lutheran Church – Parking Lot Requirement

Mr. Probasco reported on the following items:

- Commented on the letter from Attorney Snodgrass and the interpretation of the parking ordinance;
- Attorney Snodgrass explained the first lien on the property and stated that the issue will go before the Church's superiors in St. Louis;
- Mr. Probasco stated that it is necessary to wait for an answer from Mr. Olsen; and
- Discussion ensued regarding the language in code.

2. Pat Kilmain – Palmer Library Director

Ms. Kilmain reported on the following items:

- Invited members to the library and stated that the carpeting is 95% complete, the library reopened on Monday, August 23, 2004;
- All area libraries have been linked to one new computer automation system;
- Through the end of July 53,750 patrons have visited the library, there were 72,250 patrons in 2003;
- Five hundred school age children participated in the summer reading program;
- Discussion ensued regarding the fees paid for maintenance of the automation system;
- Discussion followed regarding book repairs completed at the library; and
- Discussion ensued regarding the shrubbery in front of the facility.

3. Burt Wagon – Investment report by Alaska Permanent Capital Management Co.

Mr. Wagon reported on the following items:

- Interest rates are at historic low levels;
- The City's investment policy – no co-mingled funds and the portfolio does not hold corporate holdings;
- Composition of portfolio – 19% U.S. Treasury Securities, 77% U.S. Government Agencies and 4% in cash equivalents;
- Performance – portfolio benchmarked against the Lehman 1-3 year Government Index, benchmark holds the universe of U.S. Treasury and Agency securities between 1-3 years;
- Cumulative time weighted return – Palmer underscored the Lehman by .35;
- Rolling twelve months – portfolio and benchmark identical;
- Inception-to-date – Palmer annualized return 1.88%;
- Total return versus interest income – for a 12 month period ending July 31, 2004, total return for account was 1.61%, for a 12 month period ending July 31, 2004, total income received from the account was \$135,787;
- Realized gains and losses since inception – 2nd quarter in 2004 was \$29,106;
- Provided an explanation of the duration: portfolio vs. benchmark and callable securities;
- Stated the belief that general trends in interest rates is upward and the weakness in economic data in June and July is temporary;
- Mary Lou Pratt, Client Representative explained that AK Permanent Capital was founded 1992, presently there are 10 employees in the Anchorage office.

H. BOROUGH REPRESENTATIVE'S REPORT

I. AUDIENCE PARTICIPATION

1. Bill Pippel – Lutheran Church Rezone from P, Public to C-L, Limited Commercial
Mr. Pippel stated that he opposes the Church’s zoning request. He stated that CL is in no way compatible with the surrounding R-1 properties. Mr. Pippel requested a lower designation for the property to ensure future compatibility should the church decide to sell the property. Mr. Pippel stated that a zoning designation should be designed which allows just duplexes and not 4-plexes. He stated that a finer degree of residential zones is needed. Mr. Pippel stated that he doesn’t understand why churches are zoned C-L and stated that perhaps a zone should be designated for churches. Mayor Cooper asked that Mr. Pippel write a letter to the Planning and Zoning Commission voicing his concerns.

J. HEARINGS, ORDINANCES AND RESOLUTIONS

Item 1 – Public Hearing – Ordinance No. 633-Z-67: Ratifying the Recommendation of the City of Palmer Planning and Zoning Commission Concerning an Amendment to the Zoning Map Instituted by the Commission to Rezone Tax Parcel 17N02E05B014 and Hidden Ranch Subdivision from R-1, Single Family Residential to R1-E, Single Family Residential Estate

MOVED BY:	Hanson	To adopt ordinance no. 633-Z-67
SECONDED BY:	Vanover	

Mayor Cooper opened the public hearing for ordinance no. 633-Z-67.

There were no members of the public who wished to offer testimony.

Mayor Cooper closed the public hearing.

Discussion ensued regarding the differences between R-1 and R-1E.

VOTE ON MOTION:	Motion carried by unanimous voice vote.
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Item 2 – Public Hearing – Ordinance No. 634: Amending Palmer Municipal Code Section 3.16.080, (Tax Returns-Contents-Administrative Charge and Interest for Delinquency)

MOVED BY:	Pippel	To adopt ordinance no. 634
SECONDED BY:	Hanson	

Mayor Cooper opened the public hearing for ordinance no. 634.

There were no members of the public who wished to offer testimony.

Mayor Cooper closed the public hearing.

Mayor Cooper explained that the ordinance provides for definitive deadlines for the remittance of taxes. City Manager Healy explained the provisions for State Fair vendors.

VOTE ON MOTION:	Motion carried by unanimous vote.
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Item 3 - Resolution No. 1355: Establishing Capital Project Priorities for the Alaska Department of Environmental Conservation’s Fiscal Year 2006 Municipal Water, Sewer and Solid Waste Matching Grant Program

MOVED BY:	Pippel	To adopt resolution no. 1355
SECONDED BY:	Vanover	

There were no members of the public who wished to offer testimony.

Discussion ensued regarding the funding to Helen Drive and the requested amount of money for the Palmer Southwest Water Utility Extension project.

City Manager Healy stated that if the grant funds were designated for the Utility Extension project, the funding would reduce the City's amount of indebtedness. He explained that connection costs would be re-cooped through non-grant costs. Discussion ensued regarding the recuperation of costs through the end users of the line.

Council Member Pippel voiced his objection to the diversion of grant funds into the project and stated that the end commercial user should pay the costs associated with the line.

Council Member Hanson stated that he feels that the City is reducing its overall capacity to complete other projects because all of the grant funds are being directed to the Southwest Water Utility Extension project.

City Manager Healy explained that the grant is a ranked program and is highly competitive and there are no guarantees that the City will receive grant funding for the utility extension project or any other project.

Discussion ensued regarding possible alternative projects.

City Manager Healy stated that he will review the current City projects and will report back to the council.

M/M by Vanover to postpone resolution to a special meeting of September 7 or the regular meeting of September 14.

Seconded by Pippel. Motion carried by unanimous voice vote.

VOTE ON MAIN MOTION:	Amended – postponed until the special meeting on September 7 or regular meeting on September 14.
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K. BIDS

L. UNFINISHED BUSINESS

M. NEW BUSINESS

Item 1 – Report on Public Safety Dispatch Service

City Manager Healy stated that he felt that Borough's Strategic Plan did a good job summarizing how the Cities have reached this point.

He stated that as of today, a joint powers agreement with the City's of Houston, Wasilla and the Borough has not been signed. He explained that the joint powers agreement will enable the establishment of a nonprofit organization made up of user representatives. A board, who will hire a manager and employees, will be established. The board and dispatch center will become a separate organization funded by the Borough and those involved in the services.

He explained that the Borough's short term goal is that the Palmer Center will continue to transfer 9-1-1 calls for the City of Wasilla. City Manager Healy stated that the City of Wasilla has thus far

refused to pay any of the costs associated with call taking functions. The City of Wasilla claims that the costs should be paid by 9-1-1 funds. City Manager Healy stated that he has asked the Borough to notify all involved parties of the availability of revenues to pay for the 9-1-1 calls and the call taker functions.

City Manager Healy explained that there have been intermediate upgrades to the Palmer Dispatch Center which have been paid for by 9-1-1 funds. He stated that the Borough is considering other upgrades and has submitted a major grant application for radio upgrades which would result in APCO 25 compliance. The Borough has recently submitted a grant application for Phase II of the wireless program funding.

City Manager Healy stated that the current budget for the dispatch center is in excess of \$900,000. He stated that he has proposed that the Borough pay 45%, Palmer 35%, Wasilla 19% and Houston 1% of the budget. He explained that based on the formula, Palmer's costs would continue to be the same as they are now.

Discussion ensued regarding the increased liabilities when transferring the 9-1-1 calls to Wasilla. Discussion ensued regarding the budget established by the Borough and the budgeted funds by the dispatch's operational costs by the Borough.

Item 2 – Authorize City Manager to Amend an Agreement with Hattensburg, Dilley and Linnell to Provide for Right-of-Way Acquisition Services Related to the Glenn Highway/Dogwood Avenue Intersection Project

MOVED BY:	Pippel	To authorize the city manager to amend an agreement with Hattensburg, Dilley and Linnell to provide for right-of-way acquisition services related to the Glenn Highway/Dogwood Avenue intersection project
SECONDED BY:	Erbey	

City Manager Healy explained that the City is completing the design and after the design is completed, they will be forwarded to the Federal Highway Administration. He stated that the Department of Transportation (DOT) will bid and build the project.

VOTE ON MOTION:	Motion carried by unanimous voice vote.
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Item 3 – Direct Administration to Prepare an Ordinance to Increase Minimum Lot Size

Mayor Cooper explained his concerns over the current minimum lot size. Discussion ensued regarding the normal activities associated with lots, sidewalk and green belt development. Attorney Snodgrass stated that perhaps the issue is for the University of Washington project. The council concurred to address the issue after the completion of the University of Washington project.

Item 4 – Direct Administration to Prepare Ordinances Regarding Multi-Family Dwelling Zoning Districts

MOVED BY:	Hanson	To direct the administration to prepare ordinances regarding multi-family dwelling zoning districts
SECONDED BY:	Erbey	

Discussion ensued regarding the following:

- The definition of mixed use and conditional uses;
- The restriction of residential development in C-G areas with the exception of mixed uses;

- The preservation of C-G zones for commercial use because of the buffering requirements and the disturbance that it causes to the neighboring R-1 areas;
- The current uses in the downtown Palmer core area and the potential for the destruction of the downtown area by limiting residential development;
- The creation of non-conformances by the restriction of residential development in CG areas;
- The use of conditional use permits for residences in CG and CL areas;
- The permitted uses of duplexes and four-plexes.

VOTE ON MOTION:	Motion carried by unanimous voice vote.
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Item 5 – Authorize the City’s Non-Objection to the Matanuska-Susitna Borough’s Request to the State of Alaska to Convey State Property Under Lease to the City to the Borough Under the Borough’s Municipal Land Entitlement

MOVED BY:	Pippel	To authorize the City’s non-objection to the Matanuska-Susitna Borough’s request to the State of Alaska to convey State property under lease to the City to the Borough under the Borough’s Municipal Land Entitlement
SECONDED BY:	Erbey	

Council Member Pippel suggested that the City approach the Borough about the City becoming the owner of a portion of the leased land. He further suggested that the City become owner of seventy-five acres of the land. Attorney Snodgrass explained that the City does not currently own the land but is merely a lease holder in the land. Discussion ensued regarding the City of Palmer’s original acquisition of land.

M/M by Hanson to amend the main motion to include the language: to authorize the City Manager to swap away the lease hold rights in the 152 acres for fee simple rights to a reasonable amount of acreage.

Seconded by Pippel. Motion carried by unanimous voice vote.

VOTE ON MAIN MOTION:	Motion carried by unanimous voice vote.
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Item 6 – Motion to Amend Something Previously Adopted – Ordinance No. 626: Repealing Section 17.32.060 (Lot Area) and Adopting Section 17.32.062 (Lot Area Restrictions), Section 17.32.064 (Set Back Requirements), Section 17.32.066 (Open Space requirements), and Section 17.32.068 (Fencing Requirements) of Chapter 17.32 (General Commercial District) of Title 17 (Zoning) of the Palmer Municipal Code

MOVED BY:	Pippel	To amend ordinance no. 626 to allow for the renumbering of the original language
SECONDED BY:	Hanson	

VOTE ON MOTION:	Motion carried by unanimous voice vote.
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N. CITY MANAGER’S REPORT

City Manager Healy reported on the following items:

- Southwest Utility Extension – in the process of scheduling a meeting with the hospital regarding the accelerated schedule, cost structure, rate schedule and hoping to have cost structure for adoption by the September 14 meeting;

- Ice Arena Project – the projected opening date for the arena is January 3, 2005. Mayor Cooper stated his objection to the delay of the opening date;
- The Golf Course Request for Proposals is due on September 17. Discussion ensued regarding the five elements of criteria for evaluating the proposers;
- Amerigas Property – the purchase agreement was signed today, the tanks will be moved off of the property;
- Highlighted the informational letter from AML/JIA;
- Discussion ensued regarding the acquisition of the Mat-Maid property and future City acquisition of the north property and the City's ownership of the water tower;
- Community Planning – the University of Washington has requested that an informal work session be held at the Depot on September 8.

O. CITY CLERK'S REPORT

P. AUDIENCE PARTICIPATION

1. Mike Madar

Mr. Madar stated that he supports the Mayor in his request for the increased lot size. He explained the artificially inflated lot size costs by contractors. He stated that developers will pass the costs of wider roads, sidewalks and street lights onto the homeowner. Mr. Madar stated he believes that the increased lot size will help the quality of life in Palmer. He encouraged the council to draw a hard line on the CG/CL issue. He stated that during the previous council meeting he spoke to the council about the contractor in the Brittany Estates area and asked if anything about been done about the contractor. Discussion ensued regarding the road closure permits. City Manager Healy explained that there isn't a mechanism in code which allows the City to cite a contractor for their behavior. Mr. Madar voiced his disappointment regarding the ice arena opening date.

Q. COUNCIL COMMENTS

Council Member Pippel stated that the contractor has done an exemplarily job on Eagle Avenue and he has not received a single complaint about the project. Council Member Pippel asked that a glowing letter of thanks and recommendation be sent to the contractor.

Council Member Hanson stated that he agrees with Council Member Pippel about the Eagle Avenue project and stated that it would be nice to have a mechanism for performance based bidding.

Mayor Cooper highlighted the AML Director's meeting held in Kenai and stated that a lot of time was spent on the PERS/TERS issue. Mayor Cooper's challenge to the League is that they continue to push and be aggressive. One of the issues was the 9-1-1 fees; he explained that the issue passed in the house and failed in the senate. The State Fair begins on Thursday and the first train will arrive in Palmer at 11:45 a.m.

S. ADJOURNMENT

With no further business before the Council, the meeting adjourned at 10:49 p.m.

APPROVED THIS 14th day of September, 2004.

_____/s/_____
Jim Cooper, Mayor

Janette M. Persinger, City Clerk