

City Council Minutes City of Palmer, Alaska

Regular Meeting
August 10, 2004

A. CALL TO ORDER

A regular meeting of the Palmer City Council was held on August 10, 2004, at 7:00 p.m. in the council chambers, Palmer, Alaska.

Mayor Pro-Tempore Pippel 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 – arrived at 8:22 p.m.
Tony Pippel	Steve Carrington – arrived at 8:10 p.m.
John Combs	Ken Erbey

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 as presented.

D. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Council Member Erbey.

E. APPROVAL OF MINUTES

The minutes of the July 27, 2004, regular meeting were approved by council.

F. CONSENT AGENDA

1. Introduction – 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
2. Introduction – Ordinance No. 634: Amending Palmer Municipal Code Section 3.16.080, (Tax Returns-Contents-Administrative Charge and Interest for Delinquency)

G. COMMUNICATIONS AND APPEARANCE REQUESTS

1. Joe Lawton – Alaska State Fair
Mr. Lawton reported on the following items:

- The Transit Center is on schedule and will be operational by the Fair;
 - Alaska Demolition – explained that after working with them for the summer, Mr. Lawton has found them to be exemplary neighbors; Alaska Demolition consistently obeys the “no dust” speed limits;
 - The Borough bed tax grant is being used for the creation of restrooms within the Transit Center;
 - The fair continues to pursue the Housing and Urban Development (HUD) grant as Farm Exhibit funding;
 - The traffic crew is on board and the annual meeting with Troopers, City and Department of Transportation (DOT) will be held on Friday, August 13, 2004;
 - Voiced his concerns over the Old Glenn Highway construction and stated that the drop off for new transit center will change traffic flow;
 - The DOT has raised substantial concerns over the traffic pattern from Wasilla and plans to divert traffic via Hyer Road;
 - Invited council members to the Director’s Reception on August 26, 2004.
2. Gene Jansen – Chamber of Commerce – Visitor Information Center
- Mr. Jansen reported on the following items:
- Highlighted the payroll detail of City monies spent thus far at the Visitor Information Center;
 - Traffic has rebounded from previous years, bus traffic has increased significantly and walk-in traffic has improved over last year;
 - The Museum upgrade has been completed and artifacts have been rearranged;
 - Miko Pendegrass, Visitor Information Center Manager, stated that there have been numerous positive responses from bus drivers and local community members regarding the Visitor Information Center, along with a few negative comments; and
 - Friday Fling has increased Friday traffic through the Visitor Information Center to well over 600 persons per day.
3. David Holladay – Matanuska Cultural & Historical Project
- Mr. Holladay reported on the following items:
- Requested the council’s help and support with delaying the foreclosure on the Mat-Maid warehouse,
 - Explained the letter to be written to Irwin and Blatchford requesting the Matanuska Cultural & Historical Society be allowed to purchase the property and requesting the foreclosure be delayed until public monies can be raised;
 - The foreclosure is set for Monday, August 16, 2004, Northrim holds the property lien;
 - The Society is non-profit and desires to negotiate with the City and Borough for office space, storage space, etc.;
 - Explained that the property provides a sense of belonging and asked for support in the preservation of a landmark;
 - Provided an explanation of the historic covenants and stated that while there are limitations on the work that can be completed on the exterior of the building, a large amount of latitude is allowed with interior work;
 - Described the best use of the facility as a community center;
 - Explained that the Society believes enough money can be raised to allow them to become a viable bidder within two months and stated that the Rasmussen

Foundation is a potential option. He explained that non-profit governmental partnerships are more beneficial and asked for letter of support for preservation of use and foreclosure delay or as alternative, requested that a City department bid on the property;

- Mr. Healy explained that the City has signed over its rights to the State with the understanding that if the State foreclosed on the delinquent assessments, the City would receive compensation. He explained the minimum auction amount of \$86,000, the out-cry auction process and the amounts that will be deducted out of the bid price for payment of lien holders. He stated that the State is continuing to pursue Heritage properties regarding monies given to Heritage; and
- Attorney Snodgrass explained the outstanding assessment due to the City, the assessments against the property and the City as a lien holder.

4. Dan Contini – City of Palmer Fire Chief

Chief Contini reported on the following items:

- Building Department – Building has slowed this year, no larger buildings have been built and 83 residential permits have been issued;
- Anticipates that next year a Food Center will be built near the school warehouse;
- Fire department – the Fire Training Coordinator has taken a position with the Anchorage Airport Police Department and advertisement for his replacement will begin in the near future;
- There have been 116 responses to emergencies and 40 different rescue runs;
- Explained a rescue response held the previous evening; and
- Thanked the Governor for not cutting \$115,000 \$119,000 out of the budget designated for a rescue truck and explained the vehicle's use.

5. Scott Hattenburg – Hattenburg, Dilley and Linnell (HDL) - Southwest Utility Extension Project

Mr. Hattenburg reported on the following items:

- HDL began the Southwest Utility Extension Project on May 26, 2004, and has been extremely busy since that date;
- The project began with 10 possible routes, at this time 2 viable routes are proposed;
- A public meeting was held on July 8, since the meeting, report and project cost estimates have been refined. Meetings with land and property owners have also been held;
- A master plan for the new service area has been developed. A build out strategy for the area has also been developed;
- The environmental assessment is complete and advertisement in the Frontiersman regarding review of environmental documents has begun;
- The engineering report selected the southern route and the route is more acceptable to the public;
- HDL is working with the DOT and the Alaska Railroad to sustain access in the corridors;
- Stated that the utility pipes are made of high-density polyethylene and due to a rise in piping construction, the costs are up;
- The hospital has requested a completion date of 2005, the requested completion date has caused a very tight schedule and possible rise in the project costs;

- The project will be broken up into separate bids and anticipates bidding along the railroad in the fall;
- Stated that the hospital has been asked to put their wishes in writing and HDL anticipates a meeting with the hospital to determine the hospital's cost in the project.

H. BOROUGH REPRESENTATIVE'S REPORT

I. AUDIENCE PARTICIPATION

1. Mike Kolivosky – Brittany Estates

Mr. Kolivosky voiced his concern over Irwin Loop's 13 day closure. He stated that he spoke with the Public Works Department regarding the developer's application for a road closure permit and was told that the application stated that the road may be closed for up to a 24-hour time period. Mr. Kolivosky stated that during the 13 day closure, nothing has been going on, there has been no activity and work has not been completed. He explained that due to the fact there is only one road out, traffic has been outrageous. He stated that there doesn't seem to be any speed or urgency on the developer's part. Mr. Kolivosky stated that future further development is inevitable and expressed the need for more monitoring of contractors and more attention to affected residents is necessary. He asked that the council be more aware of the developer's activities to ensure the fair treatment of homeowners.

2. Mike Madar – Brittany Estates Road Closure

Mr. Madar explained that he looked for Rolf Dagg at the construction site and was unable to find him. He stated that he spoke with Mr. Dagg's manager and asked that a sign be placed further down Woodstock Road indicating the road closure. Mr. Madar stated that due to the lack of signage, cars are turning around in his yard. He stated that the manager told Mr. Madar that his yard was part of the City right-of-way and he didn't have a right to complain. Mr. Madar explained that one of his neighbors operates a home business and has had his cable internet cut. When this was explained to the manager, the manager stated that the homeowner was getting a free month of internet and didn't have a right to complain. The homeowner attempted to explain his home business and the need for computer use but was told by Mr. Dagg that reconnection of the cable was not possible. Mr. Madar explained that the homeowner has been reconnecting the cable himself on a nightly basis and during the day the cable is disconnected by the contractor.

3. Jim Wood – Brittany Estates Road Closure

Mr. Wood stated that he lives on the corner where the road closure occurred and voiced his concerns over inadequate signage. He stated that he thought that the Public Works Department would keep tabs on the closure but has not seen them in the area. Mr. Wood explained the lack of signs in the area and stated that there isn't a sign that states - road closed ahead. He explained that cars drive into the yards because of the inadequate signage and he has had to move signs out of his driveway to be able to get out of the driveway. He stated that the detour signs had pointed into his yard. Mr. Wood asked that the Public Works Department and City monitor closures and signage.

J. HEARINGS, ORDINANCES AND RESOLUTIONS

Item 1 – Resolution No. 1353: Accepting a FY 05 Block Grant Agreement Between the Matanuska-Susitna Borough and the City of Palmer

MOVED BY:	Vanover	To adopt resolution no. 1353
SECONDED BY:	Erbey	

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

City Manager Healy explained the grant amount of \$296,081 and use of the grant. He stated that the grant is determined by the Borough's budget and the amounts they have to allocate to the Cities. He stated that the grant is meant to address demands of the library.

VOTE ON MAIN MOTION:	Motion carried by unanimous voice vote.
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Item 2 – Resolution No. 1354: Authorizing the Transfer of a Portion of the City Water Utility Service Area to Jolliffe Water

MOVED BY:	Vanover	To adopt resolution no. 1354
SECONDED BY:	Combs	

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

City Manager Healy explained that the water system is within the City's utility service area. He stated that the resolution authorizes the utility's operation within the City's utility area and authorizes the manager to negotiate terms with Jolliffe Water.

City Manager Healy explained that the City has agreed to pay for the 6" lines for future fire protection.

The question was asked what happens with the developer's investment in the system when the City arrives with City water. Attorney Snodgrass explained that the Regulatory Commission of Alaska (RCA) states that when the developer sells their lots, the developer has recovered their capital costs. City Manager Healy stated that there is a well lot on the property and that the lot would remain in the developer's ownership.

Council Member Combs asked if consideration would be made for the future revenues the developer would have received from the developer's water system. City Manager Healy explained that certain schedules such as depreciation and future revenues will be developed.

Council Member Pippel stated that he would like to see the City develop a policy for when the City takes over a system and have the policies come before the council.

M/M by Vanover to amend the first "Be it Further Resolved" clause to read as follows ... (1) Jolliffe Water's facilities are properly engineered and constructed to be compatible with the City's water utility in the event the systems are connected in the future and (2) the City can pay up to \$6,000 to oversize the lines and (3) the ...

Seconded by Erbey. Motion carried by unanimous voice vote.

VOTE ON MAIN MOTION:	Motion carried by unanimous vote.
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K. BIDS

Item 1 – Paint City Buildings

MOVED BY:	Pippel	To accept the bids of Ranger Painting, Little Susitna Construction and D & R Painting and to award the bid to Ranger Painting for a base bid amount of \$14,600 and the additive alternate amount of \$4,250, for a total bid award of \$18,850
SECONDED BY:	Erbey	

City Manager Healy explained the City Building Painting Project and the seven bids received.

VOTE ON MOTION:	Motion carried by unanimous vote.
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Item 2 – Golf Course Building Construction

MOVED BY:	Pippel	To accept the three lowest combined bids of Door Maintenance Services, Anchorage Roofing and Construction, and CYS Management Services; and, to award the bid to Door Maintenance Services for a base bid amount of \$79,450 and the additive alternate amount of \$42,736, for a total bid award of \$122,186
SECONDED BY:	Vanover	

City Manager Healy explained the project’s budgeted amounts and fund balances. He explained that it is possible to appropriate an additional \$90,000 from the golf course fund to the project and maintain a fund balance of approximately \$76,000. City Manager Healy explained the differences between the enterprise and general fund.

Council Member Vanover explained the governmental accounting requirements of the enterprise fund.

Council Member Combs asked if the \$50,000 was originally budgeted from the golf course enterprise fund. City Manager Healy stated that it was.

Attorney Snodgrass voiced his concern over accepting the third low bid and the 10% amount of the manager’s estimate and suggested that the two low bids be accepted.

M/M by Pippel amend the main motion “to accept two lowest combined bids of Door Maintenance Services and Anchorage Roofing and Construction”.

Seconded by Vanover. Motion carried by unanimous voice vote.

Council consensus to direct the administration to prepare a budget resolution to include the \$90,000 appropriation to the golf course.

VOTE ON MAIN MOTION:	Motion carried by unanimous vote.
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L. UNFINISHED BUSINESS

M. NEW BUSINESS

Item 1 – Authorize City Manager to Enter Into an Extension of Service Agreement with Matanuska Electric Association

MOVED BY:	Combs	To authorize the City Manager to enter into an extension of service agreement with Matanuska Electric Association
SECONDED BY:	Erbey	

Council Member Carrington declared a conflict of interest and exited the meeting.

City Manager Healy stated that the agreement involves the extension of electrical utility service to the new ice arena. He described the agreement as a seven year agreement which requires the City to pay a minimum yearly charge of \$9,723.12 and additional charges based on usage. City Manager Healy stated that in exchange for the yearly costs, MEA will construct the extension at their cost and will recover the costs through the terms of the agreement.

VOTE ON MOTION:	Motion carried by unanimous voice vote.
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Council Member Carrington re-entered the meeting at 8:25 p.m.

Item 2 – Authorize City Manager to Enter Into a Joint Purchase Agreement Utilizing the Matanuska-Susitna Borough Bid Award to Pierce Manufacturing for a Rescue Vehicle

MOVED BY:	Vanover	To authorize the City Manager to enter into a joint purchase agreement utilizing the Matanuska-Susitna Borough bid award to Pierce Manufacturing for a rescue vehicle not to exceed \$127,395, subject to the State of Alaska Grant
SECONDED BY:	Erbey	

City Manager Healy explained that the agreement is subject to acceptance of the grant.

VOTE ON MOTION:	Motion carried by unanimous voice vote.
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Item 3 – Airport Lease Schedule

City Manager Healy reported that there are 12 new lease lots and one defaulted lease lot available at the airport. He described the code requirements and suggested that that the 20 year format be implemented with the second 20 years at the option of the lessee. City Manager Healy explained that he proposes the requirement that certain investments be connected with the lease lots. Some of the requirements were construction, site improvements, etc.

The question was asked was whether subleases are allowed. City Manager Healy explained that there is a difference between a sub-lease and an assignment. The sub-lease would be subject to council approval.

City Manager Healy stated that code requires fair market value be received for the lease lots. An appraisal is required unless the lease lots are bid through an auction format. He explained that previously the city council has directed the minimum lot amount to be \$.10 a square foot per year. He explained that bids will be based on required improvements of the lot, along with a weighted system and minimum construction and development will also be required. City Manager Healy explained the involved timeframes for advertisement and approval.

Item 4 – Motion to amend something previously adopted – Resolution No. 1346: Providing for the Submission to the Qualified Voters of the City of Palmer the Question of Amending Chapter XII (Contracts) of the Charter of the City of Palmer at an Election in and for the City of Palmer on October 5, 2004

MOVED BY:	Combs	To amend resolution no. 1346 to allow reformatting for the October 5 ballot
SECONDED BY:	Carrington	

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:

- Nathan Edwards, Fire Training Coordinator has resigned and will begin work with the Anchorage Airport Police;
- Continues to work on the utility rules and regulations within the City's utility service areas and standards for connections outside the City limits;
- The Borough has requested that the City consider the conveyance of property involving a 55 year lease with the State. City Manager Healy explained that the City originally obtained the property from the State for the purposes of a landfill, the Borough is interested in obtaining a portion of the land to relocate Valley Pathways;
- Southwest Utility Extension – has met with railroad and is in the process of developing a set of standards for private property owners easements;
- The Eagle Avenue project is on schedule and is going well;
- Urban Revitalization – an extension of funds has been received, the railroad is challenging some of the conclusions reached in the draft determination of eligibility document; and
- Discussion ensued regarding the approval of traffic control plans and Irwin Loop.

O. CITY CLERK'S REPORT

Ms. Persinger reported on the following items:

- Preclearance was received from the Department of Justice for the Title 18 revisions;
- Developments continue on the website and council packets have been added to the site; and
- The Records Management project is progressing; the clerks are continuing work in the finance storage area.

P. AUDIENCE PARTICIPATION

1. Bill Pippel

Mr. Pippel voiced his concerns over development at the airport and asked that noise limitations be placed on airport activities. He stated that there is a basic problem of industry next to residences and asked that rules be developed to reduce noise levels.

2. Michael Barnes

Mr. Barnes stated that he placed a bid with WG Construction on behalf of the owner for the golf course construction project. He stated that his bid was found to be non-responsive because the bid was not signed. Mr. Barnes explained that there was not an area on the form which required a signature. He stated that he does not think that legally the bid was non-responsive. Mr. Barnes explained his previous work history and stated that he has demonstrated experience with this type of project. He voiced his objection to having to pay \$25 to bid on the job.

Q. COUNCIL COMMENTS

Council Member Vanover suggested that the public works department go tomorrow to Brittany Estates to determine that the signage is correct to protect the citizens of the area and asked for Mr. Dagg's phone number.

Council Member Carrington apologized for being late and stated that due to the power outage he had been assisting at work. He reported that there were 11,000 customers without power.

Council Member Erbey explained that he had been out of state and was able to keep up with the City business via the website. He stated that even with the construction of all of the overpasses, the only access to Palmer from Wasilla continues to be a stop sign. Council Member Erbey voiced his concerns over the actions of the contractor in Brittany Estates and stated that there is not excuse for not reconnecting the internet cable. He suggested that the homeowner charge the contractor each time he has to reconnect his cable. He stated that when the original project was voted on, the council was assured that the contractor would be a good neighbor and that apparently he has chosen not to do so.

Council Member Hanson apologized for being late and asked for an update of the garbage system. City Manager Healy stated that the system is going well and has significantly sped up operations and collection times. He stated that there is less wear and tear on the employees. The garbage cans have not been distributed through out the City but will be in the near future. City Manager Healy stated that he has a received several calls from the elderly voicing their concerns over maneuvering the cans. He stated that smaller cans have been ordered for those who require smaller containers. Discussion ensued regarding overflow garbage and the rate for excess cans.

Council Member Combs stated that he is interested in what will happen to the garbage cans in the spring. He stated that he concurred with Mr. Wood and Mr. Madar regarding the signage in Brittany Estates and that the actions of the contractor were unacceptable. He stated that homeowner access is essential. Council Member Combs stated that he is pleased to see that the park on Darron Drive is progressing.

Mayor Pro-Tempore Pippel congratulated Council Member Erbey on the building of his new house. He voiced his concerns over the road closure on Irwin Loop. Mayor Pro-Tempore Pippel stated that due to the low employee ratio, a lot of what happens in the City is done by the honor system and stated that often rules are broken. He suggested that when rules are being broken, citizens contact a city council member. Mayor Pro-Tempore Pippel encouraged the administration to consider the construction of a fence along the airport road where it abuts the City's lease lots to shield area residents from the industrial uses at the airport.

S. ADJOURNMENT

With no further business before the Council, the meeting adjourned at 9:20 p.m.

APPROVED THIS 24th day of August, 2004.

_____/s_____
Jim Cooper, Mayor

Janette M. Persinger, City Clerk