

CITY COUNCIL MEETING
TUESDAY, FEBRUARY 25, 2003
7:00 PM - CITY COUNCIL CHAMBERS

- A. CALL TO ORDER: at 7:00 p.m. by Mayor Cooper in Council Chambers.
- B. ROLL CALL, DETERMINATION OF A QUORUM. Present: Mayor Cooper and Council members Vanover, Fish, Combs, Hanson, and Carrington. Council member Pippel's absence was excused (out of town emergency). A quorum was established. Also present: City Manager Tom Healy, Attorney Jack Snodgrass, and Recording Secretary Pam Whitehead.
- C. APPROVAL OF AGENDA: The agenda was approved as amended. Correction was made to item M5 to indicate agreement with Motorola, in place of ProComm Alaska.
- D. PLEDGE OF ALLEGIANCE: led by Council member Carrington.
- E. MINUTES OF PREVIOUS MEETINGS:

The minutes of the regular meeting of February 11, 2003 were approved as amended, correcting a grammatical error on page 8, 2nd paragraph, first sentence: remove the word "he" after Council member Carrington.

- F. CONSENT AGENDA:

- 1. Liquor License Renewal – Oaken Keg Spirit Shop.

MOVED COMBS, SECONDED HANSON, to accept the consent agenda. MCU.

Mayor Cooper welcomed newly-hired Community Development Coordinator, Sara Jansen. Ms. Jansen spoke briefly describing the events of her official first day on the job; said she is excited about the opportunity; thinks the council is very progressive and doing a lot of good things for the city; noted that she is very happy to part of the team.

- G. COMMUNICATIONS AND APPEARANCE REQUESTS:

- 1. Department Report – Librarian Pat Kilmain.

Ms. Kilmain reported on library activities; noted that since the first of the year they are seeing approximately 300 people a day coming through the library and Palmer's circulation is up 20 percent; spoke to the MSB Library Funding Formula (see revised edition in the packet) containing actual, as opposed to estimated, figures; noted that the formula was designed to address non-city resident usage of city libraries and bring more fairness to the allocation of library funding among the libraries within the borough; reported that borough administration will ask the assembly to apply this formula to the amount of money given to support city libraries. Brief questions followed concerning the formula. The computer equipment funded by the Bill & Linda Gates Foundation has been ordered and should arrive by the end of next month. It includes two new public access computers in addition to a new server. The grant also covers training on the new system, which will be in

Anchorage the last week of March. She recently attended a one-day training/seminar held at Evangelo's which included library staff from all the libraries in the borough, and next week will be going to Juneau for the Statewide Alaska Library Conference along with the Children's Librarian, Candy Kopperud. Candy has been very active in producing children's programs at the library and recently got a small grant from one of the oil companies to put on a Dr. Seuss Birthday Party at the library. Brief questions and discussion ensued concerning students "hanging out" at the library.

H. BOROUGH REPRESENTATIVE'S REPORT: None.

I. AUDIENCE PARTICIPATION:

Linda Anderson, Area Manager for Boys and Girls Club, along with Club House Manager, Fran O'Shea, updated the council regarding Club activities. They have doubled their membership from the previous summer and last summer had an average attendance of 200 a day. About 40 percent were Palmer students. This year they are serving 10 elementary schools and operating in five and have about 500 members of which 35 percent are from Palmer. They have vans that pick students up every day at Palmer High, Palmer Middle, and transportation through MASCOT from Colony. They are trying to work out transportation logistics for this summer and want to work with the community to help anyone seeking their assistance.

J. HEARINGS, ORDINANCES, AND RESOLUTIONS:

1. Ordinance No. 600 – Amending Palmer Municipal Code Subsection 2.20.100B, Increasing Compensation for Planning Commissioners. (Public Hearing and Second Reading.)

This ordinance changes the compensation for planning commissioners from the present \$25 per meeting to \$50 per regular or special meeting and \$25 for work sessions.

MOVED HANSON, SECONDED CARRINGTON, for adoption of Ordinance No. 600.

Mayor Cooper opened the public hearing and asked for public comment from the audience. None was offered, the public hearing was closed, and the matter brought back to the council.

Council member Hanson commented that the P&Z Commissioners put in many, many hours of work and that it should be reflected in their compensation as well as the council's appreciation; that it is long over due. Council member Vanover agreed; that they are worth every penny. Council member Carrington commented that he is very impressed with the work that they do.

Question on Motion: MCU.

2. Ordinance No. 601 – Amending Palmer Municipal code Subsection 2.04.040D, Increasing Compensation for Council Members. (Public Hearing and Second Reading.)

This ordinance increases the mayor's compensation to \$150 per regular meeting, \$25 per special meeting, and \$50 per work session. The ordinance increases council member compensation to \$100 per regular meeting, \$25 per special meeting, and \$75 per work session.

MOVED HANSON, SECONDED CARRINGTON, for adoption of Ordinance No. 601.

Mayor Cooper opened the public hearing and asked for public comment from the audience. None was offered, the public hearing was closed, and the matter brought back to the council.

MOVED COMBS, SECONDED VANOVER, to amend proposed Ordinance No. 601, Section 3(D), to increase compensation for the mayor and council members as follows:

Regular meeting: Mayor \$200, council member \$100;
Special meeting: Mayor \$50, council member \$25;
Work Session: Mayor \$100; council member \$50.

Question on Amendment: MCU.

Mayor Cooper proposed an amendment to Section 4 regarding Publication and Effective Date of the ordinance; suggested inserting "per PMC 2.04.020" instead of stating the ordinance shall become effective on October 13, 2003. Following further discussion and clarification by the attorney, Mayor Cooper withdrew the amendment.

Question on Main Motion adopting Ordinance No. 601, as Amended: MCU.

K. BIDS: None.

L. OLD BUSINESS: None.

M. NEW BUSINESS.

1. Discussion of Heritage Properties' Proposal Regarding Water Tower and City Assessments.

Manager Healy gave an overview; referred council to a letter proposal (dated February 3, 2003) in the packet from Heritage Properties, which basically offers the water tower in exchange for waiving a portion of assessments. The offer is good through March 31, 2003. He pointed out that the proposal was made before the recent fire that destroyed one of the Mat Maid buildings; that although it may not necessarily affect the water tower, he felt it was important to hear from Heritage as to what their plans are for the Mat-Maid property following the fire before considering a waiver of assessments. Heritage representative, Grace Pleasants, had been expected to appear and discuss plans for the property but was unable to come due to illness.

Discussion followed and concerns were raised. The council basically felt that the offer was too high, especially considering the amount of interest the city has already forgiven on outstanding assessments (approx. \$100,000) and other considerations concerning the apparent lack of

performance for rehabilitation of the Mat-Maid property. The council may consider a counteroffer, but decided to table further discussion or action on the matter until the March 11 meeting. The city needs to hear from Heritage how the fire may have affected their plans and schedule for improvements to the property before proceeding with any arrangement that waives a portion of the assessments.

2. Manager Report and Survey on the Proposed Council-Initiated Special Assessment District for the S. Chugach St. Road Improvement Project (E. Elmwood to E. Fireweed Ave.).

The manager reviewed his memo and attachments in the packet comprising the survey and report on the proposed council-initiated special assessment district for street improvements on S. Chugach St. between E. Elmwood Ave. and E. Fireweed Ave. The improvements are construction of a paved street with curb and gutter and drainage. He pointed out confusion over whether the project will include a sidewalk on the presently unpaved portion if right-of-way allows. Mr. Koch stated there is room for a sidewalk, but an easement must be obtained from Matanuska Christian School. He further noted that the estimated cost of the sidewalk was not included in the costs for the LID, but he had meant to; said it would increase slightly the total cost of \$71,142. Manager Healy spoke to the worksheets for determining the method employed for per lot assessments with the city to pay 75% and the lot owner to pay 25%. Staff recommended using the average of a square foot/front foot/assessed value method.

Discussion followed concerning the assessment method. Council member Carrington favored square footage/assessed value. Council member Hanson noted the most applicable method in this case would be square footage/assessed value because it factors in who generates the most traffic. Council member Carrington added that another factor that should be considered is the zoning – a commercial lot would tend to generate more traffic than a residential lot, for example. Mr. Koch calculated and advised what the numbers would be for an average of front footage and assessed value. Mr. Healy spoke to the basis for staff's recommendation in that it shows a reasonable relationship between the size of the properties and recognizes that the largest property is also the largest generator of traffic; noted also that it seems to be a reasonable allocation of the costs and benefits. Mayor Cooper inquired about a water line. Mr. Koch advised the city will not be doing a water line on the street at this time; explained that he recently discovered that apparently the city in 1982 or 1983 accomplished with its own workforce a change of that water line that included 1-1/2" water services to all the houses; noted that if it turns out not to be true that the water line was changed, they will address it at the time they do the paving.

Manager Healy recommended that the council set a hearing to consider a resolution establishing the LID for the March 25, 2003 council meeting; noted the notice to property owners must include the suggested assessment method.

MOVED CARRINGTON, SECONDED COMBS, to direct the manager to prepare a resolution wherein the assessed value method employed in the S. Chugach Street Improvements LID be a 75/25 percent split of the average of the square foot and assessed value methods.

Mayor Cooper raised the question of how to consider corner lots. Council member Hanson suggested the method for assessing corner lots could be handled in a number of ways, but it was important, whichever method is used, that it become a matter of policy to follow for future LIDs; noted that in this case, the square foot method is fair because the other streets of the corners are already paved. Mr. Koch suggested, such as in the case of the corner lots on N. Valley Way, that the lots are narrow enough that the returns should be carried all the way to the property line, and that way in the future when the streets on the other half of the corner are paved, they would not be included in that LID. Council member Hanson thought this was a good idea; that it would eliminate the need to have to deal with the same corner a second time. Mr. Koch added that the additional cost would be negligible to the overall project value.

Question on Motion: MCU.

Regarding the water tower, Mr. Koch suggested that it would be useful information for the council to get a preliminary structural analysis along with a phase one environmental assessment; noted that it shouldn't be too expensive and it could be well worth the cost in the long run. Brief comments ensued speculating what the water tower could be worth.

3. Authorize City Manager to Enter Into a Professional Services Agreement with Wolf Architects for Public Works Shop Welding Bay and Ventilation Improvements Design.

Wolf Architects proposes to perform design services for improvements to the Public Works Building for \$22,200. Staff recommended approval of the proposal.

MOVED HANSON, SECONDED VANOVER, to authorize the city manager to enter into a Professional Services Agreement with Wolf Architects for Public Works Shop Welding Bay and Ventilation Improvements Design, in an amount not to exceed \$22,200.

Manager Healy mentioned that it was originally thought that the existing plans for the building, which included a proposed addition, could serve as bid documents for this project with minor changes. This is not the case, however, and new plans must be developed. Mr. Koch answered brief questions regarding the building plans.

Question on Motion: MCU.

4. Authorize City Manager to Enter Into a Professional Services Agreement with Wolf Architects for Palmer Area Ball Field Improvements Design.

Wolf Architects proposes to perform design services for improvements to the Sherrod Fall Field Building for a fee of \$7,500. This project is part of the work included in the Borough bond funding for ball field improvements. Staff recommended approval of the proposal. Mr. Koch answered brief questions regarding floor coverings and what is meant by "civil" work.

MOVED HANSON, SECONDED FISH, to authorize the manager to enter into a Professional Services Agreement with Wolf Architects for Sherrod Ball Field Building Improvements Design, in an amount not to exceed \$7,500.

Question on Motion: MCU.

The meeting recessed for a break at 8:30 p.m.; was called by to order at 8:40 p.m.

5. Authorize City Manager to Enter Into a Sole Source Purchase Agreement with Motorola for the Supply and Installation of Police and Fire Department Radio Repeater Equipment and Related Services.

Manager Healy directed attention to information on the table and explained the proposal for purchase of upgraded radio repeater equipment for the fire and police departments. The Quantar repeaters are the only equipment that can currently handle analog radio and be compatible with the soon-to-be upgraded radio standards. The request is for a sole source purchase from Motorola of the equipment and related service and installation. ProComm is the only authorized local company that can provide installation, setup, and servicing of Motorola equipment. Information on the table describes the equipment and its specialized nature. The Quantar repeaters are the only product that can bridge the gap between new and old technology. Motorola has a negotiated sole source arrangement with the State. The manager requested also that if the purchase is authorized, that it be authorized as a joint purchase arrangement per the code. Nathan Edwards, of the Palmer Fire Department, explained some of the uses and capabilities of the equipment and the reasons for needing separate repeaters for the Fire Department and Police Department. He responded to council questions regarding various elements of the cost estimates.

Manager Healy noted final cost estimates for the Fire Department at \$17,500, plus \$27,700 for the Police Department, for a total of \$45,200. The request is to award a contract of not to exceed \$45,200 to Motorola for the sole source purchase, in association with a joint purchase agreement with the State of Alaska, on a time and materials basis. The attorney noted that approval of a sole source purchase requires unanimous consent of the council.

MOVED CARRINGTON, SECONDED VANOVER, to authorize the city manager to enter into a sole source contract with Motorola in association with a joint purchase arrangement with the State of Alaska in an amount not to exceed \$45,200 on a time and materials basis.

Brief further discussion followed. Manager Healy expressed appreciation for all of Nathan's work on this proposal, that there were a number of technical and complicated factors and it took a lot of work to dig out the details.

Question on Motion: MCU.

6. Discussion of Work Session Regarding Employee Health Benefit Program.

Council members briefly commented on some of the issues from the work session held immediately prior to the meeting, which included a presentation by Willis on the Employee Health Benefit Program. Council member Carrington appreciated the presentation; noted he would like to see another presentation in a couple of months in order to keep abreast of the program; wants to be sure that Willis realizes that we want to be cognizant of what other people are looking for and that we should be thinking ahead if we need to make any changes. Council member Combs agreed and would like to see a marketing effort made in May or June to pull in more participants to the plan. Council member Hanson commented that a lot of the savings that was talked about was from the re-insurer; believes that when there are plan changes that modify the shopping behavior of the insured, money will be saved on claims; advocated the utilization of preferred provider incentives and encouragement of insured's to assume ownership, thereby reducing the costs for everyone. Council member Combs commented that the employees' participation is minimal for an excellent plan; appreciated the professionalism in which Willis presented and discussed the program.

7. Discussion of Joint Work Session Regarding Zoning of Annexed Areas.

Manager Healy said that the purpose of this discussion is to hopefully get some direction from the council on how staff is to proceed; emphasized that the process needs to move along if code changes are to be made that will affect the annexed areas. He believes the transitional zone provides a better basis for making determinations and addressing issues that were raised in the comprehensive plan. The proposed use-by-right ordinance is what the planning commission prefers, however, there are a lot of unanswered questions in the language that would have to be addressed for it to stand as an ordinance. He encouraged the public policy approach on how the council is to proceed. Spoke to the mobile home example and the gravel pit example raised in the work session. Mr. Healy pointed out that, for the most part, there are not a lot of incompatible uses in the annexation areas, and he believes, aside from the two examples mentioned, that they will resolve themselves.

Council member Hanson commented that most of the problems he had with use-by-right were because they weren't identifiable for lack of history; believes that use-by-right is too risky; spoke in favor of either the transitional zone or the nonconforming use with more flexibility; thinks they are both good mechanisms for bringing compatibility to annexed areas. Discussion continued concerning what would happen with existing nonconforming uses.

Mayor Cooper commented that Mr. Healy's point was well taken that typically a lot of the issues will be resolved when the properties are brought in. His concern though is not with this current annexation, but with future ones where there is more likely to be incompatible uses.

Council member Combs commented that we should recognize and differentiate between the newly annexed properties and the existing nonconforming uses; spoke in favor of the transitional zone; noted that it contains language that a property owner has the right to continue the use of his property for a period of time and it is unique to annexation; thinks the intent of the use-by-right can be incorporated into the T-zone without granting such a broad latitude of what you can and can't do with your property; thinks the incompatible uses encountered will be minimal; would like to see the

administration move forward with the Multiple-Use Transitional Zone with some minor changes. Council members Hanson and Carrington agreed.

Council member Carrington inquired as to procedure. Manager Healy responded that a text amendment must have a public hearing before the P&Z Commission after which the P&Z Commission provides a recommendation to the council. Further discussion continued regarding the T-zone time line and the process by which properties would come into the city compared to under the existing nonconforming use ordinance.

It was the consensus of the council that the Multiple Use Transitional Zone would be the most appropriate for annexed areas. Mr. Healy will bring the ordinance before the council at next meeting for review before sending it to P&Z. At that time, the council will decide if it needs another work session or special meeting in order to expedite the process.

N. CITY MANAGER'S REPORT: Manager Healy reported:

- FYI – In the packet are the final assessment numbers for N. Valley Way LID;
- *Personnel* – the Clerk's position closes on Friday; anticipates several applications; noted he is looking forward to the assistance of the new Community Development Coordinator; there is still one police officer position open which will again be advertised; also, one dispatcher is leaving and he will be advertising for that position.
- *Dispatch* – there was a meeting today; studied several options. An executive committee is scheduled for Friday at which the committee (essentially mayors and managers) are expected to make some definite decisions.
- *Wage Study* – should have a proposal from the MVL Group by next meeting.
- *Fred Meyer Development* – there are no definitive answers yet regarding the traffic analysis; the process is still ongoing. Brief discussion followed. DOT preliminary discussions indicated that Evergreen, the Glenn intersection, and Arctic (to a lesser extent) are nearing capacity and a development like FM would put them over capacity. DOT was not convinced that improvements to Evergreen would adequately mitigate the impacts. They want to maintain the arterial status of the Glenn Highway and didn't see where it would be in their interest to provide another access or intersection. He *emphasized* that this is not the official DOT position and he has not yet seen any numbers as a result of the traffic analysis. The implication was somewhat disturbing in that if DOT will not allow another entry onto the Glenn Highway or see any other way to mitigate traffic impacts, then we might as well not develop downtown Palmer.

O. AUDIENCE PARTICIPATION: Chief Dan Contini mentioned that he met today with Fred Meyer engineers regarding fire codes; noted the building will have a sprinkler system and they seem to be going ahead with plans to build it.

P. COUNCIL COMMENTS:

Council member Combs: welcomed the Mayor back; noted he was invited to the opening of the new clubhouse of the Veterans of Foreign Wars where they have leased the entire building of what used to be the Fairview Café & Lounge; asked about the possibility of putting a computer or other equipment in council chambers for quick calculations or looking up other information when the need

arises; said he is still looking forward to seeing a draft of the Neighborhood Park Ordinance. **Council member Fish:** welcomed Mayor Cooper back from vacation in New Zealand. **Council member Hanson:** asked that a Discussion Regarding the Ice Rink be included on the agenda for next meeting that includes funding alternatives, site selection alternatives, bond requirements, time lines, and overall expectations of an ice rink in Palmer. Mayor Cooper seconded the request. **Council member Carrington:** reported on his trip to Juneau; noted that one of his goals was to find the section of the code where it discusses the 50/50 split when you reach over 5000 in population (*see* AS 46.03.030 on the table). He visited with Lyde Green and her staff, whom he found to be very helpful; also visited with Carl Gatto and other local representatives. **Mayor Cooper:** said that New Zealand was great this time of year (other than the time it took to fly there – 13 hours from Los Angeles on a 747 with 400+ people); expressed appreciation to all those who assisted during his absence; inquired as to the status of the debris left behind by the recent fire and if not already done, that it be removed as soon as possible per the code; noted he would like to have another work session on goals and objectives for this year and asked council members to be thinking about a date and time; mentioned re the Parks Ordinance, that he noticed while in New Zealand how much they value their green space and that every town had numerous parks and green strips; said he will bring up some ideas he has regarding green spaces at next meeting. He is glad to be back.

Q. ADJOURNMENT: at 9:50 p.m.

For a signed copy – contact the City Clerk.