

CITY COUNCIL MEETING
TUESDAY, JUNE 24, 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, Pippel, Combs, Hanson (at 7:04), and Carrington. Also present: Acting City Manager/Fire Chief Dan Contini, Attorney Jack Snodgrass, and Recording Secretary Pam Whitehead. A quorum was established.
- C. APPROVAL OF AGENDA: The agenda was approved as amended. Item M1, Approve Insurance coverage for 2003-2004, was moved to G2 to be heard immediately following G1, Willis of Alaska Presentation of 2003-2004 Insurance Coverage Proposal. There were no objections.
- D. PLEDGE OF ALLEGIANCE: led by Council member Pippel.
- E. MINUTES OF PREVIOUS MEETINGS: The minutes of the regular meeting of June 10, 2003 were approved as corrected:
Page 5, 4th paragraph, insert word "foot" so sentence reads: ". . . \$0.07 per square *foot*;"
Page 7, 6th paragraph, insert language to indicate Council member Combs' declaration of conflict to read: "Council member Combs declared a potential conflict because his brother is a member of the board of directors of MTA. It was the ruling that a conflict of interest did not exist because Council member Combs derived no direct financial benefit as a result. Council member Combs remained at the table."
Page 9, Gerry Keiling's comment, change the word "reigns" to "reins."
- F. CONSENT AGENDA:
1. Approve Change Order No. 4, Palmer Airport Taxiway "A" Project.
 2. Approve Change Order No. 5, Palmer Airport Taxiway "A" Project.
 3. Approve Change Order No. 1, Equipment Storage Building Project.
 4. Authorize Advertisement for Bids: Evergreen Avenue Water and Street Improvements.

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

- G. COMMUNICATIONS AND APPEARANCE REQUESTS:

1. Willis of Alaska – Presentation of 2003-2004 Insurance Coverage Proposal.

Kurt Imig, CPA, Vice President of Willis of Alaska, presented the insurance broker's recommendation on insurance coverage (property, auto, general liability, workers compensation, etc.) for the period beginning July 1, 2003. The council followed along and reviewed the written proposal as Mr. Imig outlined and explained the lines of coverage. The AML is still the lowest cost option for the City of Palmer in comparison to others. The AML could not offer earthquake coverage

so in order to supplement the proposal, they procured a monoline earthquake quote from Sullivan & Associates to offer an option to the existing property placement. He explained the policy limits and deductibles. The last page of the proposal is a price comparison for policy years 2003 to 2004, showing line by line gross premiums, totaling \$305,356 for 2003 and \$426, 255 for 2004.

Questions and discussion continued regarding reasons for the approximate 38% increase over last year due to increases in covered property and payroll, a higher market, higher reinsurance costs for the Municipal League's Joint Insurance Association, and the City's loss history. Mr. Imig recommended staying with the incumbent carrier Chubb for property coverage.

2. Approve Insurance Coverage for 2003-2004.

MOVED PIPPEL, SECONDED HANSON, for approval of and authority to bind insurance coverage for 2003/2004 as proposed by Willis of Alaska, which includes AML/JIA for all except property coverage. MCU.

3. Superintendent Rich Koch – Public Works Department Report.

Mr. Koch reported that about \$2 million was cut from expected funding for Palmer projects as the result of the Governor's recent line item vetoes. Regarding water line replacement, the good news is that the \$1.8 million Senator Stevens had in the budget only got cut a little, and the city got \$1,561,000. The money will probably not be available until late this year or early next year. Basically, the city went from being in "outstanding" shape to "okay." Mr. Koch updated as to status of current projects: Evergreen goes out for bid Thursday; the 2003 streets and water projects are on schedule; Gulkana and Eagle should be done by August 15; the A-Moose-Ment Park parking lot is complete; Cope Industrial lighting is almost done; the sewer lagoon security has been strengthened; the Airport Road project should start shortly. Mayor Cooper complimented the efficiency and professionalism of the meter reader installer. Council member Vanover asked Mr. Koch to prepare a brief summary on the \$2 million cuts.

H. BOROUGH REPRESENTATIVE'S REPORT: None.

I. AUDIENCE PARTICIPATION:

Fran Seager-Boss, who serves as staff for the Borough Historic Preservation Commission, spoke to the council expressing grave concerns regarding the proposed Fred Meyer access off of Evergreen where the Blue House is located. It was her understanding that the Blue House will be demolished to make way for a driveway. She feels the adjacent Everglen Hotel, which is on the national Register of Historic Places, will be severely impacted by the traffic. They learned today that Fred Meyer wants to buy the Everglenn Hotel and move it to a different location. If that happens, Palmer will lose a very important historic building. She asked the council to note the Historic Preservation Commission's opposition to removal of the building and recommendation that the proposed access not be considered.

J. HEARINGS, ORDINANCES, AND RESOLUTIONS:

1. Ordinance No. 605 – An Ordinance Amending Nearly All of Palmer Municipal Code Chapter 2.20 (Planning Commission), of Title 2 (Administration and Personnel), of the Palmer Municipal Code. (Public Hearing and Second Reading)

This ordinance amends the planning commission chapter of the code to incorporate procedural items from the commission's bylaws into the code and make the commission's procedural requirements the same as that of the council. The commission reviewed the proposed ordinance and recommended approval. This ordinance was tabled at the last Council meeting.

MOVED PIPPEL, SECONDED VANOVER, to bring the motion for adoption of Ordinance No. 605 off the table for discussion.
MCU.

Mayor Cooper opened the public hearing on Ordinance 605 and asked for public comment; there being no persons coming forward, the public hearing was closed at 8:35 p.m and the matter brought back to the council.

Question on Motion [adopting Ordinance No. 605]: MCU.

2. Resolution No. 1307 – A Resolution Accepting A Grant Agreement From the Matanuska-Susitna Borough for \$10,000 for Improvements to the Palmer Outdoor Skating Rink.

This resolution accepts a \$10,000 grant from the Borough for improvements to the outdoor ice arena at Palmer High School. This grant supplements the \$10,000 Borough grant received last year and will complete the improvements to the dasher board system.

MOVED PIPPEL, SECONDED VANOVER, for adoption of Resolution No. 1307.

Mayor Cooper asked for comments from the audience; there being no persons coming forward, the matter was brought back to the council. Council member Pippel asked if the additional grant amount was enough to complete the project. Mr. Koch responded that there is enough money to complete the replacement of all the boards at the hockey rink with some money left over, which could be used for the lighting system.

Question on Motion: MCU.

3. Resolution No. 1308 – A Resolution Accepting a FY04 Block Grant Agreement between the Matanuska-Susitna Borough and the City of Palmer.

The amount of this grant (\$296,081) is about \$100,000 more than the City has been receiving annually from the borough under this program. These program funds have traditionally been associated with library expenses.

MOVED PIPPEL, SECONDED COMBS, for adoption of Resolution No. 1308.
MCU.

4. Resolution No. 1309 – A Resolution Updating the Palmer 1984 Traffic Study by Adopting the “Palmer Traffic Analysis” Map for Road Improvements in Palmer.

This resolution updates the 1984 traffic plan by adding the June 2003 “Palmer Traffic Analysis” map and narrative to the study. The action gives formal recognition to the overall road improvement plan. The resolution and plan will be sent to the borough, state, and federal agencies to assist in planning projects. The plan also recognizes the need for another crossing of the Glenn Highway in downtown Palmer.

MOVED PIPPEL, SECONDED FISH, for adoption of Resolution No. 1309.

Mayor Cooper asked for comments from the audience.

Cindy Bettine, Box 87008, Wasilla, commented that a lot of people are interested in the map and plan; requested that the city hold a town meeting to inform them on priorities; would also like to be updated on city negotiations with the state regarding the proposed Dogwood/Glenn intersection.

There being no other persons in the audience wishing to speak, the Mayor brought the matter back before the council.

Council member Pippel spoke in favor of adoption; noted that it is a step long overdue towards finding some long-term traffic solutions even though it needs a lot of discussion and public input.

Question on Motion: MCU.

K. BIDS:

1. Public Works Welding Bay Addition and Ventilation Improvements.

MOVED PIPPEL, SECONDED VANOVER, to accept the bids of Little Susitna Construction, Inc. and Collins Construction, Inc., and award the contract to Little Susitna Construction, Inc. for the base bid of \$169,000.
MCU.

L. OLD BUSINESS: None.

M. NEW BUSINESS.

1. [Moved to G2].
2. Authorize City Manager to Negotiate and Enter Into a Professional Services Agreement with Willis of Alaska, Inc. for Insurance Brokerage Services.

This action will authorize the city manager to negotiate and enter into an agreement with Willis of Alaska for insurance brokerage services for 2003 and 2004. Willis has provided these services for the past two years; staff recommends entering into another two-year agreement.

MOVED PIPPEL, SECONDED VANOVER, to authorize the City Manager to negotiate a Professional Services Agreement with Willis of Alaska for insurance brokerage services.
MCU.

3. Authorize City Manager to Amend a Professional Services Agreement with Hattenburg, Dilley and Linnell Engineering Consultants for Construction Phase Services for Sherrod Ballfield Improvements.

Staff recommends approval of this amendment to a current agreement with HDL for design to add construction phase services. The amount of the additional compensation is \$16,158.

MOVED PIPPEL, SECONDED COMBS, to authorize the City Manager to amend the Professional Services Agreement with Hattenburg, Dilley and Linnell for construction phase services for Sherrod Ballfield Improvements.
MCU.

4. Discussion of Bond Proposition for October Municipal Election.

Mayor Cooper introduced the item. If the City wishes to put a bond proposition on the October ballot, it must take action in July through a resolution to approve the bond proposition. The proposed \$1.5 million combined with the borough's \$1.5 million bond, if approved by the voters, will provide adequate funding for both phases of the ice arena project. Discussion followed.

Council member Pippel would like the bond to say the money is to be used to build primarily an ice rink, but if funding is not needed for the ice rink, then those funds could be applied to recreational facilities, bike paths, sidewalks, trails. Council member Combs thinks it is important to be specific in priority order and make it clear to the public on how the money is to be spent. Council member Carrington suggested putting a library expansion on the ballot as a separate item; also suggested a second story to be used for office space. Mayor Cooper encouraged submitting definitive projects to list in addition to the \$1.5 million.

The meeting recessed at 9:00 p.m.; called back to order at 9:10 p.m.

5. Discussion of Boys and Girls Club Proposal Regarding City Funding of a Palmer Boys and Girls Club Building.

Mayor Cooper introduced the item; called attention to the June 18, 2003 letter on the table from the Boys and Girls Club proposing that the city purchase, relocate, and install the First Baptist Church on city land for the purpose of establishing a B&GC in Palmer. Discussion ensued.

The Mayor opened the discussion to include interested audience members:

John Zasada, 3837 Westminster, Anchorage, B&GC Assistant CEO, encouraged the council to consider their proposal; spoke briefly to the history of the B&GC, totaling 26 clubhouses throughout Alaska. They would love for Palmer to be the 27th. He conveyed a sense of urgency in that the church building needs to be moved from the property by Friday. They believe the facility could be purchased, moved, renovated, and opened as a B&GC for \$400,000.

Darrell Greenstreet joined in the discussion as to how much it would cost to set the building up and run utilities. Further discussion ensued with regard to the cost.

Noel Hardt, Anchorage, Senior Director for Community Outreach & Development for B&GC, has spent the better part of five years working with city councils throughout the state, working “outside the box” on how to make B&GCs work in small communities. She pointed out that the city would be bringing utilities to the ice arena any way; suggested that the city expend \$200,000 this year to purchase the building and move it onto the acreage, with a memorandum of agreement to B&GC that next year they would work with the city to come up with another \$200,000; further suggested it might be something to build into the bond package; spoke to federal and state grant resources. Further discussion continued.

Jill Reese, 268 E. Fireweed, Palmer, informed that she has 9.3 acres listed for sale between the city’s lot and the Job Corps; spoke to the opportunity of splitting the burden with the extension of utilities.

Marty Greenstreet suggested the city leasing a portion of the 14 acres to the B&GC, let the B&GC and community members secure the building, set it up, and then have the city buy it back for an agreed upon amount today; then let it be part of the city’s bond proposal for the ice arena – share parking, lighting, utilities to the property, etc.; suggested that community members can do it less expensively, not having to pay Davis-Bacon, etc. Further discussion continued.

It was the consensus of the council that although they recognize the need and see the value of having a B&GC in Palmer, it was too much money to commit at this time.

- N. CITY MANAGER’S REPORT: Acting City Manager/Fire Chief Dan Contini reported:
- all is going well;
 - office space renovations are taking place;
 - new City Clerk is expected to be here next Monday;
 - police and fire departments are being kept busy.

O. AUDIENCE PARTICIPATION:

Jill Reese commented on the traffic study; suggested extending Cobb to Glacier View and perhaps putting a light at Glacier View/Glenn Highway.

Janet Kincaid spoke to the core area comprehensive plan; thinks it is important to the City of Palmer; provided a copy of the results of the random survey which was sent out to 1067 property owners in the core area; the return was 29 percent; noted one of the things the people strongly agreed on was to develop a town center and identify with communities. She also suggested adopting an ordinance requiring vacant lots within the city to be mowed or otherwise maintained.

Fran Seager-Boss spoke on behalf of the Palmer Historical Society regarding the Blue House and the Everglenn Hotel; said she learned late this afternoon that Fred Meyer had contacted the historical society inquiring if it would keep its historical significance if it was moved; she informed the Everglenn would lose its historical status if it were moved to another location.

John Zasada clarified that the B&GC is not something the council cannot do at this time, but still wants to work with the B&GC to develop a club in the future.

P. COUNCIL COMMENTS: **Council member Vanover:** commented that she wants to move forward with the signs on S. Bailey. The Mayor noted it would be within the next couple of weeks. She recommended that the manager look into the number of vehicles placed on our insurance to see if any occasionally-used vehicles can be excluded; inquired of Chief Contini how the Smart Board was working out. He said was working fantastic and they hope to get another one. Speaking not only as a council member but also as a city resident, she loves the Boys and Girls Club and she wished the city could have helped at this time; said she looks forward to working with the B&GC for a facility in the future. **Council member Hanson:** recommended that the council take a look at the whole 14 acres and determine conceptually what we want there and develop a plan so we know where we're headed in that area. **Council member Pippel:** welcomed the Mayor back; thanked the chief for the sirens during the parade. The chief noted the sirens were blown by another fire department, that it is his policy that no sirens be sounded because it scares the children. Council member Pippel recognized the tremendous number of hours put in by Council member Hanson coaching and working with kids. **Mayor Cooper:** commented that he will be meeting with the new Regional Director for DOT, Mike Scott; spoke to the bond issue; commented that the city is not as healthy as it was a couple years ago; reminded that the last Friday in July is Palmer Pride and he requested nominations for Citizen of the Year; described the Harry Potter event at Fireside Books last Friday night – approximately 250 people waiting outside the door to buy books. He will be attending AML on July 21, 22, 23. Also on June 30, he will be wishing prosperous times to the new Mayor in Anchorage.

Q. ADJOURNMENT: at 10:00 p.m.

For a signed copy – contact the City Clerk.