

CITY COUNCIL MINUTES  
TUESDAY, JULY 22, 2003  
7:00 PM – CITY COUNCIL CHAMBERS

- A. CALL TO ORDER: at 7:02 p.m. by Mayor Cooper in Council Chambers.
- B. ROLL CALL, DETERMINATION OF A QUORUM: Present: Mayor Cooper and Council Members Fish, Pippel, Combs, and Carrington. Council Members Vanover and Hanson had excused absences. Also present: City Manager Tom Healy, Attorney Jack Snodgrass, and Recording Secretary Pam Whitehead. A quorum was established.
- C. APPROVAL OF AGENDA: The agenda was approved as amended. Item K1 was added under BIDS: Award Bid for Evergreen Avenue Water & Street Improvements.
- D. PLEDGE OF ALLEGIANCE: led by Council member Combs.
- E. MINUTES OF PREVIOUS MEETINGS: The minutes of the Regular Meeting of July 8, 2003 were approved as corrected. There were a number of B's in place of dashes interspersed throughout the document which will be corrected prior to signing.
- F. CONSENT AGENDA:
  - 1. Authorize Advertisement for Bids: Palmer Library Carpet Replacement.
  - 2. Authorize city Manager to Approve Change Order No. 1 for Pruhs Construction, 2002 Loop Closure Project.

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

- G. COMMUNICATIONS AND APPEARANCE REQUESTS:
  - 1. Joe Lawton, Manager, Alaska State Fair

Mr. Lawton gave a brief report on the Fair. The Fair is expected to have over 300,000 visitors and generate over \$7 million of taxable City of Palmer income. He reported on the Commuter Center project and stated that the chosen design is currently being developed and is expected to be completed by the end of August. The design is a traditional railway shelter and is expected to reflect the flavor of Palmer. With a deadline of August 1<sup>st</sup>, the Fair is applying for a mini-grant through the Denali Commission of up to \$30,000 to do the engineering and the practicality studies on the barn. Three potential primary uses for the structure have been identified: a showcase of Alaskan agriculture, a place for large public gatherings and a logical place to handle a large public emergency for health care. The area will allow for 40,000 vehicles to be parked, there's an airport, railroad, sewer/water, police and fire protection and the fair has the knowledge of how to handle large crowds. Mr. Lawton requested a letter of support to be written to the Denali Commission of behalf of the Fair.

MOVED PIPPEL, SECONDED COMBS, to add item M2 to New Business, to authorize the City Manager to issue a letter of support to the Denali Commission on behalf of the Alaska State Fair. MCU.

2. Dan Contini – Fire and Building Department Report

Chief Contini gave a Building Department Report; with a printed copy having been included in the packet. He noted that items of interest include: Item 2, Type of Permits, issued to D. G. Smith Builders, who put the last home in the 55-and-older community. The landscaping is in progress with an expected completion date of fall. Chief Contini reported on the status of the permits for Fred Meyer and the revenues produced by the Building Department.

As of July 22, 2003, the Fire Department has had 124 calls. To date, total emergency requests are up to 157, as compared to 117 last year. Of interest this week, the State of Alaska Fire Service Training is holding a class at the Palmer training center. Thirty-three students were brought in from the rural areas. All 33 students are staying and eating meals at the Valley Hotel and frequenting other Palmer businesses. Chief Contini has reported on the difficulty of finding volunteers to be on call. He forewarned that he is considering requesting money to be spent on large purchases. He further stated that the cost to purchase fire trucks 30 years ago was \$34,000. The current cost is \$275,000. The cost to build a new fire station is \$1.5 million.

3. Sarah LaForest, Alaska Job Corps Center – Youth Directed Civic Action Project

Ms. LaForest, along with Barbara Hunt, Doug Inga and Henry Heen, spoke to the council explaining the Youth Directed Civic Action Project. The project works in conjunction with Job Corps and Nine-Star in Anchorage to collect information from local businesses on jobs, internships, scholarships, places for kids to hang out and opportunities that businesses have for youth and the community. The information will be entered into a database with free access to the public. The website is [www.communityyouthmapping.org](http://www.communityyouthmapping.org). The project is made special by the fact that it is a project for youth and led by youth. Ms. LaForest and Barbara Hunt are the staff support for the students during this project. It is a national project; with 35 other states participating. Ms. LaForest explained the project to be about youth becoming stakeholders in their community and working in cooperation with the business and community services. Students will be trained and work in teams canvassing the community with a survey packet of information that will take 15 minutes to complete. Brief questions and discussion ensued. The Mayor applauded the Job Corps students and staff for the project and interaction with the community.

H. BOROUGH REPRESENTATIVE'S REPORT:

Assembly Member Bill Allen stated that he will be working hard to support those issues that are in the best interests of Palmer and the Borough. Brief questions followed. Mr. Allen spoke briefly about his day job in relation to Chief Contini's quest for a new fire truck and informed council that the USDA has a program which allows for up to \$425,000 for community facilities and allows for the purchase of fire trucks at 1-2% interest.

I. AUDIENCE PARTICIPATION:

**Bill Allen**, 760 S. Willwaw, Palmer, addressed the council as an Elder of St. John's Lutheran Church. He stated that their master plan reflects the building a new facility for a church. The first phase will contain \$1.6 million for a facility of about 10,000 square feet which will include a large open area for meetings, breakout rooms and a gymnasium. It is their intent to make this facility available to the public for meetings and gatherings. They acquired the Kremlin Building and 3.2 acres of land across the street. However, the church has identified a problem with Eklutna Street, which has an existing water/sewer easement. The church would like to have it vacated in order to have a contiguous piece of property. It has come to his attention that the City has an awarded contract to place a line that runs down Eklutna. He asked council to consider moving the line west about one block to another easement. The church expects to purchase the street and pay any change order costs related to moving the line down the street.

Questions and discussion continued. City Manager Healy spoke of the issue of timeliness and noted that the contractor is literally installing line as we speak. The contractor will need to be notified immediately if the City is to accommodate Mr. Allen's request. Vacation of the street must go through the Borough for final plat approval but stated that he does not believe there would be any objection if the City supported the vacation. Discussion ensued regarding costs and options.

Mayor Cooper recommended, if the council is willing to pursue the matter, to: 1) find out if the City can eliminate and move the water service; 2) if so, determine the costs involved; and 3) advise the church to determine if they agree to the costs prior to moving forward.

MOVED PIPPEL, SECONDED CARRINGTON, to amend the agenda under New Business to add item M3, to authorize the City Manager to 1) instruct the contractor to delay work on Eklutna; and 2) do all things necessary to effectuate an arrangement with St. John's Lutheran Church regarding relocation the water line, to include the costs associated with instructing the contractor to delay work on Eklutna. MCU.

**Chief Contini**, stated that any changes to the water main on Eklutna Street would affect the water flow of the city and fire hydrants. He suggested that as an option to put the line in, but close the street.

J. HEARINGS, ORDINANCES, AND RESOLUTIONS:

1. Resolution No. 1310: Authorizing the City of Palmer to Issue General Obligation Bonds in the Principal Amount of Not to Exceed \$1,500,000 to Finance the Acquisition and Construction of Park and Recreation and Related Capital Improvements, and to Submit the Question of the Issuance of Such Bonds to the Qualified Voters of the City at the October 7, 2003 City Election.

MOVED COMBS, SECONDED CARRINGTON, for adoption of Resolution No. 1310.

Manager Healy gave a brief overview. Stating, the resolution authorizes the issuance of up to \$1.5 million in general obligation bonds for the construction of parks and recreation and related

capital improvements, to include an ice arena and to submit the question of this issuance to the voters in the October municipal election.

Mayor Cooper offered the item for public comment; there being no persons coming forward to speak, the matter was brought back to the council.

Questions of staff and discussion ensued. Council Members Pippel, Combs, and Fish spoke strongly in favor of the resolution, stating the importance of getting factual information out to the community.

Question on Motion [Resolution 1310]: MCU.

Mayor Cooper, without objection by the council, moved Resolution No. 1312 up to be heard next.

3. Resolution No. 1312: Authorizing the Mayor or City Manager to Release the Restrictions Contained in the Deed from the City of Palmer to the Valley Hospital Association, Inc. Regarding Lot One, Deneke Park Subdivision.

MOVED PIPPEL, SECONDED FISH, for adoption of Resolution No. 1312.

Manager Healy gave an overview and explained that by quitclaim deed in 1983, the City gave the area as a gift to Valley Hospital Association (VHA). The conveyance contained a covenant that the property is to be used only for a “public purpose . . . such as a hospital, or other related medical.” VHA has asked the City to release the deed covenant with the intent that the property may be clear of deed restriction. The release affects the valuation of the property in terms of VHA/Triad’s arrangement for construction of a new hospital.

Attorney Snodgrass informed the council of the legalities the resolution contains and how it would affect the City’s position should it be approved.

**George Larson**, of Valley Hospital, appeared in support of the resolution and to answer any questions of council. He explained that there are two restrictions on the deeds – one with the City of Palmer, and one other they are working on. The two restrictions and the sewer are the only items holding up the joint venture with Triad, who has requested that VHA obtain clear title to all the assets.

Questions and lengthy discussion ensued. Council Member Pippel asked what the plans are for the property and the timeline of when the new hospital is built. Mr. Larson envisions the hospital to be used as a mental health and substance abuse hospital with a detox area; however, it will be the board that will ultimately make the decision. At this time, a decision has not been reached. Keeping the facility as a mental health or acute care hospital would be a means of holding the Certificate of Need.

Council Member Pippel discussed the history of the use of the property on which the hospital currently sits and asked why would the city would want to give up its public interest in the property to the benefit of a private corporation that is going to be relocating the hospital and all of its jobs outside our city and who cannot tell us for sure what they’re going to do with the

property? Mr. Larson pointed out that the new hospital is still going to be in Palmer area, the current hospital is already being used to its capacity. The facility is also placed in close proximity to Mat-Su College, where the development of education programs is planned. He also noted they will be providing larger, better facilities, with better educational programs for local citizens. They are trying to address the larger good and doesn't see it as a negative for Palmer.

Questions and discussion continued regarding the affects of removing the restriction, value of the building, zoning, time parameters and status of utility extension. Upon inquiry by Council Member Combs, Attorney Snodgrass discussed the meaning of "public purpose" and the consequences of removing it from the deed. Currently, the zoning is C-L; with the restriction removed, the building can be used for anything under the C-L category. Mr. Larson indicated that none of the projected uses for the building are anything other than for a public purpose.

Council Member Combs noted that he was opposed moving ahead without more consideration or receiving more information. He further stated that he does not understand why this is a deal-breaker and stated that the building is still going to be used for a public purpose and it doesn't remove the property from the assets of the hospital; that it just has a covenant that the city wants to keep it as a public use – other than the attorney wanting it removed. Mr. Larson said that the attorney is telling Triad that it is not clear title with the covenants in place and Triad has said that until they are released they will not close on the deal.

Council Member Pippel also explained his concern over the release of the title and the best interests of Palmer.

Council member Fish noted he would feel more comfortable deciding the issue when there was a full council present and when more information is available.

MOVED PIPPEL, SECONDED FISH, to table further discussion on this matter until a time indefinite for further information to be received. MCU.

2. Resolution No. 1311: Accepting a Byrne Program Grant from the Alaska Department of Public Safety, Division of State Troopers, for \$52,148.99, with a City Match of Twenty-Five Percent or \$17,382.99.

MOVED CARRINGTON, SECONDED FISH, for adoption of Resolution No. 1311.

[Council member Combs requested a 5-minute recess; there were no objections. The meeting recessed at 8:55 p.m.; was called back to order at 9:05 p.m.]

Mayor Cooper offered the resolution for public comment. No persons came forward and the matter was brought back to the council.

Chief Boatright was present to answer council questions. The Chief answered questions regarding the declining amount of seizures and general activities of the drug task force. He stated that the grant is a continuing grant and the officer, pending council approval, was already in place. Discussion continued regarding the tasks performed by the officer. The Chief commented

that Palmer has a well-deserved reputation of being a safe community to live in and he wants to keep it that way.

Council Member Combs inquired about the status of the seizure funds. The Chief indicated there are a few seizures that haven't been dealt with and they haven't gotten anything from the Feds in quite some time. He also indicated that there is about \$5,000 in the property room that once some cases are adjudicated will be forfeited and should be placed in the fund.

Council Member Pippel inquired if the matching funds had to be taken from the General Fund, what other department could they be taken from. The Chief didn't think monies would have to be taken from any other city funds and stated his belief that the police budget could handle it if necessary.

Council Member Combs stated that it is important that a message be sent regarding the continued participation in this program. The City of Palmer desires for its citizens to recognize that mobile meth labs and prescription scams, etc. are not acceptable and the Council will do everything it can to keep it out of the community.

Council Member Pippel spoke in opposition to the program, stating that he thinks it is wrong to take general fund dollars to put into the program and doesn't believe it is in the best interests of Palmer.

Mayor Cooper voiced his support; stating, that as elected officials, council members are elected to enforce the law and drugs are illegal. He further stated that council support is necessary.

Question on Motion [adopting Resolution No. 1311]: PASSED 4/1 (Pippel opposed)

K. BIDS:

1. Award Bid – Evergreen Avenue Water & Street Improvements.

MOVED PIPPEL, SECONDED FISH, to accept the bids of Wilder Construction, Construction Unlimited, and Pruhs Corporation, and award the contract to Wilder Construction in the amount of \$482,120.

Manager Healy gave a brief overview, stating the project to be part of the water main replacement program – replacing water mains from the Glenn to Cobb this fall. He noted the bids to be responsive and there were no informalities. Brief questions and discussion followed.

Question on Motion: MCU.

L. OLD BUSINESS: None.

M. NEW BUSINESS:

1. Appoint Hearing Officer Regarding Larijani Variance Application.

MOVED PIPPEL, SECONDED COMBS, that the City Manager appoint Talis Colberg as the hearing examiner for the Larijani variance hearing.

The council was referred to the Memo of in the packet from Ms. Jansen explaining the action. There was brief discussion as to procedures and the reason for the variance request.

Question on Motion: MCU.

2. Authorize City Manager to Issue a Letter to the Denali Commission Supporting the Alaska State Fair in its Application for a Mini-Grant.

MOVED PIPPEL, SECONDED COMBS, to authorize the City Manager to issue a letter to the Denali Commission in support of the Alaska State Fair in its application for a mini-grant. MCU.

3. Authorize the City Manager to Instruct the Contractor to Delay Work on Eklutna Street and To Do All Things Necessary to Effectuate an Arrangement with St. John's Lutheran Church Regarding Costs of Relocating the Water Line, to Include Costs Associated with Instructing the Contractor to Delay Work on Eklutna.

MOVED PIPPEL, SECONDED CARRINGTON, to examine the feasibility of vacating the water line currently in Eklutna Street adjacent to St. John's Lutheran Church and to investigate the feasibility of replacing the service from that line to some other adjacent street, and to further authorize the City Manger to determine the costs involved; and to further authorize the City Manager to do all things necessary to negotiate an arrangement with representatives of St. John's Lutheran Church as to the costs incurred for the relocation of the water line in Eklutna Street; and to further authorize the City Manager to instruct the contractor, Pruhs Construction, to delay or stop work on the water line in Eklutna Street, if in his opinion, it is in the city's best interests to do so.

Discussion regarding the costs involved with this request ensued. Mayor Cooper asked for Manager Healy's opinion on this matter. Mr. Healy stated that his general approach with a request to vacate public property, that the request should be looked at with a long-term view and to be very cautious because it is unknown what the next 30-50 years will bring or what the needs will be. In this case, with the University property, there is a major shift, and a good shift he believes, in the use of the property; that it is good for the church and good for the community. Discussion continued regarding what St. John's Lutheran wants to do with its property.

Question on Motion: MCU.

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

- *Alaska Railroad Commuter Rail Car Demonstration* – called attention to Memo in the packet regarding the demonstration and stated the desire of the Railroad to park the rail car by the depot for Palmer Pride;
- *Annexation* – expects a letter of preclearance on July 28<sup>th</sup>; stated that the LBC has advised that some technical corrections need to be made to some of the boundary

descriptions; does not expect this to affect the schedule but the LBC is checking to advise how to go about making the corrections;

- *Baptist Church Utility Extension* – still working with them to resolve some options;
- *Revenue Sharing/Safe Communities* – at next meeting he expects to have a resolution before the council to resolve a number of budget changes that the council has authorized to this point. The City was expected to receive \$227,000 through the revenue sharing/safe communities fund however, due to the Governor's cuts; the amount has now been reduced to \$144,000. He further reported that the city is to receive \$20,000 through a one-time pass-through program with State; he will have a budget amendment at next meeting. There was brief discussion on how the budget cuts are affecting other smaller communities;
- *Wage Study* – he met with the consultant and is continuing to refine the information and expects to have information to the council at next meeting;
- *Fred Meyer Traffic Analysis* – the city's traffic consultant is reviewing the analysis for feasibility. City Manager Healy has submitted material to Representative Young's office requesting Federal assistance in funding the Dogwood intersection project and has asked him to consider an appropriation for the upcoming FY04 budget. If the appropriation is made, the intersection could be constructed by next summer;
- *Large Retail Establishment Ordinance* – the ordinance has been drafted and will be going to the P&Z Commission to set a public hearing, review, and come back with recommendations;
- *City Clerk* – Janette is attending the Clerk's Institute in Seattle this week for training and will be taking over for Pam at the next meeting; thanked Pam for her assistance during this interim period;
- *Historic District Meeting* – Council is invited to attend on August 5, 2003 at the borough building; the consultant will be making recommendations on creating an overlay district; see Memo on the table from Ms. Jansen.

O. AUDIENCE PARTICIPATION: None.

P. COUNCIL COMMENTS:

**Council Member Pippel:** applauded Brad Hanson as the best Little League coach he's ever been around and noted his kids have played extremely well, are very disciplined, make very few errors and are a well-coached team. He further stated that they are a compliment to the community. He noted that July 25<sup>th</sup> is Palmer Pride and suggested that everyone wear their T-shirts.

**Council Member Combs:** commented that it was nice to meet Mr. Allen and noted that it was nice to have the Job Corps in attendance. Stated that recently he had the opportunity to tour the entire Job Corps facility and applauded the program. He requested to view a drug seizure report with some hard numbers and information as to what is being seized along with dispositions. Stated that he was distressed to hear the Southcentral Corporation comment from George Larson that they want to locate in Wasilla; asked the attorney for status of the trademark research for the City of Palmer – not yet; noted appreciation for the Mayor's Letter to the Editor re Palmer Pride.

**Council Member Carrington:** commented that he attended the recent Planning and Zoning Commission meeting and reported that the Commission has scheduled a work session after their meeting on July 31<sup>st</sup> to review the Large Retail Establishment Ordinance.

**Mayor Cooper:** Scheduled a brief work session for August 12, 2003 at 6:30 p.m. to discuss the next annexation. Mayor Cooper reported on the following Alaska Municipal League (AML) issues: the Governor has stated that he's going to cut \$250 million from the budget; discussions were had where the cuts are going to come from. AML does not support a State sales tax. They are in support of a broad-base tax. To that end, the AML board has decided on an extensive PR campaign to pass out information to the general public on the pros and cons of sales tax versus income tax and what the effects are; AML completed a mini-survey and found there to be a shift in favor of a state income tax versus sales tax; the concern of some communities regarding the possibility of the State taking over with a sales tax; some of the communities will not be able to exist without revenue sharing; he will advise when the final platform comes out. Brief discussion followed on income versus sales tax.

Q. ADJOURNMENT: AT 10:35 p.m.

*For a signed copy – contact the City Clerk.*