

MUNICIPALITY OF ANCHORAGE

ANCHORAGE ASSEMBLY

Minutes for Regular Meeting of January 26, 1999

1. **CALL TO ORDER:**

The meeting was convened at 5:00 p.m. by Assembly Chair Fay Von Gemmingen in the Assembly Chambers, 3600 Denali, Anchorage, Alaska.

2. **ROLL CALL:**

Present: Bob Bell, George Wuerch, Melinda Taylor, Fay Von Gemmingen, Cheryl Clementson, Kevin Meyer, Pat Abney, Dan Kendall.

Absent: Ted Carlson (excused), Charles Wohlforth (excused), Joe Murdy (excused.)

3. **PLEDGE OF ALLEGIANCE:**

The pledge was led by Mr. Wuerch.

4. **MINUTES OF PREVIOUS MEETING:**

- A. Special Meeting - September 15, 1998 (**Corrected Version**)
(POSTPONED FROM 1-12-99)
- B. Regular Meeting - September 29, 1998
- C. Regular Meeting - October 6, 1998
- D. Special Meeting - October 9, 1998
- E. Special Meeting - October 12, 1998
- F. Regular Meeting - October 20, 1998

Mr Wuerch moved,
seconded by Ms. Abney,
and it passed without
objection,

to approve the minutes of the regular meetings of
September 29, October 6 and October 20, 1998 and the
special meetings of September 15, October 9 and October 12,
1998.

Deputy Clerk Vickie Cantrell explained the minutes of the September 15, 1998 meeting had a typographical error, which has been corrected.

5. **MAYOR'S REPORT:**

Mayor Mystrom announced the administration has reached a tentative agreement with the Anchorage Municipal Employees Association union. The agreement requires a vote of the union members, which will take place on January 28, 1999. Good progress has also been made on the Police union negotiations. Mayor Mystrom also updated the Assembly on the status of the Comprehensive Plan revision. The Planning and Zoning Commission (P&Z) held public hearings, and based on public testimony it modified some of the goals and objectives. It recommended the goals and objectives be forwarded to the Assembly as an informational document. At the same time, P&Z directed the Community Planning and Development Department staff to proceed with Phase II, integration of the goals and objectives. The goal is to have the completed Comprehensive Plan ready to present to P&Z in December, 1999, and the Assembly in February, 2000.

6. **ADDENDUM TO AGENDA:**

Mr. Meyer moved,
seconded by Mr. Kendall,

to amend the agenda to include the addendum items.

Chair Von Gemmingen read the addendum items.

Question was called on the motion to amend the agenda and it passed without objection.

7. **CONSENT AGENDA:**

Mr. Wuerch moved,
seconded by Ms. Clementson,

to approve all items on the consent agenda as amended.

A. **BID AWARDS:**

- 1. Assembly Memorandum No. AM 82-99, recommendation of award to various vendors for providing **miscellaneous automotive supplies** to the Municipality of Anchorage, Purchasing Department (ITB 98-147).

B. ORDINANCES AND RESOLUTIONS FOR INTRODUCTION:

1. Ordinance No. AO 99-9, an ordinance providing for the submission to the qualified voters of Anchorage, Alaska, the question of the issuance of not to exceed \$426,740,000 of General Obligation Bonds of the Municipality of Anchorage to pay the **costs of educational capital improvements** in the Municipality of Anchorage and the question of an increase in the municipal tax cap limitation to pay associated operations and maintenance costs at an election in and for the Municipality of Anchorage on April 20, 1999, Anchorage School District.
 - a. Assembly Memorandum No. AM 68-99.

Mr. Kendall asked this item be considered under the Regular Agenda. See item 8.C.

2. Ordinance No. AO 99-10, an ordinance amending Anchorage Municipal Code Chapter 7.60 revising the local ordinance to restrict the **Disadvantaged and Woman-Owned Business Enterprise Program** to federal requirements under federally assisted contracts, Employee Relations Department. public hearing 2-9-99.
 - a. Assembly Memorandum No. AM 69-99.
3. Resolution No. AR 99-15, a resolution amending Anchorage Municipal Code of Regulations 7.60 revising the local regulation to restrict the **Disadvantaged and Woman-Owned Business Enterprise Program** to federal requirements under federally assisted contracts, Employee Relations Department. public hearing 2-9-99.
 - a. Assembly Memorandum No. AM 69-99.
4. Ordinance No. AO 99-11, an ordinance amending Anchorage Municipal Code Chapter 16.15, **Public Bathing Facilities**, to include provisions from Alaska Administrative Code as the law of the Municipality regulating swimming pools and spas, Health and Human Services. public hearing 2-9-99.
 - a. Assembly Memorandum No. AM 70-99.
 - b. Information Memorandum No. AIM 4-99.
5. Ordinance No. AO 99-12, an ordinance amending the zoning map and providing for the rezoning from PC (Planned Community) District to R-10 (Residential Alpine-Slope Affected) District with Special Limitations for the **Tracts A and C, McIntyre Subdivision**; Seward Meridian Alaska, T14N, R1W, Section 23, W1/2NE1/4SW1/4, SE1/4NE1/4SW1/4, W1/2NE1/4SW1/4, SE1/4NE1/4SW1/4, W1/2SW1/4, SE1/4SW1/4, SW1/4NW1/4SE1/4, SW1/4SE1/4 except for those lands platted as the Eagle River Greenbelt, Tract B and those lands lying on the northeast side of Eagle River Road, generally located southwest of Eagle River Road and north of the Eagle River Greenbelt (Eagle River Valley Community Council) (Planning and Zoning Commission Case 98-179), Community Planning and Development. public hearing 2-23-99.
 - a. Assembly Memorandum No. AM 83-99.
6. Ordinance No. AO 99-13, an ordinance of the Municipality of Anchorage amending Anchorage Municipal Code to provide for **municipal reimbursement of utility relocation costs** necessitated by municipal capital projects; to adjust the fee and fine schedules for utility permits; streamline permit monitoring; provide for annual blanket permits, Legal Department. public hearing 2-9-99.
 - a. Assembly Memorandum No. AM 88-99.
7. Ordinance No. AO 99-14, an ordinance providing for the submission to the qualified voters of Anchorage, Alaska, the question of the **issuance of not to exceed \$428,740,000 of General Obligation Bonds of the Municipality of Anchorage to pay the costs of educational capital improvements** in the Municipality of Anchorage and the question of an increase in the municipal tax cap limitation to pay associated operations and maintenance costs at an election in and for the Municipality of Anchorage on April 20, 1999, Anchorage School District. public hearing ~~2-9-99~~ 2-23-99. **(addendum)**
 - a. Assembly Memorandum No. AM 93-99.

Ms. Clementson asked this item be considered under the Regular Agenda. See item 8.C.

8. Ordinance No. AO 99-15, an ordinance amending various sections of the Anchorage Municipal Code to **increase the fine and the Municipal bail schedule for failure to obey a red traffic signal**, including the failure to stop for steady red signal or steady red arrow under Section 9.14.040 and failure to stop for a flashing red light under Section 9.14.060, Assemblymember Murdy. public hearing 2-9-99. **(addendum)**

C. RESOLUTIONS FOR ACTION:

1. Resolution No. AR 99-16, a resolution of the Municipality of Anchorage providing for the appropriation of a grant totaling \$5,000 from the Ramuson Foundation to the Miscellaneous Operational Grants Fund (0261) for the **purchase of library books for the Loussac Children's Literature Collection**, Cultural and Recreational Services/Library.
 - a. Assembly Memorandum No. AM 71-99.
2. Resolution No. AR 99-17, a resolution of the Municipality of Anchorage appropriating \$62,770 from the State of Alaska, Department of Health and Social Services to the State Categorical Grants Fund (0231) for a **tobacco sales to minors enforcement project**, Anchorage Police Department.
 - a. Assembly Memorandum No. AM 72-99.
3. Resolution No. AR 99-18, a resolution of the Municipality of Anchorage approving an **access easement to Rangeview Tra-Tel, Inc. for an access corridor on the eastern boundary of Conifer**

Park near McCrary Street and Glenn Highway as described in the attached document labeled Exhibit A, Heritage Land Bank/Real Estate Services.

- a. Assembly Memorandum No. AM 73-99.
4. Resolution No. AR 99-19, a resolution authorizing the granting of a **tax refund to Ralph Edwin and Patricia Anne Adams as a result of manifest clerical error** on Real Property Account 015-122-43, Finance.
 - a. Assembly Memorandum No. AM 84-99.

D. NEW BUSINESS:

1. Assembly Memorandum No. AM 67-99, 1999-2000 Liquor License Renewals: Carpentier's Lounge, Gallo's Mexican Restaurant #2-Arctic Blvd., Gwennie's, Inlet Tower Suites (Tourism) (Beverage Dispensary); Sleeping Lady Brewing Company (Brewery); BPO Elk's Lodge #2682 (Club); Alaska Distributors Company (General Wholesale); Brown Jug-Midtown, Costco Warehouse-DeBarr, Costco Warehouse-Diamond, Grumpy's Inc., Oaken Keg #47 (7731 E. Northern Lights Blvd.), Oaken Keg #54 (1465 E. Huffman), Oaken Keg #55 (1650 W. Northern Lights), Oaken Keg #56 (600 E. Northern Lights), Oaken Keg #57 (6901 E. Tudor Road), Oaken Keg #59 (11409 Business Blvd.), Oaken Keg #60 (900 E. Diamond), Oaken Keg #61 (5668 DeBarr Road), Oaken Keg #62 (4000 W. Diamond Blvd.), Rumrunners (Anchorage Hotel), Sam's Club-Old Seward Hwy. #6601, Sam's Club-Penland Pkwy. #6602 (Package Store); Golden Pond Restaurant, Happy Garden Restaurant, Ichiban Restaurant, Mandarin House Restaurant, Snow Goose Restaurant, Tempura Kitchen (Restaurant/Eating Place), Clerk's Office.
2. Assembly Memorandum No. AM 74-99, change order No. 1 to purchase order 71829 with Primary Care Associates, Inc. for providing **physical examinations** on an "as required" basis for the Municipality of Anchorage, Employee Relations Department.
3. Assembly Memorandum No. AM 75-99, approval to enter into a grant agreement with Anchor-Age Center for the **operation and management of the Anchorage Senior Center**, Health and Human Services.
4. Assembly Memorandum No. AM 76-99, grant agreement with Greater Anchorage, Inc. to **support the 1999 Fur Rendezvous Winter Festival**, Municipal Manager's Office.
5. Assembly Memorandum No. AM 77-99, change order #1 to contract No. C-80369, **street maintenance underground tank removals**, Property and Facility Management.
6. Assembly Memorandum No. AM 78-99, recommendation of award to ZFG Architects, Inc. for providing **professional services for preparation of a Master Plan for the Universities and Medical Campus District** for the Municipality of Anchorage, Department of Community Planning and Development (RFP 55-98), Purchasing.
7. Assembly Memorandum No. AM 79-99, sole source contract for a **management agreement with the Alaska Center for the Performing Arts, Inc.** for the Municipality of Anchorage, Department of Property and Facility Management/Purchasing.
8. Assembly Memorandum No. AM 85-99, change order No. 1 to purchase order 80540 with National Medical Review Officer Services, Inc. for **medical review officer services** for the Municipality of Anchorage, Employee Relations Department.
9. Assembly Memorandum No. AM 86-99, change order No. 3 to purchase order 60830 with DrugProof, Inc. for **substance abuse testing and collection services** for the Municipality of Anchorage, Employee Relations Department.

Municipal Manager George Vakalis asked this item be considered under the Regular Agenda. See item 8.E.

E. INFORMATION AND REPORTS:

1. Appeal S-10209, Goldenview Gate Subdivision has been scheduled for hearing before the Board of Adjustment on March 23, 1999, Clerk's Office.
2. Information Memorandum No. AIM 5-99, Monthly Financial Report - November 1998, Finance.
3. Information Memorandum No. AIM 6-99, Internal Audit Department - 1998 Annual Report, Internal Audit.
4. Information Memorandum No. AIM 8-99, Sole Source Procurement Report for the month of December 1998, Purchasing.
5. Information Memorandum No. AIM 9-99, contracts awarded between \$30,000 and \$100,000 through formal competitive processes for the month of December 1998, Purchasing.

Mr. Wuerch asked this item be considered under the Regular Agenda. See item 8.F.

6. Information Memorandum No. AIM 10-99, Spenard Paradise Inn Liquor License, Municipal Clerk.

Mr. Wuerch asked this item be considered under the Regular Agenda. See item 8.F.

Question was called on the motion to approve the remaining items on the consent agenda as amended and it passed:

AYES: Bell, Wuerch, Taylor, Von Gemmingen, Clementson, Abney, Kendall.
 NAYS: None.

(Clerk's Note: Mr. Meyer was out of the room at the time of the vote.)

8. **REGULAR AGENDA:**

- A. TIME CRITICAL ITEMS: None.
- B. BID AWARDS: None.
- C. ORDINANCES AND RESOLUTIONS FOR INTRODUCTION:

- 1. Ordinance No. AO 99-9, an ordinance providing for the submission to the qualified voters of Anchorage, Alaska, the question of the issuance of not to exceed \$426,740,000 of General Obligation Bonds of the Municipality of Anchorage to pay the **costs of educational capital improvements** in the Municipality of Anchorage and the question of an increase in the municipal tax cap limitation to pay associated operations and maintenance costs at an election in and for the Municipality of Anchorage on April 20, 1999, Anchorage School District.
 - a. Assembly Memorandum No. AM 68-99.

Mr. Kendall, Ms. Clementson and Mr. Wuerch joined in introducing this ordinance.

In response to Mr. Kendall, Deputy Municipal Attorney Bill Greene pointed out that bond counsel has advised this ordinance should not be introduced, while AO 99-14 should be introduced.

Ms. Clementson moved, to postpone action on AO 99-9 indefinitely.
 seconded by Ms. Taylor,
 and it passed without
 objection,

- 2. Ordinance No. AO 99-14, an ordinance providing for the submission to the qualified voters of Anchorage, Alaska, the question of the **issuance of not to exceed \$428,740,000 of General Obligation Bonds of the Municipality of Anchorage to pay the costs of educational capital improvements** in the Municipality of Anchorage and the question of an increase in the municipal tax cap limitation to pay associated operations and maintenance costs at an election in and for the Municipality of Anchorage on April 20, 1999, Anchorage School District. public hearing 2-23-99. **(addendum)**
 - a. Assembly Memorandum No. AM 93-99.

Ms. Clementson, Ms. Taylor and Mr. Wohlforth joined in introducing this ordinance.

Ms. Clementson moved, to schedule the public hearing for AO 99-14 on February 23,
 seconded by Mr. Kendall, 1999, to allow time for discussions with School District
 and it passed without officials.
 objection,

- D. RESOLUTIONS FOR ACTION: None.
- E. NEW BUSINESS:

- 1. Assembly Memorandum No. AM 86-99, change order No. 3 to purchase order 60830 with DrugProof, Inc. for **substance abuse testing and collection services** for the Municipality of Anchorage, Employee Relations Department.

Municipal Manager George Vakalis withdrew this item. He said another memorandum addressing this topic was being prepared.

F. INFORMATION AND REPORTS:

- 1. Information Memorandum No. AIM 9-99, **contracts awarded between \$30,000 and \$100,000 through formal competitive processes** for the month of December 1998, Purchasing.

In response to Mr. Wuerch, Purchasing Officer Ted Chenier explained three awards for computer hardware and software went to three different vendors. There was one bid, but the award was by item, and there were three low bids.

Mr. Wuerch moved, to accept AIM 9-99.
 seconded by Mr. Meyer,
 and it passed without
 objection,

- 2. Information Memorandum No. AIM 10-99, **Spenard Paradise Inn Liquor License**, Municipal Clerk.

Mr. Wuerch noted the owner of the liquor license was scheduled to appear before the Assembly tonight to address concerns about operation of the license. However, no one was present.

Mr. Wuerch moved,
seconded by Ms. Abney,
and it passed without
objection,

to postpone action on AIM 10-99 until February 9,
1999 and request the Municipal Clerk attempt to contact the
license owner with a request to appear before the Assembly
on that date.

Chair Von Gemmingen requested Tom McGrath, representing the Spenard Community Council, to invite the license owner to attend the next Council meeting to discuss the license.

Mr. Wuerch noted a typographical error was found in a document the Assembly approved on January 12, 1999, AR 98-381 regarding the Alaska Liquor Store #1.

Mr. Wuerch moved,
seconded by Mr. Meyer,
and it passed without
objection,

to amend AR 98-381 on page 2, line 25 to read: "...the
continued operation of the license issued to C & L
Enterprises..."

9. **OLD BUSINESS AND UNFINISHED ACTION ON PUBLIC HEARING ITEMS:**

- A. Assembly Memorandum No. AM 45-99, change order No. 1 to construction contract with Coastal Inc. for **Sports Field Irrigation Improvements**, Cultural and Recreational Services.
(POSTPONED FROM 1-12-99)

Chair Von Gemmingen gave the history of the memorandum and noted a motion to approve was on the floor.

Ms. Clementson felt the explanation in the memorandum of the need for additional work was misleading. She felt there must be other reasons for the additional work in addition to poor weather.

Ms. Clementson moved,
seconded by Mr. Meyer,
and it passed without
objection,

to amend AM 45-99 to delete lines 15 through 18, regarding
heavy rains and soil conditions, and to attach a chart
describing the various projects and specific reasons for the
change order.

(Clerk's Note: This chart is attached as Exhibit A.)

Question was called on the motion to approve AM 45-99 as amended and it passed without objection.

The Assembly then considered item 14, Special Orders, out of order.

Ordinance No. AO 99-16, an ordinance providing for the submission to the qualified voters of Anchorage, Alaska, the question of the **issuance of not to exceed \$463,680,000 of General Obligation Bonds of the Municipality of Anchorage to pay the costs of educational capital improvements** in the Municipality of Anchorage and the question of an increase in the municipal tax cap limitation to pay associated operations and maintenance costs at an election in and for the Municipality of Anchorage on April 20, 1999, Assemblymember Kendall. **(LAID ON THE TABLE)**

Ordinance No. AO 99-17, an ordinance providing for the submission to the qualified voters of Anchorage, Alaska, the question of the **issuance of not to exceed \$121,570,400 of General Obligation Bonds of the Municipality of Anchorage to pay the costs of educational capital improvements** in the Municipality of Anchorage and the question of an increase in the municipal tax cap limitation to pay associated operations and maintenance costs at an election in and for the Municipality of Anchorage on April 20, 1999, Assemblymember Kendall. **(LAID ON THE TABLE)**

Ordinance No. AO 99-18, an ordinance providing for the submission to the qualified voters of Anchorage, Alaska, the question of the **issuance of not to exceed \$463,680,000 of General Obligation Bonds of the Municipality of Anchorage to pay the costs of educational capital improvements** in the Municipality of Anchorage and the question of an increase in the municipal tax cap limitation to pay associated operations and maintenance costs at an election in and for the Municipality of Anchorage on April 20, 1999, Assemblymember Kendall. **(LAID ON THE TABLE)**

Mr. Kendall, Ms. Clementson and Mr. Wuerch joined in introducing AO 99-16.

Mr. Kendall, Ms. Clementson and Mr. Meyer joined in introducing AO 99-17.

Mr. Kendall, Ms. Abney and Mr. Bell joined in introducing AO 99-18.

The public hearings for all three ordinances was scheduled for February 23, 1999.

Ordinance No. AO 99-19, an ordinance amending the zoning map and providing for the rezoning from R-2A (Two Family Residential District) to R-3 (Multiple-Family Residential District) with Special Limitations for **Tract 4B-1, Arnold L. Muldoon Subdivision**, generally located on the west side of Muldoon Road and north of Northern Lights Boulevard (Northeast Community Council) (Planning and Zoning Commission Case 98-218), Assemblymembers Kendall, Abney, and Bell. **(LAID ON THE TABLE)**

Mr. Kendall, Ms. Abney and Mr. Bell joined in introducing AO 99-19. The public hearing was scheduled for March 2, 1999.

The Assembly then returned to item 9.

- B. Assembly Memorandum No. AM 39-99, recommendation of award to Rise Alaska, LLC for providing professional **project management services for the Anchorage 6th Avenue Jail Replacement** for the Municipality of Anchorage, Department of Property and Facility Management (RFP 56-98), Purchasing.
1. Assembly Memorandum No. AM 87-99, Property and Facility Management.
(AM 39-99 WAS POSTPONED FROM 1-5-99, 1-12-99 and 1-26-99)

Chair Von Gemmingen gave the history of the memorandum and noted a motion to approve and a substitute motion to refer the award to the Bidding Review Board were on the floor.

Mr. Wuerch wished to withdraw his motion to refer the award to the Bidding Review Board. However, Mr. Murdy, the second to that motion was absent. Mr. Wuerch encouraged a “no” vote on the motion. He said he discussed the matter with the administration, and felt the process was not flawed.

In response to Mr. Meyer, Purchasing Officer Ted Chenier clarified that if the award was denied, another RFP process would begin. The process would take approximately two or three months.

Executive Manager Elaine Christian added such a delay would pose a significant problem.

Question was called on Mr. Wuerch’s motion to substitute referring the award to the Bidding Review Board and it failed:

AYES: None.
NAYS: Bell, Wuerch, Taylor, Von Gemmingen, Clementson, Meyer, Abney, Kendall.

Mr. Wuerch reiterated his concerns about award of this contract, including an apparent lack of specialized experience with jail construction by the proposed contractor, and the apparent lack of personnel to provide adequate peer review of the design team’s work.

In response to Mr. Bell, Don Simmons of Property and Facility Management said the jail design was due to be completed in October. In October, the document review and bidding process will begin. The intent is to award the bid in early 2000. He explained without a project manager, his options were to either stop the project until one is selected, or ask the design firm to offer a proposal to provide project management services.

Mr. Kendall moved, to postpone action on AM 39-99 until February 2, 1999.
seconded by Ms. Clementson,

AYES: Von Gemmingen, Clementson, Meyer, Abney, Kendall.
NAYS: Bell, Wuerch, Taylor.

(Clerk’s Note: This item failed for lack of six affirmative votes.)

Mayor Mystrom encouraged the Assembly to postpone action until a full body can be present.

Ms. Taylor moved, to reconsider action on the motion to postpone.
seconded by Mr. Kendall,

AYES: Bell, Wuerch, Taylor, Von Gemmingen, Clementson, Meyer, Abney, Kendall.
NAYS: None.

Mr. Bell moved, to amend Mr. Kendall’s motion, to postpone for two weeks
seconded by Mr. Wuerch, rather than one week.

AYES: Bell, Wuerch, Von Gemmingen, Meyer, Abney.
NAYS: Taylor, Clementson, Kendall.

(Clerk’s Note: This item failed for lack of six affirmative votes.)

Question was called on the motion to postpone action on AM 39-99 until February 2, 1999 and it passed:

AYES: Bell, Wuerch, Taylor, Von Gemmingen, Clementson, Meyer, Abney, Kendall.
NAYS: None.

- C. Ordinance No. AO 98-141(S), an ordinance of the Municipality of Anchorage **creating a Board of Adjustment panel separate from the Assembly**, retaining the Assembly as a Board of Adjustment panel with limited jurisdiction and delineating the respective duties, responsibilities, powers and jurisdiction with respect to appeals to the Board of Adjustment, Assemblymember Clementson.
1. Ordinance No. AO 98-141(S-1), an ordinance of the Municipality of Anchorage creating a Board of Adjustment panel separate from the Assembly, retaining the Assembly as a Board of Adjustment panel with limited jurisdiction and delineating the respective duties, responsibilities, powers and jurisdiction with respect to appeals to the Board of Adjustment, Assemblymember Wohlforth.

2. Assembly Memorandum No. AM 64-99.
(AO 98-141(S) FAILED 12-8-98; MR. WOHLFORTH GAVE NOTICE OF RECONSIDERATION ON 12-9-98;
POSTPONED FROM 12-15-98; AO 98-141(S) WAS RECONSIDERED 1-12-99; CARRIED OVER FROM 1-12-99)

Ms. Clementson moved,
seconded by Ms. Taylor,
and it passed without
objection,

to postpone action on AO 98-141(S) until February 2, 1999
to allow the entire body to be present.

The Assembly then considered item 10, Appearance Requests.

Citizens for Recycling Solutions representative, regarding mission and activities.

Susan Hughes, representing Citizens for Recycling Solutions, explained the all-volunteer group is best known for operating monthly one-stop recycling events. The group's mission was to educate the public about recycling and re-manufacturing, and working toward establishment of a comprehensive recycling program in Anchorage. She mentioned several companies in Anchorage which perform recycling or make new products from discarded materials. Ms. Hughes noted many of these businesses are operating below capacity and the potential for new businesses is stymied, because of a lack of a steady supply of recyclable materials, and a reliable market. Currently, only 13% of garbage is recycled in Anchorage. She felt the Municipality could take a leadership role by coordinating a comprehensive recycling program and promoting the use of local re-manufactured products by listing them in Municipal bid specifications.

- D. Assembly Memorandum No. AM 1-99, 1999-2000 Liquor License Renewals: **Klondike Kate's Baretrap Saloon, Rock-U** (Beverage Dispensary), Clerk's Office.
(POSTPONED FROM 1-5-99)

Chair Von Gemmingen gave the history of the memorandum and noted no motions were pending.

Mr. Meyer moved,
seconded by Mr. Wuerch,

to approve AM 1-99.

Ms. Clementson moved,
seconded by Ms. Taylor,

to postpone action on AM 1-99 until after action on item
11.C, AR 98-164.

(Clerk's Note: See further action on this item after the following two items.)

The meeting recessed at 6:30 p.m. and reconvened at 7:10 p.m.

Mr. Wuerch moved,
seconded by Ms. Taylor,
and it passed without
objection,

to change the orders of the day to consider items 12.A
and 12.B, AO 99-6 and AO 99-7.

Ordinance No. AO 99-6, an ordinance **continuing or reestablishing the Anchorage Veteran's Affairs Commission**, Municipal Clerk.

1. Assembly Memorandum No. AM 62-99.
2. Information Memorandum No. AIM 7-99, Mayor's Office.

Chair Von Gemmingen opened the public hearing and asked if anyone wished to speak. There was no one, and she closed the public hearing.

Mr. Wuerch moved,
seconded by Ms. Abney,

to adopt AO 99-6.

AYES: Bell, Wuerch, Taylor, Von Gemmingen, Clementson, Meyer, Abney, Kendall.
NAYS: None.

Ordinance No. AO 99-7, an ordinance **continuing or reestablishing the Arts Advisory Commission, Bidding Review Board, Budget Advisory Commission, Election Commission, Emergency Medical Service Board, Employee Relations Board, Board of Ethics, Geotechnical Advisory Commission, Historical and Fine Arts Commission, Library Advisory Board, Municipal Light and Power Commission, Parks and Recreation Commission, Human Resources Advisory Board, Platting Board, Anchorage Port Commission, Public Facilities Advisory Commission, School Budget Advisory Commission, Senior Citizens Advisory Commission, Sister Cities Commission, Public Transit Advisory Board, Transportation Commission, Anchorage Water and Wastewater Utilities Commission, Zoning Board of Examiners and Appeals**, Municipal Clerk.

1. Assembly Memorandum No. AM 63-99.
2. Assembly Memorandum No. AM 80-99, Mayor's Office.

Chair Von Gemmingen opened the public hearing and asked if anyone wished to speak. There was no one, and she closed the public hearing.

Mr. Wuerch moved, to adopt AO 99-7.
seconded by Ms. Abney,

In response to Mr. Kendall, Mayor Mystrom said it was easier to get applicants for membership on some commissions than others. It is difficult to attract applicants for commissions which require a lot of time, such as Planning and Zoning Commission and the Platting Board. He added the operation of the Municipality would be impossible without its various boards and commissions. They are very important and an integral part of the government.

Ms. Clementson also thanked members of the various boards and commissions. She clarified the role of the Anchorage Fine Arts Commission was to screen and rank applications for grants, and to make recommendations on those grants to the Assembly.

Operations Manager George Vakalis, corrected the title of the Public Transit Advisory Board.

Ms. Clementson moved, to amend AO 99-7 in the title and the body to
seconded by Ms. Taylor, reflect the correct name of the Public Transit Advisory
and it passed without Board.
objection,

Question was called on the motion to adopt AO 99-7 as amended and it passed:

AYES: Bell, Wuerch, Taylor, Von Gemmingen, Clementson, Meyer, Abney, Kendall.
NAYS: None.

Mr. Meyer moved, to suspend the rules to continue discussion of item
seconded by Mr. Wuerch, 9.D, AM 99-1.
and it passed without
objection,

Mr. Meyer requested some residents of the neighborhood near Klondike Kate's give their comments on renewal of the liquor license. There was no objection.

BRENDA EASTEM, a resident of the neighborhood, felt the Klondike Kate's establishment was a danger and degrading to the neighborhood. She hoped its operation would end quickly. She felt Mr. Tyson was not managing the establishment properly. There is evidence of drug use on the property; she found five hypodermic needles on the lawn outside the club. The owner acknowledged he knew about the drug use, saying he expected the use to end once increased lighting in the parking lot was installed. She added her husband was threatened because she and he were displaying signs on the property. A lot of people in the neighborhood have witnessed reckless driving by people leaving the club and weaving through the local streets. The Taku/Campbell Community Council has approved a resolution requesting the bar no longer continue operation.

JERRY EASTEM said he has testified before the Assembly in the past, protesting location of other liquor licenses in the area. He said there were four alcohol establishments and six liquor licenses within a two-block area, including Klondike Kates. He saw drugs being sold from a vehicle near the front door of Klondike Kates. When he told the manager, Mr. Tyson replied people were selling drugs there long before he started his operation. Mr. Eastem said he was threatened by a member of the Hell's Angels, during a Hell's Angels party on the establishment. He implored the Assembly to deny continued operation of the liquor license. He added there was a gang shootout in his neighborhood recently. He felt increased crime in the area was in part the fault of the type of management and the type of clientele at Klondike Kates.

TERRY AGLIETTI, representing Klondike Kates, pointed out the shooting referred to by Mr. Eastem was an incident that originated at another bar on Old Seward Highway. He felt this should not influence license renewal at Klondike Kates. He noted there were standards for Assembly consideration of liquor licenses in Title 2 of the Anchorage Municipal Code. He knew of no complaints about or evidence of violations of those standards. He pointed out the type of entertainment offered at a licensed establishment, and the activities in the parking lot of a licensed establishment were not issues included in the Assembly standards.

Ms. Clementson clarified activities in parking lots fall under operational guidelines.

Mr. Aglietti said his client would accept a condition stating he was responsible for activities in the parking lot.

Ms. Clementson moved, to amend AM 1-99 on line 27 to read: "... of this
seconded by Mr. Meyer, memorandum waives protest of the renewal on condition the
licensee operates both licenses strictly in conformity to all
applicable laws, ordinances and regulations and has and
abides by all permits and licenses, their conditions and the
laws and ordinances governing their issuance and use. For the
purpose of this action the term "licenses premises" shall
include any adjacent area under the control or management of
the licensee. The Municipal Clerk will notify..."

In response to Ms. Clementson, Deputy Municipal Attorney Bill Greene advised the Assembly that the proposed conditions would be subject to any result of the pending court case and/or other administrative proceedings concerning the conditional use permit.

Question was called on Ms. Clementson's motion to amend and it passed without objection.

Question was called on the motion to approve AM 1-99 as amended and it failed:

AYES: Wuerch, Taylor, Von Gemmingen, Abney, Kendall.
NAYS: Bell, Clementson, Meyer.

Ms. Clementson moved, immediate reconsideration.
seconded by Mr. Wuerch,

Mr. Wuerch encouraged support of the memorandum. He noted without adequate evidence of wrongdoing, the State Alcoholic Beverage Control Board would not recognize a protest from the Assembly. Waiving protest on condition will either cure the problems, or give the Assembly grounds for a future protest.

Ms. Clementson advised the public to notify police if they see any illegal activities. She asked the Police Department to treat this establishment like any other where there is suspicion of drug activities, such as performing walk-throughs. She encouraged the public to work with their community councils, and document suspicious activities.

Question was called on the motion to reconsider action on AM 1-99 and it passed:

AYES: Bell, Wuerch, Taylor, Von Gemmingen, Clementson, Abney, Kendall.
NAYS: Meyer.

Question was called on the motion to approve AM 1-99 as amended and it passed:

AYES: Wuerch, Taylor, Von Gemmingen, Clementson, Abney, Kendall.
NAYS: Bell, Meyer.

- E. Assembly Memorandum No. AM 4-99, Irish Setter - Transfer of Ownership of a Beverage Dispensary Liquor License (Fairview/Mt. View Community Councils), Clerk's Office.
(POSTPONED FROM 1-5-99; CARRIED OVER FROM 1-12-99)

This item was continued until February 2, 1999.

10. **APPEARANCE REQUESTS:**

- A. **Citizens for Recycling Solutions representative**, regarding mission and activities.

Susan Hughes, representing Citizens for Recycling Solutions, appeared earlier. See after item 9.C.

- B. **Greg Brown, Freedom Days Fireworks Festival representative**, to discuss the 1999 4th of July Celebration.

Mr. Brown did not appear.

Scout Troop 183 from Spenard appeared and introduced themselves to the Assembly. The Troop was present to work toward their citizenship and community merit badges.

11. **CONTINUED PUBLIC HEARINGS:**

- A. Ordinance No. AO 98-48, an ordinance amending the zoning map and providing for the rezoning of approximately nine (9) acres from R-3 (Multi-Family Residential District) to B-3/SL (General Business District) with Special Limitations for **Tract B, Cook Subdivision**, generally located on the west side of Denali Street and south of 40th Avenue (Spenard Community Council) (Planning and Zoning Commission Case 97-164), Community Planning and Development.
1. Assembly Memorandum No. AM 166-98.
(POSTPONED FROM 3-31-98; PUBLIC HEARING WAS RE-OPENED 7-21-98; CONTINUED FROM 8-25-98 and 12-8-98)

Chair Von Gemmingen opened the public hearing and asked if anyone wished to speak.

STAN HAPERMAN, representing the Rogers Park Community Council, said the Council passed a resolution opposing the proposed rezoning. He urged the Assembly to reject the rezoning.

RON CRENSHAW said after the last Assembly meeting, when Assembly members encouraged the parties to meet and discuss options, he contacted the property owners to pursue this request. However, he received no response. Tonight was the first time he was aware of another proposal, which concerned parties have not had an opportunity to review in depth. He pointed out the public testimony on this issue has been overwhelmingly in opposition to the speculative rezoning. Also, the new proposal does nothing to satisfy citizen concerns which have been articulated at all the previous hearings. Therefore, he

asked the Assembly to vote on this issue tonight because he felt the new proposal was unacceptable. In response to Mr. Bell, Mr. Crenshaw clarified that no meetings were held between the property owners and members of the Midtown Park and Trail Committee, and Committee members were not aware of any meetings.

ART GEUSS, of the Midtown Park and Trail Committee, said he left a detailed request to meet with Mr. Potter, per the request of the Assembly. Mr. Potter tonight acknowledged awareness of the message, and acknowledged he did not return the call. Mr. Geuss felt the Committee has made every effort to cooperate and discuss the issue with the property owners. He pointed out there has been an extensive public process on this issue. Every community council in the area is on record as opposing the rezoning, as well as hundreds of citizens, the Mayor, the Community Planning and Development Department and the Planning and Zoning Commission. He asked the Assembly to vote based on the public process and the wishes of their constituents.

RONALD JORDAN, a owner of a business located near the subject land, said current residents of the land are moose, geese and ducks. He felt the land was not well-suited for residential or business development, because of problems with soils and costs from fill necessary for an adequate foundation. He thought the land would be good for a park.

RANDY VIRGIN, of the Midtown Park and Trail Steering Committee, reiterated the Committee members' opposition to B-3 zoning of the subject land. He addressed a new proposal to zone the land PLI, for public lands and institutions, with a clause that if the land is not sold (for development as a park) within one year, the zoning would revert to B-3. He could not support the proposal with a one year sunset, but would support it if the sunset period was extended to two years. He urged the Assembly to act tonight, without a further postponement.

DON BERNARD spoke in support of the rezoning. Although he was a supporter of parks and trails, he felt the "swamp" on 40th Street would be suitable for a park. As a frequent park and trail user, he tends to avoid mosquito-breeding areas. The subject land is quite infested with mosquitoes. He also pointed out there is a real problem in Anchorage with overpopulation by geese. Continuing the trend for developing large areas of park lawns, which are prime geese feeding areas, will only exacerbate the goose problem. He felt the subject land was not suitable for residential development, either.

JIM PFANIS spoke in support of the rezoning. He said development in Anchorage takes too long because of the public process. By rezoning the land to B-3 does not guarantee it will be developed as commercial property. It would merely bring the owners one step closer to action if an opportunity arises. Residential development would still be possible under B-3 zoning. He pointed out the owners of the property have owned it and paid taxes on it for 30 or 40 years, and it was unfair for a citizens group to try to block the owners from developing the land as they desire. He felt if citizens want a park, they should purchase it and develop a park. If the zoning is changed to B-3, a park would still be an option.

ROBERT AUTH, vice chair of the Spenard Community Council, said the Council passed a resolution opposing the proposed rezoning. He said he has been very involved in land use issues in Spenard, and has seen a disturbing trend toward rezoning from residential to commercial. As a result, it is an economic benefit to an investor to purchase residential property inexpensively and later rezone the land rather than purchase commercial property. Spenard is losing its inventory of undeveloped residential property, yet there is a huge glut of undeveloped B-3 property. Mr. Auth felt this situation was not in the public interest. He did not believe the petitioner has made a case that the rezoning would be in the public interest.

MAUREEN DESEAU said she was not affiliated with the Midtown Park group, just an interested citizen. She opposed the rezoning. Although she sympathized with the property owners, she pointed out they were not forced to purchase the land 40 years ago, and were not forced to keep it until now. She questioned the purpose of the Comprehensive Plan if it is not to help guide development decisions. She could not understand the argument that residential development would be inappropriate for this area. She intends to retire in Anchorage, and would love a home in the area, which is close to the library, Post Office, a beautiful view and other amenities. Ms. Deseau felt that is the way a city should develop, with residential areas intermixed with commercial uses. She added a park does not necessarily have to be a large lawn, which would attract geese. Planting low shrubs is enough to deter geese. She said no one except the land owners would gain from the proposed rezoning.

SHELLY EDWARDS, a midtown resident, sympathized with the property owners, who want the city to either purchase the land for a park or allow them to develop it as they wish. However, she pointed out the large number of people in attendance to oppose the rezoning. She felt the Assembly should consider the number of people who have opposed the proposal.

KATHY GLEASON, a member of a land use task force in 1998, said the complaint of many of the task force members, regardless of their affiliations, was that the current Comprehensive Plan has never been enforced. When the Comprehensive Plan is updated, it is important that it include implementation strategies that are enforceable. She pointed out the investors purchased the land when it was zoned residential, and have not tried to rezone it until recently. She stressed that anyone who invests in land, stocks, bonds, coins and the like are never guaranteed a profit on an investment. It is not the responsibility of the government to ensure citizens make a profit on their investments. She felt the owners' concerns should be heard, but they should not be the deciding factor in this land use issue. Ms. Gleason pointed out the heart of the issue was the proposed rezoning is speculative. The Assembly should never approve speculative rezonings. If the rezoning is denied, the investors will not be precluded from pursuing commercial businesses with a specific development plan. She encouraged the Assembly to deny the proposal. She offered an alternative to a proposal mentioned by earlier speakers. She suggested the land be rezoned to PLI for two years, and then allow it to revert to residential if a park is not developed in that time.

ROSEANNE GILLFILLEN, a 30-year resident of Anchorage, questioned how many of the property owners were Anchorage residents.

LOUANNE MAXWELL, a 46-year resident of Anchorage, felt this most beautiful natural area in the world is being destroyed. She urged the Assembly to deny the rezoning, to allow time to determine whether a park can be created on the land. She felt every opportunity should be taken to preserve natural green spaces.

TIM POTTER, representing the owners of the property, reviewed the history of the proposed rezoning. He said in March 1998, Assemblymember Bell requested a postponement to allow the administration, staff, the Midtown Park representatives and the property owners to meet and discuss a compromise. Several meetings did occur. However, he has not met with Mr. Crenshaw or Mr. Geuss since the December 8, 1998 Assembly meeting. He said since the process began in August 1997, there have been no offers to purchase the property. The Trust for Public Lands has never made an offer, but it has suggested the owners right off ten percent of the value of the property and donate the land to the Trust. That suggestion is unacceptable to the owners. Mr. Potter noted there was a twenty-year history, beginning prior to adoption of the 1982 Comprehensive Plan, showing an area of about 200 acres was methodically and continually rezoned from R-3 to B-3 or PLI. The Municipality has participated in that trend by rezoning land to locate the Z.J. Loussac Library and the ATU complex. Twenty years ago, it might have been feasible to develop residential uses in the area, if planning was done to cluster residential development on good soils, and leave the poor soils for open spaces. However, this is now the only 9-acre parcel of land in the area that is zoned R-3 and is not in Municipal ownership. The soil is about 8 to 10 feet of peat, and it is financially unfeasible for R-3 development. Mr. Potter said he felt the Midtown Park and Trail Committee representatives were promoting a strategy of delay, because they recognize the property is not viable under R-3 zoning. That is why the owners have proposed a deadline scheme, to encourage the Municipality or other parties to pursue ownership of the land, if desired. He pointed out the investors purchased the land long before the zoning landscape of midtown changed.

KURT OLSON, the general partner for 40th Street Investors, said in 1981 when the investor group was formed, 100% of the investors were Alaska residents, and about 98% lived in Anchorage. Since then, some of the people have retired and now live outside the State.

In response to Ms. Abney, Mr. Potter explained the investors proposed the rezoning for several reasons. They include the fact that slowly, the surrounding properties have changed zones to B-3 and PLI, so the property is not viable as residential. Also, there was no access to a public roadway and some utilities had not been extended to the property. Several years ago, the owners participated in a road improvement district, to extend Denali from 40th Avenue to Tudor Road, and were assessed about \$250,000. Also, there is now a market demand, whereas there was not a demand five or ten years ago. In response to Mr. Wuerch, Mr. Potter described one option which was offered, in which the current application be modified and approved by the Assembly, so that technically the land would remain R-3, with an effective clause "if the Municipality or other interested agencies on behalf of the Municipality purchased the land for a park in the next twelve months, the zoning would become PLI. If after twelve months that acquisition had not occurred, the zoning would revert to B-3 with special limitations. The special limitations would limit the types of uses to be compatible with the surrounding area, and require a site plan review before the Planning and Zoning Commission. Then the property would be aggressively marketed. He said the owners were willing to agree to a vegetated buffer along the north and west sides of the property. He said if the Assembly refused to agree to allow the zoning to revert to B-3 at the end of a twelve-month period, the petitioners would withdraw their -proposal now. In response to Ms. Clementson, Mr. Potter said the special limitations he described would also apply to the B-3 zoning, and he would not object to a prohibition on pole-mounted signs, and would submit to a public hearing site plan review.

BILL COOK, owner of the adjacent property, spoke in support of the rezoning as proposed. He explained he donated the five and ½ acres for the 40th Avenue right-of-way, and he wanted the road to be developed. No one has offered to purchase the land for a park, so the property owners should be allowed to relieve themselves of their tax burden. He was very disappointed at the length of time this issue has been pending. In response to Ms. Abney, Mr. Cook said his property is zoned B-3 subject to replat. He may build a structure on the land, but the building may be occupied only after development of 40th, to provide access.

PATRICIA JOYNER discussed the Midtown Park group. She said it might seem, from previous speakers' comments, that the group is an organized corporation with staff and resources. However, the group is merely five or six people who try to get together for lunch now and then. No one is in charge, and they try to keep up with "who said what" and "what did you hear?" among each other. They did not know about the worksession today, and if they had, they were all at work. Unlike Mr. Potter, they would not have been paid to attend the worksession. It is difficult when the Assembly directs meetings with them, because no one in the "group" is a spokesperson. Ms. Joyner pointed out dozens upon dozens of citizens have testified in opposition to the rezoning, because they believe the land should remain residentially-zoned, or a park should be developed. She noted there are plenty of homes located, and being located, in areas much less attractive and with less amenities than the subject land. Lastly, she said she was not familiar with peat and associated development complications, but pointed out the peat was removed from Mr. Cook's property, and it is only a foot lower than the adjacent property.

TUCKER SPORE, a resident of midtown, addressed the option mentioned earlier for the land to remain R-3 for one year, if the land is purchased change to PLI, and if not purchased, change to B-3. He felt there was nothing in the public interest in this offer.

JOHN BARLOWE said he testified in the past on this issue, in opposition to the proposed rezoning. However, he was glad that there is now a possibility the zoning may be changed to PLI. Although the rezoning would still be speculative, it at least gives a chance that a park may be built on the property.

MARGARET AUTH, a member of the Spenard Community Council, said the Council has been watching what happens with this area and all the rezoning activity. She expressed concern about the public process, and the proposals apparently offered at a worksession earlier today. It seems there was no representation from the public, and even people closely involved did not know about the meeting. She was concerned that proposals are being seriously considered since there has not been any discussion among concerned parties and the general public.

Chair Von Gemmingen asked if anyone else wished to speak. There was no one, and she closed the public hearing.

Mr. Wuerch moved, to adopt AO 98-48.
seconded by Mr. Bell,

Mr. Wuerch moved, to postpone action on AO 98-48 until March 16, 1999
seconded by Mr. Bell, to allow time to explore an alternative and circulate it for
discussion among interested parties.

In response to Ms. Clementson, Deputy Municipal Attorney Bill Greene said he had just received the proposal recently. He had serious reservations about the legality of the proposal. At this point, he cannot comment further without more research. Also, there is a question of adequate public notice, because of the difference between the advertised title of the ordinance and the proposed alternative.

Executive Manager Elaine Christian said the administration was willing to work with all parties and was willing to explore any solution. However, the nature of the proposed rezoning was speculative, as was a PLI designation, which the administration will not support either.

Question was called on the motion to postpone action on AO 98-48 until March 16, 1999 and it passed:

AYES: Bell, Wuerch, Taylor, Von Gemmingen, Meyer, Abney, Kendall.
NAYS: Clementson.

(Clerk's Note: On March 2, 1999, the Assembly moved to consider this item further on March 23, 1999.)

- B. Ordinance No. AO 98-51, an ordinance of the Municipality of Anchorage amending Anchorage Municipal Code Chapters 11.10 - 11.40 governing the authority of the Anchorage Transportation Commission; changing the regulation of taxicabs, limousines, and vehicles for hire; **changing the regulation of chauffeurs operating taxicabs, limousines, and vehicles for hire; and changing the regulation of dispatch services**, Legal Department.
1. Assembly Memorandum No. AM 505-98.
 2. Assembly Memorandum No. AM 1169-98, Transportation Inspection.
- (CONTINUED FROM 9-1-98, 11-17-98, AND 12-15-98)

Chair Von Gemmingen opened the public hearing and asked if anyone wished to speak. There was no one. She announced the public hearing would be continued on March 16, 1999.

Municipal Manager George Vakalis pointed out the process on this ordinance has been very protracted. The Transportation Commission members are concerned and want to bring the issue to a close. He encouraged the Assembly to take action on the ordinance as soon as possible.

Ms. Abney said she was also eager for completion of this issue. However, the changes in the ordinance were extensive and she promised members of the committee the opportunity to discuss all items in depth.

- C. Resolution No. AR 98-164, a resolution revoking the conditional use permit allowing the retail sale and dispensing of alcoholic beverages at 6119 Old Seward Highway, formerly known as the Sawmill Club and currently known as **Klondike Kate's Bare Trap Saloon**, Community Planning and Development/Public Works.
1. Assembly Memorandum No. AM 474-98.
- (CONTINUED FROM 7-14-98, 9-29-98, 10-6-98, 1-5-99, and 1-12-99)

Chair Von Gemmingen announced this item would be continued to February 23, 1999.

The meeting recessed at 9:40 p.m. and reconvened at 9:50 p.m.

- D. Resolution No. AR 98-409, a resolution of the Anchorage Municipal Assembly providing for a **revision to the 1999 General Government Operating Budget**, Assemblymember Bell.
1. Assembly Memorandum No. AM 50-99.
- (CARRIED OVER FROM 1-5-99 AND 1-12-99)

Chair Von Gemmingen opened the public hearing and asked if anyone wished to speak. There was no one, and she closed the public hearing.

Mr. Bell moved, to approve AR 98-409.
seconded by Mr. Kendall,

Mr. Bell presented his proposal with the aid of charts and graphs. He said excess funds at the end of a year are transferred either to the budget reserve, or applied to the following years' budget. He felt the excess is larger than it needs to be, and proposed the 1999 budget be reduced by \$2 million. This would result in less taxes for citizens, without reducing spending or services. He pointed out the purpose of the budget is to inform the public about the amount of spending anticipated, thus the

amount of anticipated taxation, so the public can budget accordingly. Since tax bills are issued in June, waiting until first quarter budget revisions in March does not give the public adequate notice.

Municipal Manager George Vakalis recalled at today's worksession, the Mayor explained how fund balances are created, and discussed different elements which affect the fund balance. Mr. Vakalis pointed out there are 34 separate and distinct service areas in the Municipality, and each has its own fund which cannot be used for another fund. Out of those 34 service areas, there are five major accounts, which make up about 85% of the Municipal fund balance. He added funds left over at the end of 1997 were committed or in various categories, and through the process, at the end of 1998, there was only about \$26 that was not committed for some specific purpose. Mr. Vakalis pointed out there is a fund for litigation contingencies, and a fund for bond counsel. The bond counsel fund has nothing to do with bond reserves; it is for contingencies among different fund balances, and the amount of this fund affects Anchorage's bond rating. A good bond rating is important, because it helps save money for taxpayers. He noted the administration has attempted to keep the budget down. In 1998, \$2 million was removed from the budget before it was presented to the Assembly. So Departments had \$2 million less to work with when developing their individual budgets. That reduction carried over to the 1999 budget, and for the 1999 budget, Departments were instructed not to add the standard increases for inflation. Inflation increases would have been about \$1.2 million. Mr. Vakalis added there are many unknown factors that may require unexpected expenditures, such as reduction of State revenue sharing, oil prices, the year 2000 problem, police and fire overtime, arbitration awards and litigation. He pointed out it is not known how much is actually spent in a twelve-month budget cycle until the fourteenth month. There is also an annual audit performed around the time of setting the mill levy, in April. He felt the best time to consider Mr. Bell's proposal would be after a true accounting of the previous years' budget, the audit and the mill levy assessment.

Mr. Bell agreed the administration has done a good job. However, the process could be improved. He felt the administration is erring too much on the conservative side. He pointed out in addition to unknown expenses, there is also the possibility of receiving unexpected savings and revenues. In 1997, Senate Bill 29 resulted in \$12.1 million of unexpected money transferred to Anchorage. In 1997, \$1.76 million savings resulted from reduction in PERS costs. In 1998, \$3 million was saved from reduced PERS costs.

Ms. Clementson felt Mr. Bell's argument is not reflected in the proposed resolution. Even after today's worksession, she was still unsure whether the goal was to reduce spending authority. She felt there were too many unknown factors which might affect the budget, including State revenue sharing, year 2000 concerns, and the new Municipal finance and payroll system which is not yet working at anticipated efficiency. She said the full impact of these issues must be known and the results of the 1998 budget must be known before attempting the proposal. Anchorage's bond rating is very good because of reserve funds, and a reserve for disasters seems like prudent planning.

Mr. Wuerch agreed a high bond rating was important, but reducing the end-of-year budget excess would be an immediate benefit to taxpayers. However, he was not convinced the proposed resolution was the best mechanism to achieve its goals.

Chair Von Gemmingen felt it was prudent and conservative to ensure there is enough money in fund balances, as there is a danger of a severe reduction in State revenue sharing. There are many other areas which might affect Municipal finances, such as emergencies and the sale of ATU. Maintaining Anchorage's high bond rating was important because when bond ratings are high, interest rates are lower, and result in lower taxes.

Question was called on the motion to approve AR 98-409 and it failed:

AYES: Bell, Taylor, Meyer, Abney, Kendall.
NAYS: Wuerch, Von Gemmingen, Clementson.

Mr. Wuerch moved, to spread notice of consideration on the minutes.
seconded by Mr. Meyer,

(Clerk's Note: See minutes of February 2, 1999 for further action on this item.)

Mr. Bell moved, to extend the public hearing portion of the meeting to
seconded by Mr. Wuerch, consider items 11.E, 11.F and 12.C.
and it passed without
objection,

Ms. Clementson asked to present an ordinance addressing the same topic as items 11.E and 11.F.

Ordinance No. AO 99-20, an ordinance amending Anchorage Municipal Code Chapter 21.10 to **provide a public comment period on appointees to the Planning and Zoning Commission, Urban Design Commission, Platting Board and Zoning Board of Examiners and Appeals prior to Assembly confirmation**; reiterating and establishing requirements and prohibitions regarding the performance of duties by such boards and commissions and their members; and the basis of removal from office for such board and commission members' conflicts of interest, Assemblymember Clementson. (**LAI**D ON THE TABLE)

Ms. Clementson, Mr. Wuerch and Ms. Abney joined in introducing AO 99-20. The public hearing was scheduled for February 9, 1999.

E. Ordinance No. AO 98-181, an ordinance enacting a new Section 4.05.037 to the Anchorage Municipal Code relating to **qualifications of persons appointed to the Planning and Zoning Commission, the Platting Board,**

the Urban Design Commission, and the Zoning Board of Examiners and Appeals, Assemblymembers Wohlforth and Abney.

1. Assembly Memorandum No. AM 1047-98.
2. Ordinance No. AO 98-181(S), an ordinance enacting a new Section 4.05.037 to the Anchorage Municipal Code relating to qualifications of persons appointed to the Planning and Zoning Commission, the Platting Board, the Urban Design Commission, and the Zoning Board of Examiners and Appeals, Assemblymembers Wohlforth and Abney.
3. Assembly Memorandum No. AM 61-99.
(CARRIED OVER FROM 1-12-99)

- F. **Ordinance No. AO 98-182**, an ordinance enacting a new Section 4.05.033 to the Anchorage Municipal Code **requiring a public hearing on appointments to the Planning and Zoning Commission, the Platting Board, the Urban Design Commission, and the Zoning Board of Examiners and Appeals**, Assemblymembers Wohlforth and Abney.

1. Assembly Memorandum No. AM 1048-98.
2. Ordinance No. AO 98-182(S), an ordinance enacting a new Section 4.05.033 to the Anchorage Municipal Code requiring a public hearing on appointments to the Planning and Zoning Commission, the Platting Board, the Urban Design Commission, and the Zoning Board of Examiners and Appeals, Assemblymembers Wohlforth and Abney.
3. Assembly Memorandum No. AM 60-99.
(CARRIED OVER FROM 1-12-99)

Chair Von Gemmingen opened the public hearing for AO 98-181 and AO 98-182 and asked if anyone wished to speak.

MICHELE CZAJOWSKI, a resident of the Abbot Loop Community Council, felt it would be a privilege to serve on a board or commission. She felt Ms. Clementson's proposed ordinance, introduced earlier, might be appropriate. She thought the membership on various boards and commissions could be more balanced, and more members of the community without special interests should be participating.

JIM FERGUSON, representing the Associated General Contractors of Alaska, said the group has about 700 members and has been active for more than 50 years. He said the group was opposed to both ordinances. Some reasons were the description of "public member" was vague and ambiguous. Also, he questioned who will make the decision of who falls into the public category, and whether appeals of that decision could be made. Mr. Ferguson wondered if there was a problem that the proposed ordinances attempt to correct. He questioned why people in design-related fields are being singled out for discrimination, and questioned whether the proposal was legal under Federal and State laws. He pointed out the decisions made by the subject boards and commissions are sometimes technical in nature, and professionals with knowledge in related fields are necessary to make those decisions. Those professions are the very ones the proposals seek to ban. He has attended many board and commission meetings, and observed them to be run very carefully with regard to conflict of interest. If a member has a conflict on the subject before the body, the member leaves the room. He felt that was appropriate, and the proposed legislation was unnecessary. Lastly, he questioned whether the Assembly would be able to increase its public hearing burden by the amount required in the ordinances.

Chair Von Gemmingen asked if anyone else wished to speak. There was no one. She noted the public hearing on these items would be continued until February 9, 1999.

- G. **Ordinance No. AO 98-193**, an ordinance of the Anchorage Municipal Assembly **establishing a separate trust fund for certain monies generated by the sale of Anchorage Telephone Utility other than the sale proceeds** (The Trust Fund Earnings Reserve) and a spending plan therefore, Assemblymember Wohlforth.
1. Assembly Memorandum No. AM 65-99.
(CARRIED OVER FROM 1-12-99)

Chair Von Gemmingen opened the public hearing and asked if anyone wished to speak. There was no one, and she announced the public hearing would be continued on February 9, 1999.

12. NEW PUBLIC HEARINGS:

- A. **Ordinance No. AO 99-6**, an ordinance **continuing or reestablishing the Anchorage Veteran's Affairs Commission**, Municipal Clerk.
1. Assembly Memorandum No. AM 62-99.
 2. Information Memorandum No. AIM 7-99, Mayor's Office.
- B. **Ordinance No. AO 99-7**, an ordinance **continuing or reestablishing the Arts Advisory Commission, Bidding Review Board, Budget Advisory Commission, Election Commission, Emergency Medical Service Board, Employee Relations Board, Board of Ethics, Geotechnical Advisory Commission, Historical and Fine Arts Commission, Library Advisory Board, Municipal Light and Power Commission, Parks and Recreation Commission, ~~Personnel Review Board~~ Human Resources Advisory Board, Platting Board, Anchorage Port Commission, Public Facilities Advisory Commission, School Budget Advisory Commission, Senior Citizens Advisory Commission, Sister Cities Commission, ~~Traffic Commission~~, Public Transit Advisory Commission Board, Transportation Commission, Anchorage Water and Wastewater Utilities Commission, Zoning Board of Examiners and Appeals**, Municipal Clerk.
1. Assembly Memorandum No. AM 63-99.
 2. Assembly Memorandum No. AM 80-99, Mayor's Office.

Items 12.A. and 12.B. were considered earlier in the meeting. See during item 9.A.

- C. Resolution No. AR 99-14, a resolution determining whether to protest the transfer of ownership of the beverage dispensary license of Debco, Inc. (Debbie Chen/George King) d/b/a **The Irish Setter**, located at 1911 East Fifth Avenue, Anchorage, Alaska to Debco, Inc. (Kathy & Carol Hartman/Jack Griffin), Assemblymember Wohlforth.

Chair Von Gemmingen opened the public hearing and asked if anyone wished to speak.

TOM MCGRATH felt some conditions should be placed on the license prior to transfer. He explained the new owner has arranged the bar with a window allowing viewing of an adjacent teen strip club. He felt there should be the same rules on teen strip clubs as there are on strip clubs that serve alcohol. Currently, there are no restrictions on teen strip clubs. The proposal is very troubling; he recommended the Assembly consider the dancers' point of view also. They may become easy targets. Also, because they are working in a business without a liquor license, the protections in place for alcohol establishments are absent. Intimate sexual contact is allowed without restrictions, as long as prostitution does not occur. He felt locating an alcohol establishment next to an adult establishment with no rules was poor public safety policy. Mr. McGrath pointed out current alcohol laws allow a minor on the premises if accompanied by a parent or legal guardian. In this case, it would be possible for a young child to be in the bar and view the nudity through the window. He felt at the very least, a condition should be placed on the license that no minor be allowed on the premises, even if accompanied by a parent or legal guardian.

TORA BRAWLEY spoke in support of the license transfer. She said she was a dancer who initiated the exotic dancer's union, which advocates for dancers' working conditions and wage and hour issues. She has been employed by Kathy and Carol Hartman, and commended them for their treatment of the dancers, and their ability to manage their facility in an appropriate manner. She is currently employed by a union that represents alcohol establishments, and she is a certified TIPS (Training for Intervention Procedures for Servers of Alcohol) instructor. She viewed the facility, and saw no violations as far as minors are concerned. The security glass between the alcohol-serving portion and the strip portion of the club was dark and difficult to see through. Also, the dancing stage is positioned far from the glass. In response to Mr. Wuerch, Ms. Brawley said patrons may travel from the alcohol side to the dancing side without going outside the building, but they must pass a security person. Identification must be shown each time when traveling back and forth. When she was at the club, she observed this practice. In response to Mr. Bell, Ms. Brawley clarified the glass seemed to be intended to block viewing, because the glass was darkened and was difficult to see through. She did not know why glass was the barrier rather than a wall.

KATHY HARTMAN explained the purpose of the glass wall was so patrons in the bar area be able to view the dancers, if they choose. She clarified a statement by a previous speaker. She said no minors were allowed in the bar or strip club, because of the adult entertainment. No one under the age of 18 years was allowed. In response to Mr. Meyer, Ms. Hartman said the Sands North nightclub was being transferred to the Irish Setter. Microwaveable food items will be available for sale.

CAROL HARTMAN clarified her sister, Kathy, was the sole owner of Debco Inc., dba the Irish Setter. Ms. Carol Hartman said she was not involved in the business, and Jack Griffin is the manager, not the owner. She said the club is clean and safe; they try to follow all the laws and rules. She added that Police activity at the old Sands North location was minimal, and most calls were made by the management. In response to Mr. Wuerch, Ms. Hartman said they had no plans to change the existing exterior signs at the club. At this time, signs consist of a large sign which says "Irish Setter" on one end of the building. At the other end, there is a sign with a woman's face, and the words "Fantasies on Fifth Show Club."

GENNIE SPRINGSTED, an employee of Kathy and Carol for nine years, said she has learned a lot about the business. She explained many strippers are also pilots, teachers and nurses. Women go into this business for many reasons, not usually having anything to do with anything sexual. She pointed out her employer chose this location because it conformed with all zoning laws; there are no churches, schools or daycare operations within 1,000 feet. All permits and licenses are in place, and the business is run in a very professional manner.

Mr. Wuerch moved,
seconded by Ms. Clementson,
and it failed for lack of nine members
present,

to extend the meeting past 11:00 p.m. to complete
this item.

Ms. Clementson pointed out the deadline for Assembly comment to the State Alcoholic Beverage Control Board on this license was February 1, 1999.

Ms. Clementson moved,
and it failed for lack of a
second,

to continue the meeting until January 27, 1999
at 12:00 p.m.

(Clerk's Note: See minutes of February 2, 1999 for further action on this item.)

13. **BOARD OF ADJUSTMENT/ASSEMBLY APPEALS:**

- A. Appeal S-10110, Eagle Crossing Subdivision, Clerk's Office.

This item was continued until February 2, 1999.

14. **SPECIAL ORDERS:** See after item 9.A, and during item 11.D.

15. **ASSEMBLY COMMENTS:** None.

- 16. **UNFINISHED AGENDA:** None.
- 17. **AUDIENCE PARTICIPATION:** None.
- 18. **EXECUTIVE SESSIONS:** None.
- 19. **ADJOURNMENT:**

The meeting adjourned at 11:05 p.m.

Chairman

ATTEST:

Municipal Clerk

Date Minutes Approved: May 25, 1999

VC/db

Change Order Number One for
Sports Field Irrigation
 AM-45-99

Project	Reason for Change Order	Dollar Amount
Creekside Park	Additional materials needed for backfill, curb & gutter and asphalt surfacing to reach water mainline originally thought to be located on the south side of E 6 th Ave. Actual location was north side of street.	\$10, 873.85
Davis Park	Additional asphalt paving needed to repair parking lot, additional line length needed to tie in to existing little league water lines	\$1,336.00
Javier de La Vega Park	Additional irrigation line installed and water meter cage modification required	\$554.00
Lloyd Steele Park	Additional quantities of backfill, curb & gutter and asphalt due to unforeseen subsurface conditions (poor soils led to a bigger hole then planned for in the street)	\$8933.40
Lore Park Road	Additional quantities for irrigation line, backfill and trenching	\$47.80
Lyn Ary Park	Design changes made to use existing water meter connect. Original design would have saved line length but required additional paving replacement and resulted in an additional assessment for the water connection.	\$7,061.10
Nunaka Valley Park	Additional quantities installed due to added irrigation line at request of field users and additional costs caused by unforeseen subsurface conditions	\$1912.15
Russian Jack Springs Park Soccer Fields	Additional costs due to contractors time needed to locate existing mainlines due to insufficient available data. Design change due to finding the existing pipe to be different material then data stated	\$7,029.75
Russian Jack Springs Park Ball fields	Asphalt repairs on parking lot that was not paved during design	\$650.00
Ruth Arcand Park	Relocation of meter connection into existing pumphouse at request of users	\$1,633.75
Sisterhood Park	Additional irrigation line	\$60.00
Tikishla Park	Additional irrigation line installed and paving quantity increase due to second trail cut.	\$1,158.75
Woodside Park	Additional quantities of backfill, curb & gutter and asphalt due to unforeseen subsurface conditions (poor soil led to a bigger hole then planned for in the street)	\$2,131.25
	TOTAL	\$42,731.80

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