

MUNICIPALITY OF ANCHORAGE

ANCHORAGE ASSEMBLY

Minutes for Special Meeting of March 5, 1999

1. CALL TO ORDER:

The meeting was convened at 12:00 p.m. by Assembly Chair Fay Von Gemmingen in the Mayor's Conference Room, City Hall, 632 West 6th Avenue, Anchorage, Alaska.

2. ROLL CALL:

Present: Bob Bell, Melinda Taylor, Charles Wohlforth, Fay Von Gemmingen, Cheryl Clementson, Kevin Meyer, Dan Kendall.
Absent: Ted Carlson, (excused) George Wuerch, (excused) Pat Abney, (excused) Joe Murdy (excused.)

3. ORDINANCES AND RESOLUTIONS FOR INTRODUCTION:

- A. Ordinance No. AO 99-54, an ordinance of the Municipality of Anchorage amending AMC 03.70.060 C. by **adding the category of municipal employees who provide services under the authority of Title 17 of the Anchorage Municipal Code (commonly known as animal control) to the listing of municipal employees exempt from collective bargaining.** public hearing: to be announced

Mr. Kendall, Ms. Clementson and Mr. Bell moved to introduce AO 99-54.

Mayor Mystrom explained why action on this ordinance was needed by either a Special Meeting on Friday, March 12 or at the regular Assembly Meeting on March 16. If the following agenda item, AM 212-99, failed, the administration would have to find a way to keep animal control operations functioning. One alternative is to bring it in-house. If brought in-house, it would be desirable to do so with employees exempt from collective bargaining. If these types of employees are not used, the Mayor anticipated a number of unforeseen problems. For example, two different unions could be involved, the police union on the enforcement side, another union on the side of kennel operations. He felt that the administration would be hampered from using volunteers. He said there could be other problems with scheduling, jurisdiction, and grievances. Binding arbitration for dog catchers would be an unusual situation. He foresaw a multitude of problems resulting from how quickly the administration would be required to act. He said that the administration would be arguing against using union employees for animal control services if the contract is done in-house.

Chair Von Gemmingen asked the Mayor to advise the Clerk on which date the administration wished to have the public hearing so that the ordinance could be noticed.

(Clerk's Note: The public hearing for AO 99-54 was held at the regular meeting of March 16, 1999.)

There followed a general discussion about which members would be present on the 12th and 16th of March. Deputy Clerk Vickie Cantrell said that the members received notice of a March 12, Special Meeting today. However, that meeting could be canceled if it was not needed.

In response to Mr. Bell, Employee Relations Director Tom Tierney said he did not know who would provide enforcement, but the Police Department was a possibility.

Mr. Bell felt there was nothing that would require enforcement to be accomplished by the Police Department. He questioned why it would be removed from collective bargaining.

Mr. Tierney said if the administration brought animal control in-house, a jurisdictional fight could occur between various unions. Mr. Tierney agreed with Mr. Bell that there was no requirement to have animal control be a function of any specific municipal agency.

In response to Ms. Taylor, Mr. Tierney said there were between 300 and 400 Municipal employees exempt from collective bargaining requirements.

In response to Mr. Meyer, Mr. Tierney discussed problems which can arise from using volunteers to help union employees. He did not think volunteers were addressed in the union contracts.

4. OLD BUSINESS AND UNFINISHED ACTION ON PUBLIC HEARING ITEMS:

- A. Assembly Memorandum No. AM 212-99, recommendation of award to T.L.C., Inc. for providing **animal control services** to the Municipality of Anchorage, Department of Health and Human Services (RFP 69-98), Purchasing.
(CARRIED OVER FROM 2-23-99 AND 3-2-99)

Mayor Mystrom explained why he called a special meeting to consider this issue. The administration is experiencing increasing problems as each day passes, in ensuring animal control functions continue. At this point, there are only twenty-six days in which to resolve the problem, because the existing contract expires on April 1, 1999. It would be even more

difficult to find an operator by April 1 if Assembly action was not taken until its next regular meeting. He acknowledged that with only seven members present today, there is not a great likelihood that the proposed award will be approved. He pointed out the four missing members have indicated they are not in support either, so their presence would probably not make a difference. Mayor Mystrom encouraged the Assembly to act on this memorandum today.

Chair Von Gemmingen noted a motion to approve AM 212-99 was on the floor.

In response to Mr. Kendall, Mayor Mystrom said if the proposed contract is not approved, he would immediately begin exploring alternatives, including bringing the operations in-house, temporary employment services and sole source temporary contracts. Clearly, these alternatives would be more expensive than the proposed TLC contract; he was not sure of the extent of the extra expense. Extending the contract with TLC Allvest on a month-to-month basis would be very expensive, so that was the least attractive option.

Municipal Manager George Vakalis pointed out the proposed contract is approximately \$1.2 million. Current estimates to perform the same services in-house were over \$2.3 million. Other alternatives could range anywhere between those two figures, or perhaps exceed the higher figure.

In response to Mr. Kendall, Purchasing Officer Ted Chenier pointed out the administration is tasked with awarding the contract to a contractor who is both responsive and responsible. The contractor was responsive. Purchasing staff reviewed past contracts of a similar nature with this contractor. The contractor has had a contract with the Municipality for thirteen and one-half years. Although there were some problems during that time, those problems were resolved. The Municipality has renewed its options in every instance. There were six Requests For Proposal (RFP), and the contractor was the top choice in five of those RFP's. For those reasons, the contractor was deemed to be responsible as well as responsive.

In response to Mr. Bell, Kenneth Bellamy of the Animal Control Advisory Board confirmed the Board passed a resolution recommending the Assembly not extend the current contract. He said the vote was unanimous, with the exception of one new member who abstained. That member did not feel he had enough experience or information to vote. Mr. Bellamy said the Board members felt a new contract should be let because of things that have occurred over the last year. The Board was supportive of creating a new RFP to try to correct some of the things members felt were wrong with the current contract. He knew of no problems with the RFP process. The Board discussed the possibility of transferring the services in-house, but have not made a recommendation. He felt the consensus was that the contract should be improved before the in-house option is explored.

In response to Mr. Wohlforth, Mr. Vakalis said earlier estimates provided to the Assembly on in-house costs were based on minimal hours and staff. However, the RFP called for certain criteria, so those criteria were applied to the in-house estimates, resulting in a higher figure.

Mr. Wohlforth requested a itemized breakdown of the \$2.3 million estimate, including a description of the source of the variances. He felt the RFP process was good. He would prefer to vote to bring the services in-house prior to voting on the proposed contract award. However, since his resolution on that topic, AR 99-44, was postponed until March 16, he would vote against the proposed contract with regret. He felt that Allvest, who has the current contract, has been under much more stringent review than TLC was when they had the contract. In some areas such as enforcement, there have been very serious problems under Allvest. In other areas, though, Allvest seems to be performing very well. He felt since there have been so many problems with both companies, it might be worthwhile to transfer the services in-house.

Ms. Clementson was opposed to operating animal control by in-house employees. She pointed out it would add a significant amount to the Health and Human Services Department (H&HS) budget. It might result in cutting other H&HS services in order to pay for animal control. She felt the bid process was not flawed, and the contract and expectations were different than when TLC had the contract in the past. She pointed out volunteer provisions were included in the contract.

In response to Mr. Meyer, Mr. Chenier said there were no other RFP's submitted other than the three that were identified to the Assembly. He said there was no record of receipt of an RFP by Sandy Sprinkle. He felt the RFP was clear as to what was expected of a contractor including the provisions of Municipal Code Title 17. Mr. Chenier pointed out there were two pre-proposal meetings held to ensure there was clear understanding among the potential proposers.

In response to Ms. Taylor, Mr. Chenier described the criteria used to rate the respondents to the bid. They were business and service overview; summary work plan; staff organization and experience; budget detail and cost projections; and cost.

Mr. Kendall pointed out for many years, animal control services have been contracted to an outside company. He felt if there was a desire to change that policy, it should have been done much sooner. Since that was not done, the RFP was let by the normal process and a bidder was selected. He felt to propose bringing the services in-house at this point was very disruptive. He pointed out the only action before the Assembly was whether or not to approve a new contract.

Mr. Bell suggested awarding the contract for one year. If the contractor does not perform to expectations, there will be time to evaluate the possibility of transferring the services in-house.

In response to Ms. Clementson, Mr. Vakalis said if animal control services were transferred in-house, existing H&HS employees would have to be diverted to perform those services until new staff could be hired. He pointed out the Municipality did not own any animal control vehicles.

Ms. Clementson felt the process for changing the services to in-house should be careful and well-planned. She said if the contract is approved today, there would still be the opportunity to approve Mr. Wohlforth's resolution, AR 99-44 at a future date.

Chair Von Gemmingen pointed out the division between enforcement and the kennel operations was not completely separate. She agreed that pre-planning and budgeting would be necessary before transferring the services from a contractor to Municipal staff.

Question was called on the motion to approve AM 212-99 and it failed:

AYES: Bell, Von Gemmingen, Clementson, Kendall.

NAYS: Taylor, Wohlforth, Meyer.

5. ADJOURNMENT:

The meeting adjourned at 12:55 p.m.

Chairman

ATTEST:

Municipal Clerk

Date Minutes Amended and Approved: October 12, 1999

VC/db