

MUNICIPALITY OF ANCHORAGE

ANCHORAGE ASSEMBLY

Minutes for Regular Meeting of January 15, 2002

1. CALL TO ORDER:

The meeting was convened at p.m. 5:14 p.m. by Assembly Chairman Dick Traini in the Assembly Chambers, 3600 Denali, Anchorage, Alaska.

2. ROLL CALL:

Present: Honorary Richard Lobdell, Anna Fairclough, Dan Sullivan, Fay Von Gemmingen, Melinda Taylor, Doug Van Etten, Dick Traini, Dan Kendall, Allan Tesche, Janice Shamberg, Dick Tremaine.
Absent: Cheryl Clementson (excused).

3. PLEDGE OF ALLEGIANCE:

The pledge was led by the Honorable Mr. Richard Lobdell, former Assemblymember.

Chairman Traini welcomed Mr. Lobdell as the twelfth Assemblymember. Chairman Traini presented Mr. Lobdell with a plaque for 41 years of broadcasting excellence, and a nameplate.

Mr. Lobdell thanked the Assembly. He knew nothing about the public process when he first got involved with the Assembly and the School Board. The first thing he learned was to take each issue one at a time, complete it and move onto the next issue. He admired the members of the Assembly and the School Board for the work they did.

Mr. Tremaine said it had been a pleasure to be on the radio station with Mr. Lobdell. He felt they were different philosophically, but united in the spirit of getting information out and generating discussions. He thanked Mr. Lobdell for his years of service in both the past and the future.

Mr. Sullivan thanked Mr. Lobdell for what he had done in broadcasting and youth sports over the years. Mr. Lobdell's drive, dedication and access to the airways has enabled him to accomplish a lot for the children of Anchorage. Mr. Lobdell was always extremely prepared for his show. He read about the issues and had pertinent and compelling questions to ask. He always provided his guest the opportunity to present their side of the issue and provided the public the opportunity to ask questions. He thanked Mr. Lobdell for his years of service and dedication to the community.

Mr. Kendall said his first encounter with Mr. Lobdell on the radio had been fun. As a radio communicator, Mr. Lobdell has taught Mr. Kendall how to talk on the radio, which was a real art. He expressed appreciation for everything Mr. Lobdell had done for the Chugiak/Eagle River area.

Ms. Von Gemmingen thanked Mr. Lobdell for his service to Anchorage. He was always prepared with newspaper clippings and lists of questions. After he completed his list, he would always afford his guest the opportunity to complete their list of questions. He knew his listeners well. She appreciated his ability to shut off the people who were not kind or went astray in their comments.

4. MINUTES OF PREVIOUS MEETING: None.

5. MAYOR'S REPORT:

Mayor Wuerch said the AWARE Academy was a success. They held three classes and over 100 people were trained. They had already enrolled another 500 people. There is a great demand for citizens wanting to know what they can do to be better prepared. AWARE stands for Anchorage Watchful Alert and Ready for Emergencies. Mayor Wuerch said he was delighted to have Mr. Lobdell attend the Assembly meeting.

6. ASSEMBLY CHAIR'S REPORT:

Chairman Traini said this item was discussed earlier in the meeting. See item 3.

7. COMMITTEE REPORTS:

Ms. Fairclough said she and Mr. Traini were successful in Juneau and made the acquaintance of many senators and representatives of the state. They felt they had opened channels with the legislature. It appeared this would be a rough year for the legislators and they needed support from the municipal government, Anchorage citizens and the state. The legislature was not looking forward to the insurmountable task of working with a budget with an \$850,000,000 deficit. It was also an election year and they were trying not to implement new taxes. The legislature would be working hard to come up with a fiscal solution.

Ms. Taylor said she received a phone call from a constituent regarding the state's towing contract. There were roughly eight vendors in rotation. One vendor was called Aurora Towing and one was called Aurora Transportation. These two vendors were owned by the same people and used the same trucks and staff, but they were in the rotation twice. She requested the legal department to provide information on the issue.

In response to Ms. Taylor, Municipal Attorney Dennis Wheeler said he was familiar with the issue and would provide Ms. Taylor with some information in the next few days.

8. ADDENDUM TO AGENDA:

Mr. Sullivan moved, to amend the agenda to include the addendum items.
seconded by Ms. Fairclough,

Chairman Traini read the addendum items.

Question was called on the motion to amend the agenda to include the addendum items and it passed without objections.

9. CONSENT AGENDA

Ms. Fairclough moved, to approve all items on the consent agenda as amended.
seconded by Ms. Taylor,

A. RESOLUTIONS FOR ACTION - PROCLAMATIONS AND RECOGNITIONS:

- 1. Resolution No. AR 2002-25, a resolution of the Anchorage Municipal Assembly recognizing the **Third Annual Martin Luther King, Jr. Candlelight Vigil** on Tuesday, January 15, 2002, Assemblymembers Taylor, Clementson, Fairclough, Kendall, Shamberg, Sullivan, Tesche, Traini, Tremaine, Van Etten, and Von Gemmingen. (**addendum**)

Ms. Taylor requested this item be considered on the Regular Agenda. See item 10.A.

B. RESOLUTIONS FOR ACTION - OTHER:

- 1. Resolution No. AR 2002-7, a resolution of the Anchorage Municipal Assembly approving the professional services selection for **Polaris K-12 School Addition and Renovation – Design Services**, Anchorage School District.
 - a. Assembly Memorandum No. AM 11-2002.
- 2. Resolution No. AR 2002-8, a resolution of the Anchorage Municipal Assembly approving the professional services selection for **Ptarmigan Elementary Addition and Renovation – Design Services**, Anchorage School District.
 - a. Assembly Memorandum No. AM 12-2002.
- 3. Resolution No. AR 2002-19, a resolution authorizing the Municipality of Anchorage, Port of Anchorage, to enter into a Transfer of Responsibilities Agreement in the amount of \$15,000 with the Department of Transportation and Public Facilities, State of Alaska, for a **cadastral survey of alternative port access alignments** and appropriating these funds to the Port of Anchorage Capital Improvement Fund (571), Port of Anchorage.
 - a. Assembly Memorandum No. AM 52-2002.
- 4. Resolution No. AR 2002-20, a resolution of the Municipality of Anchorage appropriating supplemental award of \$34,657 to the State Categorical Grants Fund (231) from the Alaska Department of Labor and Workforce Development for the PY 2001 Workforce Investment Act Title 1B **Youth Program** within the Planning Department.
 - a. Assembly Memorandum No. AM 53-2002.
- 5. Resolution No. AR 2002-21, a resolution of the Municipality of Anchorage appropriating \$38,700 from the State of Alaska, Department of Community and Economic Development, to the State Categorical Grants Fund (231) for continuing implementation of the **Anchorage Coastal Management Program**, Planning Department.
 - a. Assembly Memorandum No. AM 54-2002.
- 6. Resolution No. AR 2002-22, a resolution authorizing the Municipality of Anchorage Traffic Department to enter into a Transfer of Responsibilities Agreement (TORA) in the amount of \$33,000 with the State of Alaska, Department of Transportation and Public Facilities and financing the ~~2001~~ **2002 Anchorage Household Travel Survey** and appropriating these funds to the State Categorical Grants Fund (231), Traffic Department.
 - a. Assembly Memorandum No. AM 55-2002.

Mr. Van Etten requested this item be considered on the Regular Agenda. See item 10.B.

- 7. Resolution No. AR 2002-27, a resolution of the Anchorage Municipal Assembly appropriating \$50,000 from the Anchorage Metropolitan Police Service Area to the Police Department to replace the **tactical rifle inventory** for the Crisis Intervention Response Team, Assembly Chair Traini. (**addendum**)
 - a. Assembly Memorandum No. AM 80-2002.

Ms. Fairclough requested this item be considered on the Regular Agenda. See item 10.B.

C. BID AWARDS: None.

D. NEW BUSINESS:

- 1. Assembly Memorandum No. AM 58-2002, **Planning and Zoning Commission appointments** (Ken Klein, Dan Coffey, Gayle Knepper), Mayor’s Office.

Ms. Fairclough requested this item be considered on the Regular Agenda. See item 10.D.

- 2. Assembly Memorandum No. AM 59-2002, **Airport Aviation Advisory Commission appointments** (Dr. Jerry Prevo, Debra Loughlin), Mayor’s Office.

3. Assembly Memorandum No. AM 60-2002, **Transportation Commission reappointments** (Anthony Lombardo, Bruce Webb), Mayor's Office.
4. Assembly Memorandum No. AM 62-2002, 2002/2003 Liquor License Renewals: **Sullivan's** (#3412) – Beverage Dispensary; **Kmart #3580** (#3426) – Package Store (Downtown, Mt. View & Russian Jack Community Councils), Clerk's Office.
5. Assembly Memorandum No. AM 63-2002, 2002/2003 Liquor License Renewals: **Sourdough Mining Co.** (#2496), **The Spare Room** (#505), **Anchorage Billard Palace** (#2742), **Chartroom** (#141), **Hot Rods** (#3165), **Bruins** (#1043), **Top of the World** (#1157) – Beverage Dispensary; **Bootleggers Cove** (#152), **Value Liquor #4** (#1197), **Value Liquor #6** (#660), **Value Liquor #1** (#1044), **Value Liquor #3** (#1199), **The Liquor Store** (#469) – Package Store; **35+ Singles Club** (#1494) – Club; **Hogg Bros. Café & Watering Trough** (#1872) – Restaurant/Eating Place (Campbell Park, Taku/Campbell, Fairview, Bayshore/Klatt, Northeast, Sand Lake, Government Hill, Spenard & Downtown Community Councils), Clerk's Office.
6. Assembly Memorandum No. AM 64-2002, 2002/2003 Liquor License Renewals: **Snow Goose Restaurant** (#4058) – Beverage Dispensary; **Snow Goose Brewery** (#4059) – Brewpub (Downtown Community Council), Clerk's Office.
7. Assembly Memorandum No. AM 65-2002, 2002/2003 Liquor License Renewals: **Upper One** (#1187), **Cheers-Duplicate** (#1953) – Beverage Dispensary; **Frontier Lounge** (#2598) – Beverage Dispensary-Tourism (Turnagain & Sand Lake Community Councils), Clerk's Office.
8. Assembly Memorandum No. AM 66-2002, 2002/2003 Liquor License Renewals: **Annarae's** (#508), **Romano's Trattoria** (#977) – Beverage Dispensary (Spenard Community Council), Clerk's Office.
9. Assembly Memorandum No. AM 67-2002, 2002/2003 Liquor License Renewals: **Phyllis's Café** (#3266), **Jamico's Pizzeria** (#3889) (Downtown & Mt. View Community Councils), Clerk's Office.
10. Assembly Memorandum No. AM 68-2002, 2002/2003 Liquor License Renewals: **Buckaroo Club** (#185), **Applebee's** (#3948) – Beverage Dispensary; **Buckaroo Liquors** (#186), **Yukon Spirits** (#996) – Package Store; **Panda Restaurant** (#3077) – Restaurant/Eating Place (Spenard Community Councils), Clerk's Office.
11. Assembly Memorandum No. AM 69-2002, 2002/2003 Liquor License Renewal: **Viking Club** (#1579) – Club (Taku/Campbell & Bayshore/Klatt Community Councils), Clerk's Office.
12. Assembly Memorandum No. AM 70-2002, 2002/2003 Liquor License Renewal: **Casa Grande** (#3009) – Beverage Dispensary (Spenard & Rogers Park Community Council), Clerk's Office.
13. Assembly Memorandum No. AM 71-2002, 2002/2003 Liquor License Renewals: **Homestead Lounge** (#2895) – Beverage Dispensary; **Tokyo Garden** (#4063) – Restaurant/Eating Place (Eagle River & Spenard Community Councils), Clerk's Office.
14. Assembly Memorandum No. AM 72-2002, 2002/2003 Liquor License Renewal: **River City** (#2988) – Beverage Dispensary (Eagle River Community Council), Clerk's Office.
15. Assembly Memorandum No. AM 48-2002, proprietary purchase for furnishing Wallace & Tiernan and Flygt **pump parts** from Alaska Pump & Supply, Inc. for the Municipality of Anchorage, Anchorage Water and Wastewater Utility (\$75,000), Purchasing.
16. Assembly Memorandum No. AM 49-2002, recommendation of award to PM&E Services, LLC and Locher Project Management and Construction Consulting for providing **project management services** for the Municipality of Anchorage, AWWU (RFP 21-P059) (\$400,000), Purchasing.
17. Assembly Memorandum No. AM 50-2002, recommendation of award to Quest Engineering, Inc. to provide and install a **radio frequency Automated Meter Reading system** for the Municipality of Anchorage, Anchorage Water and Wastewater Utility (RFP 21-P047) (\$1,100,000), Purchasing.

Mr. Sullivan requested this item be considered on the Regular Agenda. See item 10.D.

18. Assembly Memorandum No. AM 51-2002, amendment No. 1 to professional engineering services contract with HDR Alaska, Inc. for the **Eklutna Bridge rehabilitation**, PM&E Project No. 98-29, Federal/State Project No. BR-001(183)/53945 (\$205,297), Project Management & Engineering.
19. Assembly Memorandum No. AM 76-2002, contract amendment No. 2 to CEF, Inc. dba Sonshine Enterprises, **construction of Campbell Terrace Subdivision R.I.D.**, Contract No. C-211680, Project No. 00-25 (\$193,380), Project Management & Engineering.

E. INFORMATION AND REPORTS:

1. Information Memorandum No. AIM 5-2002, Internal Audit Report 2001-9, **Permit Center, Development Services Department**, Office of Planning, Development & Public Works/Internal Audit.

Ms. Von Gemmingen requested this item be considered on the Regular Agenda. See item 10.E.

F. ORDINANCES AND RESOLUTIONS FOR INTRODUCTION:

1. Ordinance No. AO 2002-8, an ordinance amending the zoning map and providing for the rezoning of approximately 0.13 acres from R-3 (Multi Family Residential District) to I-1 (Light Industrial District) for **Third Addition Subdivision, Block 23B, Lot 5A**, generally located on the northeast corner of 15th Avenue and Orca Street (Fairview Community Council) (Planning and Zoning Commission Case 2001-152) Planning Department. P.H. 2-26-02.
 - a. Assembly Memorandum No. AM 56-2002.

- 2. Ordinance No. AO 2002-9, an ordinance of the Municipality authorizing the Heritage Land Bank to execute a ground lease for less than fair market value between the Municipality of Anchorage and Catholic Social Services for a **replacement structure for the Brother Francis Shelter** on HLB Parcel 4-021 and amending the 2002 HLB Capital Budget. P.H. 2-26-02. **(TO BE SUBMITTED)**
 - a. Assembly Memorandum No. AM 73-2002.
- 3. Resolution No. AR 2002-23, a resolution of the Municipality of Anchorage Assembly appropriating ~~\$115,000~~ \$160,000 from the Heritage Land Bank General Fund (221) to the Heritage Land Bank Capital Fund (421) for **environmental assessment, soil removal and facility demolition on HLB Parcel #4-021**, (Brother Francis Shelter), and amending the 2002 General Government Capital Improvement Budget and amending the 2002-2007 General Governmental Capital Improvement Program Budget, Heritage Land Bank. P.H. 2-26-02.
 - a. Assembly Memorandum No. AM 57-2002.

Ms. Fairclough requested this item be considered on the Regular Agenda. See item 10.F.

- 4. Resolution No. AR 2002-24, a resolution of the Municipality of Anchorage appropriating supplemental award of \$324,484 to the State Categorical Grants Fund (231) from the Alaska Department of Labor and Workforce Development for the **PY 2001 Workforce Investment Act Administrative Grant** within the Planning Department. P.H. 1-29-02.
 - a. Assembly Memorandum No. AM 75-2002.
- 5. Resolution No. AR 2002-26, a resolution of the Municipality of Anchorage appropriating \$199,000 from the Southcentral Foundation to the Federal Categorical Grants Fund (241) for **emergency alcohol services** in the Department of Health and Human Services. P.H. 1-29-02. **(addendum)**
 - a. Assembly Memorandum No. AM 77-2002.
- 6. Ordinance No. AO 2002-12, an ordinance of the Anchorage Municipal Assembly providing for the submission to the qualified voters of the Municipality of Anchorage at its next regular election on April 2, 2002 an advisory proposition on the **question of whether the citizens of Anchorage shall urge the Alaska Legislature to resolve the subsistence issue** by placing a constitutional amendment before the voters at the November 2002 General Election, Assemblymembers Traini, Tesche, Von Gemmingen, Tremaine, Taylor, Shamberg, and Van Etten. **(addendum)**
 - a. Assembly Memorandum No. AM 81-2002.

Mr. Tesche requested this item be considered on the Regular Agenda. See item 10.F.

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

AYES: Sullivan, Von Gemmingen, Taylor, Van Etten, Traini, Fairclough, Kendall, Tesche, Shamberg, Tremaine.
NAYS: None.

10. REGULAR AGENDA:

A. RESOLUTIONS FOR ACTION - PROCLAMATIONS AND RECOGNITIONS:

- 1. Resolution No. AR 2002-25, a resolution of the Anchorage Municipal Assembly recognizing the **Third Annual Martin Luther King, Jr. Candlelight Vigil** on Tuesday, January 15, 2002, Assemblymembers Taylor, Clementson, Fairclough, Kendall, Shamberg, Sullivan, Tesche, Traini, Tremaine, Van Etten, and Von Gemmingen. **(addendum)**

Ms. Taylor moved, to approve AR 2002-25.
seconded by Mr. Tesche,
and it passed without
objection,

Ms. Taylor read the resolution.

Ms. Celeste Hodges said the NAACP, the largest and oldest civil rights organization in the world, was dedicated to keeping Martin Luther King’s dream alive. Martin Luther King Jr. had a dream. He envisioned a world where everyone, regardless of their race, color or creed, would be treated equally and fairly. We know that despite the gains made by African-Americans and other minorities, racism continues today. It is in our world, our country and our community. When Martin Luther King III, Martin Luther King Jr.’s son, visited our community last September, he enlightened her and left her with a humbling experience to see that the vision that Martin Luther King Jr. had was instilled within Martin Luther King III. On behalf of the NAACP, its officers and executive committee, she thanked the Assembly for the proclamation. She hoped to see the Assemblymembers at the event honoring Dr. Martin Luther King Jr.

B. RESOLUTIONS FOR ACTION - OTHER:

- 1. Resolution No. AR 2002-22, a resolution authorizing the Municipality of Anchorage Traffic Department to enter into a Transfer of Responsibilities Agreement (TORA) in the amount of \$33,000 with the State of Alaska, Department of Transportation and Public Facilities and financing the ~~2004~~ **2002 Anchorage Household Travel Survey** and appropriating these funds to the State Categorical Grants Fund (231), Traffic Department.
 - b. Assembly Memorandum No. AM 55-2002.

Mr. Van Etten moved, to approve AR 2002-22.
seconded by Ms. Fairclough,

In response to Mr. Van Etten, Lance Wilber of Community Planning and Development gave a brief presentation and explained some of the characteristics of the Household Travel Survey. The Household Survey would ask people to keep a travel diary, which provided information on where they went, how they got there and what time of day they traveled. The information was used for all modes of transportation planning, including automobiles, pedestrians, bicycle and transit. The information was used as part of their analysis for long-range planning for transportation improvements. The resolution was an amendment to the current contract to do sampling in the Eagle River area. Eagle River may have some different travel patterns and habits than we originally thought. The last survey was in 1992 and it was for the same purposes of updating their long-range transportation plan. They expected the survey would be administered in April and the results would be available in June.

In response to Mr. Van Etten, Mr. Wilber said the sample size would be roughly 1,400. They would contact over 2,000 people to make sure they got a sample. They would randomly call people and ask them to participate in the process. The survey would require the participants to keep a journal of their travel habits. Following the survey, they would contact the participants and ask them questions about the information they put in the journal.

In response to Mr. Tremaine, Mr. Wilber said this would be the 2002 survey. They awarded the original contract in 2001, but they would be administering it in 2002. They could add a footnote to the published survey stating it was actually in the year 2002 and not 2001.

Question was called on the motion to approve AR 2002-22 and it passed without objections.

- 2. Resolution No. AR 2002-27, a resolution of the Anchorage Municipal Assembly appropriating \$50,000 from the Anchorage Metropolitan Police Service Area to the Police Department to replace the **tactical rifle inventory** for the Crisis Intervention Response Team, Assembly Chair Traini. **(addendum)**
Assembly Memorandum No. AM 80-2002.

Mr. Tremaine moved, to approve AR 2002-27.
seconded by Ms. Von Gemmingen,

Ms. Fairclough moved, to postpone AR 2002-27 until January 29, 2002.
seconded by Ms. Taylor,
and it passed without
objections,

C. BID AWARDS: None.

D. NEW BUSINESS:

- 1. Assembly Memorandum No. AM 58-2002, Planning and Zoning Commission appointments (Ken Klein, Dan Coffey, Gayle Knepper), Mayor’s Office.

Ms. Fairclough moved, to approve AM 58-2002.
seconded by Mr. Tremaine,

Mr. Tremaine pointed out that this was for informational purposes only, because there was a 10-day public comment period. They would take action on January 29, 2002.

Ms. Fairclough moved, to divide the question into three parts. Each commission
seconded by Ms. Shamberg, member being appointed would be voted on separately on
January 29, 2002.

Question was called on the motion to divide the question into three parts and it passed with Mr. Kendall and Mr. Sullivan objecting.

- 2. Assembly Memorandum No. AM 50-2002, recommendation of award to Quest Engineering, Inc. to provide and install a **radio frequency Automated Meter Reading system** for the Municipality of Anchorage, Anchorage Water and Wastewater Utility (RFP 21-P047) (\$1,100,000), Purchasing.

Mr. Sullivan moved, to approve AM 50-2002.
seconded by Ms. Von Gemmingen,

Mr. Sullivan said they received correspondence from one of the bidders on this item. The correspondence had sufficient points to warrant an explanation from the administration on how the winning bid was selected and what compelling items were in the bid that led us to accept a bid that was over \$336,000 more than the person who submitted the correspondence.

In response to Mr. Sullivan, Municipal Manager Harry Kieling said there were some valid questions raised in the correspondence. Mr. Premo and Mr. Mauldin have been looking into this and would like the opportunity to contact the vendor directly. He suggested postponing AM 50-2002 until January 29, 2002.

Mr. Sullivan moved, to postpone AM 50-2002 until January 29, 2002.
seconded by Mr. Tremaine,
and it passed without
objection,

E. INFORMATION AND REPORTS:

1. Information Memorandum No. AIM 5-2002, Internal Audit Report 2001-9, **Permit Center, Development Services Department**, Office of Planning, Development & Public Works/Internal Audit.

Ms. Von Gemmingen moved, to accept AIM 5-2002.
seconded by Ms. Fairclough,

Ms. Von Gemmingen said she was amazed at this report. It was very clear that there were some definite problems in the Permit Center. One of the problems was on page 12. The current owner had purchased the property approximately one year before and the CAMA records were still not updated.

In response to Ms. Von Gemmingen, Mr. Raiskums said he did the audit.

In response to Ms. Von Gemmingen, Chief Fiscal Officer Kate Giard said the Finance Department did not respond to this comment. It was true that the CAMA records have been behind. The State of Alaska has had difficulty transmitting the information during the current year. We get the information on tape and go through and input it into the CAMA system. She felt it was not acceptable to be a year behind. They would take this down to the Property Appraisal Department and get management's response to this particular comment.

In response to Ms. Von Gemmingen, Ms. Giard said they receive the information from the State. The customer service staff goes through the tapes and identifies each sales transaction that took place within the Municipality of Anchorage. It was an inefficient system that was in the process of being improved. The State would be going to a CD ROM system, which would make it less likely that data transactions were missed.

Ms. Von Gemmingen referenced page 19, problem 16. Plan review engineers and inspectors were not consistent with plan evaluations. The plans were being approved, but the inspectors were saying the plans were wrong when they went out to inspect. This was costing the builders a lot of money. Ms. Von Gemmingen referenced page 22, problem 19. A backlog of expired conditional certificates of occupancy was on file. She had been complaining about this for several months. It started when they had a conditional certificate of occupancy regarding the moldy condominiums at Kincaid Terrace. It was brought to their attention that the certificates of occupancy were given out in the middle of the winter when things could not be handled, but they were not cleared in the summertime when they should have been. She urged everyone to read the audit, because it was very informational. She was disappointed that many of the promised changes were not effective until April 2002.

Mayor Wuerch said the administration concurred with Ms. Von Gemmingen's concerns. He referenced the scope paragraph on page 1, which showed this was requested by the administration, because they had the same concerns. Effective next Tuesday, Joe Murdy would be taking over as the head of the department. He asked the Assembly to give Mr. Murdy an opportunity to fix these problems. He had a high degree of confidence in Mr. Murdy's abilities to make substantial and meaningful changes.

Ms. Fairclough said she, Ms. Von Gemmingen, Mr. Campbell and Mr. Otto have been meeting with the inspectors, the homebuilders and the unions. They have had two meetings to date. They would be sitting down as soon as possible with the union and the staff to do some employee training. The administration and the unions have been very responsive in looking at that problem.

In response to Mr. Tremaine, Chief Fiscal Officer Kate Giard said they would look into the issue and provide management's response. They would work with the assessor to determine how widespread the problem was. She felt they were doing the best job that they could with the information that they received from the State. Based on that information, she would request a work session if she felt it was necessary. The assessor and the Finance Department generally provide Assemblymembers with a review of the entire assessment process as they were preparing to release the evaluations for the 2002 year, which would be in early March.

Mr. Tesche thanked Mr. Raiskums and his staff for a fine report. He noted that if Mr. Campbell were present, he and Mr. Tesche would remind the Assembly that last week they passed a resolution creating a special citizens' task force of 16 people, eight of which would be appointed by the Mayor and eight appointed by the Assembly. The task force would follow through with many of the issues raised in the internal audit report with a view towards coming up with specific recommendations on things that could be done to improve the customer service orientation of the building safety area of the city. He recommended that if anyone had individuals they would like to present to the body for consideration, those names should be submitted through the Chair.

Question was called on the motion to accept AIM 50-2002 and it passed without objections.

F. ORDINANCES AND RESOLUTIONS FOR INTRODUCTION:

1. Resolution No. AR 2002-23, a resolution of the Municipality of Anchorage Assembly appropriating ~~\$115,000~~ \$160,000 from the Heritage Land Bank General Fund (221) to the Heritage Land Bank Capital Fund (421) for **environmental assessment, soil removal and facility demolition on HLB Parcel #4-021**, (Brother Francis Shelter), and amending the 2002 General Government Capital Improvement Budget and amending the 2002-2007 General Governmental Capital Improvement Program Budget, Heritage Land Bank. P.H. 2-26-02. Assembly Memorandum No. AM 57-2002.

Ms. Fairclough moved, to introduce an amended title to AR 2002-23.
seconded by Mr. Tremaine,

Ms. Fairclough read the amendments to the title. Line 12, delete the word "fifteen" and insert the word "sixty." Line 12, delete "\$115,000" and insert "\$160,000." Line 15, after HLB Parcel #4-021, insert "(Brother Francis Shelter)."

Question was called on the motion to introduce an amended title and it passed without objections.

Ms. Fairclough, Mr. Tremaine and Mr. Tesche joined in introducing AR 2002-23 as amended. The public hearing was scheduled for February 26, 2002.

2. Ordinance No. AO 2002-12, an ordinance of the Anchorage Municipal Assembly providing for the submission to the qualified voters of the Municipality of Anchorage at its next regular election on April 2, 2002 an advisory proposition on the **question of whether the citizens of Anchorage shall urge the Alaska Legislature to resolve the subsistence issue** by placing a constitutional amendment before the voters at the November 2002 General Election, Assemblymembers Traini, Tesche, Von Gemmingen, Tremaine, Taylor, Shamberg, and Van Etten. (**addendum**)
 - b. Assembly Memorandum No. AM 81-2002.

Mr. Tesche, Ms. Shamberg and Ms. Taylor joined in introducing AM 81-2002. The public hearing was scheduled for January 29, 2002.

Ms. Von Gemmingen, Mr. Tremaine, Ms. Taylor, Ms. Shamberg and Mr. Van Etten requested that their names be added as co-sponsors of AM 81-2002.

Ms. Fairclough objected and registered a no vote. She had recently been in Juneau and told the legislators that the Assembly would talk to them before doing things. This might be a wonderful idea, but she did not appreciate the fact that she did not know about it before she went to Juneau to speak to the legislators.

Mr. Tremaine noted that AM 81-2002 was just introduced and it probably had not been ready last week. He pointed out that AM 81-2002 was for introduction and not for a vote. The ballot language would not have to be set until February 12, 2002 and that should satisfy Ms. Fairclough's intent.

Chairman Traini pointed out that there were three resolutions for introduction and their rules required that this would go forward for public hearing.

Ms. Fairclough said she did not mind AM 81-2002 going forward. She pointed out that the Mayor set an excellent standard with the Alaska Legislature by going to them first and talking with them. No matter what the Assembly decided to do, an open communication line only helped to encourage a productive outcome instead of creating any adversarial affect. She would love to give the voters of Anchorage an opportunity to weigh in on the issue, but she had carried a message to the legislators from the Assembly that the Assembly would communicate with them. She did not want it to come across that Anchorage was going headstrong on an issue that was very sensitive to the entire state. She was afraid that this move would cause friction.

Chairman Traini said nothing in this legislation was strident toward State legislators. The intent of AM 81-2002 was to poll Anchorage citizens on an issue that was dividing the State.

Ms. Fairclough, Mr. Sullivan and Ms. Von Gemmingen joined in introducing AO 2002-13. The public hearing was scheduled for January 29, 2002. (An ordinance of the Anchorage Municipal Assembly amending Anchorage Municipal Code subsection 6.20.020 A. by reenacting the requirements of a dual majority vote for issuance of general obligation bonds in service areas.)

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

- A. Assembly Memorandum No. AM 25-2002, change order No. 5 to contract with Quality Asphalt Paving, Inc. **15th Avenue Safety Improvements, Ingra Street to Sitka Street**, Project No. 98-10 (\$268,420.94), Project Management & Engineering.
(POSTPONED FROM 1-8-02)

Chairman Traini gave the history of AM 25-2002 and noted a motion to approve was on the floor.

Mr. Tesche thanked Mr. Holton, Mr. Hanson and Mr. Wheeler for meeting with him and reviewing all of the issues. He was satisfied with the information they provided and recommended approval of AM 25-2002 by the Assembly.

Question was called on the motion to approve AM 25-2002 and it passed:

AYES: Sullivan, Von Gemmingen, Taylor, Van Etten, Traini, Fairclough, Kendall, Tesche, Shamberg, Tremaine.
NAYS: None.

- B. Assembly Memorandum No. AM 17-2002, **Anchorage Golf Course/O'Malley on the Green** (License #4172) – New Golf Course Liquor License (Abbott Loop & Huffman/O'Malley Community Councils), Clerk's Office.
(AMENDED & POSTPONED FROM 1-8-02)

Chairman Traini gave the history of AM 17-2002 and noted no motion was on the floor.

In response to Mr. Tremaine, Dixie Haas said they received a letter from the applicant requesting that AM 17-2002 be postponed until January 29, 2002, which they could accommodate. The protest date was after January 29, 2002, but January 29, 2002 would be the last meeting that the Assembly would have to deal with the issue.

Mr. Tremaine said there were some issues raised concerning section 04.11.115, golf course license in state, about how many other beverage licenses the applicant could own. The legal department has been looking into this issue. He hoped they would have complete opinions and conclusions from the legal department, the State Alcoholic Beverage Control (ABC) Board and all the State's departments at that time so they could make an informed decision.

Mr. Tremaine moved, to postpone AM 17-2002 until January 29, 2002.
seconded by Mr. Tesche,
and it passed without
objection,

- C. **Resolution No. AR 2001-357**, a resolution of the Municipality of Anchorage revising AR No. 98-28 **eliminating the site condition from the YMCA’s CDBG grant**, Planning Department.
 - 1. Assembly Memorandum No. AM 980-2001.
(CARRIED OVER FROM 12-11-01; POSTPONED FROM 12-18-01)

Chairman Traini gave the history of AR 2001-357 and noted no motion was on the floor.

Ms. Fairclough moved, to approve AR 2001-357.
seconded by Ms. Shamborg,

In response to Chairman Traini, Planning Department Director Sue Fison said she was at the meeting and they voted in favor of AR 2001-357 unanimously.

Question was called on the motion to approve AR 2001-357 and it passed:

AYES: Sullivan, Von Gemmingen, Taylor, Van Etten, Traini, Fairclough, Kendall, Tesche, Shamborg, Tremaine.
NAYS: None.

- D. **Ordinance No. AO 2001-174**, an ordinance amending the **Updated Far North Bicentennial Park Master Plan** to allow development of active recreation sports fields at the designed community park site located in the southwest corner of Far North Bicentennial Park, Project Management and Engineering Department.
 - 1. Assembly Memorandum No. AM 874-2001.
(CONTINUED FROM 11-20-01 AND 12-11-01; PUBLIC HEARING CLOSED 12-18-01 CARRIED OVER FROM 12-18-01)

Chairman Traini noted that he would need a motion to postpone AM 874-2001, because Ms. Clementson was not present at the meeting.

Mr. Kendall moved, to postpone AM 874-2001 until January 29, 2002.
seconded by Mr. Tesche,
and it passed without
objection,

The meeting recessed at 6:06 p.m. and reconvened at 6:38 p.m.

- 12. **APPEARANCE REQUESTS (SHALL BEGIN NO EARLIER THAN 6:00 P.M. AND NO LATER THAN 7:00 P.M.):** None.
- 13. **CONTINUED PUBLIC HEARINGS (SHALL BEGIN NO EARLIER THAN 6:00 P.M. AND NO LATER THAN 7:00 P.M.):** None.
- 14. **NEW PUBLIC HEARINGS (SHALL BEGIN NO EARLIER THAN 6:00 P.M. AND END NO LATER THAN 10:30 P.M.):**

- A. **Resolution No. AR 2002-2**, a resolution authorizing the Municipality of Anchorage, Public Transportation Department, to enter into a Transfer of Responsibilities Agreement (TORA) in the amount of \$147,250 with the State of Alaska, Department of Transportation and Public Facilities, for financing the implementation of a **Public Transportation Marketing Program** and appropriating these funds to the State of Categorical Grants Fund (231), Public Transportation Department.
 - 1. Assembly Memorandum No. AM 3-2002.

Chairman Traini opened the public hearing and asked if anyone wished to speak. There was no one, and he closed the public hearing.

Ms. Fairclough took a point of personal privilege. She said the Assembly would be moving quickly and if Mr. Coffey was watching at home, he might want to come down with his client.

Mr. Tremaine moved, to approve AR 2002-2.
seconded by Ms. Von Gemmingen,

In response to Mr. Tremaine, Mr. Kniefel said the funding for the Marketing Program would be emphasizing the new route restructure. They would need to take the consultant’s results and what they adopted as their plan and sell that to the public. The majority of the money would be going towards that effort.

In response to Mr. Tremaine, Mr. Kniefel said the consultant would be in town next week with the first set of recommendations. They would be going out to the public with those recommendations. They would be back before the Assembly in February to report the results. The Assembly approved the funding of the Hillside bus service and the late evening and weekend service through the end of June. When they came back before the Assembly, they would be discussing a plan for the rest of the year and how they would make that work. The increased bus fares were surprisingly quiet and they have only had a few phone calls. The bus drivers have been pleasantly surprised. They had some glitches the first couple of days with people trying to buy a day pass on the bus, but they were getting that worked out. They generally have 700 to 800 people a day using day passes and transfers. As of yesterday, they had almost 1,400 people who were using them. They have had very little feedback.

In response to Mr. Sullivan, Mr. Kniefel said their policy was to require \$1.25 for the fares. Typically the bus drivers know most of the passengers on the route and the first day or so they might have let them ride for the old fare of \$1.00. People seemed to understand about the fare increase and it was working.

In response to Mr. Lobdell, Mr. Kniefel said they planned on doing the marketing in-house. They would be starting a new program on March 1, 2002 called Books on Buses. They were working with several agencies in town that had available books. They would be having a promotion each month for the rest of the year starting in March. They would have free bus service on Thursdays for children going to the library for the library's special programs.

Ms. Taylor complimented Mr. Kniefel on the ads for the bus service. She felt they were well done and quality advertising.

Question was called on the motion to approve AR 2001-357 and it passed:

AYES: Sullivan, Von Gemmingen, Taylor, Van Etten, Traini, Fairclough, Kendall, Tesche, Shamberg, Tremaine.
NAYS: None.

- B. Resolution No. AR 2002-3, a resolution authorizing the Municipality of Anchorage, Public Transportation Department to enter into a Transfer of Responsibilities Agreement (TORA) in the amount of \$318,500 with the Department of Transportation and Public Facilities, State of Alaska, for the **Municipal Share-A-Ride Program** and appropriating these funds to the State Categorical Grants Fund (231), Public Transportation Department.
1. Assembly Memorandum No. AM 4-2002.

Chairman Traini opened the public hearing and asked if anyone wished to speak. There was no one, and he closed the public hearing.

Mr. Kendall moved, to approve AR 2002-3.
seconded by Ms. Fairclough,

In response to Mr. Tremaine, Mr. Kniefel said the current Share-A-Ride Program had two components, the vanpools and the car pools. They have 18 vanpools and 15 of them are from the Matanuska-Susitna Valley, one from Eagle River and two going to Girdwood. There was a group setup in Girdwood to discuss the issue. They would be meeting the first part of February to talk about the School District, the vanpool program and what the people of Girdwood wanted to do with their transportation issues. They were open to various ideas.

In response to Ms. Shamberg, Mr. Kniefel said the cost for the vans was based upon the mileage. Typically from the Matanuska-Susitna Valley it would cost about \$75 a month if they filled the van. They rent the van out as a whole, so if there were only three people in the van, they would split the \$900 a month charge among the three passengers. If the van were full, it would cost each person about \$75 a month. The driver was also considered a passenger, but he received free service for being the driver. The cost of running the vans would be less expensive than running a bus service in that area. There was a gentleman who wanted to start a bus service from the Matanuska-Susitna Valley into Anchorage. His prices would be about \$180 a month to provide a similar service. The only cost to the city deals with the contractor who makes sure that the vehicles are maintained and the drivers are trained in driving and safety procedures. The vehicle occupants paid the other costs, including the fuel, operation and maintenance of the vehicles. Federal dollars were used to purchase the vehicles and the Municipality of Anchorage owns them.

In response to Mr. Sullivan, Mr. Kniefel said there was no requirement for the drivers to have a CDL license, because they have less than 15 seats in the vehicles. They require CDL licenses of their drivers for paratransit services even though most of those vehicles have less than 15 seats. He did not know of any insurance ramifications for having civilian drivers. They had one rollover accident on the road going up to Alpenglow many years ago. Other than that, they have not had any major suits against them.

Question was called on the motion to approve AR 2002-03 and it passed:

AYES: Sullivan, Von Gemmingen, Taylor, Van Etten, Traini, Fairclough, Tesche, Shamberg, Tremaine.
NAYS: None.

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

- C. Resolution No. AR 2002-4, a resolution of the Municipality of Anchorage appropriating \$976,326 to the State Categorical Grants Fund (231) from the Alaska Department of Labor and Workforce Development for the **PY 2001 Workforce Investment Act Title 1B Adult Program** within the Planning Department.
1. Assembly Memorandum No. AM 5-2002.

Chairman Traini opened the public hearing and asked if anyone wished to speak. There was no one, and he closed the public hearing.

Ms. Von Gemmingen moved, to approve AR 2002-4.
seconded by Ms. Taylor,

Question was called on the motion to approve AR 2002-4 and it passed:

AYES: Sullivan, Von Gemmingen, Taylor, Van Etten, Traini, Fairclough, Tesche, Shamberg, Tremaine.

NAYS: None.

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

- D. Resolution No. AR 2002-5, a resolution of the Municipality of Anchorage appropriating \$1,891,882 to the State Categorical Grants Fund (231) from the Alaska Department of Labor and Workforce Development for the **PY 2001 Workforce Investment Act Title 1B Dislocated Worker Program** within the Planning Department.

1. Assembly Memorandum No. AM 6-2002.

Chairman Traini opened the public hearing and asked if anyone wished to speak. There was no one, and he closed the public hearing.

Mr. Tesche moved, to approve AR 2002-5.
seconded by Ms. Von Gemmingen,

Ms. Fairclough said the Dislocated Worker Program was something like when the Alaska Marketplace closed and people were dislocated from their jobs. This fund provides help to get workers back into the workplace. It was a serious matter and affected families dramatically in providing income for their homes and replacing them with employment.

Question was called on the motion to approve AR 2002-5 and it passed:

AYES: Sullivan, Von Gemmingen, Taylor, Van Etten, Traini, Fairclough, Tesche, Shamberg, Tremaine.

NAYS: None.

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

- E. Resolution No. AR 2002-6, a resolution of the Municipality of Anchorage appropriating \$9,400,000 from the MOA Trust Reserve Fund Balance (731), as a **contribution to the Areawide General Fund** (101), Finance Department.

1. Assembly Memorandum No. AM 7-2002.

Chairman Traini opened the public hearing and asked if anyone wished to speak. There was no one, and he closed the public hearing.

Mr. Tremaine moved, to approve AR 2002-6.
seconded by Mr. Sullivan,

In response to Ms. Fairclough, Ms. Frasca said the fund balance was not yet available. The Finance Department was still closing out the 2001 accounts. The fund balance that they were determining right now was the amount that could be applied to the 2002 budget. The \$9,400,000 was going to pay for the 2001 budget. It was done after the close and the earnings earned during 2001 helped to cover 2001 services. The \$9,400,000 was for 2001 and not 2002.

Mr. Sullivan felt the action emphasized rather dramatically the situation they were in and the need for an endowment methodology with their trust funds. They have about \$140,000,000 in trust accounts. When they sold ATU, part of the commitment was that money from those accounts, the interest earned, would pay \$9,400,000 every year into the general fund. This year those investments made no money, so we were taking the entire amount of money from the reserve fund. He pointed out that they could not keep taking from their savings account to pay for the budget. He looked forward to the administration's proposal on the trust account endowment methodology.

Mr. Tesche said the item before the Assembly would appropriate \$9,400,000 to the fund balance for the purposes of closing out the FY2001 budget.

In response to Mr. Tesche, Ms. Frasca said this action was contemplated in their approval of the budget. She did not know if the charter required a \$9,400,000 appropriation each year, but the code referenced a dollar amount.

In response to Mr. Tesche, Mr. Moore said the charter did not specify a dollar amount. The charter said annual earnings might be appropriated each year after inflation proofing. The code said up to \$9,400,000 might be taken to replace the dividend from ATU, reduce property taxes or reinvest in the fund. There was no set minimum. The budget has been based on \$9,400,000 since 1999.

Mr. Tesche agreed with Mr. Sullivan that this underscored the need to proceed with a different policy on how they invested the funds and how they applied the dividends to tax reductions and other public purposes.

In response to Mr. Tremaine, Mr. Moore said if the Assembly approved the ordinance to go towards an endowment approach, they should know by April 3rd whether or not the voters approved the charter change. Once you know that, then you will know what you can budget for. After paying the \$9,400,000, the trust fund was at about \$130,000,000 total; \$120,000,000 in the trust and \$10,000,000 in the reserve. Even if the Assembly had to continue with the current language, they would have one year's worth of money to cover 2002, but there would be nothing beyond that. The endowment approach was defined, as they would limit the amount that could be spent each year from the trust fund to five percent of the 12 rolling quarter average market value of the trust. You would look at what the market value had been over 12 consecutive quarters, average that out and multiply it by five percent to get the maximum allowable each year that you could pay as a dividend. We expect that would be about \$7,000,000 per year. The reserve would then make up the difference. The twelve quarters ends March 31, because we wanted to insure with the budgets and the mill rates that we definitely knew where we stood.

Question was called on the motion to approve AR 2002-6 and it passed:

AYES: Sullivan, Von Gemmingen, Taylor, Van Etten, Traini, Fairclough, Kendall, Tesche, Tremaine.
NAYS: None.

(Clerk’s Note: Ms. Shamberg was out of the room at the time of the vote.)

- F. Resolution No. AR 2002-11, a resolution appropriating \$299,313 of Year 2001 Special Assessment and Interest Collections and \$97,641 of Fund Balance within the Special Assessment Bond Redemption Fund (0899) for **Special Assessment Bond Debt Service**, Finance.
 - 1. Assembly Memorandum No. AM 20-2002.

Chairman Traini opened the public hearing and asked if anyone wished to speak. There was no one, and he closed the public hearing.

Mr. Kendall moved, to approve AR 2002-11.
seconded by Ms. Fairclough,

Question was called on the motion to approve AR 2002-11 and it passed:

AYES: Sullivan, Von Gemmingen, Taylor, Van Etten, Traini, Fairclough, Kendall, Tesche, Shamberg, Tremaine.
NAYS: None.

- G. Resolution No. AR 2002-13, a resolution of the Anchorage Assembly adopting recommendations to be forwarded to the Anchorage Metropolitan Area Transportation Study (AMATS) Policy Committee regarding an **amendment to FFY 2001-2003 Transportation Improvement Program (TIP)**, Traffic Department.
 - 1. Assembly Memorandum No. AM 29-2002.

Chairman Traini opened the public hearing and asked if anyone wished to speak. There was no one, and he closed the public hearing.

Ms. Fairclough moved, to continue the public hearing on AR 2002-13 until
seconded by Mr. Tremaine, January 29, 2002.
and it passed without
objection,

Ms. Fairclough said the long-range transportation plan needed to be approved prior to the amendment. There was something in the TIP that was not in the long-range transportation plan and it needed to catch up.

- H. Resolution No. AR 2001-368, a resolution of the Municipality of Anchorage **reaffirming all conditions imposed by the Assembly upon certain liquor licenses** within the Municipality of Anchorage, Assemblymembers Tremaine, Clementson, Fairclough, ~~Kendall~~, Shamberg, Sullivan, Taylor, Tesche, Traini, Van Etten, and Von Gemmingen.

Chairman Traini opened the public hearing and asked if anyone wished to speak.

BRIDGET THOMPSON said she was the owner of Spirits of Alaska #1. She received a certified letter a few days before Christmas stating this was merely a housekeeping measure. She was concerned that it was not being considered on an individual basis. Her conditions were over six years old. They have never been looked at or up for reconsideration. They have no problem with the current conditions and have been operating with them. They just had a compliance check with the Anchorage Police Department and there was a lot of confusion over the language in the conditions. She asked that rather than a blanket reaffirmation that these be considered on an individual basis. She was concerned about a blanket reaffirmation on something that has not been look at or discussed at the community council level or with the owner or with the Anchorage Police Department in over six years.

Ms. Fairclough said the Assembly was looking into a very volatile issue with the Paradise Inn situation. It has become apparent that not all of the conditions that the Assembly has placed on licenses were being treated equally at the State Alcoholic Beverage Control (ABC) Board. They were reaffirming that those conditions were of value to the Municipality of Anchorage and saying so directly to the State Alcoholic Beverage Control (ABC) Board. If Ms. Thompson would like to have her individual license reviewed, it should be done before January 31, 2002. The clerk, Dixie Haas, could look at the criteria on Ms. Thompson’s license to see if there was any modified verbiage that the Assembly could do.

In response to Ms. Fairclough, Ms. Thompson said their conditions were one of the first conditions placed on a liquor license back in 1995 and was probably one of the test cases. She felt there was a lot of verbiage in their conditions that was not necessarily applicable six years later, such as finishing their remodeling and specific things to the condition that would not apply to any other liquor store. The conditions have never been renewed or looked at. Their license came up for renewal last year. The Anchorage Police Department had some problems with their conditions when deciding whether or not they were in compliance. She felt it would make it easier on the Anchorage Police Department when they did the compliance checks if some of the language was cleaned up.

In response to Ms. Fairclough, Dixie Haas said they could review and revise the individual conditions at any time. She did not think the conditions that were imposed by the Assembly were limited to the time frame, especially if the owner was in agreement. She felt there were some housekeeping conditions within the different licensees that could be addressed throughout the year at the Assembly’s leisure.

Ms. Fairclough said she was under the impression that if the Assembly wanted to change something on a license that they either had to do it when the license was renewed or within the month of January.

In response to Mr. Tesche, Ms. Thompson said her establishment was located at 12th and Gambell, which was within the Fairview Community Council. She would not have any problem asking the Fairview Community Council to look at revisions and updates of her restrictions at their next meeting.

Mr. Tesche suggested having the Fairview Community Council review the conditions of Ms. Thompson's license and make a recommendation to the Assembly on proposed changes.

In response to Mr. Sullivan, Mr. Wheeler said the statutes speak to whether or not you can protest during the renewal period or during the second year of operation of the license. Whether or not conditions could be modified was an open question. He did not see a clear-cut answer to that question in the statutes and he did not know what the State Alcoholic Beverage Control (ABC) Board would do with that. He suggested checking with the State Alcoholic Beverage Control (ABC) Board to see what they would do.

In response to Mr. Sullivan, Ms. Fairclough said the Paradise Inn's conditions changed outside of the appropriate time and that was why it was back before the Assembly. The State Alcoholic Beverage Control (ABC) Board had denied those particular conditions being applied to the license.

Ms. Von Gemmingen said it was her understanding that January was the month they had to protest, but it did not have anything to do with putting conditions on the licenses. The Paradise Inn was back before the Assembly, because the conditions were put on prior to the law being passed.

KEE BOHNG said he was from Mom and Pop's Grocery and Liquor. He had a condition put on his liquor license in 1997. He did not understand why the condition was still there or if there was any way he could have the condition removed. His license was up for renewal last year, but it did not come up as an agenda item and he would like to find out why. The condition was to reappear before the Assembly at the first regular meeting of December 1997 to review the general operations of the licensee and the criminal activity in the immediate vicinity of the licensed premises. It was a broad statement. There have been two liquor license renewals and one license transfer between 1997 and the present time. No one has told them anything about what needed to be done to have the conditions removed or reviewed. He took the business over from his parents. His parents were at the meeting in 1997, but no one talked about it or put it up as an agenda item to discuss it, so his parents thought everything was all right with the Assembly. Nothing had been done as far as staying on top of the condition that was imposed on their liquor license back in 1997.

In response to Mr. Sullivan, Mr. Bohng said the meeting was scheduled for December 1997. His parents took over the business and the license was transferred in May of 1997.

Mr. Sullivan pointed out that if a meeting had been scheduled several years ago then the condition had been satisfied.

In response to Mr. Sullivan, Mr. Bohng said the Assembly was supposed to discuss the condition in December when his parents renewed their liquor license. They were assuming that the condition had been satisfied.

Mr. Sullivan said when Mr. Bohng's license came up for renewal, he could ask the Assembly to formally remove the condition and they would probably do that. He should have something in writing asking the Assembly to remove the condition from his license at his next renewal. The Assembly could then take that up as a separate item and remove the condition from his license.

In response to Mr. Sullivan, Mr. Bohng said he received a letter saying that there was an Assembly meeting on the issue of reaffirming all of the conditions that were imposed on liquor licenses. His license expired as of December 31, 2001. He applied for a renewal of the liquor license, but he had not received it yet.

In response to Ms. Fairclough, Mr. Bohng said he was located at 601 West 36th Avenue, which was at 36th Avenue and one block off of Arctic Boulevard. He said he would go to his Community Council to get a recommendation from them. He applied for a liquor license renewal a couple of months ago, but he had not received the new license yet. He thought it would be on today's agenda, but it was not.

MR. COFFEY said 4.11.480 caused the problem and probably led the Assembly to do this in the first place. 4.11.480 said that a local governing body might recommend that a license be issued, renewed, relocated or transferred with conditions. The problem that the Assembly faced was if you were not in one of those capacities, an argument could be made that you are not in compliance. The solution for this year's renewals was to say if you had conditions in the past, you would have them from now on or modify them. If there are some that you feel the necessity of doing when you have the continued operations review for those who are not up for renewal, you could do the same thing. If you do not do it and then somebody like me gets a hold of it later then it would be trouble.

Ms. Fairclough said their clerk, Mr. Moyer, just came up with an excellent idea. Mr. Moyer would be working with Dixie to put forward the conditions with each license that they approve so they could actually look at them.

Chairman Traini asked if anyone else wished to speak. There was no one, and he closed the public hearing.

Mr. Sullivan moved, to approve AR 2001-368.
seconded by Mr. Kendall,

Mr. Kendall said he had been waiting to hear a reason for this, but he had not heard an explanation. He asked to have his name removed as a co-sponsor. He knew from experience that when the Assembly dealt with liquor licenses it had to be a very deliberative, public process that involved individual licenses. This was a blanket summary of the conditions on liquor licenses. He felt it was too broad and he felt they should look at these individually.

Ms. Fairclough moved,
seconded by Mr. Tremaine,
and it passed without
objection,

to amend AR 2001-368 to change line 20 to delete and substitute section 2 that reads “per our legal department, that the Assembly recommends conditions reaffirmed herein be imposed by the ABC Board on the license as conditioned under AS 4.11.480.C.”

Ms. Fairclough accepted Mr. Kendall’s friendly amendment. Rather than deleting line 20, which was the effective immediately language, to renumber section 2 as section 3.

Mr. Tremaine pointed out that the Municipal Attorney stated that this was something that was appropriate and necessary under State law.

Ms. Von Gemmingen reminded the Assemblymembers that they received a book with all the conditions. She agreed with the people who testified that it might be appropriate to review the conditions individually and have the legal department look at them, because some of them were very old.

Mr. Sullivan said he originally supported the intent of the resolution, because there was a need to renew conditions. But it sounded like the Assembly could not deal with conditions in a legal manner unless the license was before them for transfers, renewals, and etcetera. They were putting a blanket condition on a bunch of licenses that were not before them. He felt they could deal with the licenses that were up this January, but he was not sure they could apply this across the board to all licenses based on what they heard about the fact that those conditions were not before the Assembly for a review.

In response to Mr. Sullivan, Mr. Wheeler said the State Alcoholic Beverage Control (ABC) Board has put the Municipality in an awkward position, because any conditions imposed prior to 1999 were not actually imposed on the licenses. They have been operating for two and a half years under a different set of rules. The resolution attempts to be a stop plug until the Assembly has an opportunity to review each individual license and the conditions therein. Although it was true that a violation of conditions not imposed by the State Alcoholic Beverage Control (ABC) Board would prevent them from taking action if those conditions were violated, they could use those conditions and violations for other purposes, such as to bolster your case for some other purpose with respect to a licensee and their behavior. Mr. Coffey raised a good point and this is not a perfect solution. But coupled with a review of the individual licenses, we should get there.

Mr. Sullivan pointed out that Mr. Coffey brought up the point that if the licenses were not before the Assembly for one of those categories then they could not deal with the conditions, but that was what they were doing with the blanket statement. He was not sure what affect this would have on the licenses that were not before the Assembly in January. He suggested that an amendment that dealt only with the licenses that were up for review would be more appropriate.

In response to Mr. Sullivan, Mr. Wheeler said the resolution was an effort to make it clear to the licensees and the State Alcoholic Beverage Control (ABC) Board the position of the Municipality with respect to its conditions. They would follow this up with a review of the individual licenses. It was the department of law’s position that this was still a worthwhile endeavor.

Ms. Fairclough felt the State Alcoholic Beverage Control (ABC) Board’s interpretation and what they have done was something that the Assembly could challenge in court. While this was an interim measure, she would support it, because all of the licenses have had the public hearing process and the conditional uses placed on them by previous bodies under the proper process. They were reaffirming to the board that they expected them to consider all of the conditions that were placed on the licenses. If they choose to deny the conditions, they needed to provide the reason they were denying them and bring that back to the Municipality to be addressed. This blanket was trying to cover a unique interpretation of how the State Alcoholic Beverage Control (ABC) Board was reviewing at least one license that we know of right now.

In response to Mr. Kendall, Mr. Wheeler said it was their intention to notify all of the licensees affected by this. They worked with the Municipal Clerk’s office to make that happen and he had not been advised that there was a problem.

Dixie Haas said they sent out notices to the 30 individuals listed in the binder that the Assembly received. It was not an inclusive binder of all of the liquor licensed establishments that have conditions imposed on them, but it was all that she had a hard copy of at this time. She was in the process of doing the research, which was quite lengthy and in depth and required a good amount of time. She planned on going over to the State Alcoholic Beverage Control (ABC) Board, because their files were much more extensive. They have a cover sheet for every liquor license that has a chronological listing of what has happened to that liquor license from the day it was issued. She planned on getting a copy of that for every liquor license that they had, but she had not had an opportunity to do that. The State Alcoholic Beverage Control (ABC) Board did not have the staff, the time or the inclination to provide it, so she would have to physically go over there and do that herself. At this time they had a list of 30 establishments, but there were more. The additional information would be provided to the Assemblymember and they could add it to their binders. She agreed with the legal department that this was an interim measure. As they go forward and a licensee has concerns, those could be addressed one at a time. If the conditions no longer applied, they could take the time to revise them and either changes them, lift them or clarify them. She recommended the resolution and she felt it was a good measure.

In response to Mr. Kendall, Dixie Hass said this would be an ongoing process. They have approximately 450 licenses. It would be a matter of going over and pulling the files, copying them, returning them and coordinating the time with the State Alcoholic Beverage Control (ABC) Board so she would not interrupt their work flow, as well as being absent from the clerk’s office. It would take more than a couple of months to do 450 licenses. She would like to do them as soon as possible. She would like the information to be correct and as complete as possible before the liquor licenses went online. In the renewal process, the licensee has to turn in their paperwork by December 31 and then the State Alcoholic Beverage Control (ABC) Board processes it and forwards it to us.

Mr. Tesche said he took a slightly different view of this. The attorneys have recommended that we do this in consultation with the Clerk’s office to provide some degree of a stopgap legal protection for these licenses. He understood and respected the comments made by Mr. Coffey. He felt there was a debatable issue legally, but he felt the Assembly would

be better off with the resolution than without it. He did not see the harm in affording the staff this additional protection and would vote in favor of the resolution. With respect to the issue of conditions, the sale and service of alcoholic beverages was the most regulated business that we have. He felt it was incumbent on the holders of licenses to look at those licenses and any conditions that were imposed. When the licensee felt the conditions were no longer applicable or were not clear, the burden should be on them to review those matters and come forward to the Assembly through the Community Council. He questioned if it was a prudent use of the clerk's resources to plow through all of the licenses to see if some restrictions could be lifted or if they made sense. He would rather leave that to the individual licensees. He felt it might be good customer service to send a letter to the licensees reminding them that if they wished to have the conditions reviewed that they were free to do so. He suggested having the licensees run the conditions through their Community Councils and then bringing them back to the Assembly. He felt the review and monitoring of these conditions should come from the licensees, because they were the persons most directly affected by the conditions.

Mr. Moyer, the City Clerk, said this was just one issue on their plate with the State Alcoholic Beverage Control (ABC) Board. He recommended holding a joint meeting with the State Alcoholic Beverage Control (ABC) Board. The Clerk's office's first concern was that their records were thorough and exact. The history information was at the State Alcoholic Beverage Control (ABC) Board. He felt it would take almost a year for the Clerk's office to review all of the files. He recommended having a joint meeting with the State Alcoholic Beverage Control (ABC) Board to discuss these issues.

Chairman Traini asked Mr. Moyer to setup a joint work session with the State Alcoholic Beverage Control (ABC) Board after they were done with the bonds. He asked Mr. Moyer to look into hiring a temporary person to go to the State Alcoholic Beverage Control (ABC) Board to record the conditions on the 450 licenses.

Mr. Sullivan said the Assembly met with the State Alcoholic Beverage Control (ABC) Board just a couple of months ago. He did not recall if there had been any discussion about whether or not the information was computerized. He suggested part of their legislation program should be funding an appropriation for state government to hire somebody to get this information online so that any municipality or city government could access the information.

Chairman Traini said he supported the resolution. He appreciated Mr. Wheeler's work on the issue and Dixie's dedication to the issue.

Question was called on the motion to approve AR 2001-368 as amended and it passed:

AYES: Sullivan, Von Gemmingen, Taylor, Van Etten, Traini, Fairclough, Tesche, Shamberg, Tremaine.

NAYS: Kendall.

15. BOARD OF ADJUSTMENT/ASSEMBLY APPEALS: None.

16. SPECIAL ORDERS: None.

- A. Ordinance No. AO 2002-13, an ordinance of the Anchorage Municipal Assembly amending Anchorage Municipal Code Subsection 6.20.020 A. by **reenacting the requirement of a dual majority vote for issuance of general obligation bonds in service areas**, Assemblymember Fairclough. **(LAID ON THE TABLE)**

17. UNFINISHED AGENDA: None.

18. AUDIENCE PARTICIPATION: None.

19. ASSEMBLY COMMENTS:

Mr. Lobdell said it had been a pleasure to sit in on the public process and he appreciated the opportunity to participate. It was not as intimidating from this angle as it was watching it on television. He wished the Assembly good luck.

Ms. Von Gemmingen said she would be going to Juneau next week for an Alaska Municipal League Board Meeting and Conference of Mayor's Meeting. She asked if anyone had any comments or words of wisdom to send with her.

Mr. Van Etten complimented the City Manager. He and Mr. Tremaine attended the AWARE Program class last Saturday and received four hours of training that gave them a little bit of first aid, firefighting and a big dose of learning what the city has online for emergency preparedness measures in a variety of different hours. He highly recommended that other Assemblymembers take part in one of the classes.

Ms. Fairclough was provided a resolution requesting Merrill Field Airport to improve the landscaping and fencing along 15th Avenue and Orca Street to improve the visual appearance of their property. She would take the resolution down to Mr. Kieling. She thought they wanted to talk about the TIP and so they should review that before January 29, 2002.

Mr. Tesche congratulated Mr. Lobdell on his career and said it was a pleasure to have him at the meeting. He thought this would be a nice tradition and a good way to honor Anchorage citizens who had outstanding careers and contributions. He looked forward to having a few other ex-officio members joining them.

Mr. Tremaine said he would like to take this opportunity, if it was the will of the body, to extend the seat on the Assembly to Mr. Lobdell specifically on February 12, 2002. On February 12, 2002, they would be taking up cat licenses. He felt it would behoove both the Assembly and Mr. Lobdell to have the experience of attending that debate.

Mr. Moyer pointed out that the public hearing for the Animal Control rewrite of Title 17 had been set for February 12, 2002. He talked with the chair of the Animal Advisory Board and their plan was to introduce the revision of Title 17 on February 12, 2002 and a work session has been scheduled with the Assembly to review that. They would like the public hearing to be moved to February 26, 2002.

Mr. Tremaine moved,
seconded by Ms. Von Gemmingen,
and it passed without
objections.

to postpone the public hearing on AR 2002-158
until February 26, 2002.

Mr. Tremaine asked Mr. Moyer to notify the Chairman that he would attend the Animal Advisory Board meeting on Thursday night.

Mr. Moyer said the Animal Advisory Board would be discussing the dog lot issue as well as the Title 17 rewrite.

Chairman Traini asked Mr. Moyer to make sure the meeting was publicly noticed.

20. EXECUTIVE SESSIONS: None.

21. ADJOURNMENT:

Mr. Sullivan moved,
seconded by Mr. Lobdell,

to adjourn the meeting.

The meeting adjourned at 7:52 p.m.

Chairman, Dick Traini

ATTEST:

Municipal Clerk

Date Minutes Approved: _____, 2002

GM/cmw