

MUNICIPALITY OF ANCHORAGE
ANCHORAGE ASSEMBLY

Assembly Chambers, Z. J. Loussac Library
3600 Denali Street, Anchorage, Alaska

Minutes for Regular Meeting of December 7, 2004

1. CALL TO ORDER

The Assembly Meeting was convened by Chair Traini at 5:04 p.m. in the Assembly Chambers, Room 108 of the Loussac Library, 3600 Denali Street in Anchorage, Alaska.

2. ROLL CALL A Quorum was achieved with Assemblymembers present.

PRESENT: Anna Fairclough, Brian Whittle, Dick Tremaine, Dan Sullivan, Dick Traini, Allan Tesche, Ken Stout, Pamela Jennings, Debbie Ossiander, Janice Shamberg and Dan Coffey.

ABSENT: None.

3. PLEDGE OF ALLEGANCE In remembrance of this date, WWII Veteran George Godby led the pledge.

4. MINUTES OF PREVIOUS MEETINGS

4.A. Regular Meeting – October 12, 2004

Mr. Tesche moved, to approve Minutes of the Regular Meeting
Mr. Tremaine seconded, of October 12, 2004.
and this motion was passed unanimously,

5. MAYOR'S REPORT

Mayor Begich stated that he had just returned from Seattle and Tacoma. He signed an agreement with Mayor Greg Nickels of Seattle to work together to increase economic development for both communities, including supporting the development of the Alaska gas line. They agreed to establish an exchange program with their universities, working to expand their business programs. Mayor Begich met with Mayor Bill Baarsma and city leaders of Tacoma to discuss common government interests and projects, including the Cooperative Service Authority, comparing government operating budgets and Tacoma's newly constructed convention center which was very similar to the proposed project for Anchorage. Mayor Begich also traveled to Memphis and Louisville, promoting Anchorage as an international hub for both Fed Ex and UPS. He stated there was interest from a company who manufactured and repaired "igloo" cargo containers and airplanes fuel cells, and was considering Anchorage for possible future international development.

Mayor Begich stated that he wanted to recognize all newly appointed members to boards and commissions, and acknowledged several new appointees in the audience.

6. ASSEMBLY CHAIR'S REPORT None.

7. COMMITTEE REPORTS

Ms. Ossiander stated that the Real Estate Task Force met with contractors to review impacts of Title 21 on specific developments. Their written summary document would be completed and available for review by the end of the year.

8. ADDENDUM TO AGENDA

Chair Traini called for a motion and read the Addendum items. He called for additional items and AR 2004-321 and AO 2004-177 were added. He assigned to these items Agenda Numbers 9.A.1 and 9.F.12, respectively. He then called for additional Addendum items and there being none, he called for a vote to incorporate the Addendum items into the Regular Agenda.

Mr. Tesche moved, to approve the inclusion of the Addendum items into the
Mr. Sullivan seconded, Regular Agenda.
and this motion was passed,

AYES: Fairclough, Whittle, Tremaine, Sullivan, Traini, Tesche, Stout, Jennings, Ossiander, Shamberg and Coffey.
NAYES: None.

Chair Traini called for a motion on the Consent Agenda. Mr. Coffey declared a possible conflict of interest with Agenda item number item 9.D.5 because his law firm represented one of the businesses. Chair Traini ruled that he had a conflict of interest and directed him to abstain from participating with this item.

Mr. Tesche moved, to approve the Consent Agenda.
Mr. Coffey seconded,

Chair Traini called for Assemblymembers to request items be pulled and moved to the Regular Agenda for discussion.

9. **CONSENT AGENDA**

9.A. **RESOLUTIONS FOR ACTION - PROCLAMATIONS AND RECOGNITIONS**

- 9.A.1 Resolution AR 2004-321, a resolution of the Anchorage Municipality Assembly remembering, honoring and recognizing the service of all the men and women who have served their country with honor and courage in the **United States Armed Forces**; Mayor Begich; Assemblymembers Coffey, Fairclough, Jennings, Ossiander, Shamberg, Stout, Sullivan, Tesche, Traini, Tremaine and Whittle. **(Laid on the table)**

Chair Traini requested this item be pulled for review on the Regular Agenda. (See item 10.A.1)

9.B. **RESOLUTIONS FOR ACTION - OTHER**

- 9.B.1. Resolution No. AR 2004-302, a resolution of the Municipality of Anchorage appropriating \$15,200 as a donation from ConocoPhillips to the Miscellaneous Operational Grants Fund (261) for the support of the **Westchester Saturday Family Skate**; Office of Economic & Community Development.
a. Assembly Memorandum No. AM 878-2004.

Mr. Whittle requested this item be pulled for review on the Regular Agenda. (See item 10.B.1)

- 9.B.2. Resolution No. AR 2004-303, a resolution authorizing the disposal of municipal interests on **Tracts A2 and A3, Thomson Industrial Subdivision** (Per Plat 74-153) via relinquishment, the parcels generally located in the SW1/4 of the SE1/4 of Section 6, T12N, R3W, S.M., Alaska (north of East 76th Avenue at King Street); Anchorage Water & Wastewater Utility.
a. Assembly Memorandum No. AM 879-2004.
- 9.B.3. Resolution No. AR 2004-309, a resolution of the Municipality of Anchorage appropriating the sum of \$18,500 from the Alaska Department of Environmental Conservation as a Pass Through Grant from the U.S. Environmental Protection Agency to the State Categorical Grants Fund (231), Department of Health and Human Services for **fine particulate (PM-2.5) monitoring**. **(Addendum)**
a. Assembly Memorandum No. AM 898-2004.
- 9.B.4. Resolution No. AR 2004-310, a resolution of the Anchorage Municipal Assembly approving a **25 year lease of 11.677 acres of land** at market value from the Secretary of the Air Force for \$14,750; Port of Anchorage. **(Addendum)**
a. Assembly Memorandum No. AM 899-2004.

9.C. **BID AWARDS**

- 9.C.1. Assembly Memorandum No. AM 896-2004, recommendation of award to multiple vendors for providing **miscellaneous heavy duty vehicles** to the Municipality of Anchorage, Maintenance & Operations Department (ITB 24-B069) (\$947,958); Purchasing. **(Addendum)**

9.D. **NEW BUSINESS**

- 9.D.1. Assembly Memorandum No. AM 874-2004, **Budget Advisory Commission** appointment (Ron Perry); Mayor's Office.
- 9.D.2. Assembly Memorandum No. AM 875-2004, **Historic Preservation Board** appointment (Karen Soblesky); Mayor's Office.

Ms. Jennings requested this item be pulled for review on the Regular Agenda. (See item 10.D.2)

- 9.D.3. Assembly Memorandum No. AM 876-2004, **Memorial Park Cemetery Advisory Commission** appointment (Ernie Hall); Mayor's Office.
- 9.D.4. Assembly Memorandum No. AM 877-2004, **Women's Commission** appointment (Roberta Goughnour); Mayor's Office.
- 9.D.5. Assembly Memorandum No. AM 863-2004, **El Tango #4451** – Transfer of Ownership for a Beverage Dispensary, Restaurant Designation & Relocation for the Liquor License (Midtown Community Council); Clerk's Office. *(With a ruling from the Chair, Mr. Coffey abstained from participating with this item due to a conflict of interest.)*
- 9.D.6. Assembly Memorandum No. AM 864-2004, **Noble's Diner** – New Restaurant/Eating Place & Restaurant Designation Liquor License (Mt. View & Russian Jack Community Councils); Clerk's Office.
- 9.D.7. Assembly Memorandum No. AM 865-2004, **Hooters #3591** – Transfer of Ownership for a Restaurant/Eating Place and Restaurant Designation Liquor License (Midtown Community Council); Clerk's Office.

Ms. Fairclough requested this item be pulled for review on the Regular Agenda. (See item 10.D.7)

- 9.D.8. Assembly Memorandum No. AM 889-2004, **The Bridge Salmon Bake & Grill #4454** – New Restaurant/Eating Place & Restaurant Designation Liquor License (Downtown and Government Hill Community Councils); Clerk's Office.

Mr. Tesche requested this item be pulled for review on the Regular Agenda. (See item 10.D.8)

- 9.D.9. Assembly Memorandum No. AM 890-2004, **Howard Johnson Plaza Hotel #519** – Transfer of Ownership for a Beverage Dispensary/Restaurant Designation Liquor License (Downtown Community Council); Clerk's Office.

(Clerk's Note: Mr. Coffey clarified that he had not disclosed a possible conflict of interest with this transfer of ownership because it had been presented as Howard Johnson and not Holiday Inn, as he had known it to be. He explained he had not personally done the work on this issue, but it was handled by his associate and his staff.)

9.D.10. Assembly Memorandum No. AM 891-2004, **Hilton Garden Inn #4236** – Transfer of Ownership & Restaurant Designation for a Beverage Dispensary/Tourism Liquor License (Midtown Community Council); Clerk's Office.

9.D.11. Assembly Memorandum No. AM 892-2004, **Homewood Suites #4354** – Transfer of Ownership & Restaurant Designation for a Beverage Dispensary/Tourism Liquor License, Clerk's Office.

Mr. Tremaine requested this item be pulled for review on the Regular Agenda. (*See item 10.D.11*)

9.D.12. Assembly Memorandum No. AM 866-2004, proprietary purchase of **software licenses and annual maintenance support** from Bio-Key International for the Municipality of Anchorage, Anchorage Police Department (\$56,286); Purchasing.

9.D.13. Assembly Memorandum No. AM 867-2004, Change Order No. 5 to Purchase Order 231254 with Magellan Behavioral Health, Inc. for providing **Employee Assistance Program services** to the Municipality of Anchorage, Employee Relations Department (\$128,000); Purchasing.

Mr. Stout requested this item be pulled for review on the Regular Agenda. (*See item 10.D.13*)

9.D.14. Assembly Memorandum No. AM 868-2004, recommendation of award to Alaska DigiTel Wireless Communications, LLC to provide **cellular telephone communication services** for the Municipality of Anchorage, Information Technology Department (RFP 24-P035) (\$165,000); Purchasing.

Deputy Municipal Manager Michael Abbott requested this item be pulled for review on the Regular Agenda. (*See item 10.D.14*)

9.D.15. Assembly Memorandum No. AM 869-2004, Amendment No. 4 to USKH, Inc. professional **architectural/engineering services** Contract No. 230433 for capital improvement projects for the Municipality of Anchorage, Merrill Field Airport (\$159,900).

9.D.16. Assembly Memorandum No. AM 870-2004, proprietary purchase with Wes Tek Marketing to provide an upgrade to the existing **Stancil voice recording system** for the Municipality of Anchorage, Municipal Light & Power (\$41,900); Purchasing.

9.D.17. Assembly Memorandum No. AM 871-2004, Change Order No. 5 to contract with SeaCoast Construction Co., Inc., **2004 Transit ADA construction services**, Project No. 01-63b (\$61,000); Project Management & Engineering.

9.D.18. Assembly Memorandum No. AM 872-2004, approval of Change Order No. 8 to Klondike Advertising, Inc. contract (P.O. No. 231146) for **Safety Incentive Award Program**, in the amount of \$18,000, and extending the contract term through December 31, 2004; Maintenance & Operations Department.

Ms. Ossiander requested this item be pulled for review on the Regular Agenda. (*See item 10.D.18*)

9.D.19. Assembly Memorandum No. AM 873-2004, Amendment No. 1 to Management Agreement with Fire Lake Arena Management, Inc. d/b/a **Harry J. McDonald Memorial Center (HJMMC)** (\$250,000); Office of Economic & Community Development.

9.D.20. Assembly Memorandum No. AM 897-2004, recommendation to enter into an Improvement of Public Place Agreement with Providence Alaska Medical Center for the **Piper Street Upgrade and Signal Reimbursement Project**, 40th Avenue to Tudor Road, Project No. 04-30 (\$2,035,000); Project Management & Engineering. (**Addendum**)

9.E. INFORMATION AND REPORTS

9.E.1. Information Memorandum No. AIM 107-2004, Internal Audit Report 2004-13 – **Construction Contract Management, Project Management and Engineering Department**; Internal Audit.

9.E.2. Information Memorandum No. AIM 108-2004, **AWWU Operations Facility HVAC & Interior Improvements** – Pending Contract Change Order; Anchorage Water & Wastewater Utility.

9.F. ORDINANCES AND RESOLUTIONS FOR INTRODUCTION

9.F.1. Ordinance No. AO 2004-164, an ordinance of the Municipality of Anchorage creating **Special Assessment District 3P04** for reconstruction of streets within the Bayshore West Subdivision Area, and determining to proceed with proposed improvements therein; Project Management & Engineering. (*Public Hearing set for 1-11-05*)

a. Assembly Memorandum No. AM 882-2004.

9.F.2. Ordinance No. AO 2004-165, an ordinance of the Municipality of Anchorage authorizing disposal from the Heritage Land Bank inventory for public sale by competitive sealed bid of **HLB Parcel #1-077**, Lot 3 of Plat No. 63-115, in T15N, R2W, Section 36, S.M., an undeveloped 1.855 acre parcel located in Eagle River, at a price at or above minimum bid of \$143,000; Heritage Land Bank/Real Estate Services. (*Public Hearing set for 1-11-05*)

a. Assembly Memorandum No. AM 883-2004.

9.F.3. Ordinance No. AO 2004-166, an ordinance amending Anchorage Municipal Code Section 4.60.190 to clarify and expand functions of the **Public Facilities Advisory Commission**; Heritage Land Bank/Real Estate Services. (*Public Hearing set for 1-11-05*)

a. Assembly Memorandum No. AM 884-2004.

9.F.4. Ordinance No. AO 2004-167, an ordinance submitting to the qualified voters of the Municipality of Anchorage a ballot proposition providing for an owner-occupied residential real property tax exemption of ten percent of assessed value, up to a maximum of \$20,000 of assessed value, to be exempt from property taxation, effective in Tax Year 2005, and amending Anchorage Municipal Code Chapter 12.15 to add a new section for **Residential Property Tax Exemption**; Finance. (*Public Hearing set for 1-11-05*)

a. Assembly Memorandum No. AM 885-2004.

Ms. Ossiander requested this item be pulled for review on the Regular Agenda. (*See item 10.F.4*)

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2 9.F.5. Ordinance No. AO 2004-168, an ordinance amending the zoning map and providing for the rezoning
3 of **Gladys Wood Park Subdivision, Tract 1** from R-1 (Single Family Residential) and R-2M (Multiple
4 Family Residential) to PLI-p (Public Lands and Institutions-Park), generally located north of Strawberry
5 Road and west of Cranberry Street (Sand Lake Community Council) (Planning and Zoning
6 Commission Case 2004-001); Planning Department. (*Public Hearing set for 1-25-05*)
7 a. Assembly Memorandum No. AM 886-2004.
8 9.F.6. Ordinance No. AO 2004-169, an ordinance amending the zoning map and providing for the rezoning
9 of **Lot 16B, Section 9, T12N, R3W, S.M., AK** from R-2A (Two-Family Residential) to R-2M (Multiple-
10 Family Residential), generally located on the east side of Lake Otis Parkway, between Lore Road and
11 East 80th Avenue (Abbott Loop Community Council) (Planning and Zoning Commission Case 2004-
12 115); Planning Department. (*Public Hearing set for 1-25-05*)
13 a. Assembly Memorandum No. AM 887-2004.
14 9.F.7. Resolution No. AR 2004-304, a resolution of the Municipality of Anchorage appropriating \$749,731
15 from the State of Alaska Department of Health and Social Services, and appropriating \$270,000 from
16 the General Government Operating Budget Areawide General Fund (101) to the State Categorical
17 Grants Fund (231), Department of Health and Human Services to provide **Human Services Matching**
18 **Grants**. (*Public Hearing set for 12-14-04*)
19 a. Assembly Memorandum No. AM 880-2004.
20 9.F.8. Resolution No. AR 2004-305, a resolution of the Municipality of Anchorage, Alaska, confirming and
21 levying assessments for the sewer special assessments within **Levy-Upon-Connection (LUC) Roll**
22 **04-S-8**, setting date of payment and providing for penalties and interest in the event of delinquency;
23 Anchorage Water & Wastewater Utility. (*Public Hearing set for 1-11-05*)
24 a. Assembly Memorandum No. AM 881-2004.
25 9.F.9. Resolution No. AR 2004-311, a resolution of the Anchorage Municipal Assembly approving a **25 year**
26 **lease of 7.302 acres of land** from the Department of the Army, appropriating \$119,246 to Port of
27 Anchorage 2004 Operating Fund (570) and revising the 2004 Port of Anchorage Operating Budget.
28 (*Public Hearing set for 12-14-04*) (**Addendum**)
29 a. Assembly Memorandum No. AM 900-2004.
30 9.F.10. Resolution No. AR 2004-312, a resolution requiring the approval of pay increases for **Non-**
31 **Represented Employees** in order to mirror the collective bargaining agreements approved by the
32 Assembly, Employee Relations Department. (*Public Hearing set for 12-14-04*) (**Addendum**)
33 a. Assembly Memorandum No. AM 901-2004.
34 9.F.11. Ordinance No. AO 2004-170, an ordinance authorizing the Municipality to enter into a market value
35 lease with **Alaska Municipal League/Joint Insurance Association**, Heritage Land Bank/Real Estate
36 Services. (*Public Hearing set for 1-11-05*) (**Addendum**)
37 a. Assembly Memorandum No. AM 902-2004.
38 9.F.12. Ordinance No. AO 2004-177, an ordinance of the Anchorage Municipal Assembly amending
39 Anchorage Municipal Code Section 3.30.005, Definitions, to add "Veteran," to amend Section
40 3.30.031, General Policy, to provide **Veterans** with an opportunity to interview for employment and to
41 amend Section 3.30.159, Military Leave, to include Active Military Duty; Assembly Chair Traini,
42 Assemblymembers Tesche, Jennings, Stout, Ossiander, Shamberg, Coffey, Fairclough, Whittle,
43 Sullivan and Tremaine. (**Laid on the Table**) (*Public Hearing set for 1-25-05*)
44

45 Chair Traini read this ordinance title and called for a motion to introduce and approve. Mr. Stout so moved, Mr.
46 Tesche seconded, Ms. Jennings was the concurring third and the motion was approved with no objections. Each
47 Assemblymember requested to be added as a cosponsor to this ordinance.
48

49 Chair Traini called for a motion to approve the remainder of Consent Agenda.
50

51 Mr. Tremaine moved, to approve the Consent Agenda, as amended.
52 Mr. Tesche seconded,
53 and this motion was passed,
54 with Mr. Coffey abstaining on item 9.D.5 and 9.D.9, due to conflicts of interest,
55

56 AYES: Fairclough, Whittle, Tremaine, Sullivan, Traini, Tesche, Stout, Jennings, Ossiander, Shamberg and Coffey.
57 NAYES: None.
58

59 Chair Traini announced the unanimous approval of the amended Consent Agenda, with the exception of the pulled
60 items and proceeded into discussion of those items.
61

62 END OF CONSENT AGENDA

63
64

65 10. REGULAR AGENDA

66 10.A. RESOLUTIONS FOR ACTION - PROCLAMATIONS AND RECOGNITIONS

67 10.A.1 Resolution AR 2004-321, a resolution of the Anchorage Municipality Assembly remembering, honoring
68 and recognizing the service of all the men and women who have served their country with honor and courage
69 in the **United States Armed Forces**; Mayor Begich; Assemblymembers Coffey, Fairclough, Jennings,
70 Ossiander, Shamberg, Stout, Sullivan, Tesche, Traini, Tremaine and Whittle. (**Laid on the Table**)
71

72 Chair Traini read this resolution title and stated that all Assemblymembers had requested being added as cosponsors.
73 He called for a motion to approve.
74

75 Mr. Tremaine moved, to introduce and approve AR 2004-321, as amended.
76 Mr. Stout seconded,
77 Mr. Sullivan was the concurring third,
78

Chair Traini read the resolution honoring all service men and women who served in the United States Armed Forces and recognizing the significance of December 7, honoring on this day, all Veterans of World War II who fought and died in the bombing of Pearl Harbor.

and this motion was passed unanimously,

Chair Traini stated that his father had served in World War II in the Aleutian Islands and called for a moment of silence for those who fought and died, protecting our freedom.

Mr. Sullivan stated that his father had also served in the Aleutian Campaign during World War II. He stated that those who had been involved with this movement still remained the greatest generation for serving this country and all Americans owed them a debt that could never be repaid.

Ms. Fairclough stated that Jack Miller was also a World War II Veteran and a taped interview with Mr. Miller would be shown in the Assembly Chambers during the dinner break, sharing his testimonial.

Mr. Whittle stated that all of those who fought and were still fighting for our freedom needed to be continually recognized. He stated the memorial at Pearl Harbor was a significant remembrance of those who fought and died, defending our freedom.

10.B. RESOLUTIONS FOR ACTION - OTHER None were pulled for review.

- 10.B.1. Resolution No. AR 2004-302, a resolution of the Municipality of Anchorage appropriating \$15,200 as a donation from ConocoPhillips to the Miscellaneous Operational Grants Fund (261) for the support of the **Westchester Saturday Family Skate**, Office of Economic & Community Development.
a. Assembly Memorandum No. AM 878-2004.

Chair Traini read this resolution title and called for a motion.

Mr. Whittle moved, to approve AR 2004-302.
Ms. Fairclough seconded,

Mr. Sullivan thanked ConocoPhillips for their contribution and urged everyone to attend and join in this special community event.

and this motion was unanimously approved,

10.C. BID AWARDS None were pulled for review.

10.D. NEW BUSINESS

- 10.D.2. Assembly Memorandum No. AM 875-2004, **Historic Preservation Board** appointment (Karen Soblesky); Mayor's Office.

Chair Traini read this memorandum title and called for a motion.

Ms. Jennings moved, to approve AM 875-2004.
Mr. Stout seconded,
and this motion was unanimously approved,

Ms. Jennings recognized Karen Soblesky and thanked her for contributing to the community.

- 10.D.7. Assembly Memorandum No. AM 865-2004, **Hooters** #3591 – Transfer of Ownership for a Restaurant/Eating Place and Restaurant Designation Liquor License (Midtown Community Council); Clerk's Office.

Chair Traini read this memorandum title and called for a motion.

Ms. Fairclough moved, to approve AM 865-2004.
Mr. Tremaine seconded,

Ms. Fairclough stated that this report included a list of fire violations, and it appeared that all but one had been corrected. Chair Traini responded that he had received a note from the Fire Department explaining all violations had been lifted. She moved to amend the protest.

Ms. Fairclough moved, to amend AM 865-2004 on Page 1, *by changing:*
Mr. Tremaine seconded, [PROTEST] to "APPROVE" the transfer of ownership.
and there were no objections,

Ms. Jennings moved, to amend AM 865-2004 on Page 1 *by changing*
Mr. Tremaine seconded, [Titanic] to "Titanic."
and there were no objections,

Ms. Fairclough moved, to approve AM 865-2004, as amended.
Mr. Tremaine seconded,
and this motion was unanimously approved,

- 10.D.8. Assembly Memorandum No. AM 889-2004, **The Bridge Salmon Bake & Grill** #4454 – New Restaurant/Eating Place & Restaurant Designation Liquor License (Downtown and Government Hill Community Councils); Clerk's Office.

Chair Traini read this memorandum title and called for a motion.

Mr. Tesche moved, to approve AM 889-2004, *protesting until construction*
Ms. Ossiander seconded, *was completed.*

To Mr. Tesche, Municipal Clerk Barbara Gruenstein responded that the violations listed in the summary were still not satisfied. Deputy Municipal Manager Michael Abbott responded he was not aware of any updates, beyond the information mentioned in the document. With so many violations, Mr. Tesche thought that perhaps the application was premature. He thought the Assembly had no other choice than to approve the protest.

Mr. Tremaine stated that code violations had been issued because the building had not yet been built. And he understood the memorandum was approval of the protest until building construction was completed. He thought these people had come forward ahead of time to complete the licensing. Mr. Coffey responded the last sentence on Page 1 indicated it was their intention, and he concurred with Mr. Tremaine.

Mr. Sullivan and Mr. Tesche concurred with Mr. Coffey and Mr. Tremaine, that they should approve the protest until the construction was completed.

and this motion was passed without objection,

10.D.11. Assembly Memorandum No. AM 892-2004, **Homewood Suites #4354** – Transfer of Ownership & Restaurant Designation for a Beverage Dispensary/Tourism Liquor License; Clerk's Office.

Chair Traini read this memorandum title and called for a motion.

Mr. Tremaine moved, to approve AM 892-2004.
Ms. Fairclough seconded,

Mr. Tremaine referred to "manager's reception" in the document and wondered if this would refer to a cocktail happy hour. Mr. Coffey responded Municipal and State Codes state that Happy Hour could not be used as a promotional device by offering it free or two-for-one, but he viewed the language could possibly mean a reception. Mr. Sullivan recalled other establishments using the "manager's reception" for registered guests and not opened to the public.

and this passed with no objections,

10.D.13. Assembly Memorandum No. AM 867-2004, Change Order No. 5 to Purchase Order 231254 with Magellan Behavioral Health, Inc. for providing **Employee Assistance Program Services** to the Municipality of Anchorage, Employee Relations Department (\$128,000); Purchasing.

Chair Traini read this memorandum title and called for a motion.

Mr. Stout moved, to approve AM 867-2004.
Ms. Shamberg seconded,

To Mr. Stout, Employee Relations Personnel Director Karen Moore responded the program was an employer-provided assistance program, allowing access to mental health services. She explained the service was available to all employees and was limited to eight visits per issue per individual.

To Mr. Coffey, Purchasing Officer Bart Mauldin responded they were reviewing these benefit programs annually. He responded the department had had only one other bid which was not able to provide for all the services.

and this passed with no objections,

10.D.14. Assembly Memorandum No. AM 868-2004, recommendation of award to Alaska DigiTel Wireless Communications, LLC to provide **cellular telephone communication services** for the Municipality of Anchorage, Information Technology Department (RFP 24-P035) (\$165,000); Purchasing.

Chair Traini read this memorandum title and called for a motion.

Mr. Abbott moved, to approve AM 868-2004.
Ms. Fairclough seconded,

Deputy Municipal Manger Michael Abbott requested an administrative correction and urged a YES-vote.

Ms. Fairclough moved, to amend AM 868-2004 on Page 1, Line 9, *by changing*
Mr. Tremaine seconded, [~~\$4.95~~] to "4.50" per month.
and this was unanimously approved,

Mr. Abbott moved, to approve AM 868-2004, as amended.
Ms. Fairclough seconded,
and this was passed without objection,

Mr. Tremaine commended the Administration on saving up to one hundred thousand dollars a year with this contract. The Mayor stated that reducing the expense of using cell phones was one of the first items his Administration had addressed when he was elected to office and he was pleased with the contract.

10.D.18. Assembly Memorandum No. AM 872-2004, approval of Change Order No. 8 to Klondike Advertising, Inc. contract (P.O. No. 231146) for **Safety Incentive Award Program**, in the amount of \$18,000, and extending the contract term through December 31, 2004; Maintenance & Operations Department.

Chair Traini read this memorandum title and called for a motion.

Ms. Ossiander moved, to approve AM 872-2004.
Mr. Coffey seconded,

To Ms. Ossiander, Municipal Maintenance and Operations Director Alan Czajkowski responded that employees who maintained a safe record earned safety points that could be used to trade for item selections from a catalog. He added they were in the process of closing this program because it was not cost effective. The Mayor added that since the program began in 1999 employees earned and often accumulated safety coupons, so the administration set a deadline date of December 31st to use up the points and the program would be closed.

and this motion was unanimously passed,

10.E. INFORMATION AND REPORTS None were pulled for review.

10.F. ORDINANCES AND RESOLUTIONS FOR INTRODUCTION

10.F.4. Ordinance No. AO 2004-167, an ordinance submitting to the qualified voters of the Municipality of Anchorage a ballot proposition providing for an owner-occupied residential real property tax exemption of ten percent of assessed value, up to a maximum of \$20,000 of assessed value, to be exempt from property taxation, effective in Tax Year 2005, and amending Anchorage Municipal Code Chapter 12.15 to add a new section for **Residential Property Tax Exemption**; Finance and Assemblymember Tesche. (*Public Hearing set for 12-14-04*)
a. Assembly Memorandum No. AM 885-2004.

Chair Traini read this ordinance title. Ms. Ossiander stated that she was contemplating a motion to postpone this item because she felt more discussion was needed on how small businesses would be affected. Assembly Budget Director Elvi Gray-Jackson responded that there was a worksession scheduled for Friday, December 10th at 1:00 in the Assembly Conference Room. Mr. Tesche moved to introduce and requested to be added as a cosponsor.

Mr. Tesche moved, to introduce AO 2004-167, as amended, with Public
Mr. Stout seconded, Hearing scheduled for December 14, 2004.
Mr. Sullivan was the concurring third,

Mayor Begich thanked the Assembly for moving this forward so the process could be started and the details would be discussed at the upcoming worksession.

To Ms. Fairclough, Mayor Begich responded that the Chamber of Commerce opposed this tax exemption.

Mr. Coffey stated that he would like for the worksession to include discussion of the application process, exemptions, the cost of the program and the predicted savings. Municipal Fiscal Officer Jeff Sinz responded those issues would be addressed and added that a statement of economic effects had been prepared but was not attached to the document.

Ms. Ossiander understood the intent of the Administration, but she urged consideration of the impacts and cumulative effects that this tax reform would have on small businesses. She questioned if this process would simply shift the tax burden from residential to commercial.

To Mr. Coffey, Chair Traini responded that he would have the Municipal Attorney and the Fiscal Officer prepare a response for a workable timeframe that would allow Assembly discussion before the deadline of having it included in the April Election Ballot.

11. OLD BUSINESS AND UNFINISHED ACTION ON PUBLIC HEARING ITEMS

11.A. Assembly Memorandum No. AM 841-2004, Amendment No. 2 to professional engineering services contract with CRW Engineering Group for the design study of the **84th Avenue/Spruce Street Upgrade Project**, Project Nos. 02-02 & 02-08 (\$266,873); Project Management & Engineering. (*Postponed from 11-16-04*)

Chair Traini read this memorandum title and stated there was a motion to approve on the floor.

Mr. Coffey moved, to approve AM 841-2004.
Ms. Ossiander seconded,

Mr. Coffey stated that he and Chair Traini had met with Municipal Engineer Howard Holtan and Municipal Traffic Director Lance Wilbur to discuss this proposed upgrade and the possible impacts. Mr. Coffey had originally heard the intent was to make this a collector street but had learned there would be minimal impact for residents on Spruce Street. There would be provisions for additional on-street parking and he was satisfied that the design would allow for substantial improvements, offering a creative, low-impact traffic solution.

Chair Traini concurred this was an excellent job and he thanked Mr. Holtan, Mr. Wilbur and their departments for the solutions, taking care of the concerns, while providing Spruce Street with the much needed upgrades.

Ms. Ossiander urged Mr. Holtan and Mr. Wilbur to address the Old Glenn Highway Project in Eagle River.

and this motion was unanimously passed,

AYES: Fairclough, Whittle, Tremaine, Sullivan, Traini, Tesche, Stout, Jennings, Ossiander, Shamberg and Coffey.
NAYES: None.

11.B. Assembly Memorandum No. AM 824-2004, recommendation of award to KPMG LLP to perform an **Independent Financial Statement Audit, Federal Single Audit, and State Single Audit** for the Municipality of Anchorage, Anchorage Assembly, Budget Legislative Services (RFP 24-P049) (\$596,760); Purchasing. (*Postponed from 11-9-04 and 11-16-04*)

1. Information Memorandum No. AIM 110-2004, review and evaluation of the proposed recommendation of award to perform the Municipality's Annual Financial Audit, Assemblymember Shamberg.

Chair Traini read this memorandum title, reviewed the history of action on this item, and stated there was a motion to approve on the floor from Mr. Coffey with a second from Mr. Stout.

Ms. Fairclough requested an update. Municipal Purchasing Officer Bart Mauldin responded that Audit Committee review the RFP of the disgruntled bidder and following their discussion, the committee supported the award to KPMG.

Mr. Coffey stated there had been legitimate reasons for this bid to be referred to the Audit Committee and he thought those reasons were now resolved. He hoped that local firms would have the opportunity to bid on the audit contracts in the future. He moved to amend.

Mr. Coffey moved, to amend AM 892-2004 Lines 21-22 *by eliminating* the two additional one-year periods, extending the contract.

To Chair Traini, Mr. Maudlin responded the two one-year options were subject to negotiation and mutual consent and would come before the Assembly for approval. Assembly Budget Director Elvi Gray-Jackson concurred.

Mr. Coffey stated the contract had been with KPMG for many years and thought that needed to be addressed.

Chair Traini stated the motion died for a lack of a second. He Called the Question on the main motion.

and this motion was passed,

AYES: Fairclough, Whittle, Tremaine, Sullivan, Traini, Tesche, Stout, Jennings, Ossiander and Shamberg.
NAYES: Coffey.

Ms Fairclough agreed there were questions remaining with this contract and understood large organizations such as the Municipality, had difficulty bringing on new contractors because of the complexity of the system. She urged consideration of using the same firm auditing the municipal books for repeated years. Chair Traini concurred.

Ms. Shamberg stated she would set up a meeting for the Audit Committee to discuss the issue. She had been assured by Fiscal Officer Jeff Sinz there would be consideration of giving other contracts to additional firms, so they would become better familiarized with municipal operations.

Mr. Tremaine stated that the Assembly would closely review contract renewals.

Mr. Sinz stated that the Administration did not take issue with any of the Assembly comments or concerns. He stated that the Audit Committee shared the concerns.

Mr. Sullivan stated that while the Audit Committee and the Administration reviewed the RFPs, the selection process began with the RFP Committee.

11.C. Ordinance No. AO 2004-126(S), an ordinance amending Anchorage Municipal Code Chapters 21.20 and 21.30 to clarify **procedures** for the Planning and Zoning Commission, Board of Adjustment and Zoning Board of Examiners and Appeals regarding filing appeals, new evidence, changed circumstances, remands, preparation of appeals by Municipal staff, issuance of decisions, appeals to Superior Court and related matters. (*Carried Over from 10-26-04, 11-9-04, Continued from 11-16-04*)

Chair Traini read this ordinance title and explained this involved a substitute version. He explained Public Hearing had been closed and there was a motion to approve on the floor.

Mr. Coffey moved, to approve AO 2004-126(S).
Mr. Tesche seconded,

Mr. Coffey described the processes of reviewing cases with involved, time-consuming procedures. He and Ms. Jennings had reviewed this issue and their proposed amendments addressed the time in preparing cases.

Mr. Coffey moved, to amend AO 2004-126(S) Page 1, Line 34, *by changing* [40] days to "15" days; Page 2, Line 28, *by changing* [40] days to "15" days; Page 3, Line 14, *by changing* [40] days to "20" days; on Page 3, Line 20, *by changing* [40] days to "20" days; and; Page 5, Line 42, *by changing* [40] days to "20" days."

To Mr. Tesche, Municipal Attorney Fred Boness responded these were basically policy decisions and were completely acceptable. He responded the amendments would not interfere with the process or preparation of the case. Mr. Tesche stated that he fully supported these amendments.

Mr. Sullivan stated the Assembly had already addressed the costs of filing an appeal and thought that changing the time involved with handling an appeal would not make the process more efficient. He moved to amend the Coffey Amendment, to restore the original times of processing an appeal.

Mr. Sullivan moved, to amend AO 2004-126(S) Page 1, Line 34, *by changing* [40] days to "20" days; Page 2, Line 28, *by changing* [40] days to "15" days; Page 3, Line 14, *by changing* [40] days to "30" days; on Page 3, Line 20, *by changing* [40] days to [20] "30" days; and; Page 5, Line 42, *by changing* [40] days to "30" days."

Mr. Sullivan understood the intent of the Coffey Amendment but did not agree with limiting the timeframe for filing an appeal and had heard from many constituents who opposed lessening the time. He urged keeping the original times.

Mr. Stout stated he would support the Sullivan amendment. He had also heard from the public, opposing shortening the time periods.

Ms. Jennings stated she supported the Sullivan Amendment.

To Mr. Tesche, Mr. Boness responded the changes would not directly impact any of the major, desired consequences of the ordinance.

Ms. Ossiander stated she opposed the amendment. She had studied Title 21 and felt the goal of the rewrite was to simplify, speed up and clarify the development process so that appeals were handled in timely fashion and procedures were more clearly delineated so there would be a fair impact on both the developer and the concerned citizen.

Mr. Tremaine asked Mr. Sullivan to clarify the number he intended, amending Lines 14 and 20. Mr. Coffey agreed they needed to be the same. Mr. Sullivan agreed both numbers needed to be 30, and accepted this as a friendly amendment. Mr. Tremaine then stated that he opposed this amendment and concurred with Ms. Ossiander.

Mr. Coffey stated his intent was to establish fair timeframes.

Ms. Ossiander concurred with Mr. Coffey.

Mr. Sullivan stated the appellants were often citizens who did not have the resources like large company and often needed the time for preparation of the appeal. He thought that decreasing the time allowed for preparation had a chilling affect on the rights of the individuals filing appeals.

and the Sullivan Amendment failed,

AYES: Sullivan, Stout, Jennings and Shamberg.

NAYES: Fairclough, Whittle, Tremaine, Traini, Tesche, Ossiander and Coffey.

Chair Traini Called the Question on the Coffey Amendment.

and this motion was passed unanimously,

AYES: Fairclough, Whittle, Tremaine, Sullivan, Traini, Tesche, Stout, Jennings, Ossiander, Shamberg and Coffey.

NAYES: None.

Chair Traini Called the Question on the main motion.

Mr. Coffey moved, to approve AO 2004-126(S), as amended.

Mr. Tesche seconded,

and this motion was passed unanimously,

AYES: Fairclough, Whittle, Tremaine, Sullivan, Traini, Tesche, Stout, Jennings, Ossiander, Shamberg and Coffey.

NAYES: None.

Mr. Tesche moved for immediate reconsideration and urged a NO-vote.

Mr. Tesche moved,

for immediate reconsideration of AO 2004-126(S).

Mr. Coffey seconded,

and this motion failed,

AYES: Sullivan.

NAYES: Fairclough, Whittle, Tremaine, Traini, Tesche, Stout, Jennings, Ossiander, Shamberg and Coffey.

12. APPEARANCE REQUESTS

12.A. **Debra McGhan**, to request support for "Be Snow Smart", an avalanche awareness and outdoor safety education program proposed for students in 7th – 12th grades.

DEBRA MCGHAN, President of the North America Outdoor Institute, a non-profit group dedicated to outdoor safety, testified they had developed an avalanche awareness and safety program. The group was requesting a resolution of support, to enable them to seek grant funds. The group had received much support, including from the Governor of Alaska. She explained their goal was to take this program to the high schools. To Ms. Ossiander, Ms. McGhan responded the group was planning to go to the School Board. Ms. Jennings stated she supported the importance of the program and would urge Assembly support, but agreed that support from the School District was important. Mr.

Tesche remarked an avalanche closed the Seward Highway two years ago, cutting off access to Girdwood, and stated that he understood the seriousness of avalanche to Anchorage residents. He volunteered to work with staff to prepare a resolution that the Assembly could take action on the following week. Ms. Fairclough added that the Assembly was scheduled for a Joint Meeting with the School Board that Friday and suggested adding this item onto the Addendum to the Agenda.

13. CONTINUED PUBLIC HEARINGS

13.A. Resolution No. AR 2004-215(S), a resolution amending Anchorage Municipal Code of Regulations Chapters 21.10, 21.11 and 21.12 to establish **uniform procedures** for Planning and Zoning Commission, Platting Board, Zoning Board of Examiners and Appeals and Urban Design Commission for issuing decisions and modifying procedures regarding allegations of new evidence or changed circumstances. *(Carried Over from 9-21-04; Continued from 10-12-04; Carried Over from 10-26-04, 11-9-04, and 12-7-04)*

1. Resolution No. AR 2004-215, a resolution amending Anchorage Municipal Code of Regulations Chapters 21.10, 21.11 and 21.12 to establish uniform procedures for Planning and Zoning Commission, Platting Board, Zoning Board of Examiners and Appeals and Urban Design Commission for issuing decisions and modifying procedures regarding allegations of new evidence or changed circumstances.

Chair Traini read this resolution title and opened Public Hearing. There being no one to testify, he closed Public Hearing and called for a motion on the Substitute Version.

Mr. Tesche moved, to approve AR 2004-215(S).
Mr. Coffey seconded,

Mr. Coffey proposed amendments to make the appellant process less cumbersome, less expensive and more certain, by lengthening the times for appeals or motions.

Mr. Coffey moved, to amend AR 2004-215(S) Page 3, Line 14, *by changing* [40] days to "15" days; Page 4, Line 8, *by changing* [40] days to "20" days; Page 7, Line 37, *by changing* [40] days to "20" days; on Page 12, Line 4, *by deleting* Within ten days of the [øf] approval. And; on Page 12, Line 43, *by changing* [40] days to "20" days."

To Mr. Tremaine, Mr. Coffey responded that his amendment to Page 7, Line 37, did not relate to Page 6, Line 43.

To Mr. Tesche, Municipal Attorney Boness responded the amendments did not impact the purpose of the resolution.

Mr. Sullivan stated the new numbers were a change in the allowed time and his concern remained the same as what was discussed on the previous ordinance. He thought the original numbers allowed the appellant more time to prepare and file a reasonable appeal. He thought the time frame allowances could be revisited at a later time.

and the Coffey Amendment was approved,

Chair Traini Called the Question on the main motion.

Mr. Tesche moved, to approve AR 2004-215(S), as amended.
Mr. Coffey seconded,
and this motion was passed,

AYES: Fairclough, Whittle, Tremaine, Sullivan, Traini, Tesche, Stout, Jennings, Ossiander, Shamberg and Coffey.
NAYES: None.

13.B. Ordinance No. AO 2004-133(S), an ordinance of the Anchorage Municipal Assembly amending Anchorage Municipal Code Section 21.55.020, **Nonconforming Lots of Record**; Assemblymember Coffey. *(Continued from 11-9-04)*

1. Ordinance No. AO 2004-133, an ordinance of the Anchorage Municipal Assembly amending Anchorage Municipal Code Section 21.55.020, Nonconforming Lots of Record, Assemblymember Coffey.
2. Assembly Memorandum No. AM 888-2004.

Chair Traini read the ordinance title and explained this involved a Substitute Version. He opened Public Hearing. There being no one to testify, he closed Public Hearing and called for a motion.

Ms. Fairclough moved, to approve AO 2004-133(S).
Ms. Jennings seconded,

Mr. Coffey stated this would allow a code change addressing the rezone of two abutting lots and would be simplifying the process. He urged a YES-vote.

and the motion was approved,

AYES: Fairclough, Whittle, Tremaine, Sullivan, Traini, Tesche, Stout, Jennings, Ossiander, Shamberg and Coffey.
NAYES: None.

14. NEW PUBLIC HEARINGS

- 14.A. Resolution No. AR 2004-268, a resolution of the Anchorage Municipal Assembly and Mayor Mark Begich naming 1305 "E" Street (Emergency Operations Center) the "**Joe Murdy Memorial Building**" in honor of his outstanding contributions and dedication to the community and public safety.

Chair Traini read this resolution title and opened Public Hearing.

SAM O'CONNOR, President of Westside Community Patrol, spoke of Joe Murdy's commitment to public safety and issues of prostitution, drug dealers, gambling houses and improving the community.

LIEUTENANT PAUL HONEMANN, with the Anchorage Police Department, thanked the Assembly and the Administration for honoring Joe Murdy. He spoke of Mr. Murdy's dedication and commitment to the Westside Community Patrol, and to the safety and well-being of all the citizens of Anchorage. He thought it was most appropriate that the emergency operations building be named in his honor.

Ms. Jennings thanked them for their testimony and stated that their approval of this memorial added to its credibility. She also recognized Bernie Fraties for her commitment to the Westside Community Patrol, making West Anchorage a safer place. She stated that the National League of Cities (NLC) Public Safety Committee fondly remembered Mr. Murdy when he hosted them in Anchorage. Chair Traini added that Mr. Murdy had been a NLC Board Member, and the past NLC President would be flying from Washington D.C. for the dedication.

To Ms. Ossiander, Chair Traini clarified that the required Public Hearing for the building dedication panel was included with the testimony before the Assembly. She responded that Municipal Code needed to be amended to reflect combining Public Hearing. Chair Traini concurred.

Mr. Whittle thanked the men for their testimony to the memory of Joe Murdy and reflected on the difference one man had made to public safety in the community.

Mr. Coffey reflected on Joe Murdy's involvement as an Assemblymember, and stated he was honored to be involved with this dedication.

Mayor Begich stated that Joe had been involved with all aspects of public safety in the community. He fondly reflected on his unique mannerisms as an Assemblymember and as the Chair of the newly created Public Safety Committee.

Chair Traini closed Public Hearing, called for a motion and urged unanimous consent.

Mayor Begich moved, to approve AR 2004-268.
Mr. Coffey seconded,
and the motion was approved,

AYES: Fairclough, Whittle, Tremaine, Sullivan, Traini, Tesche, Stout, Jennings, Ossiander, Shamberg and Coffey.
NAYES: None.

- 14.B. Ordinance No. AO 2004-155, an ordinance of the Municipality of Anchorage, Alaska, authorizing and providing for the borrowing from the State of Alaska Clean Water Fund of an aggregate amount not to exceed \$15,778,000 for the purpose of financing a portion of the costs of various **AWWU sewer improvement projects** in the Municipality, and providing for related matters; Anchorage Water & Wastewater Utility.
1. Assembly Memorandum No. AM 847-2004.

Chair Traini read this ordinance title and opened Public Hearing. With no public testimony, he closed Public Hearing and called for a motion.

Ms. Jennings moved, to approve AO 2004-155.
Mr. Coffey seconded,

Mr. Tremaine noted that part of the costs were for SCADA security improvements, and questioned the useful life of those improvements versus the bonded time period. Anchorage Water and Wastewater Director Mark Premo responded the software and hardware usually had a useful life of about ten years and the existing system had been installed in the early 1980's and was over 22 years old.

With no further discussion Chair Traini Called the Question.

and this motion was passed,

AYES: Fairclough, Whittle, Tremaine, Sullivan, Traini, Tesche, Stout, Jennings, Ossiander, Shamberg and Coffey.
NAYES: None.

- 14.C. Ordinance No. AO 2004-156, an ordinance of the Municipality of Anchorage, Alaska, authorizing and providing for the borrowing from the State of Alaska Drinking Water Fund of an aggregate amount not to exceed \$7,643,000 for the purpose of financing a portion of the costs of various **water capital improvement projects** in the Municipality, and providing for related matters; Anchorage Water & Wastewater Utility.
1. Assembly Memorandum No. AM 848-2004.

Chair Traini read this ordinance title and opened Public Hearing. With no one to testify, he closed Public Hearing and called for a motion.

Ms. Jennings moved, to approve AO 2004-156.

Mr. Coffey seconded,
and this motion was passed,

AYES: Fairclough, Whittle, Tremaine, Sullivan, Traini, Tesche, Stout, Jennings, Ossiander, Shamberg and Coffey.
NAYES: None.

- 14.D. Ordinance No. AO 2004-157, an ordinance authorizing a lease between the Municipality and **ACS Wireless, Inc.** of space on a community interest tower and of ground space for a support building at the Municipality's Ship Creek Water Treatment Facility site; Anchorage Water & Wastewater Utility.
1. Assembly Memorandum No. AM 849-2004.

Chair Traini read this ordinance title and opened Public Hearing. With no one to testify, he closed Public Hearing and called for a motion.

Mr. Coffey moved, to approve AO 2004-157.
Ms. Jennings seconded,
and this motion was passed,

AYES: Whittle, Tremaine, Sullivan, Traini, Tesche, Stout, Jennings, Ossiander, Shamberg and Coffey.
NAYES: None.

(Clerk's Note: Fairclough was temporarily away from Chambers during the time of the vote.)

- 14.E. Resolution No. AR 2004-290, a resolution of the Municipality of Anchorage, Alaska, confirming and levying sanitary sewer special assessments for improvements within **King Lateral Improvement District A190**, setting date of payment and providing for penalties and interest in the event of delinquency; Anchorage Water & Wastewater Utility.
1. Assembly Memorandum No. AM 850-2004.

Chair Traini read this resolution title and opened Public Hearing. With no one to testify, he closed Public Hearing and called for a motion.

Ms. Jennings moved, to approve AR 2004-290.
Mr. Tremaine seconded,

Mr. Tremaine moved, to amend AR 2004-290, Page 1, Line 28 *by adding*
Ms. Jennings seconded, "December 7, 2004."
and this was unanimously approved,

Ms. Jennings moved, to approve AR 2004-290, as amended.
Mr. Tremaine seconded,
and this motion was passed,

AYES: Fairclough, Whittle, Tremaine, Sullivan, Traini, Tesche, Stout, Jennings, Ossiander, Shamberg and Coffey.
NAYES: None.

- 14.F. Ordinance No. AO 2004-152, an ordinance amending the zoning map and providing for the rezoning of approximately 39.3 acres, from PLI (Public Lands and Institutions District) to R-10 SL (Residential Alpine/Slope District with Special Limitations) for **Lot 2, Section 6, T14N, R1W, S.M., Alaska**, generally located at the northern terminus of Golden Eagle Drive (Eagle River Valley Community Council) (Planning and Zoning Commission Case 2004-111); Planning Department.
1. Assembly Memorandum No. AM 789-2004. *(Continued to 12-14-04)*

Chair Traini read this ordinance title and explained it was their intention to continue this item until February, 2005. He opened Public Hearing.

BRADLEY SMITH spoke of his concern with the loss of open space which would put additional burden on the other, already heavily used recreation areas in the city.

Ms. Fairclough stated that she and Ms. Ossiander had contacted the property owner and they were planning to discuss the park access, the dedication of the trail and the parking issues. Their intent was to postpone this item to allow public testimony and worksessions to better understand the intended use of the private property.

Ms. Ossiander moved, to Continue Public Hearing on AO 2004-152 to
Ms. Fairclough seconded, February [4] "15," 2005.

Ms. Ossiander stated they would be addressing access to the base of the trail and parking at Baldy Mountain. She stated the State Park Division also had an interest in resolving the parking issue. Her intent was to schedule worksessions and discussion during the first week of February, to begin a long-range solution.

Ms. Fairclough requested the Municipal Heritage Land Bank be involved with the issue. This was acknowledged by Director Robin Ward. To Municipal Clerk Barbara Gruenstein, Ms. Fairclough responded that the Assembly Meeting of February 15th was preferred. Ms. Ossiander accepted this change as a friendly amendment.

and this was unanimously approved,

AYES: Fairclough, Whittle, Tremaine, Sullivan, Traini, Tesche, Stout, Jennings, Ossiander, Shamberg and Coffey.
NAYES: None.

- 1 14.G. Ordinance No. AO 2004-153, an ordinance of the Municipality of Anchorage amending Anchorage
2 Municipal Code Section 11.60.200 to adjust **mandatory airport fees and charges** and supporting
3 airport lease rate increases; Merrill Field Airport.
4 1. Assembly Memorandum No. AM 836-2004.

5
6 Chair Traini read this ordinance title and opened Public Hearing. He stated it was the intention of the Administration to
7 continue this item to the next Assembly Meeting, scheduled for December 14th. Ms. Fairclough urged members of the
8 audience to testify, so Assemblymembers could hear from the public prior to the worksession, scheduled for that
9 Friday.

10
11 ERIN MARSTON testified against both ordinances. Mr. Marston, a member of the Municipal Airport Advisory
12 Commission, submitted a resolution from the committee, unanimously in opposition. He explained the Commission
13 was comprised of members of the Alaska Airman's Group, residents and business owners of the area and general
14 aviation pilots. The Commission had addressed the issues, taking briefings from the Administration and public
15 testimony of individuals affected and felt the aviation industry should not be treated and assessed like a utility. They
16 felt that even a slight fee increase might discourage the aviation industry and pilots from remaining in the city. To Ms.
17 Fairclough, Mr. Marston responded that the Commission addressed the Merrill Field Budget every year and had been
18 informed of the proposed fee increases three or four months ago. He responded that the leaseholders at Merrill Field
19 were already paying city taxes and thought that the airport was paying their fair share. He responded that the
20 contribution sought by the city was an indeterminate amount and the city was in the process of changing how airport
21 leases were assessed, which added to the business uncertainty. Mr. Coffey urged Mr. Marston to organize associates
22 of Merrill Field to attend and participate with the worksession being held that Friday.

23
24 Mr. Tremaine stated the Administration had addressed aviation fuel and to his question, Mr. Marston responded the
25 airport already charged fees for tie-downs, parking and vehicle storage. Mr. Sinz responded that MESA fees were
26 payment in lieu of taxes, considered "non-tax" and were outside of the tax cap. To Mr. Tremaine, Mr. Marston
27 responded there were several multi-million dollar hanger projects currently being designed and he thought if fees were
28 increased it would discourage airport expansion. To Mr. Stout, Mr. Marston responded that there had been much
29 business development at Merrill Field over the past several years. Mr. Stout encouraged Mr. Marston and other airport
30 associates to recommend new revenue sources from the airport that would not be detrimental to the businesses and
31 users of the airport. To Mr. Whittle, Mr. Marston stated that federal funding had paid for many of the improvements,
32 including bike paths, walkways, a new tower and access roads.

33
34 Chair Traini questioned if city involvement with the airport was a proper function of government. To his question the
35 Mayor responded the Administration would review their last assessment of Merrill Field. The Chair called for a motion.

36
37 Mr. Coffey moved, *to Continue Public Hearing on AO 2004-153*
38 Mr. Sullivan seconded, *to December 14, 2004.*
39 and this was unanimously approved,

- 40
41 14.H. Ordinance No. AO 2004-154, an ordinance amending Anchorage Municipal Code Chapter 11.60 to
42 add a new section setting the **Municipal Enterprise Service Assessment (MESA)** calculation for
43 municipal airports; Office of Management & Budget.
44 1. Assembly Memorandum No. AM 837-2004.

45
46 Chair Traini read this ordinance title and opened Public Hearing. He stated it was the intent of the Administration to
47 also continue this item until the next Assembly Meeting.

48
49 TED MARCINEK, business owner and leaseholder at Merrill Field, testified that the airport had been built on the old
50 city dump and methane gas was a continual problem. He felt the airport was limited to the numbers of leaseholders
51 and the methane gas discouraged new businesses from becoming established. To Ms. Jennings, he responded that
52 methane gas was lethal and required constant monitoring.

53
54 With no further public testimony, Chair Traini called for a motion.

55
56 Mr. Coffey moved, *to Continue Public Hearing on AO 2004-153*
57 Mr. Sullivan seconded, *until December 14, 2004.*
58 and this was unanimously approved,

59
60 To Chair Traini and Mr. Sullivan, Assembly Budget Director Elvi Gray-Jackson responded there was a worksession
61 scheduled for Friday from 1:00 to 3:00 o'clock, to be held at the Assembly Conference Room in City Hall. To Mr.
62 Sullivan, the Mayor responded they would supply a five-year report on the airport and include the current value of the
63 property, the amounts of property taxes and also a list of the businesses that would be affected by the designated
64 \$20,000 property tax exemption.

- 65
66 14.I. Resolution No. AR 2004-291, a resolution of the Municipality of Anchorage appropriating \$500,000
67 from the U.S. Department of Justice, Office of Community Oriented Policing Services, COPS in
68 Schools Grant and \$60,080 as a contribution from the Anchorage Metropolitan Police Service Area
69 Fund (151), Anchorage Police Department 2004 Operating Budget, to the Federal Categorical Grants
70 Fund (241) Anchorage Police Department, for the purpose of the **COPS in Schools Program**.
71 1. Assembly Memorandum No. AM 855-2004.

72
73 Chair Traini read this resolution title and opened Public Hearing. With no one to testify, he closed Public Hearing and
74 called for a motion.

75
76 Mr. Tesche moved, *to approve AR 2004-291.*
77 Mr. Coffey seconded,

Mr. Sullivan did not question the value of the COPs in Schools Program, but felt as federal funding ended for this program, the Municipality would be required to take up the full costs. He urged consideration of finding additional funding sources and consideration of the Anchorage School District's sharing the costs. Chair Traini concurred that federal funding would be ending and many cities across the nation were addressing the COPs in Schools Programs.

To Ms. Jennings, Anchorage Police Chief Walt Monegan responded the most uncontrollable group of school-aged youth was sixteen-year-old males and the Police Department was addressing that issue. Ms. Jennings stated that she supported the program wholeheartedly.

Mr. Tesche stated that there was a Joint Meeting scheduled with the Anchorage School Board on December 10th and the issue could be addressed at that time.

Mayor Begich stated this issue would be addressed at the Joint Meeting and the Administration wanted resolution. He stated that they supported this program and were ready to take full responsibility for this community-oriented policing.

Chair Traini Called the Question.

and this motion was unanimously passed,

AYES: Fairclough, Whittle, Tremaine, Sullivan, Traini, Tesche, Stout, Jennings, Ossiander, Shamberg and Coffey.

NAYES: None.

- 14.J. Resolution No. AR 2004-292, a resolution of the Municipality of Anchorage appropriating \$1,013,204 from the Alaska Department of Health and Social Services as a grant to the State Categorical Grants Fund (231), Department of Health and Human Services for the provision of **Women, Infants and Children Supplemental Nutrition Services**.

1. Assembly Memorandum No. AM 856-2004.

Chair Traini read this resolution title and opened Public Hearing. There being no one to testify, he closed Public Hearing and called for a motion.

Mr. Whittle moved, to approve AR 2004-292.
Ms. Jennings seconded,

Mr. Whittle stated he fully supported this program, and hoped it would be considered a priority item.

To Mr. Coffey, Health and Human Services Director Beverly Wooley responded that the \$775,000 Administrative fees were listed under salaries and benefits, but those funds were also used to fund and distribute food vouchers which were redeemed at grocery stores for goods.

and this motion was passed,

AYES: Fairclough, Whittle, Tremaine, Sullivan, Traini, Tesche, Stout, Jennings, Ossiander and Coffey.

NAYES: None.

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

- 14.K. Resolution No. AR 2004-294, a resolution of the Municipality of Anchorage appropriating \$605,000 from the Federal Highway Administration (FHWA) to the Federal Categorical Grants Fund (241) for the Traffic Department, Transportation Planning Division, **Anchorage Metropolitan Area Transportation Solutions (AMATS)**; Traffic Department.

1. Assembly Memorandum No. AM 858-2004.

Chair Traini read this resolution title and opened Public Hearing. With no one to testify, he closed Public Hearing and called for a motion.

Mr. Tesche moved, to approve AR 2004-294.
Ms. Fairclough seconded,
and this motion was passed,

AYES: Fairclough, Whittle, Tremaine, Sullivan, Traini, Tesche, Stout, Jennings, Ossiander, Shamberg and Coffey.

NAYES: None.

- 14.L. Resolution No. AR 2004-243, a resolution of the Municipality of Anchorage appropriating \$500,000 to the Public Transportation CIP Fund (485) from the Federal Highway Administration through the Alaska Department of Transportation and Public Facilities to provide funding for purchase of **automated operating systems**. This purchase will aid in congestion management and air quality mitigation through increased efficiencies in the delivery of public transportation service within the Municipality of Anchorage.

1. Assembly Memorandum No. AM 733-2004.

Chair Traini read this resolution title and opened Public Hearing. With no one to testify, he closed Public Hearing and called for a motion.

Mr. Tesche moved, to approve AR 2004-243.
Ms. Fairclough seconded,

To Ms. Ossiander, the Administration responded this would be used for software to update their transportation system.

and this motion was passed,

AYES: Fairclough, Whittle, Tremaine, Sullivan, Traini, Tesche, Stout, Jennings, Ossiander, Shamberg and Coffey.
NAYES: None.

- 14.M. Resolution No. AR 2004-293, a resolution of the Anchorage Municipal Assembly appropriating \$2,000,000 to Municipal Light and Power 2004 Operating Fund (530) and revising the **2004 Municipal Light and Power Operating Budget**.
1. Assembly Memorandum No. AM 857-2004.

Chair Traini read this resolution title and opened Public Hearing. There being no one to testify, he closed Public Hearing and called for a motion.

Ms. Jennings moved, to approve AR 2004-293.
Mr. Tesche seconded,
and this motion was approved,

AYES: Fairclough, Whittle, Tremaine, Sullivan, Traini, Tesche, Stout, Jennings, Ossiander, Shamberg and Coffey.
NAYES: None.

- 14.N. Ordinance No. AO 2004-158, an ordinance authorizing an easement to the U.S. Forest Service to construct and maintain the **Iditarod National Historic Trail** across municipal lands in the Upper Girdwood Valley, Heritage Land Bank.
1. Assembly Memorandum No. AM 851-2004.

Chair Traini read this ordinance title and opened Public Hearing. There being no one to testify, he closed Public Hearing and called for a motion.

Ms. Jennings moved, to approve AO 2004-158.
Mr. Coffey seconded,

To Mr. Coffey, Heritage Land Bank Director Robin Ward responded that they wanted the opportunity to have the funds available now for construction and maintenance and felt the improvements to the Iditarod Trail would improve property values. Because the Municipality was involved with a land use study, it was unknown what areas of that parcel would be developed until the study was completed. For those reasons, it was decided to issue a relocatable easement, giving the developers the opportunity to take advantage of available construction and maintenance money, and creating flexibility if there was a critical infrastructure needed. They would retain the right to move the easement to keep the integrity of the trail. She responded the agreement involved the U.S. Forest Service maintaining the Trail.

Mr. Tremaine stated that if the Administration viewed this action as legal, they should consider its application to dog mushing trails in Centennial Park. Girdwood was pleased with this outcome and had issued a resolution in support of this ordinance and had requested assurance that if the Forest Service could not maintain the Trail, that they would be allowed to maintain it. Ms. Ward responded that agreement had been included.

and this motion was passed,

AYES: Fairclough, Whittle, Tremaine, Sullivan, Traini, Tesche, Stout, Jennings, Ossiander, Shamberg and Coffey.
NAYES: None.

- 14.O. Ordinance No. AO 2004-162, an ordinance designating the **former Alaskan Village Mobile Home Park** as a deteriorated area, and setting the area boundaries, pursuant to Anchorage Municipal Code Sections 12.35.005 and 12.35.050; Office of Economic & Community Development.
1. Assembly Memorandum No. AM 861-2004.

Chair Traini read this ordinance title and opened Public Hearing.

LARRY NOREEN testified against the proposed ordinance because the subject property did not meet the criteria and conditions cited in the ordinance. He felt the ordinance deceived or misinformed the public. The subject property was prime development property and Mr. Noreen stated that the decision to designate deteriorated property should be made by the Planning and Zoning Commission. This type of tax exemption was the wrong approach to promoting redevelopment in Anchorage. Mr. Noreen stated that this subject property had value of millions of dollars and would be profitable for future developers. He felt the taxpayers needed to be informed of the exemption and allowed to make the decision. He felt the Assembly and the Administration needed to act responsibly in protecting the tax system against abuse.

Mr. Tesche stated he was intrigued with Mr. Noreen's comment that approval of this ordinance would only create burdensome precedence. Mr. Noreen responded that there were no properties in the Municipality for which this type of allowances should be used for redevelopment. He stated the area had good value and Anchorage had a good private sector to develop this property.

To Ms. Ossiander, Mr. Noreen responded that taxpayers should be informed if the city's intentions were to create a town center promoted by a private developer. He felt it should not be disguised as a deteriorated property ordinance.

With no additional public testimony, Chair Traini closed Public Hearing. He called for a motion.

Ms. Jennings moved, to Continue AO 2004-162 to December 14, 2004.
Mr. Coffey seconded,
and this motion was approved,

AYES: Fairclough, Whittle, Tremaine, Sullivan, Traini, Tesche, Stout, Jennings, Ossiander, Shamberg and Coffey.
NAYES: None.

- 14.P. Ordinance No. AO 2004-136, an ordinance amending Anchorage Municipal Code 3.20 relating to the **Organization of the Executive Branch**; Office of Economic & Community Development.
1. Assembly Memorandum No. AM 712-2004.

Chair Traini read this ordinance title and opened Public Hearing. With no one to testify, he closed Public Hearing and called for a motion.

Mr. Tesche moved, to approve AO 2004-136.
Mr. Tremaine seconded,

To Ms. Fairclough, Parks and Recreation Manager Jeff Dillon responded their proposed development of the Northwest and Southeast districts would include using existing facilities. They were currently considering the use of the Spenard Recreation Center and the Fairview Recreation Center and there were no additional capital costs predicted. He added they were working in partnership with the Anchorage School District, with consideration of using one of the middle school sites. Mr. Tremaine responded they should also communicate with Anchorage Water and Wastewater Utility.

and this motion was passed,

AYES: Fairclough, Whittle, Tremaine, Sullivan, Traini, Tesche, Stout, Jennings, Ossiander, Shamberg and Coffey.
NAYES: None.

- 14.Q. Ordinance No. AO 2004-137, an ordinance submitting to the qualified voters residing in the **South Goldenview Limited Road Service Area** (LRSA), a ballot proposition at the Regular Municipal Election of April 5, 2005 to impose a maximum 1.80 mill levy rate for the South Goldenview LRSA, effective retroactively as of January 1, 2005 and amending Anchorage Municipal Code Subsection 27.30.280; Maintenance & Operations Department.
1. Assembly Memorandum No. AM 811-2004.

Chair Traini read this ordinance title and opened Public Hearing. There being no one to testify he closed Public Hearing and called for a motion.

Mr. Tremaine moved, to approve AO 2004-137.
Mr. Coffey seconded,

Mr. Tremaine requested consideration of including a copy of the resolution from the board as an attachment when reviewing Limited Road Service Area (LRSA) issues. He questioned the use of a three-year extension because the agreement expired in April of 2005. Mr. Abbott responded there was time before the deadline to postpone this item until the Administration could review the upcoming LRSAs. Mr. Tremaine urged passage and Mr. Abbott concurred.

and this motion was passed,

AYES: Fairclough, Whittle, Tremaine, Sullivan, Traini, Tesche, Stout, Jennings, Ossiander, Shamberg and Coffey.
NAYES: None.

- 14.R. Ordinance No. AO 2004-159, an ordinance submitting to the qualified voters residing in the **Paradise Valley South Limited Road Service Area** (LRSA), a ballot proposition at the Municipal Election of April 5, 2005 to impose a maximum 2.00 mill levy rate for the Paradise Valley South LRSA, effective retroactively as of January 1, 2005 and amending Anchorage Municipal Code Section 27.30.640; Maintenance & Operations Department.
1. Assembly Memorandum No. AM 852-2004.

Chair Traini read this ordinance title and opened Public Hearing. There being no one to testify, he closed Public Hearing and called for a motion. Mr. Tremaine moved to approve and urged a YES-vote.

Mr. Tremaine moved, to approve AO 2004-159.
Mr. Coffey seconded,
and this motion was passed,

AYES: Fairclough, Whittle, Tremaine, Sullivan, Traini, Tesche, Stout, Jennings, Ossiander, Shamberg and Coffey.
NAYES: None.

15. **SPECIAL ORDERS** None.

16. **UNFINISHED AGENDA** None.

17. **AUDIENCE PARTICIPATION** None.

18. **ASSEMBLY COMMENTS**

Mr. Whittle complemented the Anchorage Police Department (APD) for their apprehension of the suspect in recent burglaries in East Anchorage. He stated that his home had been burglarized, along with fifty or sixty other residences. To Chair Traini, Anchorage Police Chief Walt Monegan responded that the police canine "Bolo" was successful in apprehending the suspect. Mr. Whittle stated this was an excellent example of the efficiency of the APD.

Ms. Fairclough announced that Standing Together Against Rape (*STAR*) would be holding their Christmas Holiday Tea that Saturday and there were still tickets available.

19. EXECUTIVE SESSIONS None.

20. ADJOURNMENT

Chair Traini called for a motion to adjourn. In honor of Mr. Joe Murdy, Mr. Coffey made the motion, in the manner that Mr. Murdy had made so many times as an Assemblymember.

Mr. Coffey moved, to adjourn the Regular Assembly Meeting.
Ms. Shamberg seconded,
and this motion was passed,

AYES: Fairclough, Whittle, Tremaine, Sullivan, Traini, Tesche, Stout, Jennings, Ossiander, Shamberg and Coffey.
NAYES: None.

The Regular Assembly Meeting was adjourned at 9:25 p.m.

DICK TRAINI, Assembly Chair

ATTEST:
defending our freedom.

BARBARA GRUENSTEIN, Municipal Clerk
Date Minutes Approved: January 11, 2005
MC/BG

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