

MUNICIPALITY OF ANCHORAGE
ANCHORAGE ASSEMBLY
Assembly Chambers, Z. J. Loussac Library
3600 Denali Street, Anchorage, Alaska

Minutes for Regular Meeting of September 21, 2004

1. CALL TO ORDER

The Assembly Meeting was called to order by Chair Traini at 3:05 p.m. in the Assembly Chambers, Room 108, Loussac Library, 3600 Denali Street Hall in Anchorage, Alaska.

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

PRESENT: Anna Fairclough (*arriving shortly after roll call*), Brian Whittle, Dan Sullivan, Dick Traini, Allan Tesche, Pamela Jennings, Debbie Ossiander, Janice Shamberg (*arriving shortly after roll call*) and Dan Coffey.
ABSENT: Dick Tremaine and Ken Stout, each excused. (*Clerk's Note: Mr. Tremaine participated with portions of the Assembly Meeting via telecommunication.*)

3. PLEDGE OF ALLEGANCE Assemblymember Coffey led the pledge.

Chair Traini called for a motion to Change the Order of the Day, to take up Old Business, Agenda Item Number 11.

Mr. Tesche moved, to Change the Order of the day to take up Old Business,
Mr. Coffey seconded, Agenda Items Number 11.A, 11.B, 11.C, 11.D and 11.E.
and this motion was approved unanimously,

4. MINUTES OF PREVIOUS MEETING None.

5. MAYOR'S REPORT

Mayor Begich announced there would be a bus tour, opened to the public and funded by a Housing and Urban Development grant, which would be touring the neighborhoods, viewing eight city parks in the community. It's purpose was to recognize all who had contributed to the improvements. All were invited and the bus was leaving City Hall at 12:45 on September 22nd. He announced the next Public Hearing on the Budget was scheduled from 6:30 to 8:00 p.m. the following evening, and encouraged citizens to attend. He stated that Diversity Week was being celebrated the following week, from September 26th to October 3rd, with many activities planned in the city.

6. ASSEMBLY CHAIR'S REPORT

Chair Traini announced there would be a boat tour scheduled that coming Friday at 3:00 p.m., for Assemblymembers to view the proposed site at the McKenzie Ferry dock.

7. COMMITTEE REPORTS

Mr. Tesche stated there would be a Public Hearing the following evening to comment on the Budget, at 6:30 p.m. in the Loussac Library Assembly Chambers, and encouraged the public to attend and participate.

8. ADDENDUM TO AGENDA

Chair Traini called for a motion to incorporate the Addendum in the Agenda and he read the Addendum items. He called for additional items and there being none, he called for a vote.

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

The Chair called for a motion on the Consent Agenda.

Mr. Tesche moved, to approve the Consent Agenda.
Ms. Fairclough 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 No. AR 2004-234, a resolution of the Anchorage Municipal Assembly recognizing the first **Annual Mayor's Diversity Week**, September 26 through October 3, 2004, Assemblymembers Coffey, Fairclough, Jennings, Ossiander, Shamberg, Stout, Sullivan, Tesche, Traini, Tremaine and Whittle.

Mr. Tesche requested this item be pulled for review on the Regular Agenda. (See Item 10.A.1)

- 9.A.2. Resolution No. AR 2004-235, a resolution of the Anchorage Municipal Assembly recognizing and honoring **William R. Robb** for his 23 years of service with the Municipality of Anchorage, Mayor Begich; Assemblymembers Coffey, Fairclough, Jennings, Ossiander, Shamberg, Stout, Sullivan, Tesche, Traini, Tremaine and Whittle. **(Addendum)**

Mr. Coffey requested this item be pulled for review on the Regular Agenda. (See Item 10.A.2)

9.B. RESOLUTIONS FOR ACTION - OTHER

- 9.B.1. Resolution No. AR 2004-209, a resolution of the Municipality of Anchorage providing for the appropriation of a grant totaling \$37,500 from the State of Alaska, Department of Education and \$42,000 as a contribution from the Library 2004 Operating Budget within the Areawide General Fund (101), to the State Categorical Grants Fund (231) for the **Public Library Assistance Grant** under the Office of Economic & Community Development.

a. Assembly Memorandum No. AM 699-2004.

- 9.B.2. Resolution No. AR 2004-228, a resolution authorizing the disposal of a municipal interest, via relinquishment, on **Lots 1 and 4, Block 3, Fyfe Subdivision** located in the S1/2 Section 32, T13N, R3W, SM, Alaska, Anchorage Water & Wastewater Utility.

a. Assembly Memorandum No. AM 700-2004.

- 9.B.3. Resolution No. AR 2004-231, a resolution authorizing the Municipality to grant an easement to Enstar Natural Gas Company to provide increased gas volume to the new **Eagle River High School** within Section 14, T14N, R2W, Seward Meridian, Alaska, located between the New Glenn Highway and Yosemite Drive and north of Hiland Road, Tax Nos. 060-041-16, 060-041-17, 060-041-18, 060-061-05, and 060-061-06, Project Management & Engineering.

a. Assembly Memorandum No. AM 706-2004.

- 9.B.4. Resolution No. AR 2004-237, a resolution of the Municipality of Anchorage appropriating \$39,000 from the Information Technology Fund (607), Net Assets to the Information Technology Fund (608) CIP to expand the **PBX Communications System** in the Planning and Development Center, Information Technology Department. **(Addendum)**

a. Assembly Memorandum No. AM 722-2004.

9.C. BID AWARDS

- 9.C.1. Assembly Memorandum No. AM 725-2004, recommendation of award to Western Peterbilt/Pacific System Sales for furnishing **commercial frontloader collection vehicles** to the Municipality of Anchorage, Solid Waste Services (SWS) (ITB 24B-052) (\$349,077), Purchasing. **(Addendum)**

- 9.C.2. Assembly Memorandum No. AM 726-2004, recommendation of award to Goodfellow Brothers, Inc. for **Tudor Road/Campbell Airstrip Road Snow Disposal Site water quality improvements** for the Municipality of Anchorage, Project Management & Engineering (ITB 24-C051) (\$479,762.50), Purchasing. **(Addendum)**

9.D. NEW BUSINESS

- 9.D.1. Assembly Memorandum No. AM 696-2004, **Emergency Medical Services Board** appointment (Dr. Timothy Silbaugh), Mayor's Office.

- 9.D.2. Assembly Memorandum No. AM 697-2004, **Housing and Neighborhood Development Commission** (James Gurke), Mayor's Office.

- 9.D.3. Assembly Memorandum No. AM 704-2004, **Municipal Prefunding Investment Board** appointments (Dan Moore, Greg Stokes, Jeffrey Sinz), Mayor's Office.

- 9.D.4. Assembly Memorandum No. AM 698-2004, Assembly approval of Change Order #4 to contract with Davison & Davison, Inc., to provide **legal services** in the area of Worker's Compensation (\$250,000), Finance.

- 9.D.5. Assembly Memorandum No. AM 705-2004, recommendation to approve a lease to **Aurora Coffee Company, LLC** to operate an espresso/coffee/snack bar at the Z.J. Loussac Public Library for the Municipality of Anchorage, Anchorage Municipal Libraries (RFP 24-P039), Purchasing.

Mr. Whittle requested this item be pulled for review on the Regular Agenda. (See item 10.D.5)

- 9.D.6. Assembly Memorandum No. AM 713-2004, **The Alley #4163** – Renewal of a Beverage Dispensary Liquor License (Downtown Community Council), Clerk's Office. **(Addendum)**

- 9.D.7. Assembly Memorandum No. AM 714-2004, **Camel Rock Lounge #4230** – Renewal for a Beverage Dispensary/Tourism Liquor License (Taku/Campbell Community Council), Clerk's Office. **(Addendum)**

- 9.D.8. Assembly Memorandum No. AM 715-2004, **Haute Quarter Grill #4075** – Renewal of a Restaurant/Eating Place Liquor License (Eagle River Community Council), Clerk's Office. **(Addendum)**

- 9.D.9. Assembly Memorandum No. AM 716-2004, **Prime, Inc. #1625** – Transfer of Ownership for a Beverage Dispensary Store Liquor License (Midtown Community Council), Clerk's Office. **(Addendum)**

(Clerk's Note: Mr. Coffey requested to abstain, due to a conflict of interest, which was confirmed by the Chair.)

- 9.D.10. Assembly Memorandum No. AM 717-2004, **Prime, Inc. #1626** – Transfer of Ownership for a Package Store License (Midtown Community Council), Clerk's Office. **(Addendum)**

(Clerk's Note: Mr. Coffey requested to abstain, due to a conflict of interest, which was confirmed by the Chair.)

- 9.D.11. Assembly Memorandum No. AM 718-2004, **Arts Advisory Commission** appointment (Corinna Delgado), Mayor's Office. **(Addendum)**
- 9.D.12. Assembly Memorandum No. AM 719-2004, proprietary purchase with Alaska Safety, Inc. for the purchase of **ICOP In-Car Video Systems** for the Municipality of Anchorage, Anchorage Police Department (\$54,340), Purchasing. **(Addendum)**
- 9.D.13. Assembly Memorandum No. AM 720-2004, proprietary services contract award to Compu-Data International, LLC for providing services to reconfigure the **Police Department Imaging System** for the Municipality of Anchorage, Anchorage Police Department (APD) (\$42,866), Purchasing. **(Addendum)**
- 9.D.14. Assembly Memorandum No. AM 721-2004, recommendation of award to Alaska Laser Printing and Mailing Services for providing **development, printing, Coding Accuracy Support System (CASS) certification, and mailing of statements** for the Municipality of Anchorage, Anchorage Water & Wastewater Utility (AWWU) (RFP 24-P033) (\$181,000), Purchasing. **(Addendum)**

9.E. INFORMATION AND REPORTS

- 9.E.1. Information Memorandum No. AIM 81-2004, **contracts awarded between \$50,000 and \$100,000 through formal competitive processes** for the month of August 2004, Purchasing.
- 9.E.2. Information Memorandum No. AIM 82-2004, **Sole Source Procurement Report** for the month of August 2004, Purchasing.
- 9.E.3. Information Memorandum No. AIM 83-2004, Notice of Award and Change Orders for **Community Development Block Grant Park Improvements** for the Municipality of Anchorage, Purchasing.

9.F. ORDINANCES AND RESOLUTIONS FOR INTRODUCTION

- 9.F.1. Ordinance No. AO 2004-132, an ordinance amending Anchorage Municipal Code Chapters 3.20 and 3.30 to create and enable the **Office of Equal Opportunity**, designate authority and oversight, update the Director classification, and other matters, Legal Department. *(Public Hearing set for 10-12-04)*
 - a. Assembly Memorandum No. AM 703-2004.
- 9.F.2. 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. *(Public Hearing set for 11-9-04)*
- 9.F.3. Resolution No. AR 2004-229, a resolution of the Municipality of Anchorage appropriating \$595,750 as a grant from the U.S. Department of Health and Human Services to the Federal Categorical Grants Fund (241), Department of Health and Human Services to fund **Family Planning Services**. *(Public Hearing set for 10-12-04)*
 - a. Assembly Memorandum No. AM 701-2004.
- 9.F.4. Resolution No. AR 2004-230, a resolution appropriating \$298,704 of revenue from the State of Alaska Department of Transportation and Public Facilities to the State Categorical Grants Fund 231 to the Project Management & Engineering Department for **National Pollutant Discharge Elimination System (NPDES) permit services** provided in 2004, Project Management & Engineering. *(Public Hearing set for 10-12-04)*
 - a. Assembly Memorandum No. AM 702-2004.
- 9.F.5. Resolution No. AR 2004-232, a resolution of the Anchorage Municipal Assembly appropriating \$297,366.04 of unappropriated revenues from the **sale of municipal property**, Project Management & Engineering. *(Public Hearing set for 10-12-04)*
 - a. Assembly Memorandum No. AM 707-2004.
- 9.F.6. Resolution No. AR 2004-233, a resolution of the Municipality of Anchorage appropriating \$478,646 to the State Categorical Grants Fund (231), Department of Public Transportation from the Alaska Department of Health and Social Services to assist in the funding of **coordinated transportation services** for senior citizens within the Municipality of Anchorage, Public Transportation Department. *(Public Hearing set for 10-12-04)*
 - a. Assembly Memorandum No. AM 708-2004.
- 9.F.7. Resolution No. AR 2004-236, a resolution of the Anchorage Municipal Assembly joining the National League of Cities in calling for a **National Domestic Agenda** in 2005 that supports families and children, puts affordable housing and home ownership within reach of every American, grows our local economies to increase jobs and opportunities to learn new skills and supporting all governments working together to better serve Americans. *(Public Hearing set for 9-28-04, Special Meeting)* **(To be Submitted) (Addendum)**
- 9.F.8. Resolution No. AR 2004-238, a resolution of the Municipality of Anchorage to appropriate \$248,900 from the Heritage Land Bank Fund Balance (221) to the Heritage Land Bank Operating Budget for professional services expenses associated with the **Abbott/Bragaw Road Extension, the Downtown Convention Center, and the Tudor Road-Lake Otis Parkway Acquisition Projects**, Heritage Land Bank. *(Public Hearing set for 10-12-04) (Addendum)*
 - a. Assembly Memorandum No. AM 723-2004.
- 9.F.9. Resolution No. AR 2004-239, a resolution of the Municipality of Anchorage to provide \$667,607 to the State of Alaska Department of Transportation and Public Facilities to fulfill the local match contribution for construction of the **Ship Creek Trail Project Phase III**, Project Management & Engineering. *(Public Hearing set for 10-12-04) (Addendum)*
 - a. Assembly Memorandum No. AM 724-2004.
- 9.F.10. Resolution No. AR 2004-240, a resolution approving acquisition of real property and/or business interests at the **intersection of Lake Otis Parkway and Tudor Road** for right-of-way at fair market value and appropriating from Heritage Land Bank Operating Fund (221) to Heritage Land Bank Capital Fund (421) for an amount not to exceed \$2,776,000 for right-of-way acquisitions, Heritage Land Bank. *(Public Hearing set for 10-12-04) (Addendum)*
 - a. Assembly Memorandum No. AM 727-2004.

- 9.F.11. Ordinance No. AO 2004-134, an ordinance of the Municipality of Anchorage, Alaska, authorizing and providing for the issuance of not to exceed \$52,375,000 in aggregate principal amount of **General Obligation General Purpose Bonds** of the Municipality for the purpose of raising funds to pay costs related to ambulances, emergency/areawide communications improvements, road and drainage improvements, public transit improvements, fire protection improvements, police and public safety improvements, park and recreation improvements, and related capital improvements; fixing certain details of said bonds; providing for the form and manner of sale of said bonds; pledging the full faith and credit of the Municipality to the payment thereof; authorizing the Chief Fiscal Officer to negotiate and execute a contract for the purchase and sale of said bonds; and related matters, Finance. (*Public Hearing set for 10-12-04*) (**Addendum**)
- a. Assembly Memorandum No. AM 709-2004.
- 9.F.12. Ordinance No. AO 2004-135, an ordinance of the Municipality of Anchorage, Alaska, authorizing and providing for the issuance of not to exceed \$86,240,000 in aggregate principal amount of **General Obligation School Bonds** of the Municipality for the purpose of raising funds to pay the costs of educational capital improvement projects in the Municipality; fixing certain details of said bonds; providing for the form and manner of sale of said bonds; pledging the full faith and credit of the Municipality to the payment thereof; authorizing the Chief Fiscal Officer to negotiate and execute a contract for the purchase and sale of said bonds; and related matters, Finance. (*Public Hearing set for 10-12-04*) (**Addendum**)
- a. Assembly Memorandum No. AM 710-2004.

Chair Traini called for a motion to approve the remainder of Consent Agenda. Mr. Coffey requested to abstain from participating with items 9.D.9 and 9.D.10, because his law firm represented the seller. Chair Traini ruled that he abstain from participation with those items due to a conflict of interest. Mr. Coffey also disclosed that his law firm had formerly represented the owners involved with the issue of 9.D.8, but he no longer represented them. Chair Traini ruled he had no conflict of interest and directed him to participate with that item.

Mr. Tesche moved, to approve the amended Consent Agenda, with the
Mr. Fairclough seconded, exception of those items pulled for review.
and this motion was passed,
with Mr. Coffey abstaining on items 9.D.9 and 9.D.10, due to a conflict of interest,

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

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

END OF CONSENT AGENDA

10. REGULAR AGENDA

- 10.A. **RESOLUTIONS FOR ACTION - PROCLAMATIONS AND RECOGNITIONS** None.
- 10.A.1. Resolution No. AR 2004-234, a resolution of the Anchorage Municipal Assembly recognizing the first **Annual Mayor's Diversity Week**, September 26 through October 3, 2004, Assemblymembers Coffey, Fairclough, Jennings, Ossiander, Shamberg, Stout, Sullivan, Tesche, Traini, Tremaine and Whittle.

Mr. Tesche moved, to approve AR 2004-234.
Ms. Jennings seconded,
and this motion was passed unanimously,

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

Ms. Jennings read the resolution and Ms. Ossiander presented the award to Ms. Celeste Hodge, on behalf of the Begich Administration, recognizing the Annual Mayor's Diversity Week, scheduled for September 26 through October 3, 2004.

- 10.A.2. Resolution No. AR 2004-235, a resolution of the Anchorage Municipal Assembly recognizing and honoring **William R. Robb** for his 23 years of service with the Municipality of Anchorage, Mayor Begich; Assemblymembers Coffey, Fairclough, Jennings, Ossiander, Shamberg, Stout, Sullivan, Tesche, Traini, Tremaine and Whittle. (**Addendum**)

Mr. Coffey moved, to approve AR 2004-235.
Ms. Ossiander seconded,
and this motion was passed unanimously,

AYES: Fairclough, Whittle, Tremaine (*via teleconference*), Sullivan, Traini, Tesche, Jennings, Ossiander, Shamberg and Coffey.
NAYES: None.
ABSENT: Stout, each excused.

Mr. Coffey read the resolution and Chair Traini presented the recognition, honoring William (*Bill*) R. Robb for his twenty-three years of service with the horticultural section of the Municipal Parks and Recreation Department. Mr. Robb accepted his resolution and thanked the Mayor and Assembly for their recognition. Mr. Tesche, Mr. Whittle and

Ms. Jennings thanked Mr. Robb for his services to the city and for his professional work with the flowers, which were appreciated by thousands of citizens and visitors. Mayor Begich thanked Mr. Robb for his work with the flowers and the concept of portable greenhouses for the future.

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

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

10.D. NEW BUSINESS

10.D.5. Assembly Memorandum No. AM 705-2004, recommendation to approve a lease to **Aurora Coffee Company, LLC** to operate an espresso/coffee/snack bar at the Z.J. Loussac Public Library for the Municipality of Anchorage, Anchorage Municipal Libraries (RFP 24-P039), Purchasing.

Mr. Whittle moved, to approve AM 705-2004.
Mr. Sullivan seconded,
and this motion was passed unanimously,

AYES: Fairclough, Whittle, Tremaine (*via teleconference*), Sullivan, Traini, Tesche, Jennings, Ossiander, Shamberg and Coffey.

NAYES: None.

ABSENT: Stout, excused.

To Mr. Whittle, Municipal Library Director Art Weeks introduced the concessionaire of the newly-reopened restaurant in the Loussac Library, who thanked everyone for their help with getting his business established. He stated that his business would soon be opening, setting hours to serve coffee, beverages and goodies to accommodate the library visitors and members of late-night municipal meetings in the Chambers.

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

10.F. ORDINANCES AND RESOLUTIONS FOR INTRODUCTION None were pulled for review.

11. OLD BUSINESS AND UNFINISHED ACTION ON PUBLIC HEARING ITEMS

11.A. Assembly Memorandum No. AM 655-2004, **Platting Board** appointment (Mike Kreger), Mayor's Office. (*Postponed From 9-7-04*)

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

Mr. Tesche moved, to approve AM 655-2004.
Mr. Coffey seconded,
and this motion was passed unanimously,

11.B. Assembly Memorandum No. AM 656-2004, **Urban Design Commission** appointments (Linda Cyra-Korsgaard, Luanne Urfer), Mayor's Office.
(*Postponed From 9-7-04*)

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

Mr. Tesche moved, to approve AM 656-2004.
Mr. Coffey seconded,
and this motion was passed unanimously,

11.C. Ordinance No. AO 2004-111, an ordinance of the Municipality of Anchorage authorizing a trade of a 8.26 acre parcel municipally owned property commonly known as **Tract B, Campbell Lake Outfall**, located at the outfall of Campbell Lake in southwest Anchorage, Heritage Land Bank.
1. Assembly Memorandum No. AM 591-2004.
(*Public Hearing Closed was 8-17-04; Carried Over from 8-17-04 and the Continued Meeting of 9-8-04; Postponed until 10-12-04*)

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

Mr. Tesche moved, to approve AO 2004-111.
Mr. Coffey seconded,

To Ms. Ossiander and Chair Traini, Mayor Begich reported on his recent attendance of the community council meeting and the status of the issue. The Mayor, Heritage Land Bank Executive Director Robin Ward and Heather Rauch conducted a presentation to a combined community council meeting, representing communities of Sand Lake, Ocean View and Bayshore-Klatt. Their report included the current status of the land trade in question, and they answered many questions concerning the appraisal, zoning status, evaluation, platted dedicated rights-of-way and dates of ownership. They had discussed Pauline's Pond in Sand Lake, which was proposed to remain in city control. The Mayor stated they were interested in acquiring the additional fifteen acres around Pauline's Pond to restrict development and the trade would also include additional lands for watershed access.

Ms. Ossiander remembered that the community councils had requested an additional delay, to wait for the water report, being completed by the University of Alaska. The Mayor responded that the city was interested in acquiring the land and would be liable for the land, regardless of the outcome of the water report. He added that the city was receiving a good value per acre price.

Mr. Sullivan also remembered the community council requesting to delay, waiting for the water report, due October 8, 2004. He was concerned that the Municipality would be liable for the property, which would be indicated in the outcome of that report. He urged postponement to wait until they could review the report. He made reference to a letter from Dr. Layne Crowe, which stated that municipal law required public, competitive process for disposition of municipal assets and that he and others were willing to pay several hundred thousand dollars more than the contemplated trade value of the property in question, which would allow the Municipality to purchase the properties and have money left over for other municipal expenses. He proposed postponing until October 26, 2004.

Mr. Coffey requested a legal opinion if Dr. Crowe's letter, referring to municipal law requiring competitive process for disposition of assets was applicable to this situation, which involved a value-to-value exchange. Municipal Attorney Fred Boness responded he did not think it applied if the Assembly approved the exchange. To Mr. Coffey's question, Mayor Begich responded the developers were moving forward on their plans with the property, and he felt a delay the land may not be available and the evaluations may change because of the improvements currently being made.

To Mr. Tesche, the Mayor responded that there was enough solid information for the Assembly to make a decision that evening. He encouraged making some tough decisions and to move forward on negotiating the trade. He did not think the outcome of the report would change the decision or outcome. If there were liabilities involved, depending on the outcome of the water report, the Municipality would take responsibility and assume liability. Mr. Tesche agreed to support the issue.

Ms. Fairclough thought if there were two Assemblymembers absent, the public might be offended with the outcome. To her question, Ms. Ward responded that the issue before the Assembly only involved an authorization for the intent to complete the trade and they had not yet negotiated any type of a contract nor did they have an "end-date." Ms. Fairclough responded she felt there was time to wait for the water report and moved to postpone.

Ms. Fairclough moved, *to postpone* AO 2004-111 until October 12, 2004.
Mr. Sullivan seconded,

Mr. Sullivan thought there was time to wait for the water report. He requested an opinion from the municipal legal staff or real estate, in response to opening a competitive bid, beginning at \$750,000.

Ms. Jennings stated she would support postponement because her constituents wanted the delay. Personally, she felt the Administration should take advantage of the offer on the table before it was changed.

To Mr. Tesche, Mr. Sullivan responded that by waiting they would be able to review the water quality report, it would allow time to complete the competitive bid process, and give the Administration time to collect information and develop a plan to protect the land and the pond. He stated he would support postponement.

Ms. Fairclough requested a presentation from staff on October 8, 2004, in a worksession, to discuss the water report. Chair Traini requested Assembly Director Elvi Gray-Jackson to organize that worksession. Chair Traini called for a vote on postponement until October 12, 2004.

and this motion was passed,

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

Chair Traini requested Assembly Utility Budget Analyst Michael Gutierrez to contact the University of Alaska to check on the completion of the water quality report. Mayor Begich stated that he and his Administration would work with the Assembly in organizing a worksession.

- 11.D. Ordinance No. AO 2004-124, an ordinance amending Anchorage Municipal Code Title 7 to add a new Chapter 7.80 providing for creation of the **Anchorage Cooperative Services Authority**, Finance.
1. Assembly Memorandum No. AM 648-2004.
 2. Ordinance No. AO 2004-124(S), an ordinance amending Anchorage Municipal Code Title 7 to add a new Chapter 7.80 providing for creation of the Anchorage Cooperative Services Authority, Finance.
 3. Assembly Memorandum No. AM 648-2004(A).
(Public Hearing Closed was 8-17-04; Carried Over from 8-17-04 and 9-8-04, (Continued Meeting);
Postponed from 9-8-04)

Chair Traini read this ordinance title.

Mr. Tesche moved, *to approve* AO 2004-124(S).
Mr. Coffey seconded,

Ms. Ossiander wanted to clarify the difference in the substitute version of the ordinance was the inclusion of the sunset clause. Chair Traini confirmed the change involved the opportunity for the Administration to review this issue in the future. To Ms. Fairclough, he responded there was also a loan agreement and a dollar amount included.

To Mr. Sullivan, Cost Savings Initiative Director Paul Wiltse explained the new software the Municipality had invested in. It was manufactured by Reba and was used by the largest companies in the world and was used across the nation in government. In the state of North Carolina they attributed a savings of \$176 million to the implementation of this new software. Mr. Wiltse shared other statistics, examples, savings, advantages and benefits of the use of this high technological, sophisticated software. Mr. Wiltse explained the Administration was organizing a new Anchorage Cooperative Services Authority, with a staff of seven. They had made significant efforts to recruit additional

organizations to invest with their services, including the State of Alaska, the Anchorage School District, the Mat-Su Borough and the University of Alaska. He stated there was much interest in the new program.

Mr. Tesche stated that the ordinance did not indicate what action was needed for implementation of the sunset clause. He urged a YES-vote on the (S) Version, which included details.

Mr. Tesche moved,	to amend AO 2004-124(S), <i>by adding</i> on Page 4, Line 11, <i>to</i>
Mr. Coffey seconded,	<i>read:</i> If the Assembly fails to reauthorize the Authority's
and this was unanimously approved,	continued existence, " <u>by ordinance</u> " on or before January 15,
	2010...

Ms. Ossiander stated that the Authority would be exempt from Title 3 and Title 7, concerning cooperative agreements, and public process, and there was the potential of expenditure of money to maintain this new municipal division. She stated that with the lure of potential cost savings to the city with the new software system, the promise of implementation by Mr. Wiltse and the inclusion of the sunset clause, she would support this ordinance.

Mayor Begich stated the Authority would be a separate unit in the Municipality and would report to the Administration of their activities.

To Ms. Fairclough, Deputy Municipal Manager Michael Abbott responded that the Administration was hopeful the School District would be recruited to join the Cooperative Authority, where it would act independently in procurement.

To Mr. Whittle, Mr. Wiltse responded the licensing of the software would be sold to government and academic institutions and similar organizations within Alaska. The Reba Software provider would allow the Authority to recruit new members under the umbrella of the license, requiring a 2% fee for service.

Chair Traini called for a vote on the main motion.

Mr. Tesche moved,	to approve AO 2004-124(S), as amended.
Mr. Coffey seconded,	
and this motion was passed,	

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

NAYES: None.

ABSENT: Tremaine and Stout, each excused.

- 11.E. Ordinance No. AO 2004-108(S), an ordinance amending Anchorage Municipal Code Sections 21.15.030, 21.35.020, 21.40.180, 21.40.190, 21.40.200, 21.45.080, 21.45.290 and 21.50.085, adding new and revising current definitions and standards for a self-storage facility and vehicle storage yards, and allowing the yards in certain zoning districts; adding Section 21.50.400, Conditional Use Standards for vehicle storage yards; adding Section 21.50.450 Conditional Use Standards for containerized storage units in conjunction with self storage facilities; and adding Section 21.55.140, amortization requirements for **self-storage facilities and vehicle storage operations**, Planning Department. ***(Laid on the Table)***
1. Assembly Memorandum No. AM 580-2004.
 2. Ordinance No. AO 2004-108, an ordinance amending Anchorage Municipal Code Sections 21.15.030, 21.35.020, 21.40.180, 21.40.190, 21.40.200, 21.45.080, 21.45.290 and 21.50.085, adding new and revising current definitions and standards for a self-storage facility and vehicle storage yards, and allowing the yards in certain zoning districts; adding Section 21.50.400, Conditional Use Standards for vehicle storage yards; adding Section 21.50.450 Conditional Use Standards for containerized storage units in conjunction with self storage facilities; and adding Section 21.55.140, amortization requirements for self-storage facilities and vehicle storage operations, Planning Department. *(Carried Over from 8-17-04, 9-7-04 and 9-8-04 (Continued Meeting); Public Hearing was closed 9-8-04)*

Chair Traini read this ordinance title and called for a motion

Mr. Tesche moved,	to approve AO 2004-108(S).
Mr. Coffey seconded,	

Mr. Coffey stated that he had been involved with this issue while he was on the Planning and Zoning Commission.

Mr. Coffey moved,	to approve Coffey Amendment No. 1, to AO 2004-108(S), <i>by</i>
Mr. Sullivan seconded,	<i>changing</i> , on Page 2, Line 45, <i>to read:</i> " <u>b. Self storage</u>
	<u>facilities, subject to non-public hearing site plan review...</u> "

To Mr. Tesche, Deputy Municipal Manager Michael Abbott explained that the Administration was hesitant to make additional changes after the ordinance had been created and modified over the years by various concerned people, groups, division and department and boards, commissions and staff. He responded the substitute version included using public hearing on the issues involved with public storage and the Administration supported that clause. Mr. Tesche stated he would support the Administration and would be a NO-vote on the Coffey amendment No. 1.

Ms. Jennings thought it was important to honor the process that had already occurred, which had included the clause allowing public testimony. She felt the public needed to remain involved. She would be a NO-vote on the Coffey Amendment No. 1.

Ms. Shamberg stated that, agreeing with all of the reasons stated by Mr. Tesche and Ms. Jennings, she would also be a NO-vote.

Mr. Sullivan thought that the process was still on-going, and the Assembly still had the opportunity to make corrections and improvements to the ordinance. He thought the Coffey Amendment No. 1 would allow the process of review within the city, instead of through the public. He did not view that as a significant modification and he would be a YES-vote. He thought that the public would be involved when the issues were presented at the community councils, with an opportunity for comment and appeal.

Mr. Tremaine (*via teleconference*) felt this ordinance had gone through two years of intensive review from the storage industry and the public. He thought it was important to maintain the public review process. He would be a NO-vote.

Mr. Whittle thought it was important to include the public process, because many storage units were in neighborhoods in the city and involved the public. Zoning Division Administrator Jerry Weaver responded that the cases were all routed to the community councils, so there would always be the ability for the public to comment, with appeal rights.

Mr. Coffey stated his intentions included reducing the costs associated with the two different methods of review. Mr. Weaver responded that the cost to include public testimony would be \$4800, as compared with \$3360 for no public testimony.

To Mr. Tesche, Mr. Weaver responded that in the B-3 zoning, the size limitations of areas remained with unlimited lot coverage in the ordinance. The provision in the Municipal Code limited the lot coverage to 50%. Mr. Tesche stated he would be a NO-vote on the Coffey Amendment.

Chair Traini called for a voice-vote on the Coffey Amendment No. 1.

and this motion failed,

AYES: Fairclough, Sullivan, Ossiander and Coffey.

NAYES: Whittle, Tremaine (*via teleconference*), Traini, Tesche, Jennings and Shamberg.

ABSENT: Stout, excused.

Mr. Coffey moved,

Ms. Jennings seconded,

to approve Coffey Amendment No. 2, to AO 2004-108(S), by *changing* on Page 6, Line 3, *to read: "1. All driveways, interior aisles, and walkways shall be either paved or covered with asphalt or graveled with d-1."*

Mr. Coffey proposed this change for drainage and cost considerations.

Ms. Jennings thought it was important to consider keeping the pavement to municipal standards.

To Mr. Tesche, Mr. Weaver responded there was not a great difference between paved and paved to municipal standards. Mr. Tesche stated he would be a NO-vote.

Ms. Shamberg thought it was important to keep the municipal standards, with adequate drainage. She would be a YES-vote.

Ms. Ossiander thought it was important for a more permeable ground cover, and thought recycled asphalt would also allow a cost savings.

Mr. Tesche thought it might be wise to include additional language to the amendment, adding "to municipal standards," which Mr. Coffey accepted as a friendly amendment. Mr. Coffey offered additional language to include "recycled," which Mr. Tesche accepted as a friendly amendment. Chair Traini recommended leaving "asphalt" and adding "recycled asphalt." Mr. Tesche and Mr. Coffey each accepted this as a friendly amendment.

Mr. Tesche moved,

Mr. Coffey seconded,

and this was approved unanimously,

to amend the Coffey Amendment No. 2, on Page 6, Line 3, *by adding, to read: 1. All driveways, interior aisles, and walkways shall be either paved "to municipal standards" or covered with asphalt or "recycled asphalt" or graveled with d-1.*

Mr. Coffey moved,

Ms. Fairclough seconded,

to approve Coffey Amendment No. 3, to AO 2004-108(S), by *deleting* on Page 6, Line 24, *to read: [1. Outside Storage of vehicles or equipment. Any outside vehicle storage is a conditional use in the B-3 and B-4 districts.] and re-lettering the remaining.*

Mr. Coffey felt that permitted use in this zoning seemed appropriate, and included a public site-plan review.

Ms. Jennings felt that including a conditional use for vehicles was appropriate with the problems they created, including leaking gasoline and oil.

Mr. Tremaine thought this referenced vehicle storage yards, not simply vehicle storage. Mr. Weaver responded the heading was 'vehicle storage yards,' and it was not their intent to address vehicle storage at a caretaker unit, which would be treated similarly to 'residential.' Mr. Tremaine proposed to amend by adding the word "Yard" to the title in the Coffey Amendment No. 3. Mr. Coffey accepted the changes as friendly.

Mr. Tremaine moved, to amend the Coffey Amendment No. 3 *by adding "Yard"*
Mr. Coffey seconded, on Page 5, Line 29, to the title.
and this was approved unanimously,

Chair Traini called for a vote on the Coffey Amendment No. 3, as amended.

and this was approved unanimously,

(Clerk's Note: Mr. Coffey did not offer an Amendment No. 4)

Mr. Coffey moved, to approve Coffey Amendment No. 5, to AO 2004-108(S), *by*
Mr. Sullivan seconded, *changing* on Page 6, Lines 45-48, the depth of the
landscaping from ~~[8 feet]~~ "5 feet," and from ~~[15 feet]~~ "10 feet,"
depending on the zoning.

Mr. Coffey felt that, while retaining adequate buffers in a business district were important, he thought the property of a storage facility, with the eight-foot high screening fence for maximum privacy, could better utilize the additional feet for storage. He felt that a fifteen foot buffer for a storage facility was excessive. His proposal was an attempt to balance this issue regarding costs to the storage facility owners.

Ms. Shamberg felt the large landscaping areas allowed for more vegetation, including trees, and thought that was an important factor in residential districts, and she would oppose the amendment.

Ms. Jennings did not want to change the current restrictions on the landscape and would be a NO-vote.

Mr. Sullivan thought that utilization of space was an important issue and this allowed for a good compromise with the close proximity of residential and commercial zoning and would be a YES-vote.

Chair Traini called for a vote on the Coffey Amendment No. 5.

and this motion failed,

AYES: Fairclough, Sullivan, Traini, Ossiander and Coffey.

NAYES: Whittle, Tremaine (*via teleconference*), Tesche, Jennings and Shamberg.

ABSENT: Stout, excused.

Mr. Coffey moved, to approve Coffey Amendment No. 6. to AO 2004-108(S), *by*
Ms. Ossiander seconded, *adding* on Page 7, Lines 38-41, to read: "M. Containerized Storage. In conjunction with vehicle-storage yards in the B3 and B4 districts, containerized storage shall be permitted only by conditional use approval under section 21.50.450, but containerized storage shall be a permitted use in self-storage facilities in these zones."

Mr. Coffey thought that allowances could be made for storage of a vehicle in self-storage facilities in B3 and B4 zoned districts, taking into consideration costs and the extensive use of self-storage units in the city.

Ms. Shamberg thought that if the lot was carefully screened, the decisions of the types of storage should be left up to the business owner. She would be a YES-vote.

To Mr. Whittle, Mr. Weaver responded new requirements involving fencing, razor wire and landscaping would be allowed for a ten-year grandfathering period, and was addressed at the end of the ordinance.

To Mr. Tesche, Mr. Weaver responded that the Administration had no objections to this amendment.

and this motion was unanimously approved,

AYES: Fairclough, Whittle, Tremaine (*via teleconference*), Sullivan, Traini, Tesche, Jennings, Ossiander, Shamberg and Coffey.

NAYES: None.

ABSENT: Stout, excused.

Mr. Coffey moved, to approve Coffey Amendment No. 7 to AO 2004-108(S) *by*
Mr. Sullivan seconded, *changing* on Page 11, Lines 9-11 to read: "21.50.450 Conditional Use Standards – containerized storage units in conjunction with vehicle-storage facilities. The following standards shall apply to the use of containerized storage units in conjunction with permitted vehicle-storage facilities."
and this was unanimously passed,

AYES: Fairclough, Whittle, Tremaine (*via teleconference*), Sullivan, Traini, Tesche, Jennings, Ossiander, Shamberg and Coffey.

NAYES: None.

ABSENT: Stout, excused.

Mr. Coffey moved, to approve Coffey Amendment No. 8 to AO 2004-108(S) *by*
Ms. Ossiander seconded, *deleting* on Page 11, Lines 13-14 to read: "A containerized

storage unit shall be a factory built shipping container.”
~~[Meeting the standards of the U.S. Department of
Transportation.]~~

Ms. Jennings questioned deleting the Department of Transportation standards. Mr. Weaver responded that the majority of containers currently being used by storage facilities were surplus shore containers and probably would meet the standards anyway. Ms. Jennings responded that she would be comfortable with the amendment.

and this was passed unanimously,

AYES: Fairclough, Whittle, Tremaine (*via teleconference*), Sullivan, Traini, Tesche, Jennings, Ossiander, Shamberg and Coffey.
NAYES: None.
ABSENT: Stout, excused.

Chair Traini ruled to Change the Order of the Day to continue at the beginning of the Regular Agenda and there were no objections. (*Clerk's Note: Time did not allow the Assembly to return to this item and it was continued to 10-12-2004.*)

12. APPEARANCE REQUESTS

12.A. **Roxanna Strom**, regarding the Weatherization Program.

Ms. Roxanne Strom, a resident of Plaza 36, spoke of the Emergency Repair Program, available to citizens. To Ms. Strom, Municipal Social Services Division Manager Ken Takakuwa and Program Manager Craig Fedderman responded they administered the Federal Winterization Program and the Housing and Urban Development and Minor Rehabilitation Program, with funds available to assist with minor home repairs. Ms. Strom was unhappy with the long list of citizens waiting for assistance. Ms. Fairclough explained that the city was not mandated to provide financial support for individual citizens, but it was something that the city was trying to coordinate for the individuals with the federal government programs. She did not want to give Ms. Strom false hope because there were many people waiting for limited resources.

12.B. **Theresa Nangle Obermeyer, Ph.D.**, to request review of www.tobermeyer.info for investments in stock market of past/present Alaska Permanent Fund Board of Trustees. (**Addendum**)

Dr. Obermeyer testified concerning the Permanent Fund, the members of the Permanent Fund Board of Trustees and the stock market investments for the Fund. She was discouraged that the board had proposed to lower the payout of the Fund.

13. CONTINUED PUBLIC HEARINGS

13.A. Resolution No. AR 2004-205, a resolution of the Municipality of Anchorage, Alaska, confirming and levying special assessments for sanitary sewer improvements for **Colonial Lateral Improvement District (LID) 50-18**, setting date of payment and providing for penalties and interest in the event of delinquency, Anchorage Water & Wastewater Utility.
1. Assembly Memorandum No. AM 625-2004.
(*Carried Over from 9-7-04 and Continued Meeting of 9-8-04*)

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 2004-205.
Mr. Coffey seconded
and this motion was unanimously passed,

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

13.B. Resolution No. AR 2004-206, a resolution of the Municipality of Anchorage, Alaska, confirming and levying assessments for the sewer special improvements within **Levy-Upon-Connection (LUC) Roll 04-S-7**, setting date of payment and providing for penalties and interest in the event of delinquency, Anchorage Water & Wastewater Utility.
1. Assembly Memorandum No. AM 626-2004.
(*Carried Over from 9-7-04 and Continued Meeting of 9-8-04*)

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 2004-206.
Mr. Coffey seconded
and this motion was unanimously passed,

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

13.C. Resolution No. AR 2004-185, a resolution of the Municipality of Anchorage, Alaska, confirming and levying assessments for the water special assessments within **Levy Upon Connection (LUC) Roll**

04-W-2, setting date of payment and providing for penalties and interest in the event of delinquency, Anchorage Water & Wastewater Utility.

1. Assembly Memorandum No. AM 572-2004.
2. Information Memorandum No. AIM 71-2004.

(Continued from 8-17-04 and 9-7-04)

Chair Traini read this resolution title and opened Public Hearing.

MATT MOWERY testified that when he bought his Muldoon home he had been told it was private water supply system and there was also confusion of who owned the sewer line. He had recently been told he had to put in a new sewer line, after Anchorage Water and Wastewater Utility (AWWU) had maintained that line and had never billed him in the twenty years he had owned his home. To Ms. Jennings, he responded that it had been decided that AWWU had no part in the issue, and AWWU had given him a bill for \$14,000. He stated that the covenants would not allow homeowners to put in wells and they had a no-win situation.

BOB LYNN, a resident of Chester Court, asked the Assembly to table this item, to allow property owners time to research information on all sides of this issue.

MARK PHEFFER, owner of the former trailer park adjacent to Mr. Mowery's home, testified he had worked with Neeser Construction reconstructing their water system. To Ms. Ossiander, he explained the confusing history of the water, sewer and the covenants covering the trailer park. He stated that the utilities had been fixed and that they were now waiting for AWWU to pay the charges they had agreed to in the contract. To Ms. Jennings, he responded they were not required to maintain utilities of adjacent property owners.

DON KEIFFER, Planning Supervisor of AWWU, stated they had presented all the options to the property owners for restoring water and sewer services to the property owners, which included only an estimate of \$800,000 for accumulative water and sewer improvements.

MARK PREMO, AWWU General Manager, did not think it was a large spread between \$600,000 and \$800,000 for a large construction project like this one. To Chair Traini's question, Mr. Premo responded that the residents had always received monthly billings for utilities once the residents had become connected.

Chair Traini stated he had promised the audience that the Assembly would return to AO 2004-131, the tobacco tax issue, Agenda Item 14.A. He called for a motion to continue Public Hearing on this item to a later time.

Ms. Fairclough moved,	<i>to continue</i> Public Hearing on AR 2004-185 until
Ms. Ossiander seconded,	October 12, 2004.
and this motion failed,	

AYES: Fairclough, Tremaine (*via teleconference*) and Ossiander.

NAYES: Whittle, Sullivan, Traini, Tesche, Jennings, Shamberg and Coffey.

ABSENT: Stout, excused.

Ms. Fairclough moved,	<i>to postpone</i> Public Hearing on AR 2004-185 until 10:15 p.m.
Ms. Ossiander seconded,	that evening.
and there were no objections,	

Chair Traini returned the Assembly to finish this item once discussion and action on the tobacco tax issue was completed. Mr. Coffey was given the floor.

To Mr. Coffey, Mr. Pfeffer responded that the estimate, referred to as the Sanitary Sewer Main Extension Line Agreement, was \$331,000 for the sewer and \$277,000 for the water, totaling \$608,000.

To Chair Traini, Mr. Premo responded that there was a distinct difference how the trailer park and the homes were served by the utilities. Subdivision residents had been on a private water well system, distribution system and connections. But, there was no 'down-stream' treatment capacity on sewer and the sewage had been collected in their private lines and discharged into the public system. Residents were being charged for transportation of the sewage from their lines.

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

Mr. Coffey moved,	to approve AR 2004-185.
Ms. Jennings seconded,	

Mr. Coffey requested public testimony be heard on Agenda Item No. 13.D. concerning the sewer utility with the same group of homeowners, and there were no objections. Following Public Hearing on that item, the Chair returned the body to conclude this item. Mr. Coffey thought that AWWU had no other option but to pay the contractor under the levy-upon-connection (*LUC*), equal to the approved tariff, because it was built under contract between them. He stated there was still a question of the levy-upon-connection to the homeowners, confused with issues associated with the covenants and the association with AWWU, and those resolutions could not be addressed by the Assembly.

To Mr. Sullivan, Mr. Premo responded the difference between the actual estimate before construction and the actual costs after completion would be the responsibility of the developer. Mr. Premo stated that customarily with a *LUC*, the homeowner would pay the lesser costs. He stated that in cases like this one, AWWU could act as the bank, with liens against the properties.

Mr. Abbott proposed amendments to the resolution by inserting or making corrections with the proper dates.

1
2 Mr. Sullivan moved,
3 Mr. Coffey seconded,
4 and this was unanimously passed,

to amend AR 2004-185, on Page 1, Line 20, *by adding*
"September 21, 2004;" *by changing*, on Lines 28 and 29,
[November 30, 2004] to "January 31, 2005;" on Line 30, *by*
changing [November 1, 2004] to "January 1, 2005;" and on
Page 2, Lines 15 and 16, *by adding* "Assembly on this 21st
day of September 2004."

5
6
7
8
9 Ms. Jennings stated she agreed with Mr. Coffey, that the dispute was between the homeowners and the developers.
10 She felt the Assembly could not be involved with that disagreement. She would be voting in support of the resolution
11 to approve the levy-upon-connection.

12
13 To Ms. Fairclough, Mr. Premo stated there were three choices for the homeowners to consider in view of the utility
14 tariff. They could choose to go without service, they could deal with the developers to resolve the LUC or they could
15 negotiate with the utility, which they had chosen not to do. Ms. Fairclough felt that the only decision before the
16 Assembly was to determine if the agreement between the city and the developer was honored. She thought the
17 homeowners could pursue legal claims against the city, the school district or the developers. Mr. Premo thought the
18 AWWU staff had legally fulfilled the promises associated with this agreement, and the correct process had been
19 followed. To Ms. Fairclough, Deputy Municipal Attorney Rhonda Fehlen-Westover responded that it was their opinion
20 that Assembly approval of this LUC roll involved low risk.

21
22 Chair Traini called for a motion to extend time to complete action on this item. Mr. Coffey moved, seconded by Mr.
23 Sullivan and there were no objections. Mr. Abbott requested consideration of the Assembly to address additional
24 items which had been waiting for approval. He stated there were no scheduled Assembly Meetings for the next three
25 weeks and some of the items were time-sensitive. Ms. Fairclough moved to extend the meeting until 11:30 p.m., it
26 was seconded by Mr. Coffey and there were no objections.

27
28 Ms. Ossiander did not think all the questions had been addressed in testimony. To Ms. Ossiander, Mr. Premo
29 responded that the easement purchases had included a charge to the developer, which was standard, with a
30 percentage reduction of costs for lots greater than four acres. She felt there was a general unfairness in regard to
31 city's involvement and urged AWWU to offer detailed explanations to homeowners involved with other similar cases.

32
33 Ms. Fairclough agreed with Ms. Ossiander and urged the body to support the water issue. She thought the concerns
34 were with the sewer issue.

35
36 Chair Traini called for a vote on the main motion.

37
38 Mr. Coffey moved,
39 Ms. Jennings seconded,
40 and this motion was passed,

to approve AR 2004-185, as amended.

41
42 AYES: Fairclough, Whittle, Sullivan, Traini, Tesche, Jennings, Ossiander, Shamberg and Coffey.
43 NAYES: None.
44 ABSENT: Tremaine and Stout, each excused.

- 45
46 13.D. Resolution No. AR 2004-186, a resolution of the Municipality of Anchorage, Alaska, confirming and
47 levying assessments for the sewer special improvements within **Levy-Upon-Connection (LUC) Roll**
48 **04-S-6**, setting date of payment and providing for penalties and interest in the event of delinquency,
49 Anchorage Water & Wastewater Utility.
50 1. Assembly Memorandum No. AM 573-2004.
51 2. Information Memorandum No. AIM 71-2004.
52 (Continued from 8-17-04 and 9-7-04)
53

54 Chair Traini read this resolution title and opened Public Hearing.

55
56 BOB WINN, resident of Chester Court, testified homeowners never realized they were not on municipal sewer. They
57 had been charged for sewer since they had purchased their homes and remained confused with the utility history and
58 current status. To Mr. Coffey, Mr. Winn responded there were legal issues between the Neeser Construction, the city
59 and the school district, when the school district purchased the water system from the trailer park. To Ms. Ossiander,
60 Mr. Winn responded that he thought the property might be in violation of municipal code. Ms. Fairclough wanted an
61 opinion from the Municipal Attorney to understand the degree of liability for the Municipality, in the event of a lawsuit.
62 She felt the decision before the Assembly that evening would not resolve the issue of covenants. Mr. Winn stated the
63 proposed cost estimate from AWWU did not match the numbers given that evening. He thought it was unjust that a
64 property, appraised at \$175,000 could be assessed \$25,000 for sewer and water.

65
66 MATT MOWERY felt the property owners in Chester Court had been bullied and he argued that the city had told them
67 they were on private sewer.

68
69 KIM TICKS, Chester Court homeowner, spoke of the history of their utilities, which did not identify ownership, and
70 which they assumed belonged to the city. She was not told the sewer was a private line until 2001 and felt the issue
71 should be contested. She stated the appraisal had shown and she had been paying property taxes that reflected
72 public sewer and water utilities. To Ms. Ossiander, Ms. Ticks stated that when she purchased her property, the
73 paperwork indicated the water was free. To Chair Traini, she responded that she had been charged \$21 per month for
74 sewer, the same rate as other residents in the city.
75

CHUCK YORK, project manager for Neeser, spoke of endless disasters and challenges fixing the utilities in this area. They completed the project with a great cost-overflow, which was absorbed by the contractor.

Chair Traini called for additional public testimony and there being none, he closed Public Hearing and called the Question.

Ms. Jennings moved, to approve AR 2004-186.
Mr. Coffey seconded,

Mr. Coffey thought there was no choice other than to pay the costs to the developer. He urged Mr. Premo and the staff at AWWU to look at consideration of compensation to the homeowners.

Mr. Abbott proposed friendly amendments to the resolution by inserting or making corrections with the proper dates and a correction to the LUC Roll number.

Mr. Sullivan moved, to amend AR 2004-186, on Page 1, Line 18, *by adding*
Mr. Coffey seconded, "September 21, 2004;" *by changing*, on Lines 26 and 27,
and this was unanimously passed, [~~November 30, 2004~~] to "January 31, 2005;" on Line 28, *by*
changing [~~November 1, 2004~~] to "January 1, 2005;" and on
Page 2, Lines 17 and 19, *by adding* "Assembly on this 21st
day of September 2004," and *by changing*, on Line 17, to
read: [~~03-S-04~~] "04-S-06."

Chair Traini called for a vote on the main motion, as amended.

Ms. Jennings moved, to approve AR 2004-186, as amended.
Mr. Coffey seconded,
and this motion passed,

AYES: Sullivan, Traini, Tesche, Jennings, Ossiander, Shamberg and Coffey.

NAYES: Fairclough and Whittle.

ABSENT: Tremaine and Stout, each excused.

- 13.E. Resolution No. AR 2004-203, a resolution of the Municipality of Anchorage appropriating \$500,000 from the U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration (SAMHSA), to the Federal Categorical Grants Fund (241), Department of Health and Human Services for **substance abuse treatment programs** for women.
1. Assembly Memorandum No. AM 623-2004.
(Carried Over from 9-7-04 and Continued Meeting of 9-8-04)

Chair Traini read this resolution title and opened Public Hearing. With no one to testify, he closed Public Hearing and called for a vote. Ms. Jennings requested disclosure of her past association with this division of Health and Human Services and explained that she was not currently under contract. Chair Traini ruled she did not have a conflict of interest and directed her to participate.

Ms. Ossiander moved, to approve AR 2004-203.
Mr. Sullivan seconded,

Mr. Whittle requested to be kept informed with future developments with this program, to be able to follow and monitor its effectiveness. Deputy Municipal Manager Michael Abbott responded the Department would follow up with a report to Assemblymembers. Chair Traini called for a vote.

and this motion was passed unanimously,

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

NAYES: None.

ABSENT: Tremaine and Stout, each excused.

- 13.F. Resolution No. AR 2004-204, a resolution of the Municipality of Anchorage, Alaska, accepting and appropriating a State of Alaska Drinking Water Fund loan offer in the amount of \$5,000,000 for financing a portion of the costs of the **SCADA Project – Water**, Anchorage Water & Wastewater Utility.
1. Assembly Memorandum No. AM 624-2004.
(Carried Over from 9-7-04 and Continued Meeting of 9-8-04)

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

Ms. Ossiander moved, to approve AR 2004-204.
Mr. Sullivan seconded,
and this motion was passed unanimously,

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

NAYES: None.

ABSENT: Tremaine and Stout, each excused.

- 13.G. Resolution No. AR 2004-210, a resolution of the Municipality of Anchorage appropriating \$109,350 as a grant from the Federal Emergency Management Agency (FEMA) and \$17,990 as a contribution from the Chugiak Fire Service Area 2004 Operating Budget to the Federal Categorical Grants (241) Fund for the purchase of new **emergency response air packs** for use by the Chugiak Volunteer Fire Department, Anchorage Fire Department.
1. Assembly Memorandum No. AM 645-2004.
(Carried Over from 9-7-04 and Continued Meeting of 9-8-04)

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

Mr. Tesche moved, to approve AR 2004-210.
Ms. Ossiander seconded,
and this motion was passed unanimously,

- 13.H. Resolution No. AR 2004-211, a resolution of the Municipality of Anchorage appropriating \$481,231 to the State Categorical Grants Fund (231) from the Federal Highway Administration through the Alaska Department of Transportation and Public Facilities to provide funding for **congestion management and air quality mitigation** through public transportation services within the Municipality of Anchorage, Public Transportation Department.
1. Assembly Memorandum No. AM 646-2004.
(Carried Over from 9-7-04 and Continued Meeting of 9-8-04)

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

Ms. Jennings moved, to approve AR 2004-211.
Ms. Ossiander seconded,
and this was passed unanimously,

- 13.I. Ordinance No. AO 2004-115, an ordinance of the Municipality of Anchorage authorizing a sale of Heritage Land Bank Parcel 5-017, a .58 acre parcel commonly known as **Lot 4, Lake Center Subdivision**, located at southwest corner of 82nd Avenue and Jewel Lake Road, at fair market value, Heritage Land Bank.
1. Assembly Memorandum No. AM 601-2004.
(Carried Over from 9-7-04 and Continued Meeting of 9-8-04)

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

Ms. Fairclough moved, to continue Public Hearing of AO 2004-115 until
Mr. Sullivan seconded, October 12, 2004.

Ms. Fairclough requested consideration of continuation of this item until the next regularly scheduled meeting because the meeting that evening had been bogged down with other Agenda items and there was not enough time remaining to address this item properly. Because the item dealt with the sale of public land, she felt it would be in their best interest to postpone. Mr. Sullivan responded that this parcel was in his and Ms. Jennings' district, and had been discussed at local community councils. He felt there was no question or controversy involved with it. Ms Jennings concurred, and added this issue had been reviewed since August 3, 2004.

and the motion to continue was withdrawn,

Chair Traini called for a motion.

Mr. Tesche moved, to approve AO 2004-115.
Mr. Sullivan seconded,
and this motion passed unanimously,

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

- 13.J. Ordinance No. AO 2004-119, an ordinance amending Anchorage Municipal Code Section 9.30.235 to clarify use of **handicap parking permits** and comply with Anchorage Charter §21.01, Legal Department.
1. Assembly Memorandum No. AM 627-2004.
(Carried Over from 9-7-04 and Continued Meeting of 9-8-04) (Carried Over to 10-12-04)
- 13.K. Ordinance No. AO 2004-120, an ordinance of the Anchorage Municipal Assembly amending Anchorage Municipal Code Chapter 4.05 to add a new section, 4.05.155 to require annual notification of **boards and commissions** and its membership, Assemblymember Fairclough.
1. Assembly Memorandum No. AM 628-2004.
(Carried Over from 9-7-04 and Continued Meeting of 9-8-04)

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

Ms. Ossiander moved, to approve AO 2004-120.

Ms. Jennings seconded,

Mr. Tesche requested that Assemblymembers be informed of new members to boards and commissions. Ms. Fairclough responded that the Administration would inform the Assembly and concurred that an amendment was needed to add the Mayor. To Mr. Tesche, Ms. Fairclough responded there was no consequence mentioned in the ordinance but the Mayor and the Administration would take the responsibility of informing the Assembly of this information. To his question, Ms. Fairclough responded that the cost of the change in code and the implementation of the new notification system would not exceed \$30,000. Mr. Tesche thought it would just as effective to request the information each year from the Mayor's Office, rather than a requirement of a formal informational report and a change in code.

Mr. Coffey thought it was a good addition, and supported the idea of the required report.

Ms. Shamberg questioned language in the title, on Line 4, concerning the commissions and their membership. She did not think it was legally possible to change the title at that time, and Mr. Sullivan concurred.

Ms. Fairclough moved, to amend AO 2004-120, *by adding* on Line 16, *to read:*
Mr. Tesche seconded, ...annually "by the Mayor"...
and this motion was approved unanimously,

Chair Traini called for a vote on the main motion, and asked for unanimous consent.

Ms. Ossiander moved, to approve AO 2004-120, as amended.
Ms. Jennings seconded,
and this motion was passed unanimously,

- 13.L. Ordinance No. AO 2004-123, an ordinance amending Anchorage Municipal Code Section 4.50.030 to define the purpose and describe the duties of the **Budget Advisory Commission**, Office of Management & Budget.
1. Assembly Memorandum No. AM 647-2004.
(Carried Over from 9-7-04 and Continued Meeting of 9-8-04)

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

Mr. Tesche moved, to approve AO 2004-123.
Ms. Ossiander seconded,
and this motion passed unanimously,

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

14. NEW PUBLIC HEARINGS

- 14.A. Ordinance No. AO 2004-131, an ordinance amending Anchorage Municipal Code Chapter 12.40 by increasing the mill levy on the excise tax for cigarettes brought into the Municipality, to increase the excised tax on the wholesale price levied on other tobacco products brought into the Municipality, and to provide all revenues from such **tobacco excise taxes** shall be under the municipal tax cap, thereby providing relief and reducing property taxes, Assemblymembers Traini, Tesche, Tremaine, Whittle and Jennings.
1. Assembly Memorandum No. AM 632-2004.

Chair Traini read this ordinance title and opened Public Hearing.

GEORGE VAKALIS, representing the Anchorage Chamber of Commerce, spoke in favor of the tobacco taxes. To Mr. Sullivan, Mr. Vakalis responded that the Chamber had not taken a stand on the State of Alaska tobacco tax that was proposed a year ago.

GEORGE HIERONYMUS, JR., member of the AARP Insurance Executive Council, speaking on behalf of AARP, supported the ordinance, in hopes that people would quit smoking, people would be healthier and insurance costs would be less.

WILLIAMS BOWENS, PH.D., tobacco counselor at Alaska Native Hospital, supported the ordinance.

ANNETTE MARLEY, representing Alaska Native Health Board, spoke in support of the ordinance, because of the health benefits it would bring. She stated that tobacco use was the number one killer of Alaskans.

CYNTHIA TOOHEY, a former smoker, spoke in support of the ordinance.

JACQUELYN ADAMS, a smoker who could not quit smoking, spoke in favor of the ordinance to protect children from starting.

BOB DIXON spoke against the taxing of tobacco products and opposed the ordinance.

ERIC MEYERS, volunteer of tobacco-prevention issues, spoke in support of the ordinance. He quoted National Academy of Science statistics concerning tobacco use. To Mr. Whittle, Mr. Meyers responded that enacting additional

1 laws and taxes at the city, state and national levels, and also on sales purchased over the internet would reduce
2 tobacco use.

3
4 JESS YOUNG, representing the American Cancer Society, testified in support of the ordinance. She read a letter from
5 the Alaska Nurses Association, which stated all of 186 of the nurses supported the ordinance.

6
7 DR. BETH BAKER, an Anchorage pulmonary physician, supported the ordinance. She spoke of the diseases
8 associated with tobacco and the hopelessness of victims of smoking.

9
10 MELINDA HAGER, a pulmonary rehabilitation nurse at Providence, supported the ordinance to deter smokers from
11 tobacco use.

12
13 SHAWN ALBRIGHT, who lost her mother to lung cancer, supported the ordinance.

14
15 KATTARYNA STILES supported the ordinance because it would reduce the numbers of children who take up smoking
16 or chewing tobacco.

17
18 MICHELLE TOOHEY, Director of Public Advocacy for the American Lung Association, supported the ordinance
19 because it deterred children from taking up tobacco products. Statistics of increased tobacco taxes showed states
20 which had raised tobacco costs had lower statistics.

21
22 ROBERT THOMPSON, small business owner who sold tobacco products, spoke in opposition to the tobacco taxes,
23 which had caused his business a loss of business. He felt his loss of revenue was due to people buying products over
24 the internet.

25
26 VIVIAN ECHEUARRIA, a nurse at the Alaska Native Medical Center and board member of the American Lung
27 Association, spoke in support of the ordinance.

28
29 KAREN REGINA, representing the Alaska Restaurant and Beverage Association, felt her group was being targeted for
30 additional taxes, on products that are already heavily and unfairly taxed, opposed the ordinance. She thought this new
31 tax would increase internet sales, black-market sales and sales in the Valley.

32
33 RICHARD WATTS, representing National Association of Tobacco Outlets, opposed additional taxes on tobacco
34 products. They did not think the tobacco users should be subsidizing property taxes in the city.

35
36 JENNIFER APP, the Alaska Advocacy Director with the American Heart Association, spoke in support of the ordinance.
37 She stated that Alaskan citizens pay \$7 per pack to cover costs of injury, disease, health care costs, loss of jobs and
38 death of users of tobacco products.

39
40 MARIE LAVINE, spoke in support of the ordinance, to improve the health of citizens and lower the property taxes in
41 Anchorage.

42
43 DON SMITH, cancer survivor, current smoker and former alcoholic, wanted to quit smoking. He supported this
44 ordinance to help force people to quit smoking. Ms. Jennings thanked him for sharing his story and told him there
45 were many people attending the meeting that evening who wanted to help him quit smoking.

46
47 MARGE LARSON, Program Director of the American Lung Association, supported the ordinance and spoke of tobacco
48 addiction and associated disease, suffering and death.

49
50 RICHARD BOUVIER, owner of Cheap Smokes Too, spoke against additional taxes on tobacco products to allow a
51 very minimal reduction of property taxes. He thought it would push tobacco users to purchase products in the Valley
52 and over the internet.

53
54 TROY MAULDEN agreed with the need to reduce the use of tobacco products and he also agreed that taxes needed
55 to be lowered in Anchorage. But he did not believe tobacco taxes should subsidize the property taxes. He
56 recommended alternatives, including a local sales tax.

57
58 BARB ALDRIDGE, owner of Pete's Tobacco Shop and a smoker, spoke against the ordinance.

59
60 JOELLE HALL supported the tobacco tax.

61
62 DAN CASE, former volunteer with the American Lung Association, thought tobacco use was a matter of choice that
63 involved high risk activities and he felt it was up to the individuals. Tobacco products involved a 50% statistic of death
64 to long-term users. He supported the ordinance.

65
66 BOYD McFAIL felt it was a personal choice to take risks of using tobacco products. He opposed the taxes on tobacco
67 products being used for city services and thought the collected tax should be used for education and assistance to
68 lessen tobacco addiction.

69
70 MICHAEL BULTER, owner of a tobacco store in Eagle River, felt that kids could find cigarettes easily and were not
71 concerned with the costs. He did not agree that this tax should go for property tax relief.

72
73 KATHY HARTMAN, spoke against the ordinance, and thought it was wrong.

74
75 LUANN COLWELL-JENSEN, supported the ordinance, and spoke of a survey in which 50% of smokers died and 85%
76 of smokers wanted to quit. She thought this ordinance would allow everyone to benefit in one way or another.

77

MICHELLE CHERKOWSKI testified in support of the ordinance.

ALICE BREWER opposed the tax on cigarettes and thought the Assembly should consider taxing on a broader base to help subsidize the rising cost of living in the city.

DENNIS WILLIAMS, a cigar maker, spoke against the ordinance. He thought other means would be used for locals to get tobacco products. To Mr. Tesche, he responded that he was still in the experimenting stage of manufacturing cigars and was not selling them at this time.

SCOTT OLES, retail business owner and wholesale distributor, opposed the tax because he disagreed with additional taxes already taxed items. He thought retail shop owners could run to the Valley and bring back tobacco products or purchase them over the internet.

BRANDY PETERSON, Youth Tobacco Program Coordinator for the American Lung Association, supported the ordinance because it would deter children from buying cigarettes. To Mr. Sullivan, she responded that the taxes collected from tobacco sales should be appropriated to programs like hers that focused on anti-tobacco use.

MATT MALLORY did not agree with the ordinance because he felt it was not helping the tobacco users and it was not the proper method of lowering property tax.

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

Mr. Tesche moved, to approve AO 2004-131.
Mr. Whittle seconded,

Ms. Fairclough moved to Change the Order of the Day to take up 13.A through 13.G and there were no objections. Chair Traini assured the audience they would quickly deal with those Agenda Items and return to the tobacco ordinance by 9:00 p.m. that evening. At 9:00 p.m., the Chair returned the body to this item and called for discussion.

Mr. Tesche stated he would support this ordinance because he thought this was a rare opportunity of helping the public health and reducing property tax. He urged Assemblymembers to support this ordinance.

Ms. Shamberg stated she would support of the ordinance, even though she thought it was regrettable that some of the funding was not intended to be used to help smokers. She thought this ordinance would discourage smoking.

To Mr. Sullivan, Municipal Treasurer Daniel Moore responded the correct mill rate of cigarettes was 15 mills and included an inflationary increase provision per year, and that was the difference in figures in the ordinance. He explained that under this ordinance, taxes on cigarettes would rise to a dollar and thirty cents per pack. Mr. Moore explained the projection took into account the fact that both the city and the state would be increasing at the same time and they had tried to adjust the rate accordingly.

To Mr. Sullivan, Assembly Attorney Michael Gatti responded it was his opinion that the ordinance title should include reference of intended dedications of the tax.

To Mr. Sullivan, Anchorage Police Chief Walt Monegan responded the department was aware of other options that would be available to cigarette consumers, but there were no plans to increase enforcement to dedicate to the potential black market. Mr. Sullivan was not certain that singling out tobacco tax was an appropriate means for property tax relief.

Ms. Osslander, a registered respiratory therapist, believed the health risks of tobacco use were serious. But the main reason she was in support of this ordinance was to pursue tax relief. She would be a YES-vote.

Mr. Tremaine (*via teleconference*) stated he would be a YES-vote. To his question, Municipal Treasurer Daniel Moore responded that the annual impact of inflation had been included, and would begin in fiscal year 2005. The chart showed for 2004, the projected revenues for October through December and there would be a three percent inflationary increase included each January thereafter. Mr. Tremaine thought that would be a tremendous increase, calculating in twenty four years the municipality would be charging 130 mills for cigarettes. Without calculations, Mr. Moore hesitated to respond with figures.

Ms. Jennings stated this was the first of a four-part tax reform package that was being promised to Anchorage citizens, proposed by the Administration and she supported the ordinance for that reason. She was aware of the health risks of smoking, and shared the story of her father, who died of emphysema. She was dedicating her YES-vote to him.

Mr. Coffey thought there was a "disconnect" between taxing a specific group and offering tax relief, while that user group, in effect, was suffering from the effects of tobacco products. He thought this tax would be a burden when the tax should be assisting their education and addressing their addiction.

Mr. Whittle agreed with diversifying and expanding the tax base for the municipality. He also thought the raised prices of cigarettes would help smokers quit. He would be a YES-vote.

Ms. Fairclough stated that she was aware of the health consequences of smoking because she had grandparents who had died from smoking, and she thought property tax relief needed to be a high priority. But, she did not think a specific user group should carry the burden of taxes. She encouraged additional debate to help her decide the issue.

Chair Traini requested Municipal Clerk Barbara Gruenstein to add Ms. Jennings as a sponsor to this ordinance.

Mr. Tremaine proposed to eliminate the portion relating to the Consumer Price Index (CPI).

Mr. Tremaine moved, to amend AO 2004-131, on Page 1, Lines 19, by eliminating
Mr. Coffey seconded, Section B, referring to the Consumer Price Index adjustment,
and this motion was withdrawn, and renumbering the ordinance.

Chief Fiscal Officer Jeff Sinz, responded that the elimination of the CPI (because there was not an increase associated with inflation because the tax on cigarettes was an excise tax, based on each cigarette) would not change except with volumes sold. Mr. Tremaine withdrew his motion, with the concurrence of Mr. Coffey.

Mr. Sullivan moved, to approve Sullivan Amendment No. 1, to AO 2004-131, by
Ms. Fairclough seconded, *changing* on Page 1, Lines 25, to read: An excise tax of [65]
"35" mills...

Mr. Sullivan thought it was an unfair tax burden for the cigarette industry to be targeted and offered the amendment to lessen the tax percentage.

Mr. Coffey stated he could not support this amendment because it was his belief that the proposed increase would help deter young adults from beginning use of tobacco products.

Mr. Tesche did not agree with the amendment and recommended a NO-vote.

and this motion failed,

AYES: Fairclough and Sullivan.

NAYES: Whittle, Tremaine (*via teleconference*), Traini, Tesche, Jennings, Ossiander, Shamberg and Coffey.

ABSENT: Stout, excused.

Mr. Sullivan moved, to approve Sullivan Amendment No. 2, to AO 2004-131, by
Ms. Fairclough seconded, *changing* on Page 1, Lines 44, to read: An excise tax of
and this motion failed, [45] "25" mills...

AYES: Fairclough and Sullivan.

NAYES: Whittle, Tremaine (*via teleconference*), Traini, Tesche, Jennings, Ossiander, Shamberg and Coffey.

ABSENT: Stout, excused.

Mr. Whittle stated that because it would be easy for tobacco users to drive to the Valley to buy products, he recommended that the activists in the audience become involved with the Matanuska-Susitna Borough in creating uniform prices with the Municipality of Anchorage.

Ms. Fairclough thanked everyone in the audience who testified. She stated that while she supported tax relief, she was concerned that the concept of a city sales tax was being avoided, and the burden was being placed on wholesalers. She would be concerned if one of the four tax-relief proposals from the Administration would be the same for alcohol. She felt these big issues should be decided by the voters, instead of the eleven-member Assembly.

Chair Traini stated he fully supported this ordinance and felt if they might be able to stop people from smoking by raising the tax. His father had smoked four packs a day until he died and his grandmother had died of emphysema. He felt the citizens in town were being over-taxed and would support measures to lower property taxes. To his question, Mayor Begich responded that he and his Administration were committed to continue their planned tax relief.

With no further discussion, Chair Traini called for a vote on the main motion.

Mr. Tesche moved, to approve AO 2004-131.
Mr. Whittle seconded,
and this motion was passed,

AYES: Fairclough, Whittle, Tremaine (*via teleconference*), Sullivan, Traini, Tesche, Jennings, Ossiander, Shamberg and Coffey.

NAYES: None.

ABSENT: Stout, excused.

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

Mr. Tesche moved, for immediate reconsideration of AR 2004-131.
Mr. Coffey seconded,
and this motion failed,

AYES: Fairclough and Sullivan.

NAYES: Whittle, Tremaine, (*via teleconference*), Traini, Tesche, Jennings, Ossiander, Shamberg and Coffey.

ABSENT: Stout, excused.

14.B. Resolution No. AR 2004-212, a resolution of the Anchorage Municipal Assembly and Mayor Mark Begich to name the APD Downtown Substation the "**Officer Jonathon Flora Substation**", Mayor's Office.

1. Assembly Memorandum No. AM 651-2004.

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 2004-212.
Ms. Jennings seconded,

Mr. Tesche, Committee Chair making the recommendation of the naming of the new substation, stated it was his privilege to move this resolution and asked for unanimous support of the Assembly.

Ms. Jennings thought the dedication was proper for this brave officer who gave his life in the line of duty. His wife continued to work with canines and the Dollars-For-Dogs Program.

Mr. Whittle stated this was a reminder that all police officers faced risks every day on their jobs.

Chair Traini thought that it was appropriate to name this substation after Officer Flora, who gave his life in the line of duty.

and this motion was passed unanimously,

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

NAYES: None.

ABSENT: Tremaine and Stout, each excused.

Ms. Fairclough moved to Change the Order of the Day to take up 14.C, and there were no objections.

- 14.C. Resolution No. AR 2004-225, a resolution of the Municipality of Anchorage appropriating the sum of \$478,927 from the Alaska Department of Transportation and Public Facilities as a pass through grant from the Federal Highway Administration to the State Categorical Grants Fund (231) Department of Health and Human Services for a **Block Heater Installation Program**.
1. Assembly Memorandum No. AM 691-2004.

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 2004-225.
Ms. Ossiander seconded,

To Chair Traini, Deputy Municipal Manager Michael Abbott responded this was a program which would be available within sixty days and that he thought the block heater would be free. To Ms. Ossiander, Mr. Abbott responded the program was available to all citizens in Anchorage, including residents of Eagle River and Chugiak. Mr. Whittle thought it was free but involved a \$25 installation fee. Chair Traini remembered that in previous years a heater, a timer and an extension cord were free.

and this motion was passed unanimously,

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

NAYES: None.

ABSENT: Tremaine and Stout, each excused.

- 14.D. Ordinance No. AO 2004-127, an ordinance of the Anchorage Municipal Assembly authorizing an exclusive use permit for portions of **Lot 9-A and 12-A in the Port of Anchorage Subdivision** to the United States Coast Guard, Port of Anchorage.
1. Assembly Memorandum No. AM 664-2004.

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. Fairclough moved, to approve AO 2004-127.
Ms. Jennings seconded,
and this motion was passed unanimously,

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

NAYES: None.

ABSENT: Tremaine and Stout, each excused.

- 14.E. Ordinance No. AO 2004-128, an ordinance of the Anchorage Municipal Assembly authorizing the long term lease between the Municipality of Anchorage as lessor and **Flight Safety Alaska, Inc.** as lessee of Lot 2, Block 2, Merrill Field Replat, located between Runway 06/24 and East 4th Avenue, Merrill Field Airport
1. Assembly Memorandum No. AM 684-2004.

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. Fairclough moved, to approve AO 2004-128.
Ms. Jennings seconded,
and this motion was passed unanimously,

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

NAYES: None.

ABSENT: Tremaine and Stout, each excused.

- 14.F. Resolution No. AR 2004-220, a resolution of the Municipality of Anchorage appropriating \$86,333 to the Areawide General Fund CIP Fund (401), \$134,516 to the Anchorage Fire Service Area CIP Fund (431), \$698,276 to the Anchorage Roads and Drainage CIP Fund (441), \$38,597 to the Anchorage Parks and Recreation Service Area CIP Fund (461), \$12,189 to the Eagle River/Chugiak Parks and Recreation CIP Fund (462), and \$11,285 to the Public Transportation CIP Fund (485) of General Obligation Series "A" bond premium for the payment of **bond issuance costs**, Finance.
1. Assembly Memorandum No. AM 679-2004.

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. Fairclough moved, to approve AR 2004-220.
Mr. Tesche seconded,

To Mr. Coffey, Chief Fiscal Officer Jeff Sinz introduced Municipal Debt Officer Richard Whitehead, who explained when a bond issue was completed, part of the costs were allocated to the expenses. He stated that the issue involved the controller finalizing some of the old bond issues and reallocating remaining money to departments who had issued those bonds. Ms. Fairclough added that her district had allocated funds for various needs, and when the repairs were completed, the remaining money was returned to the department to be used for other projects in that bond package.

and this motion was passed unanimously,

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

NAYES: None.

ABSENT: Tremaine and Stout, each excused.

- 14.G. Ordinance No. AO 2004-129, an ordinance of the Municipality of Anchorage, Alaska, providing for the issuance of **Junior Lien Water Revenue Bonds** of the Municipality in the aggregate appreciated amount of \$2,000,000 to pay the costs of certain improvements to the water utility and to pay costs of bond issuance; fixing certain covenants and protective provisions safeguarding the payment of the principal and interest on said bonds; providing for the date, form, terms, maturities and manner of sale of the bonds; delegating to the Chief Fiscal Officer the approval of final maturity amounts and interest rates on said bonds; authorizing an official statement; and authorizing the sale of such bonds, Finance.
1. Assembly Memorandum No. AM 693-2004.

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. Fairclough moved, to approve AO 2004-129.
Ms. Jennings seconded,
and this motion was passed unanimously,

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

NAYES: None.

ABSENT: Tremaine and Stout, each excused.

- 14.H. Resolution No. AR 2004-224, a resolution of the Municipality of Anchorage appropriating \$2,813,220 as a grant from the State of Alaska Division of Homeland Security and contributions of \$19,241 from Areawide General Operating Fund (101), Office of Emergency Management; \$4,699 from Areawide General Operating Fund (101), Health and Human Services; \$6,713 from Areawide General Operating Fund (101), Public Transportation; \$47,122 from Anchorage Fire Service Area Operating Fund (131), Fire; \$53,613 from Anchorage Metropolitan Police Service Area Operating Fund (151), Police; \$5,370 from Areawide General Operating Fund (101), Maintenance and Operations; \$11,412 from Anchorage Roads and Drainage Service Area Fund (141), Maintenance and Operations; \$1,750 from Areawide General Operating Fund (141), Traffic; \$1,070 from Anchorage Roads and Drainage Service Area Fund (141), Traffic to State Categorical Grants Fund (231) for the purchase of **terrorism response and prevention equipment**, Citizens Corps Program, and emergency planning consultation by the Office of the Municipal Manager, Emergency Operations Center, Anchorage Police Department.
1. Assembly Memorandum No. AM 687-2004.

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. Fairclough moved, to approve AR 2004-224.
Ms. Ossiander seconded,

To Mr. Coffey, Mr. Abbott responded that he could interpret the abbreviations to mean the purchase included maintenance, expenses for computer hardware and software and involved federal appropriations. He stated the funding codes listed on Page two were the functional accounts, defining the breakdowns of spending.

and this motion was passed unanimously,

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

NAYES: None.
ABSENT: Tremaine and Stout, each excused.

- 14.I. Resolution No. AR 2004-226, a resolution of the Municipality of Anchorage appropriating the sum of \$336,249 from the Alaska Department of Transportation and Public Facilities as a pass through grant from the Federal Highway Administration to the State Categorical Grants Fund (231) Department of Health and Human Services for **Air Quality Public and Business Awareness Education**.
1. Assembly Memorandum No. AM 692-2004.

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. Sullivan moved, to approve AR 2004-226.
Ms. Jennings seconded,
and this motion was passed unanimously.

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

- 14.J. Ordinance No. AO 2004-126, 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. (*Postponed until October 12, 2004*)

Ms. Ossiander moved for Agenda items 14.J. and 14. K. be postponed. Deputy Municipal Manager Michael Abbott concurred. There were no objections and Chair Traini scheduled these items to be taken up on October 12, 2004.

- 14.K. 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. (*Postponed until October 12, 2004*)

Ms. Ossiander moved for Agenda items 14.J. and 14. K. be postponed. Deputy Municipal Manager Michael Abbott concurred. There were no objections and Chair Traini scheduled these items to be taken up on October 12, 2004.

15. **SPECIAL ORDERS** None.
16. **UNFINISHED AGENDA** None.
17. **AUDIENCE PARTICIPATION** None.
18. **ASSEMBLY COMMENTS** None.
19. **EXECUTIVE SESSIONS** None.
20. **ADJOURNMENT**

Chair Traini called for a motion to adjourn the meeting.

Mr. Sullivan moved, to adjourn the Regular Assembly Meeting.
Mr. Tesche seconded,
and this motion was passed,

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

The meeting was adjourned at 11:20 p.m.

ATTEST:

DICK TRAINI, Assembly Chair