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**MUNICIPALITY OF ANCHORAGE  
ANCHORAGE ASSEMBLY**

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

**Minutes for Regular Meeting of November 21, 2006**

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**1. CALL TO ORDER**

The Assembly Meeting was convened by Chair Sullivan at 5:06 p.m. in the Assembly Chambers, Room 108 of the Loussac Library, 3600 Denali Street in Anchorage, Alaska.

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

PRESENT: Allan Tesche, Janice Shamberg, Paul Bauer, Anna Fairclough, Dan Sullivan, Debbie Ossiander, Chris Birch, Dan Coffey, Ken Stout, Dick Traini and Pamela Jennings.

ABSENT: None.

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**3. PLEDGE OF ALLEGIANCE** Assemblymember Ossiander led the pledge.

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**4. MINUTES OF PREVIOUS MEETINGS** None.

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**5. MAYOR'S REPORT**

Mayor Begich distributed the 2007 Legislative Priorities, scheduled to be heard on December 12, 2006. Mr. Tesche announced that public safety was included with the Legislative Priorities and would be discussed by the community on November 27<sup>th</sup> at Saint Anthony Catholic Church at 7:00 p.m. Mayor Begich stated that he would attend that meeting. Mayor Begich reported on the recent Park Foundation update.

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**6. ASSEMBLY CHAIR'S REPORT**

Chair Sullivan introduced Luke Hopkins, Presiding Officer of the Fairbanks North Star Borough Assembly. Chair Hopkins responded that the Fairbanks Assembly had adopted a new Code of Ethics on November 9, 2006, following a year's review. To Mr. Birch, Chair Hopkins responded the Fairbanks Assembly had been reduced from 11 to 9 members, due to increased costs of benefits. He invited all Anchorage Assemblymembers to Fairbanks, for the inauguration of Governor Sarah Palin, on December 4<sup>th</sup>.

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**7. COMMITTEE REPORTS**

Ms. Ossiander introduced Eklutna Corporation President Mike Curry. President Curry reported that at a recent Shareholders Meeting Mayor Begich had been presented with a proclamation of appreciation and was made an honorary Eklutna member. He thanked the Assembly and Mayor Begich for good communications with matters concerning Eklutna and for the recent naming of the Dena'ina Civic and Convention Center. Ms. Ossiander, who had attended the meeting, thanked the Eklutna Corporation for the recognition. Mayor Begich thanked them for the honor and stated that a community center for Eklutna had been included with the Capital List of Legislative Priorities.

Ms. Fairclough invited all Anchorage citizens to a Merry Merchant Munch to be held on December 1<sup>st</sup> and 2<sup>nd</sup> in downtown Eagle River. She stated that this was an opportunity to see the new economic development in Eagle River.

Mr. Bauer reported that the Public Safety Committee met with Anchorage Police Chief Heun on November 13<sup>th</sup> to discuss current public safety issues. Beginning on December 14<sup>th</sup>, the Public Safety Committee would meet with the Chief on the second Thursday of every month and would be publicly noticed. On December 14<sup>th</sup> they would be discussing (*police officer applicants'*) background checks and recruitment.

Mr. Coffey stated there were Title 21 Committee Meetings scheduled for December 6<sup>th</sup> and 13<sup>th</sup> to cover four chapters of the Rewrite. The meetings would be two hours each and would be publicly noticed.

Ms. Jennings announced that Anchorage Police Officer Mitch Paige would be returning from military duty in Iraq, arriving at the airport at 8:30 p.m. that evening. She invited the community to join the group welcoming him home.

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**8. ADDENDUM TO AGENDA**

Chair Sullivan called for a motion and read the Addendum items. He called for additional items and AO 2006-173 and AO 2006-174 were added and assigned Agenda Numbers 9.F.27 and 9.F.28, respectively. With no additional Addendum items, Chair Sullivan called for a vote to incorporate the Addendum items into the Agenda.

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Ms. Ossiander moved, to approve the inclusion of the Addendum items  
Ms. Fairclough seconded, into the Consent Agenda,  
and this motion was passed.

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2 AYES: Tesche, Shamberg, Bauer, Fairclough, Sullivan, Ossiander, Birch, Coffey, Stout, Traini and Jennings.  
3 NAYES: None.  
4

5 Chair Sullivan called the Question on the Consent Agenda.  
6

7 Ms. Ossiander moved, to approve the Consent Agenda,  
8 Ms. Fairclough seconded,  
9

10 Mr. Coffey declared a conflict of interest with item 9.D.1. (*Clerk's Note: See 9.D.1 for details.*)  
11

12 Chair Sullivan called for Assemblymembers to request items be pulled and moved to the Regular Agenda for  
13 discussion.  
14

15 **9. CONSENT AGENDA**

16 **9.A. RESOLUTIONS FOR ACTION - PROCLAMATIONS AND RECOGNITIONS** There were none.  
17

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

19 9.B.1. Resolution No. AR 2006-302, a resolution of the Municipality of Anchorage appropriating \$42,189 as  
20 an increase in grant award from the State of Alaska, Department of Military and Veterans Affairs,  
21 Division of Homeland Security and Emergency Management and appropriating \$870 as a contribution  
22 from the 2006 Anchorage Police Operating Budget, Anchorage Metropolitan Police Service Area Fund  
23 (151) to the State Categorical Grants Fund (231), Anchorage Police Department, for the purchase of  
24 **terrorism response and prevention equipment**; Anchorage Police Department.

25 a. Assembly Memorandum No. AM 835-2006.

26 9.B.2. Resolution No. AR 2006-303, a resolution of the Municipality of Anchorage appropriating \$44,113 as a  
27 grant from the State of Alaska, Department of Military and Veterans Affairs, Division of Homeland  
28 Security and Emergency Management and \$910 as a contribution from the 2006 Anchorage Police  
29 Operating Budget, Anchorage Metropolitan Police Service Area Fund (151) to the State Categorical  
30 Grants Fund (231), Anchorage Police Department, for the purchase of **terrorism response and**  
31 **prevention equipment**; Anchorage Police Department.

32 a. Assembly Memorandum No. AM 836-2006.  
33

34 **9.C. BID AWARDS**

35 9.C.1. Assembly Memorandum No. AM 845-2006, recommendation of award to **Alaska Road Boring**  
36 **Company** for the Municipality of Anchorage, Port of Anchorage (ITB 26-C076) (\$392,000);  
37 Purchasing. (**Addendum**)  
38

39 **9.D. NEW BUSINESS**

40 9.D.1. Assembly Memorandum No. AM 831-2006, **2007/2008 Liquor License Renewals**: Gwennie's Old  
41 Alaskan Restaurant #1478, Kings X Lounge #615, Gallo's Mexican Restaurant #3572 – Beverage  
42 Dispensary; Y2K Liquors #3898 – Package Store; Café Amsterdam #3961, Bella Vista Pizzeria  
43 Restaurant #107, 3 Amigos Mexican Restaurant #3746, Jalapeno's Mexican Restaurant #3766, El  
44 Rodeo #3082 – Restaurant/Eating Place (Taku/Campbell, Northeast, Mountain View, Downtown,  
45 Eagle River, University Area, Chugiak, Spenard Community Councils); Clerk's Office.  
46

47 Mr. Coffey declared a conflict of interest with Gallo's Mexican Restaurant because the applicant was a client in the  
48 Coffey and Ernouf Law Office. To Chair Sullivan, Mr. Coffey responded that, while he was currently of counsel to the  
49 law firm, he was acting as this client's attorney, on matters of licensure and more. Chair Sullivan ruled that Mr. Coffey  
50 did have a conflict of interest with Gallo's Mexican Restaurant and ordered him to abstain from participation. Chair  
51 Sullivan stated there was no reason to review this matter on the Regular Agenda. There were no objections.  
52

53 9.D.2. Assembly Memorandum No. AM 843-2006, proprietary 25-year lease award to the Department of the  
54 Interior, Bureau of Land Management (BLM) providing land leases on the Fort Richardson Military  
55 Reservation (Army) for the continued operation of the **Eagle River Wastewater Treatment Facility**  
56 (ERWWTF) maintained by the Municipality of Anchorage; Anchorage Water & Wastewater Utility  
57 (AWWU) (\$1,736.00).

58 9.D.3. Assembly Memorandum No. AM 832-2006, Amendment No. 2 to professional services contract with  
59 MAKERS Architects, **E Street Corridor Improvements**, Project No. 04-17 (\$1,190,059); Project  
60 Management & Engineering.  
61

62 Mr. Stout requested this item be pulled for review on the Regular Agenda. (*See item 10.D.3*)  
63

64 9.D.4. Assembly Memorandum No. AM 833-2006, Amendment No. 1 to professional engineering services  
65 contract with Lounsbury & Associates, Inc., **Spenard Road Reconstruction, Minnesota Drive to**  
66 **Minnesota On-Ramp**, Project No. 03-21 (\$456,068); Project Management & Engineering.

67 9.D.5. Assembly Memorandum No. AM 834-2006, recommendation to award various carriers for providing  
68 various **insurance coverage** to the Municipality of Anchorage, Operations Department (\$737,561);  
69 Finance/Risk Management.  
70

71 **9.E. INFORMATION AND REPORTS**

72 9.E.1. Information Memorandum No. AIM 118-2006, Internal Audit Report 2006-15 – **Transfer of**  
73 **Responsibility Agreements, Finance Department**; Internal Audit Department.  
74

75 Ms. Jennings requested this item be pulled for review on the Regular Agenda. (*See item 10.E.1*)  
76

77 9.E.2. Information Memorandum No. AIM 122-2006, **Title 21 Rewrite Project Update**; Planning Department.  
78 (**Addendum**)

1  
2 **9.F. ORDINANCES AND RESOLUTIONS FOR INTRODUCTION**

- 3 9.F.1. Ordinance No. AO 2006-152, an ordinance amending Anchorage Municipal Code Sections 9.28.020  
4 and 9.28.040 regarding **operating under the influence** and recovery of reasonable costs of  
5 emergency services responding to a motor vehicle accident; Legal Department. (*Public Hearing 12-*  
6 *12-06*)  
7 a. Assembly Memorandum No. AM 838-2006.
- 8 9.F.2. Ordinance No. AO 2006-155, an ordinance of the Anchorage Municipal Assembly amending  
9 Anchorage Municipal Code Sections 28.60.040 and 28.60.050 regarding **Special Needs ballots** to  
10 hospital patients, allowing personal representative assistance to disabled voters, and requiring one  
11 attestation on an absentee ballot by mail; Assemblymembers Stout and Tesche. (*Public Hearing 12-*  
12 *12-06*)  
13 a. Assembly Memorandum No. AM 829-2006.
- 14 9.F.3. Ordinance No. AO 2006-156, an ordinance of the Anchorage Municipal Assembly amending  
15 Anchorage Municipal Code Chapter 28.50 to add a new section to establish a **Youth Election**  
16 **Assistant Program**; Assemblymembers Stout and Tesche. (*Public Hearing 12-12-06*)  
17 a. Assembly Memorandum No. AM 830-2006.
- 18 9.F.4. Ordinance No. AO 2006-157, an ordinance authorizing a lease between the Municipality and Dobson  
19 Cellular Systems, Inc. of ground space for telecommunication equipment on municipal property legally  
20 described as **Abbott Road Subdivision, Tract B** (per Plat 99-120, Anchorage Recording District),  
21 commonly referred to as the Water Reservoir Compound West of Service High School; Anchorage  
22 Water & Wastewater Utility. (*Public Hearing 12-12-06*)  
23 a. Assembly Memorandum No. AM 840-2006.

24  
25 To Mr. Birch, Anchorage Water and Wastewater Utility (AWWU) Engineering Planning Supervisor Don Keefer  
26 responded that the tower off Abbott Road supported equipment from Dobson, Alaska Digital and AWWU, which now  
27 fully utilized the tower.

28  
29 Ms. Shamberg stated that constituents had requested a cell phone tower in the Hilltop Ski Area, and she urged  
30 consideration of that matter.

- 31  
32 9.F.5. Ordinance No. AO 2006-158, an ordinance authorizing a lease between the Municipality and Cook  
33 Inlet Housing Development Corporation d/b/a Mary Conrad Center of ground space for overflow  
34 parking on municipal property legally described as **Lot 9, Section 7, T13N, R2W S.M. Alaska**  
35 (Anchorage Recording District), south of the Municipality's Ship Creek Water Treatment Facility Site;  
36 Anchorage Water & Wastewater Utility. (*Public Hearing 12-12-06*)  
37 a. Assembly Memorandum No. AM 841-2006.
- 38 9.F.6. Ordinance No. AO 2006-159, an ordinance authorizing a maintenance easement across a portion of  
39 municipal property legally described as **Eagle Glenn Subdivision, Tract B**, per Plat 1982-048  
40 (Anchorage Recording District), and located at 11727 Glenn Highway, Eagle River, Alaska, Tax  
41 #05011147; Anchorage Water & Wastewater Utility. (*Public Hearing 12-12-06*)  
42 a. Assembly Memorandum No. AM 842-2006.
- 43 9.F.7. Resolution No. AR 2006-304, a resolution of the Municipality of Anchorage appropriating \$256,010 as  
44 a grant from the State of Alaska, Department of Military and Veterans Affairs, Division of Homeland  
45 Security and Emergency Management and appropriating \$5,450 as a contribution from the 2006  
46 Anchorage Police Operating Budget, Anchorage Metropolitan Police Service Area Fund (151) to the  
47 State Categorical Grants Fund (231), Anchorage Police Department, for the purchase of **terrorism**  
48 **response and prevention equipment**; Anchorage Police Department. (*Public Hearing 12-12-06*)  
49 a. Assembly Memorandum No. AM 837-2006.
- 50 9.F.8. Resolution No. AR 2006-305, a resolution of the Municipality of Anchorage appropriating \$300,000 in  
51 additional projected program fees and other revenues to the Anchorage Fire Department 2006  
52 Operating Budget, General Government Areawide Fund (101), and \$340,000 in additional projected  
53 program fees and other revenues to the **Anchorage Fire Department 2006 Operating Budget**,  
54 Anchorage Fire Service Area Fund (131); Anchorage Fire Department. (*Public Hearing 12-12-06*)  
55 **(Addendum)**  
56 a. Assembly Memorandum No. AM 846-2006.
- 57 9.F.9. Resolution No. AR 2006-306, a resolution of the Municipality of Anchorage appropriating \$3,236,382  
58 as a grant from the U.S. Department of Justice, Community Oriented Policing Services and  
59 appropriating \$69,240 as a contribution from the 2006 Anchorage Police Operating Budget,  
60 Anchorage Metropolitan Police Service Area Fund (151) to the Areawide Capital Project Fund (401),  
61 Anchorage Police Department, for the purchase of **interoperable communications equipment**;  
62 Anchorage Police Department. (*Public Hearing 12-12-06*) **(Addendum)**  
63 a. Assembly Memorandum No. AM 847-2006.
- 64 9.F.10. Resolution No. AR 2006-307, a resolution of the Municipality of Anchorage appropriating \$1,041,798  
65 from the State of Alaska, Department of Military and Veterans Affairs, Division of Homeland Security  
66 and Emergency Management to the Areawide General CIP Fund (401), Office of Emergency  
67 Management, for the purchase of **interoperable communications equipment**; Office of Emergency  
68 Management. (*Public Hearing 12-12-06*) **(Addendum)**  
69 a. Assembly Memorandum No. AM 848-2006.
- 70 9.F.11. Resolution No. AR 2006-308, a resolution of the Municipality of Anchorage appropriating \$110,000 of  
71 administrative fees from the Areawide General Fund (101) as a contribution to the Anchorage Roads  
72 and Drainage Service Area CIP Fund (441), for capital improvements within the **F-Street**  
73 **Connectivity Project**; Office of Economic & Community Development. (*Public Hearing 12-12-06*)  
74 a. Assembly Memorandum No. AM 849-2006. **(Addendum)**
- 75 9.F.12. Resolution No. AR 2006-309, a resolution of the Municipality of Anchorage appropriating \$2,469,850  
76 from interest earnings received in five major funds to pay the debt services and issuing costs  
77 associated with the February 2006 **Tax Anticipation Notes**; Finance. (*Public Hearing 12-12-06*)  
78 a. Assembly Memorandum No. AM 850-2006. **(Addendum)**

- 1 9.F.13. Resolution No. AR 2006-310, a resolution of the Municipality of Anchorage appropriating \$166,000  
2 from the Fund Balance of the Areawide General Fund for fuel purchases and \$46,000 of fuel cost  
3 reimbursements to be received from VPSI, Inc. to fund the purchase of **fuel for municipal vanpool**  
4 **vehicles** to the Areawide General Fund (101); Public Transportation Department. (*Public Hearing 12-*  
5 *12-06*) (**Addendum**)  
6 a. Assembly Memorandum No. AM 851-2006.
- 7 9.F.14. Ordinance No. AO 2006-160, an ordinance submitting to the qualified voters residing in the **Lakehill**  
8 **Limited Road Service Area** at the Regular Municipal Election April 3, 2007 a ballot proposition  
9 approving the continuation of the limited road service area for an additional period of three years and  
10 amending Anchorage Municipal Code Section 27.30.600 accordingly. Assemblymembers Shamberg  
11 and Birch. (*Public Hearing 12-19-06*) (**Addendum**)
- 12 9.F.15. Ordinance No. AO 2006-161, an ordinance submitting to the qualified voters residing in the **Mountain**  
13 **Park Estates Limited Road Service Area** at the regular Municipal Election April 3, 2007 a ballot  
14 proposition approving the continuation of the limited road service area for an additional period of three  
15 years and amending Anchorage Municipal Code Section 27.30.330 accordingly; Assemblymembers  
16 Shamberg and Birch. (*Public Hearing 12-19-06*) (**Addendum**)
- 17 9.F.16. Ordinance No. AO 2006-162, an ordinance submitting to the qualified voters residing in the **Mountain**  
18 **Park/Robin Hill Limited Road Service Area** at the Regular Municipal Election April 3, 2007 a ballot  
19 proposition approving the continuation of the limited road service area for an additional period of three  
20 years and amending Anchorage Municipal Code Section 27.30.360 accordingly, Assemblymembers  
21 Shamberg and Birch. (*Public Hearing 12-19-06*) (**Addendum**)
- 22 9.F.17. Ordinance No. AO 2006-163, an ordinance submitting to the qualified voters residing in the **Paradise**  
23 **Valley South Limited Road Service Area** at the Regular Municipal Election April 3, 2007 a ballot  
24 proposition approving the continuation of the limited road service area for an additional period of three  
25 years and amending Anchorage Municipal Code Section 27.30.640 accordingly; Assemblymembers  
26 Shamberg and Birch. (*Public Hearing 12-19-06*) (**Addendum**)
- 27 9.F.18. Ordinance No. AO 2006-164, an ordinance submitting to the qualified voters residing in the **Rabbit**  
28 **Creek View and Rabbit Creek Heights Limited Road Service Area** at the Regular Municipal  
29 Election April 3, 2007 a ballot proposition approving the continuation of the limited road service area  
30 for an additional period of three years and amending Anchorage Municipal Code Section 27.30.240  
31 accordingly; Assemblymembers Shamberg and Birch. (*Public Hearing 12-19-06*) (**Addendum**)
- 32 9.F.19. Ordinance No. AO 2006-165, an ordinance submitting to the qualified voters residing in the **Raven**  
33 **Woods/Bubbling Brook Limited Road Service Area** at the Regular Municipal Election April 3, 2007  
34 a ballot proposition approving the continuation of the limited road service area for an additional period  
35 of three years and amending Anchorage Municipal Code Section 27.30.350 accordingly.  
36 Assemblymembers Shamberg and Birch. (*Public Hearing 12-19-06*) (**Addendum**)
- 37 9.F.20. Ordinance No. AO 2006-166, an ordinance submitting to the qualified voters residing in the **Rockhill**  
38 **Limited Road Service Area** at the Regular Municipal Election April 3, 2007 a ballot proposition  
39 approving the continuation of the limited road service area for an additional period of three years and  
40 amending Anchorage Municipal Code Section 27.30.590 accordingly; Assemblymembers Shamberg  
41 and Birch. (*Public Hearing 12-19-06*) (**Addendum**)
- 42 9.F.21. Ordinance No. AO 2006-167, an ordinance submitting to the qualified voters residing in the **Skyranch**  
43 **Estates Limited Road Service Area** at the Regular Municipal Election April 3, 2007 a ballot  
44 proposition approving the continuation of the limited road service area for an additional period of three  
45 years and amending Anchorage Municipal Code Section 27.30.320 accordingly; Assemblymembers  
46 Shamberg and Birch. (*Public Hearing 12-19-06*) (**Addendum**)
- 47 9.F.22. Ordinance No. AO 2006-168, an ordinance submitting to the qualified voters residing in the **Totem**  
48 **Limited Road Service Area** at the Regular Municipal Election April 3, 2007 a ballot proposition  
49 approving the continuation of the limited road service area for an additional period of three years and  
50 amending Anchorage Municipal Code Section 27.30.610 accordingly; Assemblymembers Shamberg  
51 and Birch. (*Public Hearing 12-19-06*) (**Addendum**)
- 52 9.F.23. Ordinance No. AO 2006-169, an ordinance submitting to the qualified voters residing in the **Upper**  
53 **Grover Limited Road Service Area** at the Regular Municipal Election April 3, 2007 a ballot  
54 proposition approving the continuation of the limited road service area for an additional period of three  
55 years and amending Anchorage Municipal Code Section 27.30.340 accordingly; Assemblymembers  
56 Shamberg and Birch. (*Public Hearing 12-19-06*) (**Addendum**)
- 57 9.F.24. Ordinance No. AO 2006-170, an ordinance submitting to the qualified voters residing in the **Valli Vue**  
58 **Limited Road Service Area** at the Regular Municipal Election April 3, 2007 a ballot proposition  
59 approving the continuation of the limited road service area for an additional period of three years and  
60 amending Anchorage Municipal Code Section 27.30.310 accordingly; Assemblymembers Shamberg  
61 and Birch. (*Public Hearing 12-19-06*) (**Addendum**)
- 62 9.F.25. Ordinance No. AO 2006-171, an ordinance amending Anchorage Municipal Code Section 26.80.050 to  
63 increase the **Solid Waste Services disposal rate** to \$50 per ton; Solid Waste Services. (*Public Hearing*  
64 *12-19-06*) (**Addendum**)  
65 a. Assembly Memorandum No. AM 852-2006.
- 66 9.F.26. Ordinance No. AO 2006-172, an ordinance amending Anchorage Municipal Code Title 21 to adopt new  
67 **Chapters 21.01, 21.02, 21.08, and 21.13**; Planning Department. (*Public Hearing 1-09-06*)  
68 (**Addendum**)  
69 a. Assembly Memorandum No. AM 853-2006.

70  
71 Mr. Coffey requested a worksession on the Title 21 Rewrite. Chair Sullivan responded that a worksession would be  
72 scheduled for January 19<sup>th</sup>, at City Hall, from 11:00 to 1:00 p.m.

- 73  
74 9.F.27. Ordinance No. AO 2006-173, an ordinance of the Anchorage Municipal Assembly amending  
75 Anchorage Municipal Code Section 16.95.070 to reduce the costs of **municipal ambulance transport**  
76 assessed to patients receiving ambulance transport services from the Chugiak Volunteer Fire  
77 Department; Assemblymembers Ossiander and Fairclough. (*Public Hearing on 12-12-06*) (**Laid on**  
78 **the Table**)

1  
2 Ms. Fairclough stated that a worksession could be scheduled if there were questions that needed to be answered.  
3 Municipal Manager Denis LeBlanc responded there were questions on the reduction of ambulance fees.  
4

5 Mr. Tesche requested a fiscal analysis be completed on this matter. He looked forward to the Administration's  
6 response.  
7

8 Ms. Ossiander stated there would be an additional memorandum and financial note that would explain some of the  
9 background on the matter. There would be a difference of legal opinions on the Medicare issue. She stated that  
10 Assembly Counsel Julia Tucker had completed an analysis on this matter.  
11

12 Chair Sullivan scheduled a worksession on December 1<sup>st</sup>, from noon to 1:00 p.m. at City Hall.  
13

14 9.F.28. Ordinance No. AO 2006-174, an ordinance amending Anchorage Municipal Code Section 21.40.200  
15 related to **motorized sports conditional uses** in the I-1 (light industrial) District; amending Anchorage  
16 Municipal Code Section 25.10.080 to allow the Assembly to waive conditional use permit requirements  
17 for temporary recreational uses on Municipality owned land; and waiving conditional use permit  
18 requirements for Tract 4, International East Subdivision, for motorized sports uses; Real Estate  
19 Services. (*Public Hearing on 12-12-06*) (**Laid on the Table**)  
20

21 Chair Sullivan called the Question on the remainder of the Consent Agenda.  
22

23 and this motion, as amended, was passed.  
24

25 AYES: Tesche, Shamberg, Bauer, Fairclough, Sullivan, Ossiander, Birch, Coffey, Stout, Traini and Jennings.  
26

27 NAYES: None.  
28

29 ABSTAIN: Coffey abstained on the Gallo's Mexican Restaurant portion of item 9.D.1, due to a conflict of interest.  
30 (*Clerk's Note: See 9.D.1 for details.*)  
31

32 The amended Consent Agenda was approved and Chair Sullivan led the body into discussion of the pulled items.  
33

#### 34 **END OF CONSENT AGENDA**

#### 35 **10. REGULAR AGENDA**

36 **10.A. RESOLUTIONS FOR ACTION - PROCLAMATIONS AND RECOGNITIONS** There were none.  
37

38 **10.B. RESOLUTIONS FOR ACTION - OTHER** None were pulled for review.  
39

40 **10.C. BID AWARDS** None were pulled for review.  
41

#### 42 **10.D. NEW BUSINESS**

43 10.D.3. Assembly Memorandum No. AM 832-2006, Amendment No. 2 to professional services contract with  
44 MAKERS Architects, **E Street Corridor Improvements**, Project No. 04-17 (\$1,190,059); Project  
45 Management & Engineering.  
46

47 Mr. Stout moved, to approve AM 832-2006,  
48 Mr. Coffey seconded,  
49

50 Mr. Stout proposed including arctic skywalks for the Anchorage Performing Arts Center (PAC) and the new Civic and  
51 Convention Center. Mayor Begich responded that if the city had the opportunity to purchase the needed property  
52 there would be consideration for a sky bridge design. He stated there were instances where other sky bridges had  
53 caused ground floor businesses to dry up. Mr. Stout stated that skywalks made sense in Arctic areas, where it was  
54 often below zero and he requested that bridges remain a future consideration. Mayor Begich responded that the sky  
55 bridge to the Egan Convention Center cost \$2.5 million and was rarely used, but they would consider skyways for  
56 future development, particularly with the museum expansion. To Mr. Coffey, Mayor Begich responded that the  
57 Administration would include an update on the Downtown Plan at the December 8<sup>th</sup> worksession. To Ms. Fairclough,  
58 Mayor Begich responded there were ARDSA bonds approved last year, which had included the planning and design  
59 for E Street.  
60

61 and this motion was approved, 10-1.  
62

63 AYES: Tesche, Shamberg, Bauer, Sullivan, Ossiander, Birch, Coffey, Stout, Traini and Jennings.  
64

65 NAYES: Fairclough.  
66

#### 67 **10.E. INFORMATION AND REPORTS**

68 10.E.1. Information Memorandum No. AIM 118-2006, Internal Audit Report 2006-15 – **Transfer of**  
69 **Responsibility Agreements, Finance Department**; Internal Audit Department.  
70

71 Ms. Jennings moved, to accept AIM 118-2006,  
72 Mr. Coffey seconded,  
73

74 To Ms. Jennings, Municipal Manager Denis LeBlanc responded that the city was taking corrective action, for state  
75 payment not received for municipal services of state-owned roads and lights. The Municipality maintained that if the  
76 state would not pay for services, the city would not provide the services and had put the state on notice for the  
77 cutbacks. The intersection lights could not be turned off because of public safety, but road maintenance on state  
78 roads would stop. Mayor Begich responded that his administration had made it clear that the state needed to pay the  
bills or the services would be discontinued and the city would take the matter to court to collect. This also included the  
matter of police transport (*prisoners*), which the state had also refused to pay. To Ms. Jennings, Mayor Begich

1 responded the figures in the document were for state fiscal years, 2007 and 2008. Mr. LeBlanc responded that when  
2 the Municipality quit maintenance on the state roads, it would be difficult for local citizens to understand.

3  
4 Ms. Ossiander appreciated the Administration's efforts and urged that the figures be updated.

5  
6 Mr. Tesche stated that the city would not have any choice, other than pursuing a legal remedy, if the matter was not  
7 resolved.

8  
9 Ms. Fairclough stated that it was important to remember that the State of Alaska was providing \$44 million to  
10 Anchorage for tax relief. She concurred that the state should reimburse the city for the bills.

11  
12 and this motion was approved unanimously, 11-0.

13  
14 **10.F. ORDINANCES AND RESOLUTIONS FOR INTRODUCTION** None were pulled for review.

15  
16 **11. OLD BUSINESS AND UNFINISHED ACTION ON PUBLIC HEARING ITEMS**

17 11.A. Ordinance No. AO 2006-140, an ordinance repealing and reenacting Anchorage Municipal Code  
18 Chapter 1.15, **Code of Ethics**; amending AMC Chapter 1.25, Public Meetings, to incorporate  
19 reference to applicable state law; amending AMC Section 2.30.070, Rules of Procedure, to be  
20 consistent with AMC Chapter 1.15; and amending AMC Chapter 2.35, Regulations of Lobbying, to  
21 prohibit certain persons from registration or action as a municipal lobbyist; Assemblymember Stout.

22 1. Assembly Memorandum No. AM 771-2006.

23 (*Public Hearing was Closed 11-14-06; Amended 11-14-06; Action was Postponed from 11-14-06*)

24 2. Ordinance No. AO 2006-140(S), an ordinance repealing and reenacting Anchorage Municipal  
25 Code Chapter 1.15, Code of Ethics; amending AMC Chapter 1.25, Public Meetings, to  
26 incorporate reference to applicable state law; amending AMC Section 2.30.070, Rules of  
27 Procedure, to be consistent with AMC Chapter 1.15; and amending AMC Chapter 2.35,  
28 Regulations of Lobbying, to prohibit certain persons from registration or action as a municipal  
29 lobbyist; Assemblymember Stout. (**Addendum**)

30  
31 Chair Sullivan read the ordinance title and called the Question.

32  
33 Mr. Stout moved, to approve [~~AO 2006-140~~] "AO 2006-140(S),"  
34 Mr. Coffey seconded,

35  
36 Mr. Stout moved, to amend AO 2006-140(S) by approving **Floor Amendment**  
37 Mr. Coffey seconded, **11A**, on Page 13, Line 20, 1.15.025, H.2.c, Additional  
38 Provisions for Municipal Employees, *by changing* to read:

39  
40 H. Gifts.

41  
42 c. A "monetary" gift or award [~~of monetary value~~]  
43 presented in recognition of meritorious, civic, or volunteer  
44 service, so long as presented by a recognized civic,  
45 philanthropic or non-profit charitable organization and not  
46 given as financial inducement for official action. A  
47 municipal employee shall disclose a gift or award with a  
48 monetary value in excess of \$150.00 as provided in the  
49 Gift Disclosure form available from the designated ethics  
50 officer and filed with the municipal clerk within 10 working  
51 days of receipt of the gift or award by the employee.;

52  
53 And, to amend on Page 14, Line 19, 1.15.025, H.2.h, *by*  
54 *creating a new subsection (and re-lettering subsequent)* to  
55 read:

56  
57 "h. A non-monetary gift or award such as a plaque or  
58 other commemorative article signifying civic appreciation  
59 from a group or citizens or community organization. A  
60 municipal employee shall disclose a commemorative gift  
61 in excess of \$300.00.;"

62  
63 Mr. Stout stated the original monetary figure of \$150.00 was changed to \$300.00 after consideration and checking with  
64 various agencies in town, due to a higher cost of plaques.

65  
66 To Mr. Coffey, Mr. Stout responded that the monetary figure in item c. was to remain \$150.00. Mr. Coffey responded  
67 that he understood that the cost of a commemorative gold pan exceeded the \$150.00 and he concurred with Mr.  
68 Stout's proposed \$300.00. He urged support.

69  
70 and this was approved without objection, 10-0.

71 (*Clerk's Note: Mr. Bauer was temporarily out of Chambers at the time of the vote.*)

72  
73 Mr. Stout moved, to amend AO 2006-140(S) by approving **Floor Amendment**  
74 Mr. Coffey seconded, **11B**, on Page 30, Line 13, 1.15.035, O.3.c, Additional  
75 and this was approved, 10-0,  
76 with Mr. Bauer temporarily out of Chambers.

77  
78 O. Gifts.

1 c. A "monetary" gift or award [~~of monetary value~~]  
2 presented in recognition of meritorious, civic, or volunteer  
3 service, so long as presented by a recognized civic, or  
4 non-profit charitable organization presenting such a gift or  
5 award as part of an established tradition, and not given  
6 as financial inducement for official action. An elected  
7 official shall disclose a recognition gift or award in excess  
8 of \$150.00.;

9  
10 And, to amend on Page 31, Line 34, *by adding* to read:

11  
12 "g. A non-monetary gift or award such as a plaque or  
13 other commemorative article signifying civic appreciation  
14 from a group of citizens or community organization. An  
15 elected official shall disclose a commemorative gift in  
16 excess of \$300.00.;"

17  
18 [~~g~~]"h." In-State [~~F~~]travel and hospitality discounts or  
19 accommodations offered or provided to an elected official  
20 shall be applied to any municipal expense for the travel.  
21 "No disclosure is required. Out of state" [~~G~~]gifts of travel  
22 and hospitality related to providing or obtaining  
23 information primarily on matters related to the duties of  
24 the elected official are allowed. Gifts in this category in  
25 excess of \$250 shall be disclosed for electronic  
26 publication by the municipal clerk prior to acceptance.;

27  
28 and this was approved without objection, 10-0,  
29 with Mr. Bauer temporarily out of Chambers.

30  
31 Ms. Ossiander assumed the Assembly Chair, allowing Mr. Sullivan to speak to his proposed floor amendment. Mr.  
32 Sullivan stated that there had been discussion on whether political activity prohibition should apply to the mayor and to  
33 find parameters that defined when a mayor was acting as an employee or acting as an elected official.

34  
35 Mr. Sullivan moved,  
36 Mr. Stout seconded,

37 to amend AO 2006-140(S) by approving **Substitute Floor**  
38 **Amendment 15A.**~~[3]4.b~~, on Page 16, Political Activity  
39 1.15.025.1.~~[3]4.~~, *by substituting* the new, to read:

40 ~~[3]4.~~ A municipal employee [~~excluding the mayor,~~] shall  
41 not:

42 b. While on duty, engage in political campaigning for  
43 elected public office "political endorsement," or  
44 election campaign fundraising "for any person or office."  
45 This restriction applies to the mayor between the hours  
46 of 7:00 a.m. and 6:00 p.m., Monday through Friday,  
47 except when the mayor is participating as a mayoral  
48 candidate in speaking engagements and forums also  
49 offered to other mayoral candidates.;"

50  
51 Mr. Sullivan stated that this would recognize a mayor as a fulltime public employee and restrict a mayor from  
52 campaigning during normal business hours, with the exception of allowing a mayor to participate with speaking  
53 engagements, policy discussions or debates or forums offered to other mayoral candidates. A mayor was an elected  
54 official and had the right to run for reelection.

55  
56 To Ms. Fairclough, Mr. Sullivan responded that, given the nature of a mayor's job being fulltime, it was difficult to set a  
57 time range for a lunch break.

58  
59 To Mr. Traini, Mr. Sullivan responded that this floor amendment applied to personal activity and not to advertisements,  
60 which may have been created in off-hours.

61  
62 To Mr. Traini, Mayor Begich responded that, as the current mayor, his position required him to protect the office of  
63 mayor for its rights and opportunities. He stated that the proposed amendment was overreaching, unconstitutional and  
64 ridiculous. Restricting any of his activities during his lunch hour would challenge his constitutional rights of freedom of  
65 speech. If there were any questions of a mayor's activities or duties during city time, a complaint should be made. A  
66 mayor should be allowed to publicly respond to questions about elections, which should not be perceived as  
67 campaigning. The current definition of a mayor's role and responsibility had worked well for the past 26 years and he  
68 urged that that not be changed.

69  
70 Mr. Tesche stated that if the 4<sup>th</sup> of July happened during the week, it would prevent a mayor from participating with  
71 election activity. He opposed the amendment.

72  
73 Ms. Jennings requested clarity. Mr. Sullivan and Acting Chair Ossiander responded that the floor amendment applied  
74 to Pages 15 and 16, item 3, of the new ordinance. Ms. Jennings responded the restrictions were silly and she trusted  
75 a mayor to do the job and choose appropriate times for political activity. A mayor should be allowed to do any activity  
76 on a lunch hour.

77

1 Mr. Coffey stated that this involved the question of whether this was an ethical matter or a political matter. If a mayor  
2 were to engage in political activity to the degree that duties and responsibilities were being ignored, there would be  
3 political consequences. This was not an ethical matter and it was inappropriate to address. He opposed the  
4 amendment.

5  
6 Mr. Birch stated that the mayor was an elected office and the definition of municipal employee excluded elected  
7 officials. This was an inappropriate restriction. He would not support.

8  
9 Mr. Sullivan stated that his intent was to address the original language which referred to 'no political activity.' He was  
10 adding definition and clarity to the mayoral duties, which was to be less restricting than the original language.

11  
12 Mr. Stout stated that the Ethics Code was a work in progress. There had not been an opportunity to discuss this  
13 particular amendment because it had been introduced that evening, at the last minute. Ms. Jennings responded that  
14 Mr. Sullivan was trying to solve a problem that had been identified, defining a mayor's position as an employee or an  
15 elected official.

16  
17 To Ms. Fairclough, Acting Chair Ossiander responded that this proposed amendment only included 15.A.3.b, and not  
18 15.A.3.e. Mr. Sullivan concurred. Acting Chair Ossiander put the Question.

19  
20 and the motion failed, 2-9.

21  
22 AYES: Bauer and Sullivan.

23 NAYES: Tesche, Shamberg, Fairclough, Ossiander, Birch, Coffey, Stout, Traini and Jennings.

24  
25 Mr. Sullivan moved,  
26 Mr. Coffey seconded,

to amend AO 2006-140(S) by approving **Substitute Floor  
Amendment 15A.[3]4.e**, on Page 16, Political Activity  
1.15.025.I, *by adding* a new subsection, 4.e., to read:

27  
28  
29 [3]4. "e. Use or depict municipal property and facilities  
30 in a manner unavailable to the public. This restriction  
31 applies to use or depiction of a uniform in political  
32 endorsement if the uniform identified the person as a  
33 municipal employee, regardless of ownership of the  
34 uniform.;"

35  
36 Mr. Sullivan stated that uniforms of municipal employees should not appear in political advertisements.

37  
38 Mr. Coffey stated that he had witnessed inappropriate use of municipal uniforms during his campaign. He supported  
39 the Sullivan Amendment.

40  
41 Mr. Tesche questioned if there would be a violation if Anchorage firefighters borrowed and wore Tacoma firefighters'  
42 uniforms during a political endorsement. Or, if municipal nurses borrowed similar nurses' uniforms. He opposed the  
43 amendment.

44  
45 Mr. Coffey urged support.

46  
47 and the motion passed, 7-4.

48  
49 AYES: Bauer, Fairclough, Sullivan, Ossiander, Birch, Coffey and Stout.

50 NAYES: Tesche, Shamberg, Traini and Jennings.

51  
52 Mr. Sullivan resumed as Assembly Chair.

53  
54 Mr. Stout moved,  
55 Mr. Coffey seconded,  
56 and this was later amended,

to amend AO 2006-140(S) by approving **Floor Amendment  
15B** on Page 16, Line 21, 4, *by adding* to read:

57 [4]5. A municipal employee shall not serve as an elected  
58 official of the municipality or other local, state or federal  
59 government. A municipal employee who is elected to  
60 municipal or other local, state or federal government  
61 office shall resign immediately from municipal  
62 employment. The mayor during incumbency shall not file  
63 or campaign for elected public office except to the office  
64 of mayor of the municipality. "The probation against the  
65 mayor filing or campaigning for other elected public office  
66 shall not affect the mayor seated in 2006, but shall affect  
67 those elected to the office thereafter.;"

68  
69 Mr. Stout stated this amendment would offer clarity to the office of the mayor. The mayor should be allowed to run for  
70 his own office out of the mayor's office, but would be restricted to run for any other office, which would interfere with  
71 mayoral duties. This amendment had been reviewed by both the Municipal Attorney and Assembly Counsel.

72  
73 Mr. Coffey stated these were political considerations and were not ethical considerations and he opposed such  
74 restrictions on a mayor. He proposed to substitute Amendment 16.

75  
76 Ms. Ossiander proposed to amend Amendment 15, by deleting the addition specific to the mayor, which was the same  
77 as the Tesche Amendment 16. Mr. Stout and Mr. Coffey concurred.

78

1 Ms. Ossiander moved,  
2 Ms. Jennings seconded,

to amend Floor Amendment 15B, *by deleting* the last two sentences, to read:

3  
4 [4]5. A municipal employee shall not serve as an elected  
5 official of the municipality or other local, state or federal  
6 government. A municipal employee who is elected to  
7 municipal or other local, state or federal government  
8 office shall resign immediately from municipal  
9 employment. ~~[The mayor during incumbency shall not  
10 file or campaign for elected public office except to the  
11 office of mayor of the municipality. "The probation  
12 against the mayor filing or campaigning for other elected  
13 public office shall not affect the mayor seated in 2006, but  
14 shall affect those elected to the office thereafter;"]~~

15  
16 Mr. Tesche stated that deleting the last two sentences would be same effect as Amendment 16 and he would support.

17  
18 Ms. Jennings supported the amendment to the amendment.

19  
20 Mr. Birch stated that the definition of a municipal employee excluded elected officials. To his question, Municipal  
21 Attorney Jim Reeves responded that a mayor was excluded from the definition of municipal employee. Mayor Begich  
22 responded that by removing the last two lines, the intent would only apply to municipal employees and not the mayor  
23 or other elected officials. Mr. Birch supported the amendment.

24  
25 Ms. Fairclough supported the amendment to the amendment.

26  
27 Mr. Bauer stated that the definition of municipal employee excluded a mayor or elected officials. He supported.

28  
29 and the motion to amend Amendment 15B was approved without objection.

30  
31 and the main motion, as amended, was passed unanimously, 11-0.

32  
33 AYES: Tesche, Shamberg, Bauer, Fairclough, Sullivan, Ossiander, Birch, Coffey, Stout, Train and Jennings.  
34 NAYES: None.

35  
36 Ms. Jennings moved,  
37 Ms. Ossiander seconded,  
38 and this was later amended,  
39 and was later substituted.

to amend AO 2006-140(S) by approving **Floor Amendment 15A**, beginning on Page 14, Line 34, 1.15.025, Additional Provisions for Municipal Employees, *by changing* to read:

40  
41 I. *Political Activity*. The following limitations shall apply to  
42 political activity": ~~[BY MUNICIPAL EMPLOYEES AND THE  
43 EXPENDITURE OF MUNICIPAL FUNDS, INCLUDING  
44 MUNICIPAL FUNDS RECEIVED UNDER A GRANT,  
45 DONATION, CONTRACT OR OTHER FUNDING  
46 MECHANISM BY ANY ENTITY, INCLUDING A NON-  
47 PROFIT ORGANIZATION.]~~

48  
49 1. ~~[MUNICIPAL EMPLOYEE, THE MAYOR, THE]~~  
50 Departments, boards, commissions, agencies,  
51 authorities, public corporations, or other administrative  
52 divisions of municipal government, and private non-profit  
53 entities receiving municipal "grant" funding shall not::

54  
55 a. Expend municipal "**grant**" funds for the support,  
56 opposition or endorsement of candidates for any  
57 elected government office[;]"

58  
59 Ms. Jennings stated that the recommended additional language for subsection 1, adding "non-profit" before the word  
60 private, describing boards and commissions was too vague.

61  
62 Ms. Jennings moved,  
63 Ms. Ossiander seconded,  
64 and this was later amended,  
65 and was later substituted.

to amend Floor Amendment 15A, subsection I.1, *by changing*  
66 Line 34, to read: private ~~[non-profit]~~ municipal "**grant**"  
67 funding; and *by adding* in subsection 1.1.a, to read: municipal  
68 "**grant**" funds,

69  
70 Mayor Begich stated that a non-profit organization which had accepted money from the city would be prohibited from  
71 participating with ballot initiatives or supporting candidates. Mr. Coffey concurred.

72  
73 Mr. Tesche stated that the language needing to be addressed was 'receiving municipal funds.' He proposed adding  
74 'grant,' describing municipal funds. Ms. Jennings responded that this resolved the problem and she accepted this as a  
75 friendly amendment. Mr. Stout concurred.

76  
77 Ms. Ossiander stated that the proposed 'non-profit' had been withdrawn. Ms. Jennings concurred. Ms. Fairclough  
78 responded that non-profit organizations were prohibited from using municipal state or federal grant money to lobby.

Mr. Birch stated that he had encountered a conflict of this nature and he supported the amendment.

1 Mr. Bauer stated that the amendment resolved the matter of receiving municipal grant funds, but expenditures of  
2 donations or other funding mechanisms were still not addressed. Chair Sullivan concurred.

3  
4 Mr. Coffey stated the amendment, as it was, describing grant funds, would allow use of everything but grant funds. Mr.  
5 Bauer responded that this would not apply to contracts or donations. Mr. Coffey concurred. Assembly Counsel Julia  
6 Tucker responded that bracketed language in the amendment had been deleted.

7  
8 *(Clerk's Note: Chair Sullivan returned the body to complete a newly revised Floor Amendment 15.A after completing*  
9 *discussion and action on Floor Amendment 20.)*

10  
11 Mr. Coffey stated that clarity had been offered by addressing private entities separately. Public entities remained the  
12 same, and a new Subsection 2 had been added on Page 2, dealing with private entities only. The intent was clear and  
13 he urged support.

14  
15 Mr. Stout moved,  
16 Mr. Coffey seconded,  
17 and this was later amended,

to amend AO 2006-140(S), by approving **newly revised**  
**Floor Amendment 15A**, beginning on Page 14, Line 27,  
1.15.025, Additional Provisions for Municipal Employees, *by*  
18 *changing* to read:

19  
20 I. *Political Activity*. The following limitations shall apply to  
21 political activity.” ~~[BY MUNICIPAL EMPLOYEES AND THE~~  
22 ~~EXPENDITURE OF MUNICIPAL FUNDS, INCLUDING~~  
23 ~~MUNICIPAL FUNDS RECEIVED UNDER A GRANT,~~  
24 ~~DONATION, CONTRACT OR OTHER FUNDING~~  
25 ~~MECHANISM BY ANY ENTITY, INCLUDING A NON-~~  
26 ~~PROFIT ORGANIZATION.]~~

27  
28 1. ~~[MUNICIPAL EMPLOYEES, THE MAYOR, THE]~~  
29 Departments, boards, commissions, agencies,  
30 authorities, public corporations, or other administrative  
31 divisions of municipal government, and private entities  
32 receiving municipal funding shall not:

- 33  
34 a. Expend municipal funds for the support,  
35 opposition or endorsement of candidates for any  
36 elected government office.[:]
- 37  
38 b. Expend municipal funds for paid advertisement  
39 which advocates or promotes a particular position, or  
40 solicits members of the public to advocate or promote  
41 a particular position, on legislation or other action  
42 pending before the municipal assembly, the school  
43 board, or other elected body of government.
- 44  
45 c. “Permit an administrative division of municipal  
46 government **[or private entity receiving municipal**  
47 **grant funding]** to endorse or oppose candidates for  
48 elected federal, state, municipal or other local office  
49 even if such endorsement does not include  
50 expenditure of funds. ~~[THIS PROHIBITION APPLIES~~  
51 ~~TO MUNICIPAL EMPLOYEES WHILE ON DUTY~~  
52 ~~AND TO THE USE OF MUNICIPAL PROPERTY OR~~  
53 ~~FACILITIES IN A MANNER NOT MADE AVAILABLE~~  
54 ~~TO MEMBERS OF THE PUBLIC.]~~
- 55  
56 d. Authorize that money held by the municipality be  
57 used to influence the outcome of an election, except  
58 as permitted by state law under AS 15.13.145.
- 59  
60 e. Actively campaign or prepare, publish, broadcast,  
61 or distribute by any means material of a partisan  
62 nature on any ballot measure, including referendums,  
63 initiatives, bond issues or other special elections;  
64 except that subject to restrictions in AS 15.13.145 on  
65 the use and expenditure of municipal funds to  
66 influence the outcome of a ballot proposition or  
67 question, the mayor and the school superintendent  
68 may each designate in advance in writing one or  
69 more executive employees in addition to themselves,  
70 to appear before the assembly, the school board,  
71 appointed public bodies of the municipality,  
72 community councils, civic organizations, and media  
73 representatives in support of or in opposition to any  
74 ballot measure coming before the voters in a  
75 municipal election. The designated executive  
76 employees shall be selected from among the  
77 employees with principal responsibility for carrying

1 out policies and programs relevant to the ballot  
2 measure.

3  
4 2. “Private entities receiving municipal grant funding  
5 shall not:

6  
7 a. Expend municipal grant funds for the support,  
8 opposition or endorsement of candidates for any  
9 elected government office.

10  
11 b. Expend municipal grant funds for paid  
12 advertisement which advocates or promotes a  
13 particular position, or solicits members of the public  
14 to advocate or promote a particular position, on  
15 legislation or other action pending before the  
16 municipal assembly, the school board, or other  
17 elected body of government.”

18  
19 *And, by renumbering the remaining subsections.*

20  
21 Mr. Coffey stated the intent was clear and he urged support.

22  
23 Mr. Traini urged support.

24  
25 Mr. Tesche recommended approval.

26  
27 Ms. Jennings stated that 1.c did not allow a private entity who received municipal grant funding to endorse or oppose  
28 candidates for elected federal, state, municipal or other local offices, even if such endorsement did not include  
29 expenditures of funds. This would restrict groups from their own activities. Mr. Coffey concurred and stated that  
30 government could not endorse candidates. He proposed to amend by deleting reference to private entity.

31  
32 Mr. Bauer stated that this would not deal with municipal employees. Ms. Tucker responded that municipal employees  
33 were addressed in Section 3, on Page 15 of the S-version.

34  
35 Mr. Coffey moved, to amend newly revised Floor Amendment 15A, in 15.A.I.1.c,  
36 Ms. Jennings seconded, by *deleting* [er private entity receiving municipal grant  
37 and this was approved without objection. funding];

38  
39 Ms. Jennings thanked Mr. Coffey for clarifying the matter.

40  
41 To Ms. Ossiander, Mr. Coffey responded that the intent was to prohibit the expenditure of funds.

42  
43 Ms. Fairclough stated that there may be unintended consequences, including the Anchorage Convention and Visitors  
44 Bureau (ACVB) advocating for the new convention center, or the Museum approaching the State of Alaska.

45  
46 Ms. Fairclough moved, to extend the Assembly Meeting past 11:00 p.m.  
47 Mr. Tesche seconded, to complete the matter before the Assembly,  
48 and this was approved without objection.

49  
50 Mr. Coffey stated that ACVB was involved by receiving a percentage of bed tax, not grant money, which was not a  
51 concern. The intent of the amendment was to prevent entities from lobbying the Assembly or other government body.

52  
53 To Ms. Fairclough, Chair Sullivan responded that any entity had to provide detailed accounting and show a separation  
54 of funding. Ms. Fairclough stated that if the money was accounted for appropriately, it was acceptable. She raised the  
55 issue because there were fine balances with the entities that worked with the Assembly. Mr. Coffey responded that  
56 creating a legislative history would clarify the intent.

57  
58 Chair Sullivan called the Question on the motion to approve the revised 15A Substitute Amendment.

59  
60 and the main motion, as revised and amended, was approved, 11-0.

61  
62 AYES: Tesche, Shamberg, Bauer, Fairclough, Sullivan, Ossiander, Birch, Coffey, Stout, Traini and Jennings.  
63 NAYES: None.

64  
65 *(Clerk's Note: It was past 11:00 p.m. and Chair Sullivan moved the body to closing comments. See Agenda item 18.)*

66  
67 Mr. Stout stated that people already in office had restrictions and this provision added restrictions to all people, once  
68 they had filed for office.

69  
70 Mr. Stout moved, to amend AO 2006-140(S) by approving **Floor Amendment**  
71 Mr. Tesche seconded, **17**, beginning on Page 4, Line 3, 1.15.015, Scope, by adding  
72 a new subsection, to read:

73  
74 “D. All persons who have filed for elected municipal  
75 office are subject to Section 1.15.020, Prohibited  
76 Conduct.”  
77

1 Ms. Ossiander stated that when folks filed for office they were just learning what the job entailed and it would be  
2 difficult to enforce.

3  
4 Mr. Tesche stated this made all the rules applicable to both incumbents and new candidates. It was unfair to impose  
5 ethical standards on incumbents, but not on candidates who had not yet served.

6  
7 Mr. Bauer stated that prohibited conduct was supported by the State of Alaska. A candidate was expected to  
8 understand the rules and he supported the amendment.

9  
10 Ms. Ossiander read the Code provision which defined any money, loan, donation, gift, service or business from a  
11 municipal lobbyist. The only requirement for new candidates running for office would be to determine who the  
12 municipal lobbyists were. Mr. Stout responded that would be addressed in Amendment 18.

13  
14 Mr. Birch opposed the additional requirements for candidates running for office, which seemed unreasonable.

15  
16 Mr. Tesche stated that new candidates running for office should be warned to learn the rules. If the rules did not apply  
17 equally to all candidates running for office, incumbents would have a disadvantage.

18  
19 Chair Sullivan stated that the Ethics Board did not have jurisdiction over new candidates. Assembly Counsel Julia  
20 Tucker responded that she understood that the Board was not limited to jurisdiction over candidates who filed for  
21 office. She responded to the previous discussion, that there was a current list of registered lobbyists on file. Chair  
22 Sullivan contended that the Ethics Board did not have jurisdiction over a person who was not a municipal employee or  
23 an elected official.

24  
25 Mr. Birch stated that every citizen in the community could be included. It was too broad and he would not support.

26  
27 and the motion passed, 6-5.

28  
29 AYES: Tesche, Shamberg, Bauer, Stout, Traini and Jennings.

30 NAYES: Fairclough, Sullivan Ossiander, Birch and Coffey.

31  
32 Mr. Stout stated this amendment would address gifts or favors from Municipal Lobbyists.

33  
34 Mr. Stout moved,  
35 Mr. Coffey seconded,  
36 and was later deleted.

to amend AO 2006-140(S) by approving **Floor Amendment  
18** on Page 4, Line 38, 1.15.020, Prohibited Conduct, *by  
adding to read:*

37  
38 8. Accept any money, loan, gift, campaign contribution,  
39 favor, service, business or professional opportunity from  
40 a municipal lobbyist as *lobbyist* is defined in AMC  
41 2.35.020, other than food or beverage for immediate  
42 consumption. "This limitation shall not affect campaign  
43 contributions received and deposited with a financial  
44 institution on behalf of a person included within the scope  
45 of this chapter on or before April 15, 2007."  
46

47 Mr. Coffey stated that legal counsel, engineers, architects or planners, who appeared frequently before the Assembly,  
48 were not registered lobbyists and would be performing the same function before the Assembly, representing their  
49 clients. He questioned the difference.

50  
51 To Mr. Birch, Chair Sullivan responded there were 8-10 registered Municipal Lobbyists, with a list posted in the  
52 Municipal Clerk's Office and on the web.

53  
54 Ms. Ossiander shared Mr. Coffey's concern, but did not see this as a serious issue.

55  
56 Ms. Jennings questioned if 'campaign contribution' in the first line could be deleted, because it was addressed in the  
57 second line. Mr. Stout responded that their service would be as controversial as a campaign contribution.

58  
59 ~~[Ms. Fairclough stated that State Law prohibited lobbyists from donating to campaigns on a state level, other than in  
60 the specific district where they lived. She did not understand the April 15<sup>th</sup> date. Assembly Counsel Julia Tucker  
61 responded there had been concern voiced from Assembly members. Ms. Fairclough understood that people who had  
62 already filed letters of intent to run for office could have already collected donations.~~

63  
64 ~~To Mr. Traini, Chair Sullivan and Ms. Fairclough responded that this provision would be null and void after April 15<sup>th</sup>,  
65 2007.]~~

66  
67 "Ms. Fairclough: Thank you Mr. Chair. To speak to Ms. Ossiander's comments. State Law prohibits lobbyists at a  
68 State level to donate to any campaign, other than in the specific district from which they lived. That was the original  
69 part, why we brought it up, should a lobbyist in the MOA be allowed to contribute or not. And that was the policy  
70 question at that point. And so, we were in an effort for our counsel and Mr. Stout... what got brought forward to the  
71 Anchorage Assembly was a law that was consistent with the state that prohibited lobbyists from donating, in areas  
72 other from their specific jurisdictions, where they would be personally represented by an individual. So, a lobbyist  
73 (that) who did not live in the Chugiak-Eagle River geographic boundary, from a state perspective, would not be allowed  
74 from state law, to contribute, unless they lived in our geographic area. I'm not certain what is trying to be  
75 accomplished here. Either.... especially on or before April 15<sup>th</sup>, 2007.... I don't know why we're putting a date on  
76 there. So, I don't ... if Assembly Counsel could clarify for me, why we have a date on here, if we're trying to dilute the  
77 lobbyists' portion.  
78

1 Assembly Counsel Julia Tucker: Ms. Fairclough, through the Chair, in discussions with Assemblymembers Stout and  
2 Tesche, there was a concern that within the APOC period there could already have been, and continue to be,  
3 campaign donations accepted and or committed to.....  
4

5 Ms. Fairclough: I got it, Julia. In layman's terms, right now, people have already filed a letter of intent to run for office  
6 in the April Municipal Election and if they have, they could already have money in the bank from a lobbyist, right now.  
7 This particular amendment was just covering a future election that was on our horizon. So, we really could change  
8 that with an implementation date of the whole Code, if we wanted to, versus a single amendment. But, this particular  
9 amendment would become mute after April 15<sup>th</sup>, 2007.  
10

11 Ms. Tucker: Yes."  
12

13 Mr. Tesche stated there were many professionals who represented clients and presenting matters to the Assembly  
14 who were not registered lobbyists. The concern and the confusion had to do with the lobbying law, which needed to  
15 be addressed separately. He moved substitute, and moved to delete the entire section from the ordinance.  
16

17 Mr. Tesche moved, **to not approve** in its entirety [**Floor Amendment 18**]  
18 Ms. Ossiander seconded,  
19

20 Chair Sullivan stated that he had authored the Municipal Lobbyist Law six years ago and the Assembly had  
21 determined that lobbyists were citizens who had the right to participate in the political process through contributions.  
22 The State Law could not apply to people running for School Board seats, because those seats were city-wide. The  
23 Assembly needed to readdress the lobbyist law.  
24

25 Mr. Coffey concurred with Mr. Tesche and Chair Sullivan.  
26

27 Ms. Fairclough opposed the substitute amendment. This matter was being addressed because of the lack of  
28 consistency with State Law. To Chair Sullivan, she responded that State Law allowed campaign contributions to a  
29 candidate in the lobbyist's home district. Mr. Traini concurred.  
30

31 Mr. Birch stated that the amendment would serve to prevent provisions allowing lobbyists to collect information for the  
32 groups they were representing. He supported deletion.  
33

34 Mr. Stout stated that lobbyists were involved with writing ordinances for their clients, which were heard before the  
35 Assembly. Lobbyists were involved with more than campaign contributions or fund raisers.  
36

37 Mr. Bauer stated that while he supported State Law, he concurred that lobbyists helped to provide services. If the  
38 motion failed, he would propose to amend by deleting the word 'service.'  
39

40 Mr. Tesche stated that if this section was deleted in the document, renumbering would be required. Chair Sullivan  
41 responded that would be a clerical concern. He called the Question to delete.  
42

43 and the substitute motion, to not approve Amendment 18 was passed, 8-3.  
44

45 AYES: Tesche, Shamberg, Sullivan, Ossiander, Birch, Coffey, Stout and Jennings.  
46 NAYES: Bauer, Fairclough and Traini.  
47

48 Mr. Traini moved,  
49 Mr. Coffey seconded,  
50 and this was later amended,  
51

to amend AO 2006-140(S) by approving **Floor Amendment 19** on Page 7, beginning on Line 16, 1.15.025.C, Additional Provisions for Municipal Employees, *by adding* to read:

3. Full time temporary and permanent municipal employees engaging or intending to engage in contemporaneous service or employment outside scheduled work-hours shall notify the administrative supervisors in writing. **"Not withstanding, Section 1.15.025 A.2., concerning the less restrictive requirement for employees of the Anchorage School District, following the (Anchorage School District) Policies."** "For employees of the Anchorage School District, notice under this subsection shall be addressed in the conflict of interest policies and procedures to be reviewed, revised, and adopted by the Anchorage School Board."

a. Personnel rules and policies applicable to the various classifications and types of municipal employees, including employees of the Anchorage School District, shall provide for disclosure, administrative review, and management of potential conflicts of interest in contemporaneous employment "in accordance with policies and procedures adopted by the Anchorage School District."

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75 Mr. Traini stated that his amendment was to require Municipal and Anchorage School District (ASD) employees to  
76 disclose in writing to their supervisors, their employment or service outside of scheduled work hours. His intent was to  
77 address any job that would negatively impact their employment.  
78

1 To Mr. Tesche, Anchorage School Board (ASB) President Jeff Friedman responded that the ASB had not yet  
2 addressed the new requirement. He personally felt that if the estimated 1000 ASD employees working outside jobs  
3 had to report, including teachers, school bus drivers, cafeteria workers and school crossing guards, there would be  
4 additional costs and a burden of paperwork. He endorsed the concept, but proposed improved language.  
5

6 Ms. Fairclough proposed consideration to postpone the Traini Amendment 19, to allow Mr. Friedman the opportunity to  
7 create improved language for Assembly consideration. Mr. Traini responded that it was important for the additional  
8 language not to make the teachers (*ASD employees*) appear as second-class citizens, when disclosing they had part-  
9 time jobs. He supported more appropriate language.  
10

11 Ms. Ossiander concurred with Mr. Traini and Mr. Friedman. Mr. Friedman responded that it would be appropriate to  
12 have more time to be able to discuss this with the employee groups as well. Ms. Ossiander supported the concept and  
13 supported postponement.  
14

15 Mr. Coffey stated that the Assembly was trying to finalize the document and more restrictive provisions could be  
16 implied to 3.a. He moved, seconded by Mr. Tesche, to amend by adding, "Notwithstanding, Section 1.15.025 A.2,  
17 concerning the less restrictive requirement for employees of the Anchorage School district, following the ASD Policies."  
18 To Mr. Friedman, Mr. Coffey responded this would be added directly after the word, "writing." Mr. Traini accepted this  
19 as a friendly amendment.  
20

21 Chair Sullivan stated this added language would refer back to the ASD policies. Mr. Friedman stated that one concern  
22 of the Ethics Board was that the current procedures had disclosure, but there was no clear form of dealing with  
23 potential conflicts.  
24

25 To Ms. Shamberg, Mr. Coffey responded that the amended language accomplished the intent. The ASD would not  
26 have policies less restrictive than those created by the Assembly. Floor Amendment 19 specified, 'except for outside  
27 employment, if their existing policies or the policies they develop were less restrictive,' which was acceptable.  
28

29 Chair Sullivan put the Question to the Coffey Amendment to Amendment 19.  
30

31 and the motion was approved without objection.  
32

33 Ms. Ossiander stated that now every fulltime temporary and permanent municipal employee, including a seasonal  
34 gardener, had to disclose outside jobs in writing to a supervisor. Chair Sullivan and Mr. Coffey responded that  
35 municipal employment was addressed in Section C of the document. Ms. Ossiander was concerned with the potential  
36 additional burden of paperwork and clerical load. Mayor Begich responded that anything that added additional work  
37 required time and cost. Ms. Ossiander had not recalled Employee Relations Director Mr. Otto referring to written filing  
38 of all disclosures at the worksession. Mayor Begich concurred. Ms. Ossiander understood that all Municipal  
39 employees filing would be handled by the Mayor's Office.  
40

41 Mr. Coffey stated that these provisions were common in the private sector. An employer needed to determine if the  
42 employee would be able to perform the services expected by his employer. He put the Question to Amendment 19.  
43

44 and the main motion, as amended, was approved without objection.  
45

46 AYES: Tesche, Shamberg, Bauer, Fairclough, Sullivan, Ossiander, Birch, Coffey, Bauer, Traini and Jennings.

47 NAYES: None.  
48

49 Mr. Stout moved,  
50 Mr. Coffey seconded,

to amend AO 20-06-140(S) by approving **Floor Amendment 20** on Page 41, Lines 6, 11 and 17, 1.15.070.E, Conduct of investigation and standard of proof, *by adding* to read:

- 51 1. The respondent "and the person who filed the notification of potential violation" may identify other  
52 individuals and documents that the respondent would like  
53 the board to interview and review.
- 54 2. If an individual with information bearing on the  
55 notification of potential violation is unwilling to come  
56 forward with information, the respondent "and the person  
57 who filed the notification of potential violation" may  
58 request the board to subpoena the person and any  
59 documentary evidence.
- 60 3. Persons appearing before the board may be  
61 represented by counsel or other person serving in a  
62 representative capacity.
- 63 4. The board may question the respondent "the person  
64 who filed the notification of potential violation," and other  
65 persons appearing before the board.;

66 To Mr. Stout, Ethics Board Chair Paul Davis responded that the purpose of this amendment was to equalize the  
67 investigation process and allow the Ethics Board to assist with gathering information to answer questions.  
68

69 Mr. Tesche supported the amendment.  
70  
71  
72  
73  
74  
75  
76  
77

1 Mr. Birch stated that this would allow the board to gather and assess all information fairly. It was reasonable and he  
2 supported it.

3  
4 Chair Sullivan put the Question.

5  
6 and the motion was approved unanimously, 11-0.

7  
8 AYES: Tesche, Shamberg, Bauer, Fairclough, Sullivan, Ossiander, Birch, Coffey, Stout, Traini and Jennings.

9 NAYES: None.

10  
11 *(Chair Sullivan returned the body to complete the remaining discussion and action on Amendment 15.)*

## 12. APPEARANCE REQUESTS

12  
13  
14 12.A. **Alex Spector**, Director of the Alaska VA, to present a *Thank You* plaque for the support of the 26<sup>th</sup>  
15 National Veterans Wheelchair Games.

16  
17 ALEX SPECTOR, Director of Alaska Veterans Association, thanked the Assembly and the Municipality for their hosting  
18 the National Veterans Wheelchair Games in Anchorage. He presented a plaque to Mayor Begich, thanking him for his  
19 participation and encouragement. Mr. Spector stated that participating veterans had unanimously agreed that the 26<sup>th</sup>  
20 National Veterans Wheelchair Game was the best one in history. Ms. Jennings thanked Mr. Spector for his  
21 contributions and all the volunteers in Anchorage for their support. Chair Sullivan stated that the wheelchair games  
22 were rapidly becoming the premier sport event for Anchorage. Mayor Begich stated this was an incredible event with  
23 all the public participation. He thanked Traffic Engineer Robert Kniefel for coordinating the transportation plan for 600  
24 athletes, Community Development Specialist Michael Johnson for coordinating the event and the many Municipal  
25 volunteers who volunteered their time. He thanked the Anchorage Puerto Rican Community for their contributions.

26  
27 12.B. **Daneen Barba**, regarding Southpointe Subdivision.

28  
29 DANEEN BARBA stated that she and her husband had been trying to buy land in Southpointe Subdivision. She  
30 distributed documents and notes which summarized their several-year history. Municipal Project Management &  
31 Engineering had provided misinformation, had made new rules retroactive and would not respond to their inquiries,  
32 which Ms. Barba stated was against state statute. A road they had put on the property was not in compliance now.  
33 She appreciated the Mayor's meeting with the developer and the engineer, but more help was needed to resolve the  
34 matter. Ms. Shamberg thanked her for testifying and hoped there would be resolution. Mr. Coffey responded that  
35 Mayor Begich and several Assemblymembers were working to resolve this type of problem. He stated that the city  
36 needed to be better prepared to handle methods of development as density and complexities increased and  
37 development in areas with increased slopes. There seemed to be a need for resolving the problems between  
38 responsible development and irresponsible regulatory action. Mr. Birch concurred with Mr. Coffey and he thanked Ms.  
39 Barba for her testimony. He stated that the Assembly and the Administration would continue to address the matter.

40  
41 Ms. Fairclough moved, seconded by Mr. Traini, to Change the Order of the Day to take up 14.B, AR 2006-301 and  
42 there were no objections.

## 43 44 13. CONTINUED PUBLIC HEARINGS

45 13.A. Ordinance No. AO 2006-93, an ordinance amending Anchorage Municipal Code Section 21.05.030C.,  
46 the Chugiak-Eagle River-Eklutna element of the Municipality of Anchorage Comprehensive Plan, to  
47 **adopt the April 2006 Update to the 1993 Chugiak-Eagle River Comprehensive Plan**, Planning  
48 Department.

- 49 1. Assembly Memorandum No. AM 415-2006.
- 50 2. Ordinance No. AO 2006-93(S), an ordinance amending Anchorage Municipal Code Section  
51 21.05.030C., the Chugiak-Eagle River-Eklutna element of the Municipality of Anchorage  
52 Comprehensive Plan, to adopt the April 2006 Update to the 1993 Chugiak-Eagle River  
53 Comprehensive Plan, Planning Department.
- 54 3. Assembly Memorandum No. AM 839-2006.

55 *(Continued from the 6-22-06 Joint Meeting with the Planning and Zoning Commission)*

56  
57 Chair Sullivan read the ordinance title.

58  
59 Ms. Ossiander distributed and spoke to her draft amendments. It was her intent to provide the proposed changes to  
60 the public and hold Public Hearing. A finalized document would then be considered at the next Assembly Meeting.  
61 She summarized the proposed changes, which included definitions for 'urban,' 'rural' and 'suburban,' protection for  
62 rural lifestyle and for areas historically used for wilderness access and recreation use. Connectivity was addressed, to  
63 accommodate emergency vehicles, but not necessarily to facilitate normal traffic flow. A study of the future needs of  
64 Birchwood Airport was addressed as well as further clarification that collector roads would be the total responsibility of  
65 the developer, unless there were state or federal grants available to cover costs of the project. Amendments were  
66 proposed for land use, including a reduction of density to 25 in the urban sections, creating a special study area, and  
67 allowing multiple dwelling units on one lot in Eklutna Village. She and Ms. Fairclough thanked the many residents of  
68 Chugiak-Eagle River who had put in hours and hours of their time over the past months, studying this important matter.  
69 Chair Sullivan opened Public Hearing.

70  
71 JIM YERGAN, former President of Chugiak-Eagle River Chamber of Commerce and member of the Board of  
72 Supervisors, testified in support of the Planning and Zoning Commission (P&Z) recommendations for some of these  
73 matters being addressed by Title 21 and not the Comprehensive Plan, including items 14, 35 and 44. To Ms.  
74 Jennings, he responded the Chamber and the Board of Supervisors supported building height in terms of feet rather  
75 than stories, with the allowance of four stories, and urged consideration of keeping some 1-35 ratios of higher density  
76 for some areas.

1 BOBBI WELLS, representing Birchwood Community Council, supported the guidelines of the Comprehensive Plan,  
2 with the inclusion of all P&Z amendments. The two outstanding issues dealt with the residential density range and  
3 building heights. The council supported more emphasis on open space and less density. They supported four stories  
4 if one story was underground. The council supported the added definitions of urban, rural and suburban and  
5 supported maintaining small-town character where appropriate, protecting a rural lifestyle and recreational trails. To  
6 Ms. Ossiander, Ms. Wells responded that all community councils were in support of reducing density, with maximum  
7 allowances of 20 dwellings per acre.  
8

9 JILL FLANDERS-CROSBY, resident in the Birchwood area, supported Bobbi Well's testimony, and the amended  
10 document, which was also supported by every community council. She supported maintaining quality of life and a  
11 rural and unique lifestyle. Ms. Jennings thanked her for her testimony and stated that it was important to provide a  
12 diversity of lifestyle when planning a community.  
13

14 BILL STARR, Eagle River Valley Community Council President, testified in support of the 20 (*dwellings per acre*)  
15 density and the 35-foot (*building*) height. The council supported a separate chapter to include unique characteristics.  
16 He urged consideration of implementing more current data when calculating school enrollment capacities.  
17

18 SUZIE GORSKI, member of the Chugiak-Eagle River Chamber, testified in support of diversity and a rural lifestyle.  
19 She supported keeping the business district economically vital by using design standards and land use planning. The  
20 chamber supported areas of 35 (*dwelling units per acre*) and allowances of four stories with design standards and  
21 transition zones. On a detailed map, she showed areas of more open space because development had used height.  
22 To Ms. Jennings, Ms. Gorski identified those areas of 30 (*dwelling units per acre*) or higher. To Ms. Ossiander, Ms.  
23 Gorski responded that Land Design North was working on identifying a downtown area and design standards to  
24 accommodate specific development. They were also taking a public poll to determine community perception of the  
25 plan. To Mr. Coffey, Ms. Gorski responded that density in an overlay district would best be dealt with in Title 21, rather  
26 than the Comprehensive Plan.  
27

28 BOB GILL, South Fork Community Council President, thanked Ms. Ossiander and Ms. Fairclough for the document.  
29 The council supported lower density and a separate chapter in Title 21 to maintain their lifestyle and an overlay district  
30 with the design standards. He personally supported the 35 or 45-foot (*building*) height. An overlay district was more  
31 logical and was more economically reasonable. To Mr. Tesche, Mr. Gill responded that the plan included design  
32 standards that should protect the unique lifestyle and conform to the natural surroundings. There were some  
33 developments that were more effective than others. Design standards were more important than density issues. Mr.  
34 Coffey responded that proposed overlay districts for the Girdwood Plan may be considered to help define design  
35 standards. Ms. Ossiander stated that the consortium and the chamber survey had questions concerning design  
36 standards. Mr. Gill supported the survey.  
37

38 With no additional public testimony, Chair Sullivan closed Public Hearing.  
39

40 Ms. Ossiander proposed continuing to the next meeting, which would allow time to create a substitute version. To Mr.  
41 Tesche, she responded this would be an S-1 version. Ms. Fairclough requested that Assembly Counsel Julia Tucker  
42 assist with the preparation of the document.  
43

44 Ms. Ossiander moved, to Continue AO 2006-93(S) to December 12, 2006,  
45 Mr. Coffey seconded,  
46 and this was approved without objection.  
47

48 AYES: Tesche, Shamberg, Bauer, Fairclough, Sullivan, Ossiander, Birch, Coffey, Stout, Traini and Jennings.  
49 NAYES: None.  
50

#### 51 14. NEW PUBLIC HEARINGS

52 14.A. Resolution No. AR 2006-277, a resolution of the Municipality of Anchorage, Alaska, approving a water  
53 main extension identified as the **Knik View Intertie Water Main Extension** and providing for  
54 assessment of benefited properties at time of service connection; Anchorage Water & Wastewater  
55 Utility.

56 1. Assembly Memorandum No. AM 784-2006.  
57

58 Chair Sullivan read the resolution title and opened Public Hearing.  
59

60 PATRICIA DeMONTFORD, 25-year Knik View homeowner, opposed the water lines for her area. She and all her  
61 neighbors opposed to hooking up to the intertie. Her well had been tested repeatedly over the years and was strong  
62 enough to support an apartment building. To Ms. Ossiander, Ms. Demontford responded that even without estimating  
63 hookup costs, putting in the water main on her street would create a lien on her property in the amount of \$54,000. To  
64 Chair Sullivan, Ms. Demontford responded that this would create a disadvantage when selling their home. To Ms.  
65 Ossiander, Ms. Demontford stated that Anchorage Water and Wastewater Utility (AWWU) would have to remove many  
66 trees on her road, including many on her property, in order to put in the water line.  
67

68 STEVE GARRICK, Knik View resident, opposed the water line extension. His house was located on a tight curve, with  
69 trees, which helped protect his home. With photographs, Mr. Gephardt showed where surveyors had estimated  
70 excavation on his property. He requested a guarantee that his tree buffer would remain, to protect his house from  
71 vehicles and snow removal. To Ms. Ossiander, Mr. Gephardt responded there were alternative routes to use.  
72

73 With no additional public testimony, Chair Sullivan closed Public Hearing and called the Question.  
74

75 Mr. Coffey moved, to approve AR 2006-277,  
76 Mr. Traini seconded,  
77

1 To Ms. Fairclough, AWWU Planning and Engineering Supervisor Don Keefer explained that normally a process of  
2 bringing public water and sewer into a district involved a two-step balloting process of the neighborhoods. The first  
3 ballot surveyed interest to the utility improvements. Upon receipt of 50% of residents affirming an interest in  
4 improvements, an estimate of the improvement costs was calculated and a second ballot was distributed requesting a  
5 commitment to the proposed costs. In the case of the Knik View Intertie, the balloting process would not be followed  
6 because it was considered a capital improvement project, recommended by AWWU.

7  
8 Ms. Fairclough stated that large assessments on lots in Chugiak forced homeowners to subdivide and sell their  
9 properties. She and Ms. Ossiander requested consideration that a \$55,000 assessment would create a negative  
10 attribute to a property. She opposed the ordinance. The people in the Knik View neighborhood had not participated in  
11 any balloting process for a water main extension, which was being forced on them, and they would not be benefited.  
12 Mr. Keefer responded the resolution before the Assembly that evening was only approving the extension of the water  
13 main. Property liens could not be created until the properties connected, which would then come before the Assembly  
14 as a levy-upon-connection (*LUC*) roll. Ms. Fairclough stated that when homeowners considered selling their  
15 properties, there were many financing banks and lending institutions that would require connection. The liens were  
16 deficits against the properties.

17  
18 To Mr. Birch, AWWU Engineering Division Director Kurt Vause responded that the Knik View line would extend water  
19 service to 80 properties and would improve the area's substandard services. The area was currently supported by a  
20 small well, which had poor water quality and poor supply for adequate fire reserve. When the properties chose to  
21 connect, each would be assessed and would pay a LUC roll rate. The rest of the utility payers would subsidize the  
22 cost of the project. Mr. Birch stated there were residents in the area who opposed the extension, had adequate water  
23 quality and quantity and would not benefit. Those who would benefit directly would be residents with substandard  
24 wells on isolated systems. The cost of the project should be spread over a larger base. Mr. Vause responded this 25-  
25 year process of capital improvement projects, with assessments ranging from \$8,000 to \$500,000 per lot, had always  
26 been supported by the Assembly. Mr. Birch responded that there was a water main extension proposed for the  
27 Hillside area in the amount of \$9,000,000 and consideration of changing the process may be needed. Mr. Keefer  
28 responded that AWWU was simply extending a water main to an isolated system that had substandard service, to  
29 benefit those properties. If the Assembly opposed the capital project, there may be residents who wanted the  
30 improved service who would be denied. To Mr. Coffey, Mr. Keefer responded the Knik View residents would pay 50%  
31 of the total project costs, in proportion to the number of assessed customers who connected. The rest would be paid  
32 for by all AWWU rate-payers. Mr. Coffey stated that some assessments, including the \$54,000 for one lot, were not  
33 fair. Mr. Vause responded that some assessments served very large lots and would cost more.

34  
35 Ms. Ossiander stated that homeowners in the Knik View area had recommended a different route for the water main,  
36 not fronting their properties. Mr. Keefer responded that the selected route was the least impacting route of all options  
37 available. Ms. Ossiander stated that she had never seen a situation with this degree of resident concern and liens this  
38 high. Ms. Ossiander stated this was a good example of Chugiak-Eagle River residents' fear of the sewer and water  
39 extensions in the Comprehensive Plan. There were residents with good wells who would not hook up until they were  
40 forced to. The approach to the process seemed unfair.

41  
42 Ms. Shamberg concurred with Ms. Ossiander. She could not recall when a majority of residents involved had not  
43 benefited. She stated that 9 residents wanting the service would be paying for service for 80 properties, which  
44 seemed unfair. Mr. Keefer distributed an AWWU summary and maps of 19 similar assessments in the past 25 years  
45 which had been supported by the Assembly.

46  
47 Mr. Traini opposed the unfairness of the assessment for these property owners.

48  
49 Ms. Fairclough urged Assembly consideration of the fairness of this assessment process because it would be a  
50 growing concern in outlying areas. She stated that water was the first step, followed by sewer assessments. Because  
51 of the uniqueness of the soil, it would become unbalanced with only a water utility. Once public water was introduced,  
52 the sewers would become overfilled and overflow, which would become a public safety concern.

53  
54 To Mr. Coffey, Mr. Keefer stated that assessments were based on the tariffs, created by AWWU and analyzed by the  
55 Regulatory Commission of Alaska (*RCA*). Mr. Coffey opposed the assessment because the tariff was based on  
56 frontage footage and not per lot, which was unfair.

57  
58 Mr. Birch urged consideration of creating a larger service area, increasing the pool of residents who would pay and  
59 benefit from the connection, to more widely share the costs. Mr. Keefer stated AWWU was restricted by tariff  
60 regulations.

61  
62 To Mr. Tesche, Mr. Keefer responded that there were financial investors and lending institutions that would not accept  
63 a property on well and septic, with the exception of the Veteran's Administration. Mr. Tesche requested more  
64 information on the policies and practices of lending institutions when dealing with liens.

65  
66 Mr. Stout stated that with his real estate experience he understood a \$52,000 assessment was a definite deterrent to  
67 the sale of a property. That excessive fee for hooking up was unreasonable. Mr. Keefer responded that public water  
68 and sewer in an area was a benefit to properties.

69  
70 Mr. Coffey stated that the process of assessing per frontage footage was unfair and needed to be changed. This  
71 created a substantial burden to the property owners and he would be a NO-vote. A new kind of tariff was needed.

72  
73 Chair Sullivan stated that the assessments were high, but the property owners would only have to pay when the  
74 property was connected to the utility. There were financing opportunities when these properties were sold. He  
75 supported the resolution because it was important to improve overall water service in the Municipality and this was the  
76 process.

1 Ms. Shamberg concurred with Mr. Coffey and Chair Sullivan, but this was not the document that would charge the  
2 LUC, which would come before the Assembly once the utility improvement project was completed. She stated that the  
3 Assembly could address this matter when the LUC rolls were addressed.  
4

5 To Ms. Jennings, Mr. Vause responded that AWWU began a study on different methodologies of allocating project  
6 cost, but the Assembly and the RCA had intervened and created a new, equal assessment methodology. But, even  
7 with two options of assessment, there were still problems, because of the differences between districts.  
8

9 Ms. Fairclough stated that AWWU was a recognized "world-class" water system and their professionalism was  
10 appreciated. But, when assessments were unfair, it was important that the Assembly send a signal that change was  
11 needed.  
12

13 Chair Sullivan stated that only two property owners had testified in opposition. It did not create enough evidence to  
14 change methodology and the process. He would support the project.  
15

16 Mr. Tesche concurred with Chair Sullivan and supported the resolution. He would support a new study to determine  
17 methodology for future public utility assessment and determine policy changes.  
18

19 Mr. Coffey moved, *to Postpone* AR 2006-277 to the 1<sup>st</sup> week in ~~March~~  
20 Mr. Stout seconded, "**February**" allowing time to study a new methodology for the  
21 and this was later amended, public utility assessment policy,  
22

23 To Ms. Jennings, Mr. Keefer responded that the bids would be advertised in March, and construction was set to begin  
24 in May. If there was a delay, the design would be stopped until Assembly action. If the Assembly opposed the project,  
25 it would be discontinued. If the Assembly approved the project in March, AWWU would attempt to get the construction  
26 back on track for 2007. In 2006 AWWU had received complaints on three major problems in the Knik area, including  
27 lack of water, lack of water pressure and no redundant electrical power supply to wells.  
28

29 To Ms. Fairclough, Mr. Keefer responded that in the past AWWU had drilled wells for a public utility source, but it was  
30 not a consideration for the Kink View area because of poor water quality.  
31

32 Mr. Coffey moved to amend the date from March to the first meeting in February. Mr. Stout, the second, concurred.  
33

34 Chair Sullivan called the Question on the motion to postpone.  
35

36 and the motion, as amended, was approved, 8-3.  
37

38 AYES: Tesche, Shamberg, Bauer, Ossiander, Birch, Coffey, Stout and Traini.  
39 NAYES: Fairclough, Sullivan and Jennings.  
40

- 41 14.B. Resolution No. AR 2006-301, a resolution of the Anchorage Municipal Assembly approving an  
42 alcoholic beverages conditional use in the gC-8 (New Townsite North Commercial District) for a  
43 beverage dispensary use per AMC 21.09.050B.1.a. for Jeffery Demain dba **Glacier City Restaurant**,  
44 located on Girdwood Elementary School Subdivision, Tract E3, (no assigned site address); generally  
45 located on the west side of Hightower Road, between Lindblad Avenue and California Creek Way  
46 (Girdwood Board of Supervisors) (Planning Case 2006-064); Planning Department.  
47 1. Assembly Memorandum No. AM 827-2006.  
48

49 Mr. Coffey stated he had represented Glacier City Restaurant on this matter at his law office before he had become of  
50 counsel to the law office and he declared a conflict of interest. Chair Sullivan ruled that Mr. Coffey did have a conflict  
51 of interest and ordered that he abstain.  
52

53 Chair Sullivan read the resolution title and opened Public Hearing.  
54

55 HUNTER BURTON, representing Glacier City Restaurant, testified in support and stated there were some changes  
56 needed in the document. Construction changes had occurred since March, when the approval process had begun.  
57 He described those changes, which he had discussed with Mr. Birch. Mr. Burton also clarified that the conditional use  
58 (*application*) being heard that evening did not apply to the first and third floors of the building. The third floor was  
59 included in the conditional use application, but did not have a fixed bar. Alcohol could be served through the second  
60 floor bar.  
61

62 Ms. Fairclough declared a possible conflict of interest because Mr. Burton was her Assembly aide, being a liaison for  
63 constituent work on Assembly matters. Chair Sullivan stated that because the nature of Mr. Burton's work on this  
64 matter was for a client and not associated with his relationship with Ms. Fairclough, and because Ms. Fairclough did  
65 not have any financial gain or any other personal interest from the matter before the Assembly, he ruled that Ms.  
66 Fairclough did not have a conflict and ordered that she participate. There were no objections.  
67

68 Ms. Shamberg stated that the property owner and developers had shown her the plans and this development would be  
69 a wonderful addition to the Girdwood Town Center Plan. She recommended approval.  
70

71 JOHN GALLUP, Girdwood Board of Supervisors Chair, testified that the people associated with this project were  
72 Girdwood residents who had followed the process, working with the Board of Supervisors and the community, and had  
73 been receptive to all considerations. This would be an asset to the town center. He was in support and urged a YES-  
74 vote.  
75

76 With no additional public testimony, Chair Sullivan closed Public Hearing and called the Question.  
77

78 Mr. Birch moved, to approve AR 2006-301,

1 Ms. Shamberg seconded,  
2

3 Mr. Birch moved,  
4 Ms. Shamberg seconded,  
5 and this was approved without objection.  
6

to amend AR 2006-301 on Page 1, Section 2.C, Line 38, *by changing* to read: This conditional use approval is for an Alcoholic Beverages Conditional Use in the gC-8 District for a new restaurant bar per AMC 21.09.050 B.1.a. for approximately ~~[8,724]~~ **“8,941”** square-feet of area within a 10,221 square-foot building located on Girdwood Elementary School Subdivision, Tract E3.;

10 Mr. Birch moved,  
11 Ms. Shamberg seconded,  
12 and this was approved without objection.  
13

to amend AR 2006-301 on Page 1, Line 38, *by changing* to read: This conditional use approval is for an Alcoholic Beverage(S) Conditional Use in the gC-8 District for a new restaurant bar per AMC 21.09.050 B.1.a. for approximately 8,941 square-feet of area within a ~~[10,221]~~ **“10,831”** square-foot building located on Girdwood Elementary School Subdivision, Tract E3.;

16 Mr. Birch moved,  
17 Ms. Shamberg seconded,  
18 and this was approved without objection.  
19

to amend AR 2006-301 on Page 1, Line 40, *by changing* to read: Fifty parking spaces are required for restaurant/bar seating of ~~[125]~~ **“150.”**

20 Mr. Birch moved,  
21 Ms. Ossiander seconded,  
22 and this was approved without objection.  
23

to amend AR 2006-301 on Page 2, Line 33, *by changing* to read: a. CCC Grading & Drainage Plan Sheet C3.O, “prepared by F. Robert Bell & Associates, dated 9-11-06;” the GCC Master Site Plan Sheet AO.1, the GCC Fire Truck Access Plan Sheet AO.3, ~~[prepared by F. Robert Bell & Associates, dated September 11, 2006, revised 9-10-06 scale as shown.];~~

24 Mr. Birch moved,  
25 Ms. Ossiander seconded,  
26 and this was approved without objection.  
27

to amend AR 2006-301 on Page 2, Line 34, *by changing* to read: a. CCC Grading & Drainage Plan Sheet C3.O, prepared by F. Robert Bell & Associates, dated 9-11-06; the GCC Master Site Plan Sheet AO.1, the GCC Fire Truck Access Plan Sheet AO.3 “prepared by Z-Architects.”

28 Mr. Birch moved,  
29 Ms. Ossiander seconded,  
30 and this was approved without objection.  
31

to amend AR 2006-301 on Page 2, Line 34, *by changing* to read: a. CCC Grading & Drainage Plan Sheet C3.O, prepared by F. Robert Bell & Associates, dated 9-11-06; the GCC Master Site Plan Sheet AO.1, the GCC Fire Truck Access Plan Sheet AO.3, prepared by Z-Architects, “dated 9-10-06, scale as shown.”

32 Ms. Jennings stated for the record that the attachment indicated that no alcohol could be served on the first or third floors, which was inaccurate. There would be no alcohol served on the first floor, but the second and third floors would serve alcohol. Chair Sullivan responded that would be a clerical correction. Planning Director Tom Nelson concurred and stated that an amendment was not needed.  
33  
34

35 Mr. Birch supported the application. It would be a vibrant and positive addition to the Girdwood area. He commended the project team, including the design team and the owners, for their thorough and well-considered public process.  
36

37 Chair Sullivan put the Question on the main motion.  
38

39 and the main motion, as amended, was approved, 10-0.  
40

41 AYES: Tesche, Shamberg, Bauer, Fairclough, Sullivan, Ossiander, Birch, Stout, Traini and Jennings.  
42 NAYES: None.  
43 ABSTAIN: Coffey, due to a conflict of interest.  
44

45 Ms. Fairclough moved, seconded by Ms. Jennings, to Change the Order to take up 13.A, Chugiak Eagle River Comprehensive Plan. There were no objections.  
46

47 **15. SPECIAL ORDERS** None.  
48

49 **16. UNFINISHED AGENDA** None.  
50

51 **17. AUDIENCE PARTICIPATION** None.  
52

53 **18. ASSEMBLY COMMENTS**  
54

55 Chair Sullivan stated that he had been troubled that police had been called when people had remained on a property in Southpointe Subdivision, after a stop order had been issued. He stated that this was an abuse of 911 and he requested a full report of the call, the request and the police response, of what he referred to as a “non-emergency.”  
56

57 Mr. Stout stated that he had hoped that the Ethics Code Rewrite would have been completed that evening, but he was pleased that the Assembly had gone as far as they had. At the next Assembly Meeting, on December 12<sup>th</sup>, he expected AO 2006-140(S-1) to be completed and approved.  
58  
59

1 On behalf of the entire Assembly, Ms. Fairclough recognized Assembly Counsel Julia Tucker for celebrating one year  
2 with the Assembly.

3  
4 **19. EXECUTIVE SESSIONS** None.

5  
6 **20. ADJOURNMENT**

7  
8 Chair Sullivan adjourned the meeting at 11:15 p.m.

9  
10  
11  
12  
13 *See Archived Document for signatures*

14  
15 \_\_\_\_\_  
16 DAN SULLIVAN, Assembly Chair

17 ATTEST:

18  
19  
20  
21 *See Archived Document for signatures*

22  
23 \_\_\_\_\_  
24 BARBARA GRUENSTEIN, Municipal Clerk

25 Date Minutes Amended, Page 12; Approved: March 27, 2007.

26 MC/BG

27 *(Copies of Approved Meeting Minutes are available from the Municipal Clerk's Office, 632 West 6<sup>th</sup> Avenue, Suite 250, Anchorage,*  
28 *Alaska, (907)343-4505, or on the Municipal Web Site, [www.muni.org](http://www.muni.org) ~Assembly~Minutes~year~month~day)*