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2
3 **MUNICIPALITY OF ANCHORAGE**
4 **ANCHORAGE ASSEMBLY**

5
6 **Assembly Chambers, Z. J. Loussac Library**
7 **3600 Denali Street, Anchorage, Alaska**

8
9 **Minutes for Regular Meeting of July 11, 2006, amended**
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19 **1. CALL TO ORDER**

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21 The Assembly Meeting was convened by Chair Sullivan at 5:00 p.m. in the Assembly Chambers, Room 108 of the
22 Loussac Library, 3600 Denali Street in Anchorage, Alaska.

23
24 **2. ROLL CALL** A Quorum was achieved with Assemblymembers present.

25
26 PRESENT: Allan Tesche (*participated telephonically*), Janice Shamberg, Paul Bauer, Anna Fairclough, Dan
27 Sullivan, Debbie Ossiander, Chris Birch, Dan Coffey, Ken Stout, Dick Traini and Pamela Jennings.
28 ABSENT: None.

29
30 **3. PLEDGE OF ALLEGIANCE** Assemblymember Ossiander led the pledge.

31
32 **4. MINUTES OF PREVIOUS MEETINGS**

33 4.A. Regular Meeting – June 6, 2006

34
35 Mr. Traini moved, to approve the Regular Meeting Minutes of
36 Ms. Shamberg seconded, June 6, 2006,
37 and this motion was passed unanimously,
38 with Mr. Tesche abstaining due to his excused absence on that date.

39
40 4.B. Regular Meeting – June 20, 2006

41
42 Ms. Jennings moved, to approve the Regular Meeting Minutes of
43 Mr. Traini seconded, June 20, 2006,
44 and this motion was passed unanimously,
45 with Mr. Stout abstaining due to his excused absence on that date.

46
47 **5. MAYOR'S REPORT**

48
49 Mayor Begich introduced a visiting delegation from the city of Dolinsk, located on Sakhalin Island, in Russia.
50 Dignitaries included First Vice Mayor Sergey Kirsanov and Deputy Mayor Oleg Kiselev and Alexander Pusanov, with
51 the Institute for Urban Economics, Moscow. The group was visiting Anchorage as part of a federal exchange program.
52 Mayor Begich presented Municipal silver and gold coins as gifts and thanked them for their visit. With the assistance
53 of interpreter Marina Bell, First Vice Mayor Kursanoff stated that it was a great honor and pleasure to visit Anchorage,
54 which was very much like Russia. He presented gifts and thanked Mayor Begich and local citizens for their hospitality.
55 Chair Sullivan welcomed the guests and stated that his father and brother had worked on Sakhalin Island, which was
56 very similar to Alaska.

57
58 **6. ASSEMBLY CHAIR'S REPORT** None.

59
60 **7. COMMITTEE REPORTS**

61
62 Mr. Stout reported that he and Assembly Counsel Julia Tucker would be finalizing the Ethics Code Rewrite, which
63 would be completed in the next few weeks.

64
65 Ms. Ossiander announced that she and Ms. Fairclough invited all Anchorage citizens to the Eagle River Bear Paw
66 Festival, beginning Wednesday July 12th, with the parade scheduled for Saturday. Chair Sullivan responded this
67 would be a great event and Assemblymembers would be attending the Grandstand Review.
68

69
70 **8. ADDENDUM TO AGENDA**

71 Chair Sullivan called for a motion and read the Addendum items. He called for additional items and Ms. Fairclough
72 requested that an attachment be added to 9.F.13. With no additional items, Chair Sullivan called for a vote to
73 incorporate the Addendum into the Consent Agenda.

74
75 Ms. Ossiander moved, to approve the inclusion of the Addendum items
76 Ms. Shamberg seconded, into the Consent Agenda,
77 and this motion was passed without objection.

1
2 Chair Sullivan called the Question on the Consent Agenda.

3
4 Mr. Traini moved, to approve all items on the Consent Agenda,
5 Mr. Stout seconded,
6

7 Chair Sullivan called for Assemblymembers to request items be pulled and moved to the Regular Agenda for
8 discussion.
9

10 **9. CONSENT AGENDA**

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

12 9.A.1. Resolution No. AR 2006-164, a resolution of the Anchorage Municipal Assembly honoring and
13 remembering **Kenneth E. Peavyhouse**; Assemblymembers Stout, Bauer, Tesche, Ossiander,
14 Fairclough, Jennings, Sullivan, Coffey, Traini, Shamberg and Birch.
15

16 Mr. Stout requested this item be pulled for review on the Regular Agenda. (*See item 10.A.1*)
17

18 9.A.2. Resolution No. AR 2006-176, a resolution of the Anchorage Assembly commending and thanking
19 Lieutenant Otis Wright, Emergency First Responders Matt Lambert, Ryan Staten, Jim Stewart, Kevin
20 Wallace, Captain Brad Hanson, and Assistant Municipal Manager Mike Abbott for their **preventive**
21 **and professional actions** that assisted in saving the life of Assemblymember and colleague Allan
22 Tesche, Mayor Begich; Assemblymembers Traini, Bauer, Birch, Coffey, Fairclough, Jennings,
23 Ossiander, Shamberg, Stout and Sullivan. (**Addendum**)
24

25 Mr. Traini requested this item be pulled for review on the Regular Agenda. (*See item 10.A.2*)
26

27 9.A.3. Resolution No. AR 2006-177, a resolution of the Anchorage Municipal Assembly recognizing and
28 honoring **Karen Moore** for her more than five years of service with the Municipality of Anchorage,
29 Mayor Begich; Assemblymembers Bauer, Birch, Coffey, Fairclough, Jennings, Ossiander, Shamberg,
30 Stout, Sullivan, Tesche and Traini. (**Addendum**)
31

32 Ms. Shamberg requested this item be pulled for review on the Regular Agenda. (*See item 10.A.3*)
33

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

35 9.B.1. Resolution No. AR 2006-166, a resolution of the Anchorage Municipal Assembly opposing the **Cruise**
36 **Ship Tax and Regulation Initiative**, Ballot Measure 2; Assemblymember Coffey.
37 a. Assembly Memorandum No. AM 455-2006.
38

39 Ms. Shamberg requested this item be pulled for review on the Regular Agenda. (*See item 10.B.1*)
40

41 9.B.2. Resolution No. AR 2006-167, a resolution authorizing the disposal of municipal interests on **Lot 2A,**
42 **Huckabay Subdivision** (per Plat 85-129) via relinquishment, the parcel generally located in the NW¼
43 of Section 30, T13N, R3W, S.M., Alaska (Southwest of the Benson Boulevard and Eide Street
44 Intersection); Anchorage Water & Wastewater Utility.
45 a. Assembly Memorandum No. AM 481-2006.

46 9.B.3. Resolution No. AR 2006-168, a resolution of the Municipality of Anchorage appropriating \$50,000 of
47 revenue from the U.S. Fish and Wildlife Service Partners for Fish And Wildlife Grant Program to the
48 Areawide General CIP Fund 401 to the Project Management & Engineering Department for **stream**
49 **bank restoration and sport fishing access improvements** at Ship Creek; Project Management &
50 Engineering Department.
51 a. Assembly Memorandum No. AM 482-2006.
52

53 **9.C. BID AWARDS**

54 9.C.1. Assembly Memorandum No. AM 458-2006, recommendation of award to Tam Construction, Inc. for
55 the **Klatt Road - New Seward Highway Pressure Zone Intertie** for the Municipality of Anchorage,
56 Water and Wastewater Utility (ITB 26-C035) (\$2,323,361); Purchasing.

57 9.C.2. Assembly Memorandum No. AM 459-2006, recommendation of award to Central Environmental, Inc.
58 for **2006 Areawide Park Improvements** for the Municipality of Anchorage, Project Management &
59 Engineering Department (ITB 26-C028) (\$500,000); Purchasing.

60 9.C.3. Assembly Memorandum No. AM 460-2006, recommendation of award to Seacoast Construction Co.,
61 Inc. for the **Maplewood Street Sidewalk Repairs** for the Municipality of Anchorage, Project
62 Management and Engineering Department (ITB 26-C040) (\$297,707); Purchasing.

63 9.C.4. Assembly Memorandum No. AM 461-2006, recommendation of award of five annual supply contracts
64 for providing **miscellaneous auto parts** to the Municipality of Anchorage; Purchasing Department
65 (ITB 26-B029) (\$450,000).

66 9.C.5. Assembly Memorandum No. AM 496-2006, recommendation of award to S. R. Bales Construction,
67 Inc. for the **AWWU Operations and Maintenance Division Warm Storage Building Addition**
68 **Project** for the Municipality of Anchorage, Anchorage Water and Wastewater Utility (ITB 26-C030)
69 (\$529,800); Purchasing. (**Addendum**)
70

71 **9.D. NEW BUSINESS**

72 9.D.1. Assembly Memorandum No. AM 462-2006, **Solid Waste And Recycling Advisory Commission**
73 appointment (Cory Hinds); Mayor's Office.

74 9.D.2. Assembly Memorandum No. AM 456-2006, **O'Brady's Burgers & Brew 2 #4614** – Transfer of
75 Location of a Beverage Dispensary Liquor License (Oceanview/Old Seward Community Councils);
76 Clerk's Office.

77 9.D.3. Assembly Memorandum No. AM 463-2006, recommendation of award to Dorsey & Whitney, LLC. for
78 providing **legal services** pertaining to issues before the Regulatory Commission of Alaska for the

1 Municipality of Anchorage, Anchorage Water and Wastewater Utility (RFP 25-P044) (\$450,000);
2 Purchasing.

3
4 The Administration requested this item be pulled for review on the Regular Agenda. (See item 10.D.3)

- 5
6 9.D.4. Assembly Memorandum No. AM 464-2006, Amendment No. 1 to the professional services agreement
7 with MWH Americas, Inc. for the **J.M. Asplund Wastewater Treatment Facility Incinerator Upgrade**
8 **Project** (\$317,500); Anchorage Water & Wastewater Utility.
9 9.D.5. Assembly Memorandum No. AM 465-2006, proprietary purchase to Neptune Technology Group for
10 furnishing **Neptune R900 radio remotes and accessories** to the Municipality of Anchorage,
11 Anchorage Water & Wastewater Utility (AWWU) (\$88,000); Purchasing.
12 9.D.6. Assembly Memorandum No. AM 466-2006, continuation of a lease agreement with the State of Alaska
13 (SOA) for leased space for the Municipality of Anchorage, Anchorage Police Department (APD)
14 (\$55,208); Purchasing.
15 9.D.7. Assembly Memorandum No. AM 467-2006, proprietary purchase of **annual software maintenance**
16 **support** from TriTech Software Systems for the Municipality of Anchorage, Anchorage Fire
17 Department (AFD) (\$63,852); Purchasing.
18 9.D.8. Assembly Memorandum No. AM 468-2006, Amendment No. 6 to the lease and operating agreement
19 for **Anchorage Golf Course**; Office of Economic & Community Development.
20

21 Ms. Fairclough requested this item be pulled for review on the Regular Agenda. (See item 10.D.8)

- 22
23 9.D.9. Assembly Memorandum No. AM 469-2006, proprietary purchase from McNaughton Book Service for
24 providing **book leasing services** to the Municipality of Anchorage, Office of Community & Economic
25 Development, Library Division (\$107,295); Purchasing.
26 9.D.10. Assembly Memorandum No. AM 470-2006, Amendment No. 7 to USKH, Inc. professional
27 **architectural/engineering services** Contract No. 230433 for capital improvement projects for the
28 Municipality of Anchorage; Merrill Field Airport. (\$239,837).
29

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

- 31
32 9.D.11. Assembly Memorandum No. AM 471-2006, recommendation of award to Hoefler Consulting Group for
33 providing **comprehensive environmental consulting** for the Municipality of Anchorage, Municipal
34 Light & Power (RFP 26-P022) (\$675,000); Purchasing.
35

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

- 37
38 9.D.12. Assembly Memorandum No. AM 472-2006, proprietary contract with Southeastern Data Cooperative
39 to provide continued **software maintenance and credit card processing services** for the
40 Municipality of Anchorage, Municipal Light & Power (ML&P) (\$446,760); Purchasing.
41 9.D.13. Assembly Memorandum No. AM 473-2006, proprietary contract with ASCE Consulting to provide
42 **specialized computer application services** for the Municipality of Anchorage, Municipal Light &
43 Power (ML&P) (\$216,975); Purchasing.
44 9.D.14. Assembly Memorandum No. AM 474-2006, proprietary purchase for furnishing **water treatment**
45 **and/or boiler chemicals** and OEM parts and services for GE Betz, Inc. for the Municipality of
46 Anchorage, Municipal Light & Power Utility (ML&P) (\$50,000); Purchasing.
47 9.D.15. Assembly Memorandum No. AM 475-2006, proprietary purchase of **handheld meter reading units**
48 **and related accessories** from Itron, Inc. for the Municipality of Anchorage, Municipal Light & Power
49 Utility (ML&P) (\$34,005); Purchasing.
50 9.D.16. Assembly Memorandum No. AM 476-2006, proprietary purchase from Spenard Builders Supply (SBS)
51 for providing **building materials** to the Municipality of Anchorage, Parks and Recreation Department,
52 (\$49,985.43); Purchasing.
53

54 Ms. Shamberg requested this item be pulled for review on the Regular Agenda. (See item 10.D.16)

- 55
56 9.D.17. Assembly Memorandum No. AM 477-2006, Change Order No. 3 to Purchase Order 250490 with **R&M**
57 **Consultants Inc.** for "as required" professional engineering services for the Municipality of
58 Anchorage; Port of Anchorage (\$165,000).
59 9.D.18. Assembly Memorandum No. AM 478-2006, Utility Relocation Agreement with Enstar Natural Gas
60 Company for **Bayshore Dr. Surface Rehabilitation, 100th Avenue to Discovery Bay Drive**, Project
61 No. 03-12 (\$78,000); Project Management & Engineering.
62 9.D.19. Assembly Memorandum No. AM 479-2006, Amendment No. 2 to professional services contract with
63 HDR, Inc. for the **Ship Creek Crossing Road and Bridge Improvements**, Project No. 02-01
64 (\$55,000); Project Management & Engineering.
65 9.D.20. Assembly Memorandum No. AM 480-2006, Change Order No. 1 to Purchase Order 26PWK070 with
66 Hattenburg Dilley & Linnell, LLC. for **professional engineering and design services** on an "as
67 required" basis for the Municipality of Anchorage, Traffic Department (\$600,000); Purchasing.
68 9.D.21. Assembly Memorandum No. AM 497-2006, reimbursement to Chugach Electric Association, Inc. for
69 the **Patterson Street Upgrades** for the Municipality of Anchorage, Project Management &
70 Engineering Department (\$233,688.65); Purchasing. (**Addendum**)
71 9.D.22. Assembly Memorandum No. AM 498-2006, Amendment No. 7 (Purchase Order 240627) with Avail
72 Technologies, Inc. for providing **Advanced Operating System Integration Services** for the
73 Municipality of Anchorage, Public Transportation Department (\$815,877); Purchasing. (**Addendum**)
74 9.D.23. Assembly Memorandum No. AM 499-2006, recommendation of award to HDR Alaska, Inc. for
75 providing professional services for the preparation of a **Midtown District Plan** for the Municipality of
76 Anchorage, Traffic Department (RFP-P014) (\$265,000); Purchasing. (**Addendum**)
77

78 **9.E. INFORMATION AND REPORTS**

- 1 9.E.1. Information Memorandum No. AIM 73-2006, Internal Audit Report 2006-11 – **Anchorage Historic**
2 **Properties, Inc., Office of Economic and Community Development**; Internal Audit.
3 9.E.2. Information Memorandum No. AIM 75-2006, transmittal of the Planning and Zoning Commission
4 record and recommendation of the denial for a rezoning application to rezone approximately 53.52 +/-
5 acres, from I-1 (Light Industrial), R-2M (Multiple Family Residential) and R-3 (Multiple Family
6 Residential) to B-3 SL (General Business with Special Limitations) and PLI (Public Lands and
7 Institutions), for **proposed Tracts A, B, C, D, E, F, G, & H, Creekside Subdivision** per Preliminary
8 Plat S-11451, Exhibit A; generally located north of DeBarr Road and west of Muldoon Road (Planning
9 and Zoning Commission Case 2006-010); Planning Department.

10
11 Mr. Tesche requested this item be pulled for review on the Regular Agenda. (See item 10.E.2)

- 12
13 9.E.3. Information Memorandum No. AIM 76-2006, **contracts awarded between \$50,000 and \$100,000**
14 **through formal competitive processes** for the months of April and May 2006; Purchasing.
15 9.E.4. Information Memorandum No. AIM 77-2006, **Sole Source Procurement Report** for the months of
16 April and May 2006; Purchasing.
17 9.E.5. Information Memorandum No. AIM 78-2006, Notice of Award to Northern Powerline, Inc. for the
18 **undergrounding of overhead facilities** at Sunrise Drive, Alder Drive and Hidden Lane for the
19 Municipality of Anchorage, Municipal Light & Power (ITB 26-C031) (\$1,863,442.55); Purchasing.

20
21 Mr. Stout requested this item be pulled for review on the Regular Agenda. (See item 10.E.5)

- 22
23 9.E.6. Information Memorandum No. AIM 79-2006, Notice of Award to Alas-Co General Construction for **Bus**
24 **Accommodation Center ADA Vestibules** for the Municipality of Anchorage, Maintenance &
25 Operations Department; Purchasing.
26 9.E.7 Information Memorandum No. AIM 80-2006, **Pre-Funding Investment Program Annual Report**;
27 Municipal Treasurer.

28
29 Ms. Fairclough requested this item be pulled for review on the Regular Agenda. (See item 10.E.7)

30
31 **9.F. ORDINANCES AND RESOLUTIONS FOR INTRODUCTION**

- 32 9.F.1. Ordinance No. AO 2006-97, an ordinance of the Municipality of Anchorage, Alaska, authorizing and
33 providing for the issuance of **General Obligation Refunding Bonds** of the Municipality to provide
34 funds required to refund certain outstanding General Obligation Bonds of the Municipality; providing
35 for the form and manner of sale of said bonds; pledging the full faith and credit of the Municipality to
36 the payment thereof; authorizing the authorized municipal representative to determine the manner of
37 sale of said bonds; and related matters; Finance. (Public Hearing 7-25-06)
38 a. Assembly Memorandum No. AM 483-2006.
39 9.F.2. Ordinance No. AO 2006-98, an ordinance of the Municipality of Anchorage, Alaska, authorizing and
40 providing for the issuance of not to exceed \$48,495,000 in aggregate principal amount of **General**
41 **Obligation School Bonds** of the Municipality for the purpose of raising funds to pay the costs of
42 educational capital improvement projects in the Municipality; fixing certain details of said bonds;
43 providing for the form and manner of sale of said bonds; pledging the full faith and credit of the
44 Municipality to the payment thereof; negotiate and execute a contract for the purchase and sale of
45 said bonds; and related matters; Finance. (Public Hearing 7-25-06)
46 a. Assembly Memorandum No. AM 484-2006.
47 9.F.3. Ordinance No. AO 2006-99, an ordinance of the Municipality of Anchorage, Alaska, authorizing and
48 providing for the issuance of not to exceed \$46,110,000 in aggregate principal amount of **General**
49 **Obligation General Purpose Bonds** of the Municipality for the purpose of raising funds to pay the
50 costs of fire related improvements and road and drainage improvements and related capital
51 improvement projects in the Municipality; fixing certain details of said bonds; providing for the form and
52 manner of sale of said bonds; pledging the full faith and credit of the Municipality to the payment
53 thereof; authorizing the authorized municipal representative to determine the manner of sale of said
54 bonds; and related matters; Finance. (Public Hearing 7-25-06)
55 a. Assembly Memorandum No. AM 485-2006.
56 9.F.4. Ordinance No. AO 2006-100, an ordinance of the Anchorage Municipal Assembly amending
57 Anchorage Municipal Code Title 3.30.191, 3.30.194, 3.30.1913, and 3.30.1914 to comply with Federal
58 regulatory changes to the Department of Transportation regulations on **substance abuse testing**;
59 Employee Relations Department. (Public Hearing 7-25-06)
60 a. Assembly Memorandum No. AM 486-2006.
61 9.F.5. Ordinance No. AO 2006-101, an ordinance amending the *Hillside Wastewater Management Plan*,
62 Anchorage Municipal Code 21.05.030.D.4., to add to the area recommended for public sewerage the
63 7.5-acre **Tract A, Ashland Subdivision**, generally located southeast of the intersection of John's
64 Pointe Drive and Olena Pointe Circle in the South Hillside Area (Rabbit Creek Community Council)
65 (Planning and Zoning Commission Case 2006-052); Planning Department. (Public Hearing 7-25-06)
66 a. Assembly Memorandum No. AM 487-2006.
67 9.F.6. Ordinance No. AO 2006-102, an ordinance of the Municipality of Anchorage creating **Special**
68 **Assessment District 06-20** for reconstruction of B Street between 40th Avenue and Tudor Road, and
69 determining to proceed with proposed improvements therein; Project Management & Engineering
70 Department. (Public Hearing 8-15-06)
71 a. Assembly Memorandum No. AM 488-2006.
72 9.F.7. Resolution No. AR 2006-169, a resolution of the Municipality of Anchorage, Alaska, accepting and
73 appropriating State of Alaska Drinking Water Fund loan offers in the aggregate amount of \$2,500,000
74 for financing a portion of the costs of the **88th Avenue (PZ411) Water Transmission Main and**
75 **Girdwood Water Improvements Projects**; Anchorage Water & Wastewater Utility. (Public Hearing
76 7-25-06)
77 a. Assembly Memorandum No. AM 489-2006.

- 1 9.F.8. Resolution No. AR 2006-170, a resolution of the Municipality of Anchorage appropriating \$9,800,000
2 of Retirement Certificates of Participation proceeds from Fund 719 Fund Balance and contributing
3 such proceeds to the **Police/Fire Retiree Medical Liability Fund** (Fund 313) to be reinvested by the
4 Pre-Funding Investment Board established by AMC 3.88; Finance. (*Public Hearing 7-25-06*)
5 a. Assembly Memorandum No. AM 490-2006.
- 6 9.F.9. Resolution No. AR 2006-171, a resolution of the Municipality of Anchorage appropriating \$6,200,000
7 in Hotel/Motel Bed Tax Revenue and \$40,000 in associated penalty/interest to the **Convention**
8 **Center Room Tax Fund** (202) to pay debt service on the new Civic and Convention Center and other
9 payments required by the Use Agreement with CIVICVentures and the Professional and Management
10 Services Agreements with the Anchorage Convention and Visitors Bureau; Finance. (*Public Hearing*
11 *7-25-06*)
12 a. Assembly Memorandum No. AM 491-2006.
- 13 9.F.10. Resolution No. AR 2006-172, a resolution of the Municipality of Anchorage appropriating \$160,720 of
14 anticipated additional Hotel/Motel Bed Tax Revenues and re-appropriating \$4,473,280 in Hotel/Motel
15 Bed Tax and penalty/interest on Hotel/Motel Bed Tax Revenues from Areawide General Fund (101) to
16 the **Convention Center Room Tax Fund** (202) to provide payments under the professional services
17 contract with Anchorage Convention & Visitors Bureau (ACVB) and the Use Agreement with
18 CIVICVentures; Finance. (*Public Hearing 7-25-06*)
19 a. Assembly Memorandum No. AM 492-2006.
- 20 9.F.11. Resolution No. AR 2006-173, a resolution of the Municipality of Anchorage appropriating \$125,000 in
21 additional Hotel/Motel Bed Tax Revenue to the Areawide General Fund (101) \$6,000 is to fund an
22 **Alaska Federation of Natives Municipal Coordinator** and other unbudgeted expenditures in the
23 Office of Economic & Community Development; Finance. (*Public Hearing 7-25-06*)
24 a. Assembly Memorandum No. AM 493-2006.
- 25 9.F.12. Resolution No. AR 2006-174, a resolution of the Municipality of Anchorage appropriating \$69,378 in
26 Golf Course Surcharge Revenues from the 2005 Golfing Season, an amount not to exceed \$21,000 in
27 golf Course Surcharge Revenues from the 2006 Golf Season, and an amount not to exceed \$20,000
28 in Cash Pool Interest Earnings to the Areawide Capital Improvement Fund (401) Golf Course Capital
29 Reserve for the final and full repayment of the **Golf Course loan**; Office of Economic & Community
30 Development. (*Public Hearing 7-25-06*)
31 a. Assembly Memorandum No. AM 494-2006.
- 32 9.F.13. Resolution No. AR 2006-175, a resolution of the Municipality of Anchorage naming the new Civic and
33 Convention Center at Block 80, Original Townsite, **The Dena'ina Civic and Convention Center**,
34 Mayor's Office. (*Public Hearing 8-15-06*)
35 a. Assembly Memorandum No. AM 495-2006.
36 b. Attachment: Names for consideration; Native Heritage Center. (**Laid on the Table**)
- 37 9.F.14. Ordinance No. AO 2006-103, an ordinance of the Anchorage Municipal Assembly amending
38 Anchorage Municipal Code Chapter 25.35, **Anchorage Community Development Authority**, to
39 require Assembly approval of expenditures over \$3 million; Assemblymember Stout. (*Public Hearing*
40 *[7-25-06] 8-15-06*) (**Addendum**)
41

42 The Administration requested this item be pulled for review on the Regular Agenda. (*See item 10.F.14*)
43

- 44 9.F.15. Ordinance No. AO 2006-104, an ordinance amending the zoning map and providing for the rezoning
45 of approximately 53.52 +/- acres, from I-1 (Light Industrial), R-2M (Multiple Family Residential), and R-
46 3 (Multiple Family Residential) to B-3 SL (General Business with Special Limitations) and PLI (Public
47 Lands and Institutions), for **Proposed Tracts A, B, C, D, E, F, G, and H, Creekside Subdivision** per
48 Preliminary Plat S-11451, Exhibit A; generally located north of DeBarr Road and west of Muldoon
49 Road (Northeast Community Council) (Planning and Zoning Case 2006-010); Assemblymember
50 Bauer. (**Laid on the Table**) (*Public Hearing 8-15-06*)
51

52 (*Clerk's Note: Refer to Agenda item 9.E.2 for related details.*)
53

54 Chair Sullivan put the Question on the remainder of the Consent Agenda.
55

56 and the motion, as amended, was passed.
57

58 AYES: Tesche, Shamberg, Bauer, Fairclough, Sullivan, Ossiander, Birch, Coffey, Stout, Traini and Jennings.
59 NAYES: None.
60

61 The amended Consent Agenda was approved and Chair Sullivan led the Assembly into discussion of the pulled items.
62

63 END OF CONSENT AGENDA

64 10. REGULAR AGENDA

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

- 66 10.A.1. Resolution No. AR 2006-164, a resolution of the Anchorage Municipal Assembly honoring and
67 remembering **Kenneth E. Peavyhouse**; Assemblymembers Stout, Bauer, Tesche, Ossiander,
68 Fairclough, Jennings, Sullivan, Coffey, Traini, Shamberg and Birch.
69
70

71
72 Mr. Stout moved, to approve AR 2006-164,
73 Ms. Fairclough seconded,
74 and this was passed without objection.
75

76 Mr. Stout read the resolution in its entirety, honoring and remembering Kenneth E. Peavyhouse, for his many
77 accomplishments, dedication and years of service in the State of Alaska and with the Municipality of Anchorage.
78

1 10.A.2. Resolution No. AR 2006-176, a resolution of the Anchorage Assembly commending and thanking
2 Lieutenant Otis Wright, Emergency First Responders Matt Lambert, Ryan Staten, Jim Stewart, Kevin
3 Wallace, Captain Brad Hanson, and Assistant Municipal Manager Mike Abbott for their **preventive**
4 **and professional actions** that assisted in saving the life of Assemblymember and colleague Allan
5 Tesche, Mayor Begich; Assemblymembers Traini, Bauer, Birch, Coffey, Fairclough, Jennings,
6 Ossiander, Shamberg, Stout and Sullivan. **(Addendum)**

7
8 Mr. Traini moved, to approve AR 2006-176,
9 Mr. Coffey seconded,
10 and this was passed without objection.

11
12 Mr. Traini read and Mr. Coffey presented resolutions to those honored for their calm professionalism and swift action
13 on May 19, 2006, saving the life of colleague and Assemblymember Allan Tesche, who had suffered a heart attack in
14 City Hall. Mr. Tesche thanked the men. Ms. Fairclough and Ms. Jennings thanked them for their service.

15
16 10.A.3. Resolution No. AR 2006-177, a resolution of the Anchorage Municipal Assembly recognizing and
17 honoring **Karen Moore** for her more than five years of service with the Municipality of Anchorage,
18 Mayor Begich; Assemblymembers Bauer, Birch, Coffey, Fairclough, Jennings, Ossiander, Shamberg,
19 Stout, Sullivan, Tesche and Traini. **(Addendum)**

20
21 Ms. Shamberg moved, to approve AR 2006-177,
22 Ms. Ossiander seconded,
23 and this was approved without objection.

24
25 Ms. Ossiander read and Ms. Shamberg presented the resolution to Karen Moore for her more than five years of
26 service with the Municipality of Anchorage. Deputy Director of Employee Relations Karen Moore thanked the Mayor
27 and the Assembly for the recognition and stated it had been fun working with the past two Administrations, especially
28 with the Begich Administration. She thanked Director Dave Otto and the Employee Relation staff for their support and
29 team efforts.

30
31 **10.B. RESOLUTIONS FOR ACTION - OTHER**

32 10.B.1. Resolution No. AR 2006-166, a resolution of the Anchorage Municipal Assembly opposing the **Cruise**
33 **Ship Tax and Regulation Initiative**, Ballot Measure 2; Assemblymember Coffey.
34 a. Assembly Memorandum No. AM 455-2006.

35
36 Ms. Shamberg moved, to approve AR 2006-166,
37 Mr. Coffey seconded,

38
39 Ms. Shamberg requested consideration of postponing, to allow time for additional review of the cruise ship tax
40 initiative.

41
42 Mr. Coffey stated that he had introduced this resolution opposing Ballot Measure 2. The prior worksession had
43 covered the facts, including economic impacts associated with the initiative. He urged professionals present that
44 evening to speak to the issue.

45
46 JOHN SHIVLEY, Vice President of Government and Community Relations for Holland America, stated the cruise ship
47 initiative would not change the high safety standards the industry had achieved over the years. Ms. Jennings
48 responded that there had been several multi-million dollar violations between 1996 and 2003. Mr. Shivley responded
49 there was no guarantee that an environmental problem would not happen in the future. Industry was taking steps to
50 ensure there would not be purposeful violations and employees responsible for such violations would be fired.

51
52 Mr. Coffey stated ~~[the initiative had generated some]~~ there had been resentment ~~[from]~~ against the industry. The
53 initiative would not change environmental standards. He did not want to punish Anchorage by using an inappropriate
54 way of addressing cruise ship practices. He urged support for the resolution, urging voters to oppose the initiative.

55
56 Ms. Ossiander stated while she did not oppose the cruise ship tax, Ballot Measure 2 was ill-conceived and should not
57 be supported. It was complex, would add an additional layer of government bureaucracy and had intrusive reporting
58 requirements. This matter was opposed by the Chugiak-Eagle River Chamber of Commerce, the Anchorage Chamber
59 of Commerce, the Anchorage Convention and Visitor's Bureau (ACVB), the Anchorage Economic Development
60 Corporation and Alaska Cabernet Hotel Restaurant & Retailers Association (CHARR). Alaska needed to review all
61 opportunities to diversify its economic base, but this matter would create more problems. She proposed to amend.

62
63 Ms. Ossiander moved, to amend AR 2006-177 on Page 2, Line 36 *by adding* to read:
64 Ms. Fairclough seconded, The Anchorage Assembly "though not opposed to a cruise
65 ship tax in principle" finds that Ballot Measure 2 is not in the
66 best economic interest of the Municipality of Anchorage or the
67 State of Alaska, and therefore the Anchorage Assembly
68 opposes Ballot Measure 2.;

69
70 Mr. Coffey accepted the Ossiander Amendment.

71
72 Mr. Tesche opposed the amendment.

73
74 Question was called on the Ossiander Amendment.

75
76 and this motion was passed, 10-1.

77
78 AYES: Shamberg, Bauer, Fairclough, Sullivan, Ossiander, Birch, Coffey, Stout, Traini and Jennings.

1 NAYES: Tesche.

2
3 To Ms. Jennings, Mr. Coffey responded that cities like Ketchikan and Juneau would be able to receive the benefits, but
4 there were limitations on the expenditures of funds received.

5
6 Ms. Jennings moved, *to postpone* AR 2006-177 to July 25, 2006,
7 Ms. Shamberg seconded,

8
9 Mr. Coffey opposed postponement.

10
11 Ms. Shamberg stated there were many matters mentioned in the resolution that conflicted with the referenced Cohen
12 letter. She would like to discuss the matter with the legal staff.

13
14 and this motion failed, 2-9.

15
16 AYES: Shamberg and Jennings.

17 NAYES: Tesche, Bauer, Fairclough, Sullivan, Ossiander, Birch, Coffey, Stout and Traini.

18
19 Chair Sullivan stated that while he generally opposed the Assembly's dealing with matters that did not directly affect
20 the Assembly, this was an exception. He requested that future Agenda items include referenced documents, to allow
21 Assemblymembers the opportunity for review. He put the Question on the main motion.

22
23 and the main motion, as amended, was passed 10-1.

24
25 AYES: Tesche, Bauer, Fairclough, Sullivan, Ossiander, Birch, Coffey, Stout, Traini and Jennings.

26 NAYES: Shamberg.

27
28 **10.C. BID AWARDS** None were pulled for review.

29
30 **10.D. NEW BUSINESS**

31 10.D.3. Assembly Memorandum No. AM 463-2006, recommendation of award to Dorsey & Whitney, LLC. for
32 providing **legal services** pertaining to issues before the Regulatory Commission of Alaska for the
33 Municipality of Anchorage, Anchorage Water and Wastewater Utility (RFP 25-P044) (\$450,000);
34 Purchasing.

35
36 Mr. Coffey moved, *to approve* AM 463-2006,
37 Ms. Fairclough seconded,

38
39 Purchasing Officer Bart Mauldin requested an administrative correction to the document.

40
41 Ms. Ossiander moved, *to amend* AM 463-2006 on Page 1, Lines 3 and 32 *by*
42 Ms. Fairclough seconded, *changing* Dorsey & Whitney, [LLC] "LLP,"
43 and this was approved without objection.

44
45 and the main motion, as amended, was approved unanimously.

46
47 10.D.8. Assembly Memorandum No. AM 468-2006, Amendment No. 6 to the lease and operating agreement
48 for **Anchorage Golf Course**; Office of Economic & Community Development.

49
50 Ms. Fairclough moved, *to approve* AM 468-2006,
51 Ms. Jennings seconded,

52
53 To Ms. Fairclough, Heritage Land Bank Executive Director Robin Ward responded the Administration had not formally
54 made amendments to the lease. Deputy Municipal Manager Michael Abbott responded that the use of land for this
55 purpose had been approved by the voters. Ms. Fairclough stated the voters had not had the opportunity to comment
56 on extending the lease agreement and golf fees and questioned if a Public Hearing was called for. Mr. Abbott urged
57 approval and stated public testimony was not needed in this case. Chair Sullivan and Mr. Coffey concurred.

58
59 Mr. Stout stated golf fees had been set to repay the \$600,000 to complete golf course improvements. Now that the
60 loan had been paid off, the additional fees should go away. If additional funding was needed for course improvements,
61 a new request should be considered by the Assembly. He opposed the memorandum.

62
63 To Chair Sullivan, Municipal Attorney Fred Boness responded that if the Assembly voted down the memorandum, the
64 fees would no longer be collected.

65
66 To Ms. Fairclough, Ms. Ward responded this was an Administration recommendation. Mr. Abbott requested that
67 Assembly return to this item later in the meeting, to allow the Administration to answer her questions.

68
69 Ms. Fairclough moved, *to postpone* action on AM 468-2006 to the end of the
70 Mr. Bauer seconded, Consent Agenda,
71 and this was approved without objection.

72
73 *(Clerk's Note: Upon completion of the remaining Regular Agenda items, Chair Sullivan returned the Assembly to*
74 *10.D.8)*

75
76 Mr. Abbott requested postponement until July 25th.

77
78 Mr. Coffey moved, *to postpone* AM 468-2006 to July 25, 2006,

1 Mr. Traini seconded,
2 and this was passed without objection.

3
4 10.D.10. Assembly Memorandum No. AM 470-2006, Amendment No. 7 to USKH, Inc. professional
5 **architectural/engineering services** Contract No. 230433 for capital improvement projects for the
6 Municipality of Anchorage; Merrill Field Airport. (\$239,837).

7
8 Ms. Fairclough moved, to approve AM 470-2006,
9 Ms. Jennings seconded,

10
11 To Ms. Fairclough, Merrill Field Assistant Airport Manager Alex Jumao-as responded that the contract would expire in
12 March, 2007 and included two, one-year options for renegotiation. Ms. Fairclough recommended approval.

13
14 and this was passed without objection.

15
16 10.D.11. Assembly Memorandum No. AM 471-2006, recommendation of award to Hoefler Consulting Group for
17 providing **comprehensive environmental consulting** for the Municipality of Anchorage, Municipal
18 Light & Power (RFP 26-P022) (\$675,000); Purchasing.

19
20 Mr. Stout moved, to approve AM 471-2006,
21 Ms. Ossiander seconded,

22
23 To Mr. Stout, Municipal Light and Power (*ML&P*) General Manager James Posey responded this was a three-year
24 contract with extensions. Mr. Posey responded this expertise would be difficult to provide in-house because it required
25 knowledge, experience and specialized equipment.

26
27 and this motion was passed without objection.

28
29 10.D.16. Assembly Memorandum No. AM 476-2006, proprietary purchase from Spenard Builders Supply (SBS)
30 for providing **building materials** to the Municipality of Anchorage, Parks and Recreation Department,
31 (\$49,985.43); Purchasing.

32
33 Ms. Shamberg moved, to approve AM 476-2006,
34 Ms. Fairclough seconded,

35
36 Ms. Shamberg stated this memorandum was for a worthwhile project.

37
38 Ms. Fairclough stated there were many supporters making contributions and discounts for material costs.

39
40 and this motion was passed unanimously.

41
42 **10.E. INFORMATION AND REPORTS**

43 10.E.2. Information Memorandum No. AIM 75-2006, transmittal of the Planning and Zoning Commission
44 record and recommendation of the denial for a rezoning application to rezone approximately 53.52 +/-
45 acres, from I-1 (Light Industrial), R-2M (Multiple Family Residential) and R-3 (Multiple Family
46 Residential) to B-3 SL (General Business with Special Limitations) and PLI (Public Lands and
47 Institutions), for **proposed Tracts A, B, C, D, E, F, G, & H, Creekside Subdivision** per Preliminary
48 Plat S-11451, Exhibit A; generally located north of DeBarr Road and west of Muldoon Road (Planning
49 and Zoning Commission Case 2006-010); Planning Department.

50
51 Mr. Bauer moved, to accept AIM 75-2006,
52 Mr. Coffey seconded,

53
54 Mr. Tesche declared a conflict of interest with this matter. His law firm, which specialized in industrial accident cases,
55 maintained a contract to provide legal services on an on-going basis with Wal-Mart.

56
57 To Ms. Fairclough, Mr. Tesche responded that he would be working with his partners in the legal representation of
58 Wal-Mart. He suspected that referrals of specific cases would be ongoing into the future.

59
60 Mr. Coffey moved the Question: "Does Mr. Tesche have a financial interest that in the matter before the Assembly?"

61
62 Chair Sullivan ruled that Mr. Tesche did have a conflict of interest and ordered him to abstain from participation in this
63 matter.

64
65 Mr. Bauer moved, to introduce AO 2006-104 (*attached to AIM 75-2006*), with
66 Mr. Coffey seconded, Public Hearing set for August 15th and a worksession
67 Mr. Birch was the concurring third. scheduled for August 11th,

68
69 To Ms. Fairclough, Chair Sullivan responded that the scheduled dates would allow the required four weeks for public
70 notification.

71
72 (*Clerk's Note: Refer to Agenda item 9.F.15 for related details of AO 2006-104.*)

73
74 10.E.5. Information Memorandum No. AIM 78-2006, Notice of Award to Northern Powerline, Inc. for the
75 **undergrounding of overhead facilities** at Sunrise Drive, Alder Drive and Hidden Lane for the
76 Municipality of Anchorage, Municipal Light & Power (ITB 26-C031) (\$1,863,442.55); Purchasing.

77
78 Mr. Stout moved, to accept AIM 78-2006,

1 Ms. Ossiander seconded,
2

3 Mr. Stout stated facetiously that this section of Anchorage was being deprived of the huge powerline towers that
4 dominated areas of Midtown. He invited residents to drive Northern Lights Boulevard to see these towers.
5

6 Ms. Ossiander stated that many constituents in Chugach-Eagle River were calling her with their concerns regarding
7 the many transmissions towers being erected in her district.
8

9 and this motion was approved without objection.

10
11 10.E.7 Information Memorandum No. AIM 80-2006, **Pre-Funding Investment Program Annual Report**;
12 Municipal Treasurer.

13
14 Ms. Fairclough moved, to accept AIM 80-2006,
15 Ms. Ossiander seconded,
16

17 Ms. Fairclough stated the Pre-Funding Board's Annual Report described a \$9.8 million dollar lump-sum contribution as
18 a supplemental that would come before the Assembly. The Fund had \$15.73 million dollars in it and referred to a legal
19 contingency. Chief Fiscal Officer Jeff Sinz responded the legal contingency referred to the MUSA appeal. The COP
20 residual proceeds that were the source for funding of the \$9.8 million dollar, planned balloon payment into the police
21 and fire post-retirement medical pre-funding account, along with the excess \$5.9 million dollars, came from a non-
22 restricted, general source of revenue. When the medical program was originally established in 1994, it was anticipated
23 that there would be a residual of approximately \$9.8 million dollars available to make this balloon payment. In looking
24 at the actual results, the COPs had matured in March of this year. There was a higher-than-previously anticipated
25 balance. The Administration's intent and recommendation was to increase the size of the balloon payment into the
26 pre-funding account, which would reduce the remaining payments between now and 2014. But, given the potential
27 financial impacts associated with a loss of the MUSA appeal, the city felt this also represented an opportunity to set
28 aside some money to act as a mitigater against the potential financial impact, should the city lose the appeal. If
29 resolved favorably, as expected by the Administration, a new resolution would be introduced to appropriate the
30 additional \$5.9 million, plus interest accrued, as an additional balloon payment into the fund. In the meantime, it was
31 financially prudent to set aside this money to cover a potential contingency.
32

33 Mayor Begich responded that Assemblymembers had voiced their concern about the financial impact of potential loss
34 of the MUSA appeal. The Administration was prepared to set aside additional funds to cover this. The Administration
35 remained optimistic the litigation would be resolved.
36

37 Ms. Fairclough stated there was a certificate of participation (COP) which was generating unrestricted dollars in an
38 account for the police and fire retirement fund. Mr. Sinz responded that the proceeds from that fund were not intended
39 specifically for police and fire retirement.
40

41 To Ms. Fairclough, Municipal Attorney Fred Boness responded the MUSA litigation was currently in Superior Court.
42 Ms. Fairclough stated that she looked forward to the Administration applying these funds and stated that question
43 remained of the source and intent of the original COP fund.
44

45 Ms. Ossiander stated the original intent of the fund was unclear. She requested a worksession to be briefed on the
46 original agreement and the type of revenue stream being generated. Municipal Clerk Barbara Gruenstein responded
47 that a worksession would be scheduled for July 21st. Mayor Begich responded the medical segment of the settlement
48 was a defined, two-part contribution, which was beneficial to the city. Every five years the Assembly reviewed the
49 defined contribution.
50

51 Ms. Fairclough requested that the appropriate accounting code be used on this item. She requested that Municipal
52 Attorney Fred Boness prepare an update on the MUSA court settlement to share at the worksession.
53

54 Chair Sullivan stated that this involved unencumbered moneys and using it as a contingency for that purpose was
55 good policy. If it was not needed, it could be used for other things.
56

57 and this motion was approved without objection.
58

59 **10.F. ORDINANCES AND RESOLUTIONS FOR INTRODUCTION**

60 10.F.14. Ordinance No. AO 2006-103, an ordinance of the Anchorage Municipal Assembly amending
61 Anchorage Municipal Code Chapter 25.35, **Anchorage Community Development Authority**, to
62 require Assembly approval of expenditures over \$3 million; Assemblymember Stout. (*Public Hearing*
63 *[7-25-06] 8-15-05*) (**Addendum**)
64

65 Mayor Begich moved, to introduce AO 2006-103,
66 Mr. Coffey seconded,
67 Mr. Traini was the concurring third.
68

69 Mayor Begich requested a new Public Hearing date be set, to allow time for the Anchorage Community and
70 Development Board to review and comment on the expenditures.
71

72 Ms. Fairclough moved, to amend AO 2006-103 by changing the Public Hearing
73 Mr. Coffey seconded, date from [7-25-06] to "August 15, 2006,"
74

75 Mr. Stout, the sponsor, supported the date change. To Ms. Ossiander, he responded the delay would not be an issue.
76

77 and this motion was passed without objection.
78

1 Ms. Ossiander moved, seconded by Mr. Bauer, to Change the Order of the Day to take up 14.L and there were no
2 objections.

3
4 **11. OLD BUSINESS AND UNFINISHED ACTION ON PUBLIC HEARING ITEMS**

- 5 11.A. Ordinance No. AO 2006-46, an ordinance repealing Ordinance AO 93-183 (S-1) concerning PC
6 (Planned Community Zoning) and Master Plan and adopting a new PC (Planned Community) zoning
7 and **New Ship Creek Master Plan** for a portion of A.R.R. Reservation located in the Lower Ship
8 Creek, approximately 102 +/- acres, for A.R.R. Reservation property located at the lower west end of
9 Ship Creek; and amending the zoning map and providing for the rezoning of A.R.R. Anchorage
10 Terminal Reserve, Lot 103, Whitney Road Industrial Lease Lot consisting of 20,815 square feet from
11 PC (Planned Community) to I-1 (Light Industrial); and amending the zoning map and providing for the
12 rezoning of Ship Creek Crossing, Lot 3, consisting of 109, 932 square feet from PC (Planned
13 Community) and I-2 (Heavy Industrial) to I-2 (Heavy Industrial); and amending the zoning map and
14 providing for the rezoning of Ship Creek Crossing, Lot 4, consisting of 209,068 square feet from PC
15 (Planned Community) and I-2 (Heavy Industrial) to I-2 (Heavy Industrial); generally located at the
16 lower west end of Ship Creek south of the Railroad Mainline to Second Avenue and West Gambell
17 Street (Government Hill, Downtown, Fairview) (Planning and Zoning Commission Case 2005-080);
18 Planning Department.
- 19 1. Assembly Memorandum No. AM 147-2006.
20 (*Continued from 5-16-06; Public Hearing Closed 6-6-06; Action Postponed from 6-6-06 & 6-20-06*)
 - 21 2. Ordinance No. AO 2006-46(S), an ordinance repealing Ordinance AO 93-183 (S-1)
22 concerning PC (Planned Community Zoning) and Master Plan and adopting a new PC
23 (Planned Community) zoning and New Ship Creek Master Plan for a portion of A.R.R.
24 Reservation located in the Lower Ship Creek, approximately 102 +/- acres, for A.R.R.
25 Reservation property located at the lower west end of Ship Creek; and amending the zoning
26 map and providing for the rezoning of A.R.R. Anchorage Terminal Reserve, Lot 103, Whitney
27 Road Industrial Lease Lot consisting of 20,815 square feet from PC (Planned Community) to I-
28 1 (Light Industrial); and amending the zoning map and providing for the rezoning of Ship
29 Creek Crossing, Lot 3, consisting of 109, 932 square feet from PC (Planned Community) and
30 I-2 (Heavy Industrial) to I-2 (Heavy Industrial); and amending the zoning map and providing for
31 the rezoning of Ship Creek Crossing, Lot 4, consisting of 209,068 square feet from PC
32 (Planned Community) and I-2 (Heavy Industrial) to I-2 (Heavy Industrial); generally located at
33 the lower west end of Ship Creek south of the Railroad Mainline to Second Avenue and West
34 Gambell Street (Government Hill, Downtown, Fairview) (Planning Case 2005-080); Legal
35 Department. (**Addendum**)

36
37 Chair Sullivan summarized the history of the ordinance. He called the Question.

38
39 Ms. Ossiander moved, to approve AO 2006-46(S),
40 Mr. Coffey seconded,

41
42 Ms. Ossiander stated this matter had been on-going for some time and the involved parties had reached a consensus.
43 Both the Municipality and the Alaska Railroad felt their concerns had been met. She thanked all those who had been
44 involved with the negotiation process and she supported the S-Version.

45
46 To Chair Sullivan, Dwayne Adams, with Land Design North representing the petitioner, responded that the Alaska
47 Railroad (ARR) Corporation was in agreement with the S-Version.

48
49 Ms. Jennings moved, to amend AO 2006-46(S) on Page 11, Line 2 *by deleting* the
50 Mr. Coffey seconded, repeated word [structure],
51 and this was approved without objection.

52
53 and the main motion, as amended, was approved unanimously.

54
55 AYES: Tesche, Shamberg, Bauer, Fairclough, Sullivan, Ossiander, Birch, Coffey, Stout, Traini and Jennings.

56 NAYES: None.

57
58 **12. APPEARANCE REQUESTS** There were none.

59
60 **13. CONTINUED PUBLIC HEARINGS** There were none.

61
62 **14. NEW PUBLIC HEARINGS**

- 63 14.A. Ordinance No. AO 2006-86, an ordinance of the Anchorage Municipal Assembly repealing and
64 reenacting Anchorage Municipal Code Chapter 16.65, Prohibition of Smoking in Public Places, to
65 extend **secondhand smoke control**; Assemblymembers Traini, Coffey, Jennings, Shamberg, Stout
66 and Tesche.
- 67 1. Assembly Memorandum No. AM 365-2006.
 - 68 2. Information Memorandum No. AIM 70-2006.
 - 69 3. Assembly Memorandum No. AM 457-2006.

70
71 Chair Sullivan read the ordinance title.

72
73 Ms. Jennings declared a possible conflict of interest because of her 26-year ownership of a film company and its
74 association with the American Cancer Society, the American Lung Association, the Alaska Native Health Board, the
75 Alaska Native Tribal Health Consortium and the Anchorage Cabaret Hotel Restaurant & Retailer Association
76 (CHARR). She had declined to bid on the campaign for the secondhand smoke control matter.

77
78 Ms. Ossiander moved, the Question, "Does Ms. Jennings have a substantial

1 Mr. Traini seconded, financial interest in the matter before the Assembly?"
2 Chair Sullivan ruled that Ms. Jennings
3 did not have a conflict of interest.
4

5 Chair Sullivan declared a conflict of interest with the ordinance because of his partnership with an upcoming full-
6 dispensary bar and restaurant in downtown Anchorage. He and his partner had decided their business plan would
7 include a non-smoking establishment. He believed that he did have an immediate and financial interest in the matter
8 before the Assembly.
9

10 Ms. Ossiander moved the Question and urged a NO-vote. She assumed the Chair.

11
12 Ms. Ossiander moved, the Question, "Does Mr. Sullivan have a substantial
13 Mr. Traini seconded, financial interest in the matter before the Assembly?"
14

15 Ms. Fairclough stated there had been many issues before the Assembly where possible conflicts of interest had been
16 discussed. It was a standard understanding that Assemblymembers were professionals, who would act upon matters
17 in a fair and impartial manner. Mr. Sullivan was a professional and could separate the duties of being an
18 Assemblymember and owning a bar.
19

20 Mr. Sullivan stated that often Assemblymembers were asked to abstain from participation on matters because of their
21 more direct conflict of interests, with substantial financial impacts, as was his association with a downtown bar.
22

23 Mr. Traini stated Mr. Sullivan did not have a conflict of interest.
24

25 Acting Chair Ossiander called the Question.
26

27 and the motion failed, 1-9.
28

29 AYES: Jennings.

30 NAYES: Tesche, Shamberg, Bauer, Fairclough, Ossiander, Birch, Coffey, Stout and Traini.

31 ABSTAIN: Sullivan.
32

33 Chair Sullivan resumed the Chair and opened Public Hearing.
34

35 DOTTIE ROGGEVEEN, Senior Vice Commander of Veterans of Foreign Wars (VFW) Post 1685, opposed the
36 ordinance. She requested the ban exclude private clubs, including the VFW. Ms. Fairclough responded that she had
37 an amendment to exempt private clubs for Assembly consideration. Mr. Stout thanked Ms. Roggeveen for her military
38 service.
39

40 BETTY HEDSTRAND, a small business owner sharing a common ventilation system in a mall, supported the
41 ordinance.
42

43 MARGE LARSON, CEO of the American Lung Association of Alaska, supported the ordinance. A recent study
44 showed that establishments would not suffer financial changes and there was broad public support. To her request to
45 show their support to the ordinance, half of the audience stood. To Ms. Fairclough, Ms. Larson responded that her
46 coalition had contacted local hospitals, doctors and health and social services, community councils, the Anchorage
47 Chamber of Commerce, Alaska CHARR and Anchorage CHARR.
48

49 GAYLE FERRINGA supported the ordinance and the right to breathe clean air. Her husband had died from smoking
50 and she had suffered asthma and heart disease from secondhand smoke, even though she had never smoked. At the
51 age of 48 she had had open heart surgery.
52

53 BILL LAWRENCE, a Military Veteran, opposed the ordinance. While he did not support smoking, he valued the
54 freedom of choice. To Mr. Traini, he responded that he understood that military bases had implemented strict smoking
55 bans. Mr. Bauer thanked Mr. Lawrence for his military service.
56

57 BARBARA JEAN ALBERG, bartender at Darwin's Bar, opposed the ordinance and supported freedom of choice. To
58 Mr. Sullivan, she responded that she did not smoke and would not consider changing jobs. To Ms. Jennings, she
59 responded that she did not have health insurance.
60

61 ANN T. MARKET, a PJ's employee, opposed the ordinance. To her request to show their opposition to the ordinance,
62 half of the audience stood. To Mr. Bauer, she responded that she opposed a 20-foot smoking ban from entryways of
63 private establishments. Patrons would be in danger if they had to go outside to smoke in the winter and they would be
64 susceptible to predators. Mr. Traini read from a letter from the Mayor of Arvada, Colorado, who reported there had
65 been no increase of crimes with smoking bans. She responded that Anchorage's crime rate, especially sexual assault,
66 was already one of the highest in the nation.
67

68 Bill Boywens yielded to DR. THAD WOODARD, M.D, a pediatrician and asthma specialist, who testified in support of
69 the ordinance, for the betterment of community health. To Mr. Bauer, Dr. Woodard responded that regulations would
70 save lives. To Ms. Fairclough, he responded that the quality of national health had dropped in comparison with other
71 world countries, with factors of the economy, education, extended life and no health insurance. To Mr. Traini, he
72 responded there was no safe level of exposure of secondhand smoke to children. To Chair Sullivan, he responded
73 that Japanese men smoke more than any other country, but they lived longer than anyone. Everything that could be
74 done should be done to improve community health.
75

76 SANDY ANDERSON, a non-smoker, opposed the ordinance. She was a member of the Moose Lodge and supported
77 an exemption for private clubs. To Mr. Bauer, she responded that all Moose Lodge employees were members. To
78 Ms. Ossiander, she responded the Moose Lodge had a non-smoking lounge.

1
2 JACK LEWIS, part owner of the Sourdough Mining Company and the New Peanut Farm, believed in freedom of
3 choice, but the owners had discussed changing to non-smoking. To Ms. Ossiander, he responded that it would create
4 an economic impact if the changes were implemented immediately. To Mr. Bauer, he responded there was a need to
5 calculate what the economic loss would be and he urged consideration of a 2-year implementation, to accommodate
6 new business plans. To Ms. Jennings, he responded the new ventilation system at the Peanut Farm had cost
7 hundreds of thousands of dollars.

8
9 RICHARD GELARDIN supported the ban. Secondhand smoke was a killer. There was a fear of lost business
10 revenue, but studies showed there were no financial hardships in many countries associated with smoking bans. Mr.
11 Bauer responded the countries mentioned by Mr. Gelardin were socialized and this was Alaska and the Assembly
12 wanted to do what was right.

13
14 JAKE WITMER, a member of the Libertarian Party, opposed the smoking ban and supported the freedom of choice.
15 The Assembly did not have the right to make choices for citizens.

16
17 JACK POWERS, a licensed and bonded operator of a bingo hall, opposed the smoking ban. He was concerned with
18 losing bingo patrons and not being able to pay gaming proceeds to charities and organizations that depended on the
19 dollars. To Ms. Ossiander, he responded owners had remodeled bingo halls to improve ventilation system, spending
20 over \$700,000 in the past two years to accommodate the smokers.

21
22 Joy Bentley yielded to GRIFF STEINER, M.D., an ophthalmologist, who testified in support of the smoking ban. He
23 stated this was not a matter of freedom of choice, but a matter of health problems caused from secondhand smoke.

24
25 LINDA KELLEN BIEGEL supported the ordinance and stated that she suffered health consequences from working in a
26 bar. To Ms. Jennings and Chair Sullivan, she responded that all workers should be protected equally. Ms. Fairclough
27 responded that the Surgeon General had not concluded there was danger from secondhand smoke in hotels.

28
29 CATHY GIESSEL, a nurse practitioner speaking on behalf of the Alaska Nurse Practitioner Association, supported the
30 ordinance. Prevention was the answer to escalating and unaffordable healthcare costs.

31
32 CAROLINE CREMO RENNER, Nicotine Research and Control Program Manager with, and representing the Alaska
33 Native Tribal Health Consortium, supported the ordinance. Cancer was the leading cause of death in Alaska Natives.
34 To Ms. Jennings, she responded the Bethel bingo parlor had not lost patrons when it went smoke-free. There was a
35 correlation between socioeconomic status and tobacco use. To Mr. Bauer, she responded the consortium supported
36 the 50-foot smoking ban at entryways to medical centers and hospitals. To Chair Sullivan, she responded her
37 workplace and the native medical campus was going tobacco-free.

38
39 AUDREY ALFARO, a downtown bartender, now had asthma due to secondhand smoke.

40
41 TRENT POOL, member of the Alaska Libertarian Party, read a letter from Susie Rowan, who opposed the smoking
42 ban. He supported freedom of choice.

43
44 JASON DOWELL, member of the Libertarian Party and a bartender, opposed the ordinance and supported freedom of
45 choice. People had options to work in non-smoking workplace.

46
47 DEBORAH BOCK supported the smoking ban. She worked in a mental hospital when she was in college, where the
48 patients constantly smoked. She was concerned about the future of her children and wanted them protected.

49
50 VIVIAN ECHAVARRIA, Deputy Chief Operations Officer with Alaska Native Medical Center, supported ordinance with
51 the 50-foot ban at entrances. She stated the consortium premises would go tobacco-free on November 16th.

52
53 NATHALIA ECHAVARRIA supported the ordinance and supported a smoke-free environment.

54
55 KEITH KESSLER supported the ordinance. He testified of the health concerns of cigarettes and vehicle exhaust.

56
57 ALLISON WARDEN supported the ordinance. She and her cousin loved to visit clubs and dance, but her cousin had
58 suffered from congestive heart failure and they could not visit the clubs that allowed smoking.

59
60 ANNETTE MARLEY, with the Alaska Native Health Board, supported the smoke-free ordinance.

61
62 MARTI BARNARD supported the ordinance. She had two husbands who had died from smoke-related cancer. She
63 liked to go dancing and wanted smoke-free clubs.

64
65 EMILY NENON, Alaska Government Relations Director for the American Cancer Society, supported the smoking ban.
66 She referred to the Surgeon General's Report, listing many effects of smoking and secondhand smoke. To Chair
67 Sullivan, she responded the Assembly should make the decision if hotel workers needed to be protected. To Ms.
68 Jennings, she responded that Alaska should beat Hawaii and implement a smoking ban, scheduled in November. To
69 Ms. Ossiander she responded that 14 states had approved and 11 states had implemented smoking bans. To Mr.
70 Bauer, Ms. Nenon responded there was a predominant shift towards non-smoking policies across the nation.

71
72 Joelle Hall yielded to Dr. WILLIAM MAYER, Chief Cardiologist at Providence Hospital and former President of the
73 Alaska Heart Association, who supported the smoking ban. Coronary disease was the primary cause of death in the
74 nation and the Surgeon General had declared smoking a factor. To Ms. Shamberg, he recalled the story of Typhoid
75 Mary. To Mr. Traini, he responded air-scrubber ventilation systems did not eliminate smoke.

76
77 STEVE DAVIS opposed the smoking ban. He liked going to bars and drinking bourbon and smoking his pipe.
78

1 D.S. HOGAN, part owner of Northern Lights Tobacco Cache, opposed the ban and requested consideration of
2 exemptions for shops selling tobacco products. He stated a smoking ban was a constitutional issue and would impact
3 the economy of Alaska. He urged the Assembly to address other, more important issues. To Ms. Ossiander, Mr.
4 Hogan responded that his shop sold pipe tobacco and cigars and customers traditionally smoked in his store. To Mr.
5 Bauer, he responded the shop did not have a separate smoking room.

6
7 BOB FRANCETT, partner with Mr. Hogan of Northern Lights Tobacco Cache, opposed the ordinance and requested
8 exemptions for tobacco shops. Smoking was a personal choice issue and involved traditional business practices. To
9 Mr. Bauer, Mr. Fancett responded that his clients were those who purchased tobacco products. To Chair Sullivan, he
10 responded they had a smoking lounge and had installed a good air conditioner, air filter and ventilation system, which
11 was not shared with neighboring businesses.

12
13 DENISE MORRIS, President and CEO of the Alaska Native Justice Center and Chair of the Alaska Native Women
14 Sexual Assault Committee, testified that the ban would force women to go outdoors and into vehicles to have a
15 cigarette and would put them in harms way of perpetrators. Alaska had the highest rate of sexual assault. The
16 Assembly should take the safety issue into consideration when addressing this ordinance. To Mr. Bauer, Ms. Morris
17 responded that it would be difficult to ensure that any distance from an entryway would be safe. This ordinance would
18 not stop people from smoking. To Ms. Ossiander, she responded the Assembly needed to consider the health and
19 safety risks of forcing people outside.

20
21 ERIC MEYERS, involved with the American Cancer Society and the American Lung Association, did not oppose
22 smoking, but supported the fundamental right to breathe clean air. Smokers needed to be more responsible with
23 protecting non-smokers. There were study results which indicated that businesses suffered no financial hardships with
24 smoking bans. Mr. Bauer shared local survey results, showing 18% of patrons would go out to clubs more often with a
25 smoking ban.

26
27 Rita Hatch yielded to DAVE CAMPANA, a pharmacist, who testified in support of the ordinance. A smoking ban would
28 help prevent health problems associated with secondhand smoke. He supported the freedom to breathe clean air.

29
30 BARB ALDRIDGE, owner of Pete's Tobacco Shop, opposed the ordinance. Her business only catered to smokers and
31 would suffer consequences from the ban. To Ms. Ossiander, she responded there was one other business, in the
32 same building as her shop.

33
34 JERRY LEWIS, General Manager of Alaska Bingo Supply, opposed the smoking ban. He had been in the business for
35 30 years across the nation and had seen smoking bans cause the industry to lose 30% of their revenue. The bingo
36 halls and charities would suffer.

37
38 RICHARD BEAUMIER opposed the ordinance and supported the freedom of choice.

39
40 David Collins yielded to BRUCE OGGLE, who requested that tobacco shops be exempted.

41
42 ROLAND SHANKS supported the ordinance. He was a non-smoker and had lung cancer because of secondhand
43 smoke.

44
45 BOBBY LEWIS, military veteran with two purple hearts, opposed the ban. He liked the freedom that Alaska offered
46 and thought this was a constitutional rights issue. Mr. Stout thanked him for his military service.

47
48 PAT LUBY, Advocacy Director of American Association of Retired People (AARP) of Alaska, supported the ordinance.
49 Hotel rooms were considered private residences and should be exempt. To Ms. Fairclough, he responded that
50 surveys of AARP members supported a smoking ban. To Ms. Ossiander, he responded the surveys involved random
51 samples of AARP members. To Chair Sullivan, he responded that science would eventually determine that smoking
52 needed to be banned in the entire hospitality industry, including hotels.

53
54 JOSIE DAVIDSON representing future generations, business owners and customers, had asthma and supported the
55 smoking ban.

56
57 STEVEN BORCHERDING, General Manager of Gold Cash Bingo Halls, opposed the ban. The nonprofit business
58 distributed their profits to charity organizations, which were dependent upon the money and would suffer financial
59 hardships with the ban. The businesses had spent over \$250,000 complying with the 2000 ventilation requirements.
60 Surveys showed bingo operations around the world had suffered 30-70% decreases in revenues when smoking bans
61 were implemented. To Ms. Ossiander, he responded the 2000 remodel was paid for by a reserved fund.

62
63 Ms. Fairclough stated that if there was an indication from the audience that they would be able to finish public
64 testimony in an hour, she would be willing to extend to midnight.

65
66 Ms. Fairclough moved, seconded by Mr. Traini, to extend the meeting to midnight to finish public testimony on AO
67 2006-86. Chair Sullivan ruled that the motion failed. (*Clerk's Note: See Agenda Number 20, for details on*
68 *Adjournment*)

- 69
70 14.B. Resolution No. AR 2006-162, a resolution of the Municipality of Anchorage accepting and
71 appropriating **2006 State of Alaska Legislative grants** per Senate Bill 231 (\$62,960,500); Office of
72 Management & Budget.

- 73 1. Assembly Memorandum No. AM 443-2006.

74
75 Chair Sullivan read the resolution title and opened Public Hearing. With no one to testify, he closed Public Hearing
76 and called the Question.

77
78 Ms. Jennings moved, to approve AR 2006-162,

1 Ms. Ossiander seconded,
2 and this motion passed, 10-0.

3
4 AYES: Shamberg, Bauer, Fairclough, Sullivan, Ossiander, Birch, Coffey, Stout, Traini and Jennings.

5 NAYES: None.

6 *(Clerk's Note: Mr. Tesche, who was participating telephonically, was temporarily disconnected.)*

- 7
8 14.C. Ordinance No. AO 2006-91, an ordinance of the Municipality of Anchorage creating **Special**
9 **Assessment District 06-19** for reconstruction of Arlene Drive, Kingfisher Drive, Pelican Drive and
10 Pelican Court, and determining to proceed with proposed improvements therein; Project Management
11 & Engineering.
- 12 1. Assembly Memorandum No. AM 403-2006.
 - 13 2. Ordinance No. AO 2006-91(S), an ordinance of the Municipality of Anchorage creating Special
14 Assessment District 06-19 for reconstruction of Arlene Drive, Kingfisher Drive, Pelican Drive
15 and Pelican Court, and determining to proceed with proposed improvements therein; Project
16 Management & Engineering. ***(Laid on the Table)***
 - 17 3. Ordinance No. AO 2006-91(S-1), an ordinance of the Municipality of Anchorage creating
18 Special Assessment District 06-19 for reconstruction of Arlene Drive, Kingfisher Drive, Pelican
19 Drive and Pelican Court, and determining to proceed with proposed improvements therein;
20 Project Management & Engineering. ***(Laid on the Table)***
 - 21 4. Ordinance No. AO 2006-91(S-2), an ordinance of the Municipality of Anchorage creating
22 Special Assessment District 06-19 for reconstruction of Arlene Drive, Kingfisher Drive, Pelican
23 Drive and Pelican Court, and determining to proceed with proposed improvements therein;
24 Project Management & Engineering. ***(Laid on the Table)***

25
26 Chair Sullivan read the resolution title and opened Public Hearing.

27
28 NELSON PAGE, representing property owners, opposed the assessment because it was four times the average road
29 assessment for this district and was disproportionate with benefits received. Mr. Page had talked with the Planning
30 Department and had proposed consideration of rolling back this assessment. Responding to Ms. Fairclough, he
31 identified the parcel as Number 6.

32
33 With no additional public testimony Chair Sullivan closed Public Hearing and called the Question.

34
35 Ms. Jennings moved, to approve AO 2006-91(S-1)
36 Ms. Ossiander seconded,

37
38 To Chair Sullivan, Project Management and Engineering CIP Coordinator Jim Lamson responded that the department
39 supported Ms. Jennings motion and AO 2006-91(S-1), the version printed on blue paper. He explained the differences
40 among the versions of the ordinance.

41
42 To Ms. Ossiander, Mr. Lamson responded this had involved errors with calculating assessments of road frontage for
43 some parcels. The substitute versions of the ordinance included corrections to Parcels 5, 6, and 7. He requested the
44 Assembly support absorbing the assessment reduction, rather than spreading the difference among other parcels.

45
46 To Mr. Stout, Mr. Lamson responded there were some unusually shaped lots, which had been miscalculated.

47
48 Ms. Jennings clarified the changes involved a total of \$17,953, which would be absorbed by the Municipality.

49
50 and this motion passed, 10-0.

51
52 AYES: Shamberg, Bauer, Fairclough, Sullivan, Ossiander, Birch, Coffey, Stout, Traini and Jennings.

53 NAYES: None.

54 *(Clerk's Note: Mr. Tesche, who was participating telephonically, was temporarily disconnected.)*

- 55
56 14.D. Resolution No. AR 2006-155, a resolution of the Municipality of Anchorage, Alaska, confirming and
57 levying assessments for the sewer special improvements within **Levy-Upon-Connection (LUC) Roll**
58 **06-S-1**, setting date of payment and providing for penalties and interest in the event of delinquency;
59 Anchorage Water & Wastewater Utility.
- 60 1. Assembly Memorandum No. AM 430-2006.

61
62 Chair Sullivan read the resolution title and opened Public Hearing. With no one to testify, he closed Public Hearing
63 and called the Question.

64
65 Ms. Jennings moved, to approve AR 2006-155,
66 Ms. Shamberg seconded,
67 and this motion was passed 10-0.

68
69 AYES: Shamberg, Bauer, Fairclough, Sullivan, Ossiander, Birch, Coffey, Stout, Traini and Jennings.

70 NAYES: None.

71 *(Clerk's Note: Mr. Tesche, who was participating telephonically, was temporarily disconnected.)*

- 72
73 14.E. Resolution No. AR 2006-156, a resolution of the Anchorage Municipal Assembly appropriating
74 \$85,790 from the Areawide General Fund (101) Real Estate Services Department's 2006 Operating
75 Budget to the Areawide Capital Fund (401) for **City Hall capital maintenance and improvements**;
76 and appropriating \$75,000 from the Areawide General Fund (101) Real Estate Services Department's
77 2006 Operating Budget to the Areawide Capital Fund (401) for City Hall tenant improvements; Real
78 Estate Services.

1
2 14.M. Ordinance No. AO 2006-96, an ordinance **dedicating certain parks and unnamed parcels** located in
3 Discovery, Discovery Heights, Lookout Landing, Southport, and Southport Tracts Subdivisions for
4 municipal park or recreational purposes; Assemblymember Shamberg. **(Carried Over to 7-25-06)**
5

6 **15. SPECIAL ORDERS** None.

7
8 **16. UNFINISHED AGENDA** None.

9
10 **17. AUDIENCE PARTICIPATION** None.

11
12 **18. ASSEMBLY COMMENTS** None.

13
14 **19. EXECUTIVE SESSIONS** None.

15
16 **20. ADJOURNMENT**

17
18 Chair Sullivan adjourned the meeting at 11:00 p.m.
19
20
21
22
23
24
25

26 _____
27 DAN SULLIVAN, Assembly Chair

28 ATTEST:
29
30
31
32
33
34
35

36 _____
37 BARBARA GRUENSTEIN, Municipal Clerk
38 Date Minutes Approved: August 15, 2006.
39 MC/BG
40

41 *(Copies of Approved Meeting Minutes are available from the Municipal Clerk's Office, 632 West 6th Avenue, Suite 250, Anchorage,*
42 *Alaska, (907)343-4505, or on the Municipal Web Site, www.muni.org ~Assembly~Minutes~year~month~day)*
43