

MUNICIPALITY OF ANCHORAGE
ANCHORAGE ASSEMBLY

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

Minutes for Regular Meeting of August 15, 2006

1. CALL TO ORDER

The Assembly Meeting was convened by Chair Sullivan at 5:02 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.

3. PLEDGE OF ALLEGIANCE Assemblymember Coffey led the pledge.

4. MINUTES OF PREVIOUS MEETINGS

4.A. Regular Meeting – July 11, 2006.

Mr. Coffey moved, to approve the Regular Meeting Minutes
Mr. Traini seconded, of July 11, 2006,

Mr. Coffey requested a correction on Page 6, Line 52, clarifying the resentment against the cruise ship industry.

and this motion, as amended, was passed unanimously.

4.A. Regular Meeting – July 25, 2006.

Mr. Traini moved, to approve the Regular Meeting Minutes
Ms. Jennings seconded, of July 25, 2006,
and this motion was passed unanimously.

5. MAYOR'S REPORT None.

6. ASSEMBLY CHAIR'S REPORT

Chair Sullivan reported that the Alaska Municipal League (AML) had held a conference in Homer over the weekend.

7. COMMITTEE REPORTS

Mr. Stout reported that the Ethics Board would meet on Friday, August 18th, to review the recent draft of the Ethics Act and discuss provisions for municipal employees, including school district employees, elected officials and members of appointed boards and commissions. Following review and incorporation of additional comments from the board, there would be an Assembly Worksession.

Mr. Birch reported on the recent Audit Committee review of the 2006 internal audit reports, concerning real property exemptions and developer deposits. He thanked Mr. Raiskums and the Audit Department for a fine job.

8. ADDENDUM TO AGENDA

Chair Sullivan called for a motion and read the Addendum items. He called for additional items and AM 598-2006, AM 597-2006, AM 596-2006, AO 2006-124 and AR 2006-216 were added and assigned to 9.C.6, 9.C.7, 9.C.8, 9.F.16 and 9.A.3, respectively. He called for a vote to incorporate the Addendum items into the Consent Agenda.

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

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

NAYES: None.

Chair Sullivan called the Question on the Consent Agenda.

Mr. Tesche moved, to approve all items on the Consent Agenda,
Mr. Traini seconded,

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

9. **CONSENT AGENDA**

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

- 9.A.1. Resolution No. AR 2006-199, a resolution of the Anchorage Municipal Assembly and Mayor Mark Begich to honor the many athletes, volunteers, and sponsors and express appreciation for the outstanding community support of the **2006 National Veterans' Wheelchair Games**; Mayor Begich; Assemblymembers Bauer, Birch, Coffey, Fairclough, Jennings, Ossiander, Shamberg, Stout, Sullivan, Tesche and Traini.

Ms. Ossiander requested this item be pulled for review on the Regular Agenda. (*See item 10.A.1*)

- 9.A.2. Resolution No. AR 2006-200, a resolution of the Anchorage Municipal Assembly and Mayor Mark Begich recognizing the **Youth Advisory Commission** for their volunteer service to the community, Mayor Begich; Assemblymembers Bauer, Birch, Coffey, Fairclough, Jennings, Ossiander, Shamberg, Stout, Sullivan, Tesche and Traini.

Ms. Ossiander requested this item be pulled for review on the Regular Agenda. (*See item 10.A.2*)

- 9.A.3. Resolution No. AR 2006-216, a resolution of the Anchorage Municipal Assembly supporting the Anchorage CHARR "**Off the Road**" **Program**; Mayor Begich and Assemblymembers Jennings, Fairclough, Bauer, Birch, Coffey, Ossiander, Shamberg, Stout, Sullivan, Tesche and Traini. (**Laid on the Table**)

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

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

- 9.B.1. Resolution No. AR 2006-201, a resolution of the Municipality of Anchorage appropriating the sum of \$30,300 from the State of Alaska, Department of Transportation & Public Facilities and \$610 as a contribution from the 2006 Anchorage Police Operating Budget, Anchorage Metropolitan Police Service Area Fund (151) to the State Categorical Grants Fund (231) Anchorage Police Department, for the **Impaired Driving and Seat Belt Enforcement Program**; Anchorage Police Department.
a. Assembly Memorandum No. AM 550-2006.
- 9.B.2. Resolution No. AR 2006-202, a resolution of the Municipality of Anchorage appropriating \$14,000 from Mt. Park Estates Limited Road Service Area Fund Balance (Fund 117) to Mt. Park Estates Limited Road Service Area BY2006 Operating Budget (Fund 117) for summer work projects and year round road maintenance services within **Mt. Park Estates Limited Road Service Area**; Maintenance & Operations Department.
a. Assembly Memorandum No. AM 551-2006.
- 9.B.3. Resolution No. AR 2006-203, a resolution of the Municipality of Anchorage appropriating \$20,000 from Upper Grover Limited Road Service Area Fund Balance (Fund 115) to Upper Grover Limited Road Service Area BY2006 Operating Budget (Fund 115) for summer work projects and year round road maintenance services within **Upper Grover Limited Road Service Area**; Maintenance & Operations Department.
a. Assembly Memorandum No. AM 552-2006.
- 9.B.4. Resolution No. AR 2006-204, a resolution of the Municipality of Anchorage appropriating \$60,000 from Valli Vue Estates Limited Road Service Area Fund Balance (Fund 113) to Valli Vue Estates Limited Road Service Area BY2006 Operating Budget (Fund 113) for summer work projects and year round road maintenance services within **Valli Vue Estates Limited Road Service Area**; Maintenance & Operations Department.
a. Assembly Memorandum No. AM 553-2006.

Mr. Birch requested this item be pulled for review on the Regular Agenda. (*See item 10.B.4*)

- 9.B.5. Resolution No. AR 2006-205, a resolution of the Municipality of Anchorage appropriating \$35,000 from the U.S. Fish and Wildlife Service Grant Program to the Federal Grant Fund (241), Project Management & Engineering Department, for the Watershed Management Division's **Little Campbell Creek Watershed Plan**.
a. Assembly Memorandum No. AM 554-2006.
- 9.B.6. Resolution No. AR 2006-206, a resolution appropriating \$87,580 from a Transfer of Responsibilities Agreement (TORA) with the State of Alaska Department of Transportation & Public Facilities (ADOT&PF) and the Municipality of Anchorage (MOA) to the State Categorical Grants Fund (231) for the Anchorage Metropolitan Area Transportation Solutions (AMATS) **MOA Traffic Counts 06-08 Program**; Traffic Department.
a. Assembly Memorandum No. AM 555-2006.
- 9.B.7. Resolution No. AR 2006-213, a resolution of the Anchorage Municipal Assembly in support of state legislation to assist law enforcement in the **identification of witnesses** to violent crimes and felony property crimes; Assemblymember Coffey.

Mr. Coffey requested this item be pulled for review on the Regular Agenda. (*See item 10.B.7*)

- 9.B.8. Resolution No. AR 2006-214, a resolution of appreciation by the Anchorage Municipal Assembly to the executive and legislative branches of the State of Alaska for working together in special session to enact statutory provisions to assist law enforcement in the **identification of witnesses** to violent crimes and felony property crimes; Assemblymember Coffey. (**Addendum**)
- 9.B.9. Resolution No. AR 2006-215, a resolution of the Municipality of Anchorage approving, subject to conditions, an inter-fund loan from the General Cash Pool to the Girdwood Valley Service Area Capital Improvement Fund (Fund 406), to be repaid in full by August 31, 2010, for the purpose of providing interim local funds for the **Girdwood Community Center and Library Project** and to document the local cost share match required to secure a grant from the Denali Commission. (**Addendum**)
a. Assembly Memorandum No. AM 595-2006.

9.C. BID AWARDS

- 9.C.1. Assembly Memorandum No. AM 568-2006, recommendation of award to ASAP Software for furnishing Oracle Database Software, Internet Application Server Software, Service Oriented Architecture Suite for **Oracle Middleware**, and support/upgrade services for Anchorage Water & Wastewater Utility (AWWU) (ITB 26-B051) (\$121,743); Purchasing.
- 9.C.2. Assembly Memorandum No. AM 569-2006, recommendation of award to Braun Northwest, Inc. for furnishing three (3) **mobile intensive care units** (Ambulance Type 1-AD Class 2) to the Municipality of Anchorage, Anchorage Fire Department (AFD) (ITB 26-B042) (\$497,466); Purchasing.
- 9.C.3. Assembly Memorandum No. AM 570-2006, recommendation of award to **World Wide Technology, Inc.** for furnishing miscellaneous Cisco Systems routers, switches, hubs, related hardware/software, SmartNet maintenance and maintenance renewals on an "as required" basis to the Municipality of Anchorage, Information Technology Department (ITB 26-B053) (\$1,200,000); Purchasing.
- 9.C.4. Assembly Memorandum No. AM 571-2006, recommendation of award to Wilder Construction Company for the **2006 Merrill Field Improvement Project** for the Municipality of Anchorage, Merrill Field Airport (ITB 26-C055) (\$1,630,102); Purchasing.
- 9.C.5. Assembly Memorandum No. AM 591-2006, recommendation of award to Construction Unlimited, Inc. for the **2006 Eagle River Park Improvements, Eagle River Commons Trail and Park** for the Municipality of Anchorage, Department of Economic & Community Development (ITB 26-C053) (\$268,655); Purchasing. **(Addendum)**
- 9.C.6. Assembly Memorandum No. 598-2006, recommendation of award to Construction Unlimited, Inc. for the West 43rd Avenue at Wisconsin Street **storm drain replacement** for the Municipality of Anchorage; Project Management & Engineering Department (ITB 26-C059) (\$398,931.50). **(Laid on the Table)**

Ms. Ossiander moved, seconded by Ms. Jennings, to introduce AM 598-2006, and there were no objections.

- 9.C.7. Assembly Memorandum No. 597-2006, recommendation of award to Kanag'Iq Construction, Inc. for the 12th/13th Avenue at P Street **storm drain project** for the Project Management and Engineering Department (ITB 26-C058) (\$478,150.40). **(Laid on the Table)**

Ms. Ossiander moved, seconded by Ms. Jennings, to introduce AM 597-2006, and there were no objections.

- 9.C.8. Assembly Memorandum No. 596-2006, recommendation of award to Wilder Construction Company for the Kincaid Park Road Upgrade for the Municipality of Anchorage; Project Management and Engineering Department (ITB 26-C051) (\$3,398,640). **(Laid on the Table)**

Ms. Ossiander moved, seconded by Ms. Jennings, to introduce AM 596-2006, and there were no objections.

9.D. NEW BUSINESS

- 9.D.1. Assembly Memorandum No. AM 572-2006, **Cooperative Services Authority Executive Director** appointment (Neil Gunn); Mayor's Office.

Ms. Ossiander requested this item be pulled for review on the Regular Agenda. *(See item 10.D.1)*

- 9.D.2. Assembly Memorandum No. AM 573-2006, **Lakehill Limited Road Service Areas Board of Supervisors** appointment (Allen Price); Mayor's Office.
- 9.D.3. Assembly Memorandum No. AM 574-2006, **Totem Limited (Road) Service Area Board of Supervisors** appointment (Matt Kurchinski); Mayor's Office.
- 9.D.4. Assembly Memorandum No. AM 575-2006, **Valli Vue Limited Road Service Area Board of Supervisors** appointment (William Rathke); Mayor's Office.

Mr. Birch requested this item be pulled for review on the Regular Agenda. *(See item 10.D.4)*

- 9.D.5. Assembly Memorandum No. AM 576-2006, **Youth Advisory Commission** appointments (Patricia Posey, Karl Wing, Cody Graham, Frank Schlehofer, Raquel Schroeder, Seth Weaver, Meena Ganesan, Michael McCambridge); Mayor's Office.
- 9.D.6. Assembly Memorandum No. AM 577-2006, proprietary purchase of computer software update license and support renewal from **Oracle Corporation** for the Municipality of Anchorage, Anchorage Water & Wastewater Utility (AWWU) (\$60,209.67); Purchasing.
- 9.D.7. Assembly Memorandum No. AM 578-2006, proprietary contract to Bio-Key International for providing professional services to develop an interface for the **PacketWriter Mobile Data System** for the Municipality of Anchorage, Police Department (\$40,000); Purchasing.
- 9.D.8. Assembly Memorandum No. AM 579-2006, proprietary purchase of **Stryker Power-Pro XT (6500) ambulance cots** from Stryker Medical for the Municipality of Anchorage, Anchorage Fire Department (AFD) (\$69,992.96); Purchasing.
- 9.D.9. Assembly Memorandum No. AM 580-2006, recommendation of award to New Dawn Technologies for providing a **Prosecution Case Management System** for the Municipality of Anchorage, Information Technology Department (IT) (RFP 26-P008) (\$344,737.75); Purchasing.
- 9.D.10. Assembly Memorandum No. AM 581-2006, proprietary purchase of computer software maintenance from **SirsiDynix Corporation** for the Municipality of Anchorage, Department of Economic and Community Development, Loussac Library (\$74,173.84); Purchasing.
- 9.D.11. Assembly Memorandum No. AM 582-2006, approval of Amendment No. 7 to Alaska Pollution Control, Inc. contract (PO No. 231572) increasing the contract by \$13,240 to an amount NTE \$555,720 for year round road maintenance and BY2006 summer work program services within **Birch Tree/Elmore Limited Road Service Area** (LRSA); Maintenance & Operations Department.
- 9.D.12. Assembly Memorandum No. AM 583-2006, approval of Amendment No. 5 to Alaska Pollution Control, Inc. Contract-Schedule 1 (PO No. 230993) increasing the Contract-Schedule 1 amount by \$39,000 for a Contract-Schedule 1 amount Not-To-Exceed (NTE) \$106,500 for BY2006 summer work program

- 1 services within **Mt. Park Estates Limited Road Service Area** (LRSA) on an "as required" basis;
2 Maintenance & Operations Department.
- 3 9.D.13. Assembly Memorandum No. AM 584-2006, proprietary purchase from GE Energy Parts, Inc. to furnish
4 a **1st stage nozzle kit** for Turbine Unit Number 8 to the Municipality of Anchorage, Municipal Light &
5 Power (ML&P) (\$1,141,151.79); Purchasing.
- 6 9.D.14. Assembly Memorandum No. AM 585-2006, proprietary contract with **Jaffa Construction, Inc.** for
7 mechanical service crews on an "as needed" basis for the Municipality of Anchorage, Municipal Light
8 & Power (\$400,000); Purchasing.
- 9 9.D.15. Assembly Memorandum No. AM 586-2006, professional lobbying services with **Birch, Horton, Bittner**
10 **and Cherot** (BHBC) for the Municipality of Anchorage, Municipal Light & Power (\$29,000);
11 Purchasing.
- 12

13 Ms. Ossiander requested this item be pulled for review on the Regular Agenda. (*See item 10.D.15*)

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- 15 9.D.16. Assembly Memorandum No. AM 587-2006, proprietary purchase of computer software maintenance
16 from **Environmental Systems Research Institute, Inc.** (ESRI) for the Municipality of Anchorage,
17 Planning Department (\$41,160.80); Purchasing.
- 18 9.D.17. Assembly Memorandum No. AM 588-2006, recommendation of award to DOWL Engineers for
19 providing professional engineering services for the **40th Avenue Extension/Upgrade Project** (Project
20 F) for the Municipality of Anchorage, Project Management & Engineering Department (RFP 26-P013)
21 (\$722,000); Purchasing.
- 22 9.D.18. Assembly Memorandum No. AM 589-2006, reimbursable agreement with the Alaska Railroad
23 Corporation (ARRC) for the **Northwood Drive Upgrade – Spenard Road to International Airport**
24 **Road Project** for the Municipality of Anchorage, Project Management & Engineering Department
25 (\$232,804.40); Purchasing.
- 26 9.D.19. Assembly Memorandum No. AM 590-2006, Change Order No. 1 to Purchase Order 260422 with SCS
27 Engineers for providing professional services to conduct a **Landfill Gas Monitoring and Compliance**
28 **Support Program** for the Municipality of Anchorage, Solid Waste Services (\$72,000); Purchasing.
- 29 9.D.20. Assembly Memorandum No. AM 592-2006, proprietary purchase of **DriveCam wired event recorders**
30 from DriveCam, Inc. for the Municipality of Anchorage, Public Transportation Department (\$62,492);
31 Purchasing. (**Addendum**)
- 32

33 **9.E. INFORMATION AND REPORTS**

- 34 9.E.1. Information Memorandum No. AIM 85-2006, Internal Audit Reports 2006-13 – **Developer Deposits,**
35 **Project Management and Engineering**; Internal Audit Department.
- 36

37 Mr. Bauer requested this item be pulled for review on the Regular Agenda. (*See item 10.E.1*)

38

- 39 9.E.2. Information Memorandum No. AIM 86-2006, Internal Audit Report 2006-14 – **Real Property**
40 **Exemption, Property Appraisal Division, Finance Department**; Internal Audit Department.
- 41

42 Ms. Ossiander requested this item be pulled for review on the Regular Agenda. (*See item 10.E.2*)

43

- 44 9.E.3. Information Memorandum No. AIM 87-2006, **Anchorage Water & Wastewater Utility Monthly**
45 **Report**.
- 46 9.E.4. Information Memorandum No. AIM 88-2006, Municipality of Anchorage Operating Policy/Procedure
47 24-11 - Quarterly Report of **Brokerage and Investments Firms Dollar Volume January 1, 2006 thru**
48 **March 31, 2006**; Finance.
- 49 9.E.5. Information Memorandum No. AIM 89-2006, Quarterly Status Report **Cash Pool Investment Policies**
50 **and Practices Review**, Finance
- 51 9.E.6. Information Memorandum No. AIM 90-2006, **ML&P's 2006 Dividend and Gross Receipts Payment**
52 **to General Government**; Municipal Light & Power.
- 53

54 Ms. Jennings requested this item be pulled for review on the Regular Agenda. (*See item 10.E.6*)

55

- 56 9.E.7. Information Memorandum No. AIM 91-2006, Notice of Award to Tam Construction, Inc. for the
57 **Bayshore Drive Improvements and Marathon Circle Road Improvement District** for the
58 Municipality of Anchorage, Project Management and Engineering (26-C041) (\$4,504,363.30);
59 Purchasing.
- 60 9.E.8. Information Memorandum No. AIM 92-2006, Notice of Award to H. Watt & Scott, Inc. for the **Abbott**
61 **Loop Community Park Improvements – Phase II Project** for the Municipality of Anchorage, Project
62 Management and Engineering (26-C052) (\$1,241,619.65); Purchasing.
- 63 9.E.9. Information Memorandum No. AIM 93-2006, Notice of Award to Construction Unlimited, Inc. for the
64 **Fire Lake Dam Rehabilitation Project** for the Municipality of Anchorage, Project Management &
65 Engineering (26-C054) (\$825,372.70); Purchasing.
- 66 9.E.10. Information Memorandum No. AIM 94-2006, **contracts awarded between \$50,000 and \$100,000**
67 **through formal competitive processes** for the month of June 2006, Purchasing.
- 68 9.E.11. Information Memorandum No. AIM 95-2006, **Sole Source Procurement Report** for the month of June
69 2006; Purchasing.
- 70

71 **9.F. ORDINANCES AND RESOLUTIONS FOR INTRODUCTION**

- 72 9.F.1. Ordinance No. AO 2006-116, an ordinance amending Anchorage Municipal Code Chapter 8.30 to add
73 a new section prohibiting **unlawful contact**; Legal Department. (*Public Hearing 8-29-06*)
74 a. Assembly Memorandum No. AM 562-2006.
- 75 9.F.2. Ordinance No. AO 2006-117, an ordinance amending Anchorage Municipal Code Section 11.30.040
76 to prohibit individuals required to register as sex offenders or child kidnappers, pursuant to AS
77 12.63.010, from obtaining a **chauffeur license**; Transportation Inspection. (*Public Hearing 8-29-06*)
78 a. Assembly Memorandum No. AM 563-2006.
- 79 9.F.3. Ordinance No. AO 2006-118, an ordinance authorizing a non-exclusive electric easement across
80 municipal property to Chugach Electric Association, Inc., within **Tract B, Soccer and Baseball**

- Subdivision**, Plat No. 98-53, at the South Anchorage Sports Complex located near West Klatt Road and Tower Road, Tax #019-011-10; Project Management & Engineering. (*Public Hearing 8-29-06*)
- a. Assembly Memorandum No. AM 564-2006.
- 9.F.4. Ordinance No. AO 2006-119, an ordinance authorizing a non-exclusive electrical easement across municipal property to Chugach Electric Association, Inc., at **Chester Valley School Subdivision**, Plat No. 69-137, within SE 1/2 NW 1/4 of Section 24, T13N, R3W, S.M., Alaska, located at the Chester Valley School site adjacent to Patterson Street, Tax #006-218-02; Project Management & Engineering. (*Public Hearing 8-29-06*)
- a. Assembly Memorandum No. AM 565-2006.
- 9.F.5. Ordinance No. AO 2006-120, an ordinance of the Municipality of Anchorage authorizing **withdrawal of Heritage Land Bank (HLB) Parcel #3-059** from the HLB inventory and transfer of the parcel to the Real Estate Services Division with Parks and Recreation Department Management Authority, for a future dedicated park; Heritage Land Bank. (*Public Hearing 8-29-06*)
- a. Assembly Memorandum No. AM 566-2006.
- 9.F.6. Ordinance No. AO 2006-121, an ordinance of the anchorage Municipal Assembly amending Anchorage Municipal Code Sections 21.35.020, 21.40.070, 21.40.080, 21.40.090, 21.40.100, 21.40.110, 21.40.115, 21.40.117, 23.10.Table 3-I, and 23.85.AE102.7.2. to allow the **temporary use of motor homes and recreational vehicles** with self-contained sanitation systems as temporary living quarters, under certain conditions, in certain zoning districts for a limited period of time during construction, repair or rehabilitation of a permanent dwelling; Assemblymember Coffey. (*Public Hearing 9-26-06*)
- a. Assembly Memorandum No. AM 567-2006.
- 9.F.7. Resolution No. AR 2006-195, a resolution confirming the assessment roll and levying special assessments for services on property specially benefited in the **Downtown Business Improvement District**, Special Assessment District 1SD97, setting the dates of assessment, and providing for assessment billing, payment due dates, application of payments, delinquency, penalties, interest and costs for delinquency and enforcement and appropriating the sum of \$684,092 in assessment revenues when tendered to Special Assessment Fund 271 for services benefiting the property owners in Special Assessment District 1SD97; Office of Economic & Community Development. (*Public Hearing 8-29-06*)
- a. Assembly Memorandum No. AM 544-2006.
- 9.F.8. Resolution No. AR 2006-207, a resolution of the Municipality of Anchorage, Alaska, accepting and appropriating a State of Alaska Drinking Water Fund loan offer in the amount of \$1,500,000 for financing a portion of the costs of the **SCADA - Water Project**; Anchorage Water & Wastewater Utility. (*Public Hearing 8-29-06*)
- a. Assembly Memorandum No. AM 556-2006.
- 9.F.9. Resolution No. AR 2006-208, a resolution of the Municipality of Anchorage, Alaska, accepting and appropriating a State of Alaska Drinking Water Fund loan offer in the amount of \$606,000 for financing a portion of the costs of the **Arctic Boulevard, 32nd to 36th Avenue Water Upgrade Project**; Anchorage Water & Wastewater Utility. (*Public Hearing 8-29-06*)
- a. Assembly Memorandum No. AM 557-2006.
- 9.F.10. Resolution No. AR 2006-209, a resolution of the Municipality of Anchorage appropriating \$360,328 from the State and Federal Seized and Forfeited Monies from the Police Investigation Fund (257) awarded from street level narcotics and vice cases by the U.S. Drug Enforcement Agency and the State Court System, to the **Police Investigation Fund** (257) for use by the Anchorage Police Department. (*Public Hearing 8-29-06*)
- a. Assembly Memorandum No. AM 558-2006.
- 9.F.11. Resolution No. AR 2006-210, a resolution of the Municipality of Anchorage appropriating \$939,452 from the State of Alaska, Department of Health and Social Services; and appropriating \$270,000 from the 2006 General Government Operating Budget, Department of Health and human Services Areawide General Fund (101) to the State Categorical Grants Fund (231), Department of Health and Human Services to fund the **Human Services Matching Grant Program** via contractual services agreement with United Way of Anchorage; Health and Human Services. (*Public Hearing 8-29-06*)
- a. Assembly Memorandum No. AM 559-2006.
- 9.F.12. Resolution No. AR 2006-211, a resolution of the Anchorage Municipal Assembly appropriating a grant in the amount of \$103,914 from the State of Alaska, Division of Alaska State Troopers, to the Department of Law, State Categorical Grants Fund (231), for administering the **Anti-Gang Initiative Program** in the Department of Law, and appropriating \$2,190 as a contribution from the Department of Law Operating Budget Fund (101) to the State Categorical Grants Fund (231); Legal Department. (*Public Hearing 8-29-06*)
- a. Assembly Memorandum No. AM 560-2006.
- 9.F.13. Resolution No. AR 2006-212, a resolution of the Municipality of Anchorage appropriating \$280,000 from the Federal Office for Domestic Preparedness, **Metropolitan Medical Response System (MMRS) Grant Program**, to the Federal Categorical Grants Fund (241), Office of Emergency Management, for training, equipment, medical supplies and public education to enhance emergency response to mass casualty incidents; Office of Emergency Management. (*Public Hearing 8-29-06*)
- a. Assembly Memorandum No. AM 561-2006.
- 9.F.14. Ordinance No. AO 2006-122, an ordinance authorizing the Municipality of Anchorage to grant a revocable use permit to Alaska Digitel, LLC, for **telecommunication equipment in Kincaid Park**; Real Estate Services. (*Public Hearing 8-29-06*) (**Addendum**)
- a. Assembly Memorandum No. AM 593-2006.
- 9.F.15. Ordinance No. AO 2006-123, an ordinance authorizing a non-exclusive electrical easement to Chugach Electric Association, Inc. across Tax Parcel No. 008-111-02, located within **Section 34, T13N, R3W, S.M.**, at Far North Bicentennial Park, south of Tudor Road; Project Management & Engineering Department. (*Public Hearing 8-29-06*)
- a. Assembly Memorandum No. AM 594-2006. (**Addendum**)
- 9.F.16. Ordinance No. AO 2006-124, an ordinance authorizing **disposal of a portion of Tract "B," T13N, R2W, Section 12** at fair market value to Park Improvement Project LLC; Assemblymember Birch. (**Laid on the Table**) (*Public Hearing 8-29-06*)

Mr. Birch moved, *to introduce* AO 2006-124 with Public Hearing set for
Mr. Coffey seconded, August 29, 2006,
Mr. Traini was the concurring third.

Ms. Fairclough requested a Summary of Economic Effects accompany the ordinance. Mr. Birch concurred.

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

and this motion, as amended, was passed.

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

NAYES: None.

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

END OF CONSENT AGENDA

10. REGULAR AGENDA

10.A. RESOLUTIONS FOR ACTION - PROCLAMATIONS AND RECOGNITIONS None.

10.A.1. Resolution No. AR 2006-199, a resolution of the Anchorage Municipal Assembly and Mayor Mark Begich to honor the many athletes, volunteers, and sponsors and express appreciation for the outstanding community support of the **2006 National Veterans' Wheelchair Games**; Mayor Begich; Assemblymembers Bauer, Birch, Coffey, Fairclough, Jennings, Ossiander, Shamberg, Stout, Sullivan, Tesche and Traini.

Ms. Ossiander moved, *to approve* AR 2006-199.
Ms. Jennings seconded,
and this was passed without objection.

Ms. Ossiander read and Mr. Stout presented the resolution to participants of the recent 2006 National Veterans' Wheelchair Games. Accepting the resolution were Alex Spector, Director of the Alaska Veterans' Healthcare System, Don Peters II, Athlete with the Alaska Disabled Veterans' Sports Program, Inc. and Char McClelland, President of Alaska Destination Specialists, who thanked the Municipality for the support and thanked all athletes who participated with the events. Municipal Administrator Michael Johnson was recognized for his assistance and coordination of the games. Mr. Peters thanked the community for supporting this event.

10.A.2. Resolution No. AR 2006-200, a resolution of the Anchorage Municipal Assembly and Mayor Mark Begich recognizing the **Youth Advisory Commission** for their volunteer service to the community, Mayor Begich; Assemblymembers Bauer, Birch, Coffey, Fairclough, Jennings, Ossiander, Shamberg, Stout, Sullivan, Tesche and Traini.

Ms. Ossiander moved, *to postpone* AR 2006-200 to August 29, 2006,
Mr. Coffey seconded,
and this was approved without objection.

10.A.3. Resolution No. AR 2006-216, a resolution of the Anchorage Municipal Assembly supporting the Anchorage CHARR "**Off the Road**" Program; Mayor Begich and Assemblymembers Jennings, Fairclough, Bauer, Birch, Coffey, Ossiander, Shamberg, Stout, Sullivan, Tesche and Traini. (**Laid on the Table**)

Ms. Jennings moved, *to approve* AR 2006-216,
Ms. Ossiander seconded,
and this was approved without objection.

Ms. Fairclough read and Ms. Jennings presented the resolution to Silvia Villamides, Executive Director of the Anchorage Cabaret, Hotel, Restaurant and Retailers Association (CHARR). Ms. Villamides accepted the resolution on behalf of the board and members of Anchorage CHARR, and thanked Mayor Begich and the Assembly for the recognition. She thanked John Pattee' for his efforts and Representative Tom Anderson for his sponsoring State House Bill 423, supporting the "Off the Road Program."

10.B. RESOLUTIONS FOR ACTION - OTHER

10.B.4. Resolution No. AR 2006-204, a resolution of the Municipality of Anchorage appropriating \$60,000 from Valli Vue Estates Limited Road Service Area Fund Balance (Fund 113) to Valli Vue Estates Limited Road Service Area BY2006 Operating Budget (Fund 113) for summer work projects and year round road maintenance services within **Valli Vue Estates Limited Road Service Area**; Maintenance & Operations Department.
a. Assembly Memorandum No. AM 553-2006.

Mr. Birch moved, *to approve* AR 2006-204,
Ms. Ossiander seconded,

Mr. Birch declared a possible conflict of interest because he was a homeowner in Valley Vue Estates. Chair Sullivan ruled he did not have a conflict of interest and ordered him to participate with this matter. There were no objections.

and this motion was approved without objection.

10.B.7. Resolution No. AR 2006-213, a resolution of the Anchorage Municipal Assembly in support of state legislation to assist law enforcement in the **identification of witnesses** to violent crimes and felony property crimes; Assemblymember Coffey.

Mr. Coffey moved, *to postpone indefinitely* AR 2006-213,
Mr. Traini seconded,
and this was passed without objection.

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

10.D. NEW BUSINESS

10.D.1. Assembly Memorandum No. AM 572-2006, **Cooperative Services Authority Executive Director** appointment (Neil Gunn); Mayor's Office.

Ms. Ossiander moved, *to approve* AM 572-2006,
Mr. Stout seconded,

Ms. Ossiander thanked Mr. Neil Gunn for his willingness to serve as the newly appointed Executive Director of the Cooperative Services Authority (CSA) Board. To her question, he responded that he did own IFR Associates, which was formed as a consultant to the CSA Board. To avoid any possible conflict of interest he would cease his involvement with IFR while serving as the CSA Executive Director. Mr. Stout congratulated him on his appointment.

To Mr. Stout, Deputy Municipal Manager Michael Abbott responded the CSA was formed to help lower the costs of procurements of goods and services and would be a computer-based system. The operating costs were recovered through fees charged to the customers.

Ms. Ossiander requested a worksession for an update on the total actual savings.

Ms. Shamberg stated that Mr. Gunn had many ideas on how the city could save money and she thanked him for his service.

To Mr. Birch, Mr. Gunn responded that IFR Associates would not be associated with the CSA. The software used by CSA was provided by another firm, which was contracted to the Municipality of Anchorage (MOA).

To Chair Sullivan, Chief Fiscal Officer Jeff Sinz responded that the CSA was the recipient of a loan from the MOA building fund, to provide working capital and pay for the initial set up, including the software program. The terms of the loan required repayment over a five year period, which was on schedule.

and this motion was passed without objection.

10.D.4. Assembly Memorandum No. AM 575-2006, **Valli Vue Limited Road Service Area Board of Supervisors** appointment (William Rathke); Mayor's Office.

Mr. Birch moved, *to approve* AM 575-2006,
Ms. Ossiander seconded,

Mr. Birch declared a possible conflict of interest because he was a homeowner in Valley Vue Estates. Chair Sullivan ruled he did not have a conflict of interest and ordered him to participate in this matter. There were no objections.

and this motion was approved without objection.

10.D.15. Assembly Memorandum No. AM 586-2006, professional lobbying services with **Birch, Horton, Bittner and Cherot** (BHBC) for the Municipality of Anchorage, Municipal Light & Power (\$29,000); Purchasing.

Ms. Ossiander moved, *to approve* AM 586-2006,
Mr. Stout seconded,

Ms. Ossiander stated concerns remained on the properties covered by the North Anchorage Land Agreement (NALA), including any potential release of lands controlled by the Military Bases. She proposed to postpone until after NALA's September 11th meeting, to get their response.

Ms. Ossiander moved, *to postpone* AM 586-2006 until September 12th,
Ms. Jennings seconded,
and this was approved without objection.

Mr. Birch requested the Administration provide updated information on municipal land entitlements and selections.

Mr. Bauer requested information and maps for Sections 23-25.

To Mr. Coffey, Deputy Municipal Manager Michael Abbott responded that Mr. Silver was the participating Municipal Lobbyist and that Municipal Light and Power was the funding source.

Ms. Fairclough requested that this be put on the NALA Agenda. Mr. Abbott concurred.

10.E. INFORMATION AND REPORTS

10.E.1. Information Memorandum No. AIM 85-2006, Internal Audit Reports 2006-13 – **Developer Deposits, Project Management and Engineering**; Internal Audit Department.

Mr. Bauer moved, *to accept* AIM 85-2006,

Mr. Coffey seconded,

Mr. Bauer thanked Municipal Auditor Pete Raiskums for his audit report. To his question, Municipal Engineer Howard Holtan responded that developers were billed for municipal services supplied until all improvements were completed and the subdivision was accepted by the city. They were considering a flat fee schedule to eliminate withholding funds being repaid to developers, while the subdivision improvements were being completed.

To Ms. Fairclough, Mr. Holtan responded they hoped to have an ordinance before the Assembly in early 2007. Ms. Fairclough responded if there was not an ordinance ready by January, she would propose revisions to Municipal Code.

and this was accepted without objection.

10.E.2. Information Memorandum No. AIM 86-2006, Internal Audit Report 2006-14 – **Real Property Exemption, Property Appraisal Division, Finance Department**; Internal Audit Department.

Ms. Ossiander moved, to accept AIM 86-2006,
Mr. Coffey seconded,

Ms. Ossiander thanked the Internal Audit Department for the report and requested a worksession on this matter. Municipal Clerk Barbara Gruenstein scheduled a worksession for September 8th, from 10:00 to 11:00 a.m.

Ms. Fairclough requested that the State Assessor be invited to the discussion of exemptions at the worksession. Ms. Shamberg, Mr. Coffey and Traini concurred.

and this motion was accepted without objection.

10.E.6. Information Memorandum No. AIM 90-2006, **ML&P's 2006 Dividend and Gross Receipts Payment** to General Government; Municipal Light & Power.

Ms. Ossiander moved, to accept AIM 90-2006,
Mr. Coffey seconded,

Municipal Light and Power (*ML&P*) General Manager Jim Posey presented two dividend checks to the city. The Regulatory Commission of Alaska had restricted ML&P from paying dividends until recently. They had implemented a business plan three years ago, had improved the debt-equity ratio and business plan and were offering a dividend to the city in the amount of \$7.4 million.

To Mr. Coffey, Deputy Municipal Manager Michael Abbott responded that this was an important event and that the dividend checks would help pay for additional services for the Municipality.

Ms. Fairclough reported the ML&P check amounts were \$5,964,169.00 and \$1,462,675.00.

To Mr. Tesche, Mr. Posey responded the money would help to ease burdens to Anchorage taxpayers.

Ms. Shamberg thanked Mr. Posey for his professional guidance and management that made the dividend checks possible.

Mr. Traini thanked Mr. Posey and stated that it was his leadership that had gotten the Municipality to this point.

and this motion was passed without objection.

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

11. OLD BUSINESS AND UNFINISHED ACTION ON PUBLIC HEARING ITEMS

- 11.A. Ordinance No. AO 2006-86, an ordinance of the Anchorage Municipal Assembly repealing and reenacting Anchorage Municipal Code Chapter 16.65, Prohibition of Smoking in Public Places, to extend **secondhand smoke control**; Assemblymembers Traini, Coffey, Jennings, Shamberg, Stout and Tesche.
1. Assembly Memorandum No. AM 365-2006.
 2. Information Memorandum No. AIM 70-2006.
 3. Assembly Memorandum No. AM 457-2006.
 4. Ordinance No. AO 2006-86(S), an ordinance of the Anchorage Municipal Assembly repealing and reenacting Anchorage Municipal Code Chapter 16.65, Prohibition of Smoking in Public Places, to extend **secondhand smoke control**; Assemblymembers Traini ~~and~~ Coffey, Jennings, Shamberg and Tesche. (**Addendum**) (*Carried Over from 7-11-06; Public Hearing was Closed 7-25-06; Action was Carried Over from 7-25-06*)

Mr. Coffey moved, to approve AO 2006-86(S),
Mr. Traini seconded,

Mr. Coffey stated that the public health concern with secondhand smoke had been addressed by the Surgeon General's Report. National studies on economic effects to businesses and the community had indicated there were no adverse economic consequences resulting from a change in the practice, so long as there were not alternatives, such as having other communities in close proximity that did not have a smoking ban. The proposed effective date of July 1, 2007 was supported by the Anchorage Chamber of Commerce and was an appropriate amount of time for businesses to make adjustments. He and Mr. Traini had worked on this ordinance for the past year and completed in-depth research to best understand the facts. He supported a level playing field and would not support exemptions, such as allowances for private clubs or for smoking rooms. He quoted a memorandum from the ABC's Chief of Enforcement to the Executive Director, which indicated that private clubs did not comply with the laws. Enforcement

was to no avail. The ordinance was introduced to address the public health concern specifically to protect employees from secondhand smoke. He urged a NO-vote on exemptions and a YES-vote on AO 2006-86(S), as written.

To Ms. Ossiander, Mr. Coffey responded that allowable setbacks for restaurants were included on Page 4. Specific language of 'sports arenas' was not included because there were no references to sports arenas within the amended law. Seating areas of outdoor arenas and stadiums and amphitheatres were included. Mr. Coffey responded that reference to 'sports arena' on Page 3 could be deleted, but it really wasn't necessary. Changes to child care were intended to apply to people who were not licensed. Ms. Ossiander opposed and proposed to amend. Mr. Bauer concurred and stated that this involved the private home where parents were responsible.

Ms. Ossiander moved, to amend AO 2008-86(S) on Page 3, Lines 34-37 and Page
Mr. Bauer seconded, 4, Lines 37-41, A.6, *by deleting* ~~[All enclosed areas where a
person provides child care on a fee for service basis];~~

Mr. Traini, Ms. Shamberg and Mr. Tesche stated their opposition.

and this motion failed, 4-8.

AYES: Bauer, Fairclough, Sullivan and Ossiander.

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

Ms. Fairclough moved, to amend AO 2008-86(S) on Page 4, *by changing* to read;
Mr. Bauer seconded, A.4. Private residences, except enclosed areas of private residence during the time [unless] child care is provided in the residence on a fee for service basis [offered on the premises by person(s) other than the child's parent]. Individuals providing day care on a fee for service basis shall not expose children to secondhand smoke.
A.5. United States military and war veterans clubs recognized by national charter and granted an exemption from the payment of federal income tax as a club under 26 U.S.C. Section 501 that are in operation at the time of passage of this ordinance may apply for a special exception under this subsection if the veterans club is the sole occupant of the building.
a. A veteran club shall apply to the Department of Health and Human Services for a special exception under 16.65.030A.5 and the application shall demonstrate that by means of a written ballot taken at least once every 3 years, a majority of the members of the veterans club have affirmatively voted to allow smoking. The veterans club must be the sole occupant of the building.
b. An authorized officer of the club shall certify that the vote was taken by secret ballot and that the date of the vote was announced to all club members at least 14 days prior to the vote. All ballots cast in the vote must be kept on file for at least 3 years; and ballots must be made available for review upon request of the Department of Health and Human Services.
c. A special exception under 16.65.030A.5 shall not permit smoking in an enclosed area of a veterans club when the enclosed area is being used for a purpose, event or function to which the general public is invited.;

Ms. Fairclough supported civil liberties and rights to freedom. She supported veterans who had maintained Americans' freedoms and the right to chose.

Mr. Traini opposed this amendment and any other exemptions. Military bases now had smoking restrictions.

Mr. Tesche concurred and stated there was no reason to treat employees of veterans' organizations differently than other employees. He supported a level playing field.

Mr. Bauer opposed the amendment because the military was now opposed to smoking on bases. He and many American Legions and Veterans of Foreign War (VFW) Post members did not frequent their clubs because of the smoking. He supported a fair and level playing field with all clubs in town.

Ms. Fairclough stated that she recognized the dangers and health implications of smoking, but the Federal Government should deal with matters concerning adults consuming legal products by free will. Americans posted the dangers of drinking alcohol. She urged consideration of a similar policy for establishments requiring notification that secondhand smoke was a health danger. She supported individuals' right to choose.

Chair Sullivan called the Question on the motion to approve the Fairclough Amendment.

and this motion failed, 3-8.

AYES: Fairclough, Sullivan and Ossiander.

NAYES: Tesche, Shamberg, Bauer, Birch, Coffey, Stout, Traini and Jennings.

Ms. Fairclough moved,
Ms. Ossiander seconded,

to amend AO 2006-86(S) on Page 4, Line 41, *by adding a new Section 5* to read; "Within a designated enclosed area inside a bingo hall if (a) such enclosed area has a separate exhaust system and (b) the delivery or furnishing of, or the taking of orders for, food or beverages or other services (including but not limited to bingo cards or prizes) by any employee during business hours is prohibited.";

Ms. Fairclough stated that she had visited a bingo hall with a \$300,000 ventilation system and she could not smell smoke. There were many businesses in the community that had invested hundreds of thousands of dollars to come into compliance with the previous ordinance. If the Assembly continued to vote down all amendments, she urged consideration of allowing tax credits for those businesses that had come into compliance.

Mr. Coffey read an email from a constituent who used to frequent bingo halls and complained of the lingering smoke, even in the non-smoking area. She now chose to stay away from bingo halls because of the smoke. The National Association of Heating, Ventilating and Air Conditioning and the Surgeon General had reported that there was no adequate ventilation system that would clear the air of secondhand smoke.

Ms. Ossiander stated there was one bingo hall that had not come into compliance with the previous ordinance and she encouraged enforcement. Ms. Fairclough's exemption was reasonable and she urged support.

Mr. Tesche would not support exemptions. There was no difference between employees of bingo halls and employees of other establishments. It was important for the government to protect people's health. It was a simple matter to take it outside. He opposed the amendment.

Ms. Fairclough stated that, as the Executive Director of Standing Together Against Rape (STAR), her agency had not been a recipient of any gaming activities while she was Executive Director. When this matter was before the Assembly in 2004, she had supported protection of children from secondhand smoke, by not allowing smoking in restaurants. She urged support for her amendment. Gaming facilities and other non-profit industries operated on a very tight margin and contributed enormous amounts of money to the economy, giving regularly to charitable causes in the community.

Mr. Traini opposed this amendment and all other exemptions.

Mr. Bauer stated that while he supported many of Ms. Fairclough's thoughts, he believed a level playing field was fair. He had visited a bingo hall where he could smell smoke and had found an employee smoking. He opposed.

Mr. Coffey stated that he had studied the changes in the bingo industry across the nation and had concluded the dire prediction of economic consequence and disaster was unfounded. It was reasonable for a smoker to take it outside to reduce the element of harm to others. He opposed the Fairclough Amendment.

Mr. Tesche stated that the numbers of smokers in bingo halls had decreased over the past couple of years. Statistics of bingo halls indicated there would be little difference with their giving to charities.

Chair Sullivan stated that when the Assembly had addressed this matter in 2000, they had allowed exemptions for bingo halls with exhaust systems. But this had not taken into consideration the protection to employees. The Fairclough Amendment offered that protection.

Ms. Shamberg stated that even the smoking room in bingo halls would need service from employees. Ms. Fairclough responded that individuals who stayed in the smoking rooms went to the front counter to purchase more bingo cards.

Chair Sullivan called the Question.

and this motion failed, 3-8.

AYES: Fairclough, Sullivan and Ossiander.

NAYES: Tesche, Shamberg, Bauer, Birch, Coffey, Stout, Traini and Jennings.

Ms. Fairclough moved,
Ms. Ossiander seconded,

to amend AO 2006-86(S) on Page 6, Line 42, *by changing* ~~[July 1, 2007]~~ to "September 1, 2007,"

Ms. Fairclough stated the matter of secondhand smoking was a rights issue and a health issue and thanked the Assembly for the opportunity for further debate. The amendment would allow more time for the retailers in the community the opportunity to implement new business plans and make changes with the new smoking restrictions.

and this motion failed, 5-6.

AYES: Bauer, Fairclough, Sullivan and Ossiander and Birch.

NAYES: Tesche, Shamberg, Coffey, Stout, Traini and Jennings.

Mr. Bauer moved,
Ms. Shamberg seconded,
and this motion was later withdrawn.

to amend AO 2006-86(S) on Page 6, Line 42, *by changing* ~~[July 1, 2007]~~ to "April 15, 2007,"

Mr. Bauer offered an effective date of April 15, 2007, so the implementation would not interrupt the tourist season.

Mr. Coffey stated that business owners had indicated they needed time to adjust their business plans. The Anchorage Chamber of Commerce recommended one year. He supported allowing the additional time for the businesses to make the changes.

Mr. Traini supported the July 1st date, which was supported by the Anchorage Chamber of Commerce.

Mr. Bauer withdrew his motion, with the concurrence of Ms. Shamberg.

Mr. Bauer stated the allowed distances outside of business entrances, might impede on other businesses in close proximity, such as strip malls. Mr. Coffey responded the allowance was 5 feet for licensed alcoholic beverage establishments and 20 feet for restaurants not licensed. All hospitals and clinics would remain at 50 feet. Mr. Bauer declined to offer his amendment to change the allowed distance.

Mr. Bauer moved,
Ms. Shamberg seconded,

to amend AO 2006-86(S) on Page 4, Line 19, *by changing* to read, A. Smoking is not prohibited in the following places:
1. A maximum of twenty-five percent of hotel and motel sleeping rooms rented to guests designated as smoking room if the hotel or motel designates at least 75% of its guest rooms as permanently non-smoking. "Designated smoking guest rooms shall be located a reasonable distance from non-smoking rooms and isolated by floor or wing where practicable. Where guest rooms are mechanically ventilated, the ventilation system serving designated smoking rooms shall be separate and exhausted sufficiently distant from all air intake so as to prevent re-circulation to interior non-smoking areas.";

Mr. Bauer stated this would help meet the ordinance's intent, by separating smoking areas in hotels and motels.

Mr. Coffey stated there were no scientific studies on risks of incidental smoke associated with exposure by employees in hotel rooms. Studies indicated that risk increased with increased exposure to secondhand smoke. The amendment was a bit extreme. To his question, Mr. Bauer responded there had been no discussions with the hotels on this matter.

Chair Sullivan stated there was no data on exposure to smoke in hotel rooms. A hotel room was not personal, protected property, but a commercial enterprise, subject to the same laws as other businesses. Employees of all businesses deserved protection.

and this motion failed, 3-8.

AYES: Shamberg, Bauer and Sullivan.

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

Mr. Bauer moved,
Ms. Fairclough seconded,

to amend AO 2006-86(S) on Page 4, Line 29, Section 1, *by adding* a new subsection, to read,
"5. A designated smoking area or room of a retail tobacco store when the tobacco store's exclusive business is the sale of tobacco products and tobacco accessories, provided that:
a. The smoking area is used solely for the purpose of customer sampling of merchandise for sale on the premises such as cigars and pipe tobacco.
b. The smoking room shall be fully enclosed and equipped with a ventilation system so as to prevent the exposure of secondhand smoke to the general public.
c. The entrance of the store shall be posted with a notice stating "smoking prohibited except in designated area."
d. No employee shall be required to work in a smoking room while in use.
e. This exception does not apply to a tobacco department of a commercial establishment or place of employment offering goods or services not limited to tobacco and tobacco accessories.

Mr. Bauer stated his amendment exempted smoking businesses that only dealt with tobacco products.

and this motion failed, 4-7.

AYES: Bauer, Fairclough, Sullivan and Ossiander.

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

Chair Sullivan called for final comments.

Mr. Traini urged a YES-vote on the ordinance. The Surgeon General's report was complete and did not leave any ambiguity to the impact of secondhand smoke.

Ms. Ossiander stated that she was a registered respiratory therapist and was aware of the health impacts and dangers of smoke. She was involved with matters which protected children. She believed in personal freedom and in responsibilities. There were many occupations that were very hazardous and had risks to employees. She stated this ordinance would make it illegal for her neighbor to baby-sit her child if the neighbor smoked. It would be illegal for customers purchasing tobacco in a tobacco shop to try the products. Currently there were 200 smoke-free bars and 60 smoking bars in Anchorage. It was a matter of choice.

Ms. Fairclough stated that she had requested a summary of economic effects, but none had been completed on the impacts to establishments that would be affected in Anchorage.

Mr. Tesche supported the ordinance. The Surgeon General's Report stated that smoke-free workplaces were safer. It was the duty of this government to protect people. This issue did not involve freedom. It involved the government taking a measured step to protect the health of people, such as employees in workplaces. It was something that was do-able, that would help and save billions of dollars a year in health costs. He supported the ordinance and requested that he be added as a cosponsor.

Mr. Coffey stated that he knew there had been an economic study completed. He would approve of an objective, reality-based, scientifically sound look at what the economic consequences may or may not be. He requested that the Administration and the Health and Human Services consider completing that study.

Mr. Birch thanked the sponsors of the ordinance for taking into consideration some of the comments from public testimony and the comments and feedback from the Chamber of Commerce, which accurately reflected some of the modifications that were needed and that had gone into the substitute version. The Chamber unanimously endorsed the substitute version of the ordinance.

Ms. Shamberg supported the ordinance and requested to be added as a cosponsor.

Mr. Traini thanked his colleagues for their support and patience with the public testimony on a very emotional matter. This was an important issue and the Assembly needed to pass the ordinance.

Mr. Bauer stated that while he was a supporter of rights and freedoms of individuals and he could not support those freedom activities if they infringed on the same rights and liberties of others. In support of the public testimony, he had not supported exemptions and supported a fair and equal playing field. This issue was really about health and the protection of the lives of others from the substances contained in secondhand smoke. He supported the principle that it was the natural right of humans to breathe clean, free air. He also supported smokers not being allowed to infringe on the rights of others, limiting their clean, free air and limiting their choices of dining out or entertainment. Smoking used to be common, but was now a diminishing behavior. It was a fair ordinance and he would support it.

Mr. Stout stated this was a difficult matter and he believed strongly in personal rights. But, he supported health and clean air and the opportunity for people to have a clean-air workplace. He would support the ordinance.

Chair Sullivan stated that the Assembly had prohibited smoking in most places of employment six years ago, but there had been exceptions for bars and bingo halls. They had reasoned at the time that adults could make choices. Not a whole lot had changed in the six years, except those who thought that adults could not make their own choices. The marketplace had responded to customers' desires for non-smoking places and individuals now had options to choose non-smoking environments. People could chose to work for private businesses or clubs. People had the right to make bad choices. This ordinance intruded too far into the rights of adults.

and the main motion, as amended, was passed, 8-3.

AYES: Tesche, Shamberg, Bauer, Birch, Coffey, Stout, Traini and Jennings.

NAYES: Fairclough, Sullivan and Ossiander.

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

Mr. Bauer moved, *for immediate reconsideration of AO 2006-86(S),*
Ms. Shamberg seconded,
and this motion failed, 4-7.

AYES: Bauer, Fairclough, Sullivan and Ossiander.

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

12. APPEARANCE REQUESTS

12.A. **Mona McAleese**, regarding award to MOA (*National Veterans' Wheelchair Games*).

(Clerk's Note: *The Appearance Request of Mona McAleese was postponed until August 29th.*)

13. CONTINUED PUBLIC HEARINGS None.

14. NEW PUBLIC HEARINGS

14.A. Resolution No. AR 2006-175, a resolution of the Municipality of Anchorage naming the new Civic and Convention Center at Block 80, Original Townsite, ***The Dena'ina Civic and Convention Center***, Mayor's Office.

1. Assembly Memorandum No. AM 495-2006.

Chair Sullivan read the resolution title and opened Public Hearing.

MAYOR JACK RODERICK, Naming Committee Chair, presented the name selected for the new Civic and Convention Center, as the "Dena'ina Civic and Convention Center." He introduced fellow committee members present.

AARON LEGGETT, historian and university instructor, explained the significance of the name.

ALBERTA STEPHAN, Eklutna historian, explained the name selection process and the importance of "Dena'ina." It was an honor to her heritage to be recognized.

DOROTHY COOK, Eklutna Village Council President, presented Village Council Resolution, AR 2006-14, in support of the Dena'ina naming, which she read into the record.

DONITA PETER testified that, along with many other residents of the Dena'ina community, she supported the naming. The name would help educate the Anchorage community and visiting tourists.

MARIA COLEMAN supported the naming. It would give her people a sense of belonging to the community. Ms. Ossiander stated that Ms. Coleman served on the Eklutna Board and she thanked her for her involvement in the community.

BILL DUGDALE, Naming Committee Member, supported the naming. Mr. Dugdale, Anchorage Convention and Visitor's Bureau Facility Director, stated that the selected name would be a marketing point that would assist in establishing Anchorage as a great destination and helped support the Dena'ina culture.

DEBRA CALL, Alaska Native Heritage Center Vice President of Operations, supported the Dena'ina naming.

ROLLY REID, Naming Committee Member, Principle Architect with Rim Architect and Downtown Partnership Board of Directors Chair, supported the naming. Research had determined that the community and the tourists wanted to learn more about the indigenous cultures of the area. He urged approval.

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

To Ms. Fairclough, Mayor Begich responded the Eklutna people would be involved with the art selection process and the placement of the name on the building. Ms. Fairclough requested the correct pronunciation of the name be displayed with the sign.

Ms. Jennings supported the Dena'ina naming, which honored the culture.

Mayor Begich thanked the members of the Naming Committee and Eklutna Village. The new name would help the community and the visitors to understand Alaska's first people.

Ms. Fairclough moved, to approve AR 2006-175,
Ms. Jennings seconded,
and this motion was passed.

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

- 14.B. Resolution No. AR 2006-196, a resolution of the Anchorage Municipal Assembly approving an alcoholic beverages conditional use in the B-2B (Central Business District, Intermediate) for a beverage dispensary use per AMC 21.40.160 D.13., for Robin L. Alessi, dba **Kodiak Bar & Grill**, located on Anchorage Original Townsite, Block 115, Lot 10; site address being 225 East 5th Avenue; generally located on the north side of East 5th Avenue, between Barrow Street and Cordova Street; Planning Department.
1. Assembly Memorandum No. AM 549-2006.

Mr. Coffey declared a potential conflict of interest. While he was no longer a member of the firm, he stated the Ernout and Coffey Law Office represented the petitioner for the conditional use permit. Ms. Ossiander posed the question.

Ms. Ossiander moved, "Does Mr. Coffey have a substantial financial interest with this
Ms. Jennings seconded, matter which would constitute a conflict of interest?"

To Ms. Jennings, Mr. Coffey responded that he was no longer an owner of the law firm.

To Mr. Tesche, Mr. Coffey responded that ~~the~~ his law firm, representing the petitioner was a tenant in a building that he owned and he wanted to make certain the disclosure was clear. He responded that he was no longer an owner of the law firm, but was still of counsel.

Chair Sullivan stated that Mr. Coffey's disclosure was sufficient and ruled that Mr. Coffey did not have a conflict of interest with the matter before the Assembly. There were no objections.

Chair Sullivan read the resolution title and opened Public Hearing.

ROBIN ALESSI, owner of the Kodiak Cafe, testified in support of the business. She had owned and operated two local beer and wine licenses, for ten and fifteen years, respectively. She formerly owned two other establishments in Virginia, all with a clear record. To Ms. Jennings, Ms. Alessi responded there were no churches or schools within two hundred feet of the site. To Mr. Stout, she responded that there would be parking available on 5th and 6th Avenues, and after hours at the parking lot of the Office Depot.

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

Ms. Ossiander moved, to approve AR 2006-196,
Mr. Tesche seconded,

Mr. Coffey moved, to amend AR 2006-196 on Page 1, Lines ~~[18-20]~~ "28-30,"
Ms. Ossiander seconded, Section 2.1 *by changing*, to read; A Notice of Zoning Action
and this was amended, shall be filed with the State District Recorder's Office within
and this was passed without objection. 120 days of the Assembly approval of the final conditional
use for a beverage dispensary use in the B-2B District[-] and
compliance with the conditions set forth herein."

Ms. Fairclough proposed a more appropriate place to amend, which was accepted as a friendly amendment by Mr. Coffey and Ms. Ossiander.

Mr. Coffey moved, to amend AO 2006-196, on Page 2, 18-20, Section 2.7, by deleting to read; A copy of the conditions imposed by the Assembly in connection with this conditional use permit shall be maintained on the premises [at a location visible to the public].;

Mr. Birch seconded,

To Ms. Ossiander, Planning and Zoning Administrator Jerry Weaver responded that this was common and standard language used when there were extraordinary conditions imposed. In this case there were no extraordinary conditions. Ms. Jennings opposed the amendment.

To Ms. Fairclough, Mr. Coffey responded it was a land use issue and there were not extraordinary reasons to display the permit visibly. Municipal Attorney Fred Boness concurred.

and this motion was passed, 9-2.

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

NAYES: Stout and Jennings.

Chair Sullivan called the Question on the main motion.

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

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

NAYES: None.

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

Chair Sullivan stated that in a previous meeting the Assembly had determined that Mr. Tesche had a conflict of interest with this matter because his law firm represented Wal-Mart. He was excused from the meeting.

Mr. Coffey declared a possible conflict of interest. He had submitted a written disclosure, which was distributed to Assemblymembers via email by Municipal Clerk, Barbara Gruenstein. To Ms. Fairclough, he responded that he owned 30% and was manager of Noodlum Enterprises, which owned a mall that could be affected by the rezone. The proposed development could potentially increase the value of his property over time, but may have an impact to the access to his property, potentially affecting the businesses that leased from him. He had discussed his potential conflict of interest with Assemblymembers, the Mayor and Assembly Counsel, and had received a variety of opinions. He was disclosing all information and the Assembly needed to determine if he had a substantial financial interest in the matter.

To Chair Sullivan, Assembly Counsel Julia Tucker responded that the Charter and Municipal Code addressed the process by allowing the Assembly to determine Mr. Coffey's participation. In her view, the facts of Mr. Coffey's association were not a significant financial interest to disqualify him from participating.

To Mr. Traini, Ms. Tucker responded the law indicated that the Assembly would determine if Mr. Coffey had a substantial financial interest, to determine his participation.

Ms. Ossiander stated that financial gain or loss by his tenants would not substantiate gain or loss to his partnership. The access to his property was still tenuous and could change as the development progressed. Mr. Coffey did not have a conflict.

To Ms. Fairclough, Mr. Coffey responded that he had owned the property for more than ten years, before there were plans for development of the surrounding area. To her question, he responded the lease with his tenants was a flat rate and was not dependent upon the gains or loss of the businesses. If he lost a tenant, it potentially could have an impact on his business. Ms. Fairclough stated that often there were appearances of impropriety or a conflict, but the public elected individuals, with an understanding that those officials would act fairly and impartially on matters before the Assembly. Mr. Coffey did not have a conflict of interest.

Chair Sullivan called the Question on the motion to approve Mr. Coffey's possible conflict of interest.

and this motion failed.

AYES: Traini and Jennings.

NAYES: Shamberg, Bauer, Fairclough, Sullivan, Ossiander, Birch and Stout.

ABSENT: Tesche, excused.

ABSTAIN: Coffey.

Chair Sullivan ordered that Mr. Coffey participate with this matter.

To Ms. Fairclough, Municipal Attorney Fred Boness responded there were eight votes in favor required to pass the rezone. To her question, Mr. Boness responded that the labor issues of Wal-Mart did not have relevance with consideration of the land use matter.

To Ms. Shamberg, Chair Sullivan responded the matter before the Assembly was a land use matter, which was not associated with internal company practices. Ms. Shamberg concurred.

Chair Sullivan opened Public Hearing.

JIM SAWHILL, with Lounsbury and Associates and representing Wal-Mart, supported the rezone, which would benefit the community. The Assembly needed to determine the benefit to the community and if development would comply with the Comprehensive Plan. The community councils supported the site plan, even though they did not support the development. The site plan conformed to higher architectural standards, had improved the surrounding buffers and would offer additional improvements to signalizations, pedestrian connections and traffic patterns, among other improvements. To Ms. Jennings, he responded the improvements would join the town center. He described the pathways, connections and signalizations to the schools for improved pedestrian traffic. To Mr. Coffey, Mr. Sawhill responded there would be no loss of residential components. The site plan would join to the town center concepts and policies. The plan proposed improvements for pedestrian connections on DeBarr. The plan complied with higher architectural standards and landscaping and would meet the standards for major box stores. To Mr. Traini, he responded the agreement was for Wal-Mart to pay for the signalization planned for Muldoon Road and for the Municipality to be responsible for the two tracts on the north side, behind Wal-Mart. Municipal Engineer Howard Holtan concurred. To Mr. Bauer, Mr. Sawhill responded they had offered additional buffering between the development and residential areas. To Mr. Stout, he responded the development would create a 20-foot buffer to Old Harbor which, which, along with the sewer easement, would provide a 50-foot buffer.

PEGGY ROBINSON, Northeast Community Council President, stated the council had held no less than ten meetings to discuss this matter. They had drafted a resolution in opposition to the box store and development, but supported the site plan presented by Lounsbury & Associates. To Ms. Shamberg, she responded that residents understood the matter before the Assembly was confined to the decision of the rezone and not if a new Wal-Mart would be allowed. To Mr. Coffey, she responded the question of whether the community would benefit from the rezone would be up to the Assembly. To Ms. Jennings, she responded the overall opinion of the residents was in opposition to the development. Old Harbor residents would be most impacted and could potentially suffer a loss in property value. Mr. Birch read portions of the council resolution, opposing the development because of Wal-Mart's labor practices. Ms. Robinson responded the council had many resolutions and residents were responding to their concerns.

TIM SCOTT, Wal-Mart Manager of Operations in Alaska, testified that he was committed to work with the community council once the development was open to best serve the community. To Mr. Coffey, he responded that the Wal-Mart would be open 24-hours and the site offered an 85-foot buffer between the parking lot and the residential areas.

MARTY HOWARD, Dimond Wal-Mart Store Manager, testified in support. To Ms. Fairclough, he responded that Wal-Mart provided 2700 jobs in Alaska. Wal-Mart and Sam's Club had paid \$6.8 million in taxes and had made many donations to the community. He had worked at Wal-Mart for 27 years.

DENNIS ARASHIRO testified in support of a Wal-Mart and Sam's Club combined into one store.

MARTY BOWDEN opposed the development, which would increase traffic. It would affect his home, where there was no buffer. To Ms. Shamberg, he responded that he would listen to any suggestions for improvements that the developers would offer. To Mr. Coffey, he described the location of his home, 300 feet north of the development, which was the proposed access point. To Mr. Birch, he showed the location of his house on the map. To Ms. Jennings, he responded the Planning and Zoning had opposed the development.

CLINTON HODGES, resident of the area, opposed the development. He was concerned with the increased noise, light and sound. Chair Sullivan concurred that this was a land use matter. To Ms. Jennings, he responded there would be increased traffic.

CHARLIE FAHL, Northeast Community Council Town Center Committee Chair, opposed a large retail store, which was not compatible with a town center concept.

TOM ANDERSON, consultant to the Anchorage Homebuilder's Association, supported the development in concept. Chair Sullivan welcomed Mr. Anderson, also a State Representative.

DAVID HARRIS, Midtown Wal-Mart Manager, testified in support. The development would provide a service to the customer and a benefit to the community. To Mr. Traini, he responded that all Wal-Mart employees present that evening had volunteered to participate and were not being paid.

MARY BISE testified that Wal-Mart was not welcome in their community. The Northeast Community Council had opposed. Mr. Stout disclosed that he and Mr. Traini had attended council meetings and Assembly Counsel Julia Tucker had advised they had no conflict of interest as long as they declared they had attended the meetings.

Ms. Fairclough requested those in the audience who opposed the rezone to stand to be recognized. She then called for those in favor to stand to be recognized. *(Clerk's Note: The numbers of those who supported and those who opposed the rezone appeared to be equal.)*

Ms. Ossiander moved, seconded by Ms. Fairclough, to Change the Order of the Day to take up time sensitive items, beginning with 14.I. There were no objections.

Proposed by Chair Sullivan, Mr. Traini moved, seconded by Ms. Ossiander, to Continue Public Hearing on AO 2006-104 to August 29th. This was approved without objection.

- 14.D. Ordinance No. AO 2006-103, an ordinance of the Anchorage Municipal Assembly amending Anchorage Municipal Code Chapter 25.35, **Anchorage Community Development Authority**, to require Assembly approval of expenditures over \$3 million; Assemblymember Stout.

1. Information Memorandum No. AIM 83-2006. ***(Carried Over to 8-29-06)***

- 14.E. Ordinance No. AO 2006-107, an ordinance amending Anchorage Municipal Code Chapter 9.06.115 to increase the **hourly rate for police services** during a non-municipal function, activity or event; Anchorage Police Department.
1. Assembly Memorandum No. AM 532-2006. **(Carried Over to 8-29-06)**
- 14.F. Ordinance No. AO 2006-115, an ordinance of the Anchorage Municipal Assembly amending Anchorage Municipal Code Section 9.28.026 regarding **notice and administrative procedures for civil seizure**, impoundment and/or forfeiture, and release of vehicles; Legal Department.
1. Assembly Memorandum No. AM 547-2006. **(Carried Over to 8-29-06)**
- 14.G. Ordinance No. AO 2006-109, an ordinance authorizing Amendment #1 to the Port of Anchorage Terminal Tariff No. 6 to decrease the **Security Surcharge Tariff** retroactive to August 1, 2006; Port of Anchorage. **(Carried Over to 8-29-06)**
1. Assembly Memorandum No. AM 539-2006.
- 14.H. Ordinance No. AO 2006-105, an ordinance creating **MacLaren Water Special Assessment District 2076**, and determining to proceed with the proposed improvements therein; Anchorage Water & Wastewater Utility.
1. Assembly Memorandum No. AM 530-2006.

Chair Sullivan read the ordinance title and opened Public Hearing.

CHUCK BORING, American Legion Post 29 Commander, opposed the \$65,000 assessment, from which they would not benefit. The new development, directly across the street, should pay for the hook up. To Ms. Jennings, he responded that Post 29 had hooked up to water service in 1993. They were also hooked up to wastewater.

Chair Sullivan called for a motion to extend the meeting for the purpose of completing this item. Ms. Ossiander moved, seconded by Mr. Bauer and this passed without objection.

To Ms. Jennings, Mr. Boring responded he thought the post had paid \$6,000 to \$10,000 in 1993 for the water hook up.

Ms. Ossiander stated that she shared Mr. Boring's frustration, but the contract signed with Anchorage Water and Wastewater Utility (AWWU) in 1993 promised that Post 29 would eventually make this improvement.

To Chair Sullivan, AWWU General Manager Mark Premo responded that the Legion had signed a contract for a extended service connection for water, rather than a main line. The contract included provisions to hook up to the main line in the future. This service fee could be paid over 20 years, in the amount of \$4600 per year.

To Mr. Bauer, Mr. Premo responded that the decision for service had been made by the residents wanting to hook up. Mr. Bauer stated owner of the vacant property next to the Legion had requested the hook up, but may not be able to develop that property, based on the width and length of the lot. Mr. Premo responded the hook up was requested by the property owner and AWWU would not be involved with the development. Mr. Premo responded the process at AWWU involved response from the community, using both a community ballot and meeting process. Estimated costs were determined by the numbers of residents interested in the utility services who were willing to pay for it.

To Ms. Jennings, Mr. Premo responded the utility could not grant a refund of the initial fee in 1993 because there was no fee. The costs that Mr. Boring had referred to must have been construction costs.

Chair Sullivan closed Public Hearing and called the Question. To Mr. Coffey, Chair Sullivan concurred that he abstain, due to his absence from Chambers during most of the debate on this matter.

Mr. Traini moved, to approve AR 2006-194,
Ms. Ossiander seconded,
and this motion was passed, 8-0.

AYES: Shamberg, Fairclough, Sullivan, Ossiander, Birch, Stout, Traini and Jennings.

NAYES: Bauer.

ABSENT: Tesche, excused.

ABSTAIN: Coffey, excused.

(Clerk's Note: This was the last Agenda item taken up that evening. See Agenda 20, for details of Adjournment.)

- 14.I. Ordinance No. AO 2006-106, an ordinance authorizing a telecommunications and electrical easement to Kodiak Kenai Cable Company LLC at **Tract A1, Woronzof Tracts Subdivision**, Plat No. 95-104, within Sections 20 and 29, T13N, R4W, S.M., Alaska, located near Point Woronzof Road and Hutson Drive, Tax Code #010-401-35; Anchorage Water & Wastewater Utility.
1. Assembly Memorandum No. AM 531-2006.

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

Mr. Traini moved, to approve AO 2006-106,
Ms. Shamberg seconded,
and this was approved without objection.

AYES: Shamberg, Sullivan, Ossiander, Birch, Stout, Traini and Jennings.

NAYES: None.

ABSENT: Tesche, excused.

(Clerk's Note: Mr. Bauer, Ms. Fairclough and Mr. Coffey were temporarily out of Chambers at the time of the vote.)

- 14.J. Ordinance No. AO 2006-102, an ordinance of the Municipality of Anchorage creating **Special Assessment District 06-20** for reconstruction of B Street between 40th Avenue and Tudor Road, and

determining to proceed with proposed improvements therein; Project Management & Engineering Department.

1. Assembly Memorandum No. AM 488-2006.

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

Mr. Birch moved, to approve AO 2006-102,
Mr. Stout seconded,
and this was approved without objection.

AYES: Shamberg, Fairclough, Sullivan, Ossiander, Birch, Stout, Traini and Jennings.

NAYES: None.

ABSENT: Tesche, excused.

(Clerk's Note: Mr. Bauer and Mr. Coffey were temporarily out of Chambers at the time of the vote.)

14.K. Ordinance No. AO 2006-110, an ordinance authorizing a non-exclusive electric and telecommunications easement across municipal property to Chugach Electric Association, Inc., within **Lot 4, Block C, Pierce Subdivision**, Plat # P-645, at Papago Park located near Arctic Boulevard and West 74th Avenue, Tax #012-172-01; Project Management & Engineering.
1. Assembly Memorandum No. AM 540-2006.

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

Mr. Stout moved, to approve AO 2006-110,
Mr. Traini seconded,

Deputy Municipal Manager Michael Abbott proposed two amendments needed to clarify the intent of the easement.

Ms. Ossiander moved, to amend AO 2006-110, Page 1, Lines 8-9, *by changing* to
Ms. Shamberg seconded, read, WHEREAS, the subject easement is located on
and this was later amended, municipal property managed by the Parks and Recreation
Department[;] "and formally dedicated as park land; and; and
on Page 2, Lines 1-7, *by substituting* to read, [~~WHEREAS, in~~
~~light of the above, the subject easement may be found to be~~
~~of no substantial monetary value to the Municipality, now~~
~~therefore,]~~ "WHEREAS, the granting of an easement across
land dedicated as park land requires a finding by the
Assembly of no substantial value to the Municipality; now,
therefore," THE ANCHORAGE ASSEMBLY ORDAINS:
[Section 1. The Assembly find the non-exclusive easement
to CEA described herein to be without substantial value to the
Municipality.] "Section 1. The Assembly finds the easement
to CEA described herein to be without substantial value to the
Municipality."

To Ms. Ossiander, Mr. Abbott responded that the recommendation of counsel was to clarify that the land upon which the easement was being granted was formally dedicated park land.

Ms. Jennings proposed to amend the Ossiander Amendment, to include the entire floor amendment submitted by the Administration. Ms. Ossiander accepted this as a friendly amendment.

To Ms. Ossiander, Mr. Abbott responded that the Municipal Charter required that any decision that would transfer a substantial value of dedicated land required a vote of the people. This clarified that the dedication of the easement did not constitute a transfer of substantial value. Ms. Ossiander responded that often there was reimbursement expected for granting of easements. She had been told by the Mayor that there was expectation that the city would receive reimbursement for granting of easements unless there was a direct benefit to the city. The proposed language did not follow that direction. Municipal Attorney Fred Boness responded that the policy of the Municipality was to receive compensation when the request for the easement was initiated by an entity other than the Municipality itself. The proposed language was added to the Charter in 1979, to speed the process and eliminate the need of the vote of the people. From extensive research on defining *Substantial Value to the Municipality* the law department had concluded that it meant it would not affect or impair the park values. This particular easement would not impair the dedicated park. To her question, Municipal Engineer Howard Holtan responded that if the easement was for a municipal purpose, there was no charge. If the easement was for a private or non-municipal purpose, then the utility would be charged for the value of the easement. He responded the proposed use of the property was sufficient to require a reimbursement for 25% of the value of the property. Ms. Ossiander responded the Municipality was charging \$250. Mr. Holtan concurred.

Ms. Jennings stated that Lines 28-31 indicated the value received was the expected visual and expected safety improvements to the park because the utility was undergrounding utilities. Ms. Ossiander stated that undergrounding was required. Mr. Holtan responded that it was the choice of the utility to underground. There was currently an overhead easement and they were converting it to an underground use. This was a decision of the utility.

To Mr. Traini, Mr. Holtan responded that the Parks and Recreation Commission had reviewed and approved the matter.

Mr. Birch supported the undergrounding in an existing easement and supported the amendment. He urged approval.

Ms. Shamberg stated that Chugach Electric Association had been fulfilling its undergrounding requirement and was approaching the use of public lands, such as park land, first, creating the most benefit for the most people.

Ms. Ossiander stated that the city was still paying them to do the undergrounding. If the utility was required to complete the undergrounding, she questioned the \$250 charge. She did not understand the benefit and would not support the amendments.

and this was approved.

AYES: Shamberg, Bauer, Fairclough, Sullivan, Birch, Stout, Traini and Jennings.

NAYES: Ossiander.

ABSENT: Tesche, excused.

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

Chair Sullivan called the Question on the main motion.

and the main motion, as amended, was passed.

AYES: Shamberg, Bauer, Fairclough, Sullivan, Birch, Stout, Traini and Jennings.

NAYES: Ossiander.

ABSENT: Tesche, excused.

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

- 14.L. Ordinance No. AO 2006-111, an ordinance authorizing a non-exclusive electric and telecommunications easement across municipal property to Chugach Electric Association, Inc., within the **W½W½SW¼SW¼ Section 28, T12N, R3W, S.M., Alaska** at Rabbit Creek Park located near DeArmoun Road and Lake Otis Parkway, Tax #018-391-39; Project Management & Engineering.
1. Assembly Memorandum No. AM 541-2006.

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

Mr. Traini moved, to approve AO 2006-111,
Ms. Jennings seconded,

Deputy Municipal Manager Michael Abbott proposed two amendments needed to clarify the intent of the easement.

Ms. Jennings moved, to amend AO 2006-111 on Page 1, Lines 36-37 and on Page
Mr. Traini seconded, 2, Lines 2-4 *by changing* to read, ~~[WHEREAS, in light of the above, the subject easement may be found to be of no substantial monetary value to the Municipality; now therefore]~~
"WHEREAS, the granting of an easement across municipal land requires a finding by the Assembly of no substantial value to the Municipality; now, therefore," THE ANCHORAGE ASSEMBLY ORDAINS: Section 1. The Assembly finds the non-exclusive easement to CEA described herein to be without substantial value to the Municipality. "The Assembly finds the non-exclusive easement to CEA described herein to be without substantial value to the Municipality." *(Clerks' Note: The second substitution offered no change in verbiage)*

Ms. Ossiander urged a NO-vote. She opposed paying Chugach Electric to do what they needed to do anyway.

and this was approved,

AYES: Shamberg, Bauer, Fairclough, Sullivan, Birch, Stout, Traini and Jennings.

NAYES: Ossiander.

ABSENT: Tesche, excused.

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

and the main motion, as amended, was passed.

AYES: Shamberg, Bauer, Fairclough, Sullivan, Birch, Stout, Traini and Jennings.

NAYES: Ossiander.

ABSENT: Tesche, excused.

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

- 14.M. Ordinance No. AO 2006-112, an ordinance authorizing a non-exclusive underground electric and telecommunications easement across municipal property to Chugach Electric Association, Inc., within **BLM Lot 47, Section 13, T13N, R3W, S.M., Alaska**, at Turpin Park located near Oklahoma and Peck Avenues, Tax #006-033-01; Project Management & Engineering.
1. Assembly Memorandum No. AM 542-2006.

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

Mr. Traini moved, to approve AO 2006-112,
Ms. Shamberg seconded,

Deputy Municipal Manager Michael Abbott proposed two amendments needed to clarify the intent of the easement.

Ms. Shamberg moved, to amend AO 2006-112 on Page 1, Lines 8-9 and on Page
Mr. Traini seconded, 2, Lines 2-4 *by substituting* to read, [~~WHEREAS, the subject
easement is located on municipal property managed by the
Parks & Recreation Department; and~~] “WHEREAS, the
subject easement is located on municipal property managed
by the Parks & Recreation Department, and formally
dedicated as park land; and” [~~WHEREAS, in light of the
above, the subject easement may be found to be of no
substantial monetary value to the Municipality; now
therefore,~~] “WHEREAS, the granting of an easement across
land dedicated as park land requires a finding by the
Assembly of no substantial value to the Municipality; now
therefore,” THE ANCHORAGE ASSEMBLY ORDAINS:
[~~Section 1. The Assembly finds the non-exclusive easement
to CEA described herein to be without substantial value to the
Municipality.~~] “The Assembly finds the non-exclusive
easement to CEA described herein to be without substantial
value to the Municipality.” (Clerks’ Note: The second
substitution offered no change in verbiage)

To Ms. Jennings, Deputy Municipal Manager Michael Abbott responded that the Municipality was not paying Chugach Electric Association for their utility undergrounding.

and the motion was approved without objection.

Chair Sullivan called the Question on the main motion.

and the main motion, as amended, was passed.

AYES: Shamberg, Bauer, Fairclough, Sullivan, Birch, Stout, Traini and Jennings.

NAYES: Ossiander.

ABSENT: Tesche, excused.

(Clerk’s Note: Mr. Coffey was temporarily out of Chambers at the time of the vote.)

14.N. Resolution No. AR 2006-191, a resolution of the Municipality of Anchorage appropriating \$180,000 from the Federal Emergency Management Agency to the Federal Grant Fund (241), Project Management & Engineering Department, for the Watershed Management Division’s Flood Hazard Program for **flood studies in the Girdwood Area and Anchorage Area**; Project Management & Engineering.

1. Assembly Memorandum No. AM 529-2006.

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

Ms. Shamberg moved, to approve AR 2006-191,
Ms. Jennings seconded,
and this motion was passed, 9-0.

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

NAYES: None.

ABSENT: Tesche, excused.

(Clerk’s Note: Mr. Coffey was temporarily out of Chambers at the time of the vote.)

14.O. Resolution No. AR 2006-186, a resolution of the Municipality of Anchorage, Alaska, accepting and appropriating a State of Alaska Drinking Water Fund loan offer in the amount of \$4,000,000 for financing a portion of the costs of the **Sullivan-Ben Boeke Water Upgrade Project**; Anchorage Water & Wastewater Utility.

1. Assembly Memorandum No. AM 524-2006.

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

Ms. Shamberg moved, to approve AR 2006-186,
Ms. Jennings seconded,
and this motion was passed, 9-0.

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

NAYES: None.

ABSENT: Tesche, excused.

(Clerk’s Note: Mr. Coffey was temporarily out of Chambers at the time of the vote.)

14.P. Resolution No. AR 2006-187, a resolution of the Municipality of Anchorage appropriating \$433,398 from the U. S. Department of Homeland Security, under the 2005 Assistance to Firefighters Grant Program, and a required matching contribution of \$108,352 in short-term interest revenues, from the Anchorage Fire Service Area Capital Improvement Fund (431) to the Anchorage Fire Department, Federal Categorical Grants Fund (241), for the purchase and installation of enhanced apparatus bay **vehicle exhaust extraction systems**; Anchorage Fire Department.

1. Assembly Memorandum No. AM 525-2006.

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

Ms. Fairclough moved, to approve AR 2006-187,
Ms. Shamberg seconded,
and this motion was passed, 9-0.

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

NAYES: None.

ABSENT: Tesche, excused.

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

14.Q. Resolution No. AR 2006-188, a resolution of the Municipality of Anchorage appropriating the sum of \$481,371 from the State of Alaska Department of Transportation and Public Facilities as a pass through grant from the Federal Highway Administration to the State Categorical Grants Fund (231) Department of Health and Human Services for the **Block Heater Installation Program**; Health and Human Services.

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

Ms. Fairclough moved, to approve AR 2006-188,
Ms. Ossiander seconded,

To Mr. Traini, Health and Human Services Director Beverly Wooley responded the program would be run similarly to last year. The program was for all vehicles in the Anchorage Bowl and included Girdwood, Eagle River and the Military Bases. There would be two locations for the installations, which were the same locations used last year.

and this motion was passed, 9-0.

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

NAYES: None.

ABSENT: Tesche, excused.

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

14.R. Resolution No. AR 2006-189, a resolution of the Municipality of Anchorage appropriating the sum of \$288,822 from the State of Alaska Department of Transportation and Public Facilities to the State Categorical Grants Fund (231) Department of Health and Human Services for **Air Quality Public and Business Awareness Education Campaign**; Health and Human Services.

1. Assembly Memorandum No. AM 527-2006.

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

Ms. Fairclough moved, to approve AR 2006-189,
Mr. Traini seconded,
and this motion was passed, 9-0.

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

NAYES: None.

ABSENT: Tesche, excused.

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

14.S. Resolution No. AR 2006-190, a resolution appropriating \$400,000 from a State of Alaska Department of Transportation & Public Facilities Transfer of Responsibilities Agreement with the Municipality of Anchorage to the Eagle River Other Capital Improvement Project Fund (420) for the **Veterans' Memorial Highway**, Eagle River High School Traffic Control and Turn Lane; Project Management & Engineering.

1. Assembly Memorandum No. AM 528-2006.

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

Ms. Jennings moved, to approve AR 2006-190,
Ms. Shamberg seconded,
and this motion was passed, 9-0.

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

NAYES: None.

ABSENT: Tesche, excused.

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

14.T. Resolution No. AR 2006-193, a resolution of the Municipality of Anchorage accepting when tendered \$1,995,000 from the Federal Aviation Administration Airport Improvement Program Grant, and \$52,500 from the State of Alaska Department of Transportation and Public Facilities Grant; and \$52,500 from Airport Unrestricted Net Assets to Merrill Field's Capital Improvement Fund for the **2006 Merrill Field Rehabilitate Aprons (Phase-1), and Security Upgrades (Gate Improvements)** and repealing Assembly Resolution No. AR 2006-108.

1. Assembly Memorandum No. AM 543-2006.

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

Ms. Fairclough moved, to approve AR 2006-193,
Mr. Traini seconded,
and this motion was passed, 9-0.

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

NAYES: None.

ABSENT: Tesche, excused.

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

- 14.U. Resolution No. AR 2006-194, a resolution of the Municipality of Anchorage appropriating \$125,000 of anticipated additional Hotel/Motel Bed Tax Revenues and re-appropriating \$4,509,000 in Hotel/Motel Bed Tax and penalty/interest on Hotel/Motel Bed Tax Revenues from Areawide General Fund (101) to the **Convention Center Room Tax Fund** (202) to provide payments under the professional services contract with Anchorage Convention & Visitors Bureau (ACVB) and the Use Agreement with CIVICVentures; Finance.
1. Assembly Memorandum No. AM 548-2006.

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

Mr. Traini moved, to approve AR 2006-194,
Ms. Ossiander seconded,
and this motion was passed, 9-0.

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

NAYES: None.

ABSENT: Tesche, excused.

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

Mr. Bauer moved, seconded by Ms. Ossiander, to Change the Order of the Day to take up item 14.H. This passed with no objections.

15. SPECIAL ORDERS

Ms. Fairclough moved, seconded by Mr. Coffey, to reinstate the Assembly Meeting of October 24th, for the purpose of completing the 2007 Budget by the end of October. This passed with no objections. Chair Sullivan stated that Municipal Clerk Barbara Gruenstein would schedule and notice that additional meeting.

16. UNFINISHED AGENDA None.

17. AUDIENCE PARTICIPATION None.

18. ASSEMBLY COMMENTS

Ms. Fairclough welcomed Mr. Tesche's return to the Assembly. Chair Sullivan also welcomed him back. Mr. Tesche responded that he was glad to be back.

Ms. Fairclough announced that she would not in attendance for the August 29th Assembly Meeting.

19. EXECUTIVE SESSIONS None.

20. ADJOURNMENT

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

The Regular Assembly Meeting was adjourned at 11:10 p.m.

DAN SULLIVAN, Assembly Chair

ATTEST:

BARBARA GRUENSTEIN, Municipal Clerk
Date Minutes Amended and Approved: September 26, 2006.
(Amended, Page 13, Line 53; Page 14, Line 40)

MC/BG

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