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**MUNICIPALITY OF ANCHORAGE
ANCHORAGE ASSEMBLY**

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

Minutes for Regular Meeting of October 28, 2008

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1. CALL TO ORDER

The Assembly Meeting of October 28, 2008 was convened by Chair Claman at 5:00 p.m. in 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: William Starr, Mike Gutierrez, Elvi Gray-Jackson, Chris Birch, Matt Claman, Sheila Selkregg, Harriet Drummond, Debbie Ossiander, Patrick Flynn, Jennifer Johnston and Dan Coffey.

ABSENT: None.

3. PLEDGE OF ALLEGIANCE Assemblymember Gray-Jackson led the pledge.

4. MINUTES OF PREVIOUS MEETINGS There were none.

5. MAYOR'S REPORT

Mayor Begich reported that the city of Anchorage had been noted in *Business Week* as one of the few cities in the country that has been able to weather the current economic crisis. He reported that the new LED (*light emitting diode*) lights had arrived and would soon be replacing existing lights, improving energy with cost savings and better lighting efficiencies. One lighting conversion could already be noticed along G Street between 6th and 9th Avenues.

6. ASSEMBLY CHAIR'S REPORT

Chair Claman encouraged everyone to vote on November 4th.

Chair Claman introduced newly appointed and reappointed board or commission member present, including Janet Brand to the Eagle River-Chugiak Parks and Recreation Board of Supervisors and Sara Boario to the Parks and Recreation Commission. Chair Claman thanked the members for their service.

7. COMMITTEE REPORTS

Mr. Starr reported the Audit Committee would meet October 29th to address AMC (*Anchorage Municipal Code*) 3.70, pertaining to the process of contracts and contract amendments. Upon completion of negotiation between the Municipality and a bargaining representative, Code provides for all terms to be reduced to writing and presented to the appropriate union for ratification, and then to the Assembly for ratification. The Committee would address the opinion of Municipal Auditor Peter Raiskums and Code compliance. The Assembly had not approved some of the contractual amendments and there was question whether they were null and void. Costs needed to be determined, along with ramifications to previous budgets and the current budget. The Committee would address the Fair Labor Standards Act and adherence to collective bargaining rules as established in municipal law. The Committee would research the communications between the Administration and the labor representatives, so that a clear, open and transparent process could be established. The Committee would address additional resources, including available outside counsel and scheduling Assembly worksessions. The matter would be referred to other committees, including the Ethics and Budget and Finance Committees. All available documents that were in discovery would be distributed. His personal opinion was that the findings represented a blatant manipulation of the public process and to have allowed this proceed unchecked reinforced the mistrust that citizens feel towards the government, insulted Assemblymembers, both past and present and defeated those who try to do the right thing.

Mr. Gutierrez reported that the CHARR (*Cabarets, Hotel and Restaurant Retailers*) meeting the previous week had addressed and would continue to address several issues that relate to Public Safety and Title 21.

Ms. Gray-Jackson reported that members had been emailed a revised Budget Schedule which reflected rescheduling a Budget and Finance Committee Meeting from November 6th to November 7th, to review Assembly amendments and receive feedback from the Budget Advisory Committee (*BAC*). She urged members to attend the November 7th Meeting to work through the amendments before they were on the floor and to follow the schedule, as outlined in the Budget Schedule, to be in front of the public in an organized and timely manner. Assembly amendments would be considered by the Assembly on November 18th and the Assembly would appropriate the funding for the 2009 Budgets on November 25th. Chair Claman announced that he had appointed Ms. Ossiander to sit in on the Budget and Finance Meeting on the 7th, substituting for Ms. Johnston, who would be out of town.

1 Mr. Birch reported that, as a member of the Audit Committee, he had requested a summary accounting of the cost
2 impact of hundreds of thousands of dollars, relating to contracts. He voiced his concern that a summary of cost
3 impacts was still not available that evening and he repeated his request to the Administration for the additional
4 information. Chair Claman responded the matter could be addressed that evening, when the Assembly took up 9.B.7.

5
6 Dr. Selkregg reported the Economic and Community Development Committee would meet on November 14th, followed
7 by a public meeting. The Committee would meet with ENSTAR Natural Gas Company on the 21st for their report on
8 the state of energy and resources in Anchorage. The Assembly needed to be engaged with potential impacts of the
9 new endangered status of the Beluga whale which may affect many things for the city, including Cook Inlet oil and gas,
10 Port development or the treatment plant. The Youth Workgroup was working with United Way and the Anchorage
11 School District, developing strategies to promote successful youth. The Housing Workgroup was addressing the
12 homelessness and migration issues. Bill Popp, President of Anchorage Economic and Development Corporation,
13 would create an Economic Development Committee, which would make recommendations to the Assembly.

14
15 Ms. Ossiander reported that the Title 21 Committee would finish revisions to Chapter 3 on Thursday, October 30th, at
16 the Planning Department Conference Room, from 9:30 to 11:30 a.m. A Chapter 3 packet with Attachments 1-10 had
17 been distributed to members.

18
19 Mr. Flynn reported the Ethics and Elections Committee was scheduled to meet on October 30th in City Hall to review
20 the Committee mission statement and issues brought forth by Ms. Gray-Jackson.

21
22 Ms. Johnston reported the annual Alaska Municipal League Convention was scheduled to be held in Ketchikan on
23 November 12th through 15th.

24
25 Mr. Coffey reported that Mr. Flynn had attended the Legislative Committee Meeting the previous week and had
26 reviewed requests for funding from the previous 3-4 years of legislative reports. He urged all members to review the
27 2008 Legislative Requests. He reported the Energy Committee would meet with Chugach Electric Association in
28 October and with the Administration in November to hear reports on generation, transmission and distribution. He and
29 Dr. Selkregg had heard the Tri-Borough Commission's Energy Report, which was good information and helped
30 address issues of declining energy resources and the generation of heat and electricity.

31 32 8. ADDENDUM TO AGENDA

33
34 Chair Claman called for a motion and read the Addendum items. He called for additional items and AM 757-2008(A)
35 was added and assigned Agenda Number 9.D.19.a. There were no additional items and he called for a vote to
36 incorporate the Addendum items into the Consent Agenda.

37
38 Ms. Ossiander moved, to approve the inclusion of the Addendum items
39 Ms. Drummond seconded, into the Consent Agenda.
40 and this motion was passed.

41
42 AYES: Starr, Gutierrez, Gray-Jackson, Birch, Claman, Selkregg, Drummond, Ossiander, Flynn, Johnston and
43 Coffey.
44 NAYS: None.

45
46 Chair Claman called for a motion on the Consent Agenda.

47
48 Ms. Ossiander moved, to approve the Consent Agenda.
49 Ms. Johnston seconded,

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51 Chair Claman called for Assemblymembers to request items be pulled for discussion on the Regular Agenda.

52 53 9. CONSENT AGENDA

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

55 9.A.1. Resolution No. AR 2008-216, a resolution of the Anchorage Municipal Assembly proclaiming October
56 2008 as **Disability Awareness Month**.

57
58 Mr. Flynn requested this item be pulled for review on the Regular Agenda. (See item 10.A.1)

59
60 9.A.2. Resolution No. AR 2008-261, a resolution of the Anchorage Municipal Assembly and Mayor Mark
61 Begich honoring the life and accomplishments of **Elsie Sexton. (Addendum)**

62
63 Mr. Gutierrez requested this item be pulled for review on the Regular Agenda. (See item 10.A.2)

64 65 9.B. RESOLUTIONS FOR ACTION - OTHER

66 9.B.1. Resolution No. AR 2008-230, a resolution of the Municipality of Anchorage appropriating \$50,064 from
67 the State of Alaska, Department of Transportation & Public Facilities; and appropriating \$925 as a
68 contribution from the 2008 Anchorage Police Operating Budget, Anchorage Metropolitan Police
69 Service Area Fund (151) to the State Categorical Grants Fund (231) Anchorage Police Department,
70 for **Seat Belt Enforcement**.

71 a. Assembly Memorandum No. AM 719-2008.

72 9.B.2. Resolution No. AR 2008-233, a resolution of the Municipality of Anchorage appropriating \$99,000 from
73 the Girdwood Valley Service Area (SA) Fund Balance (Fund 106) to the **Girdwood Valley SA BP2008**
74 **Operating Budget** (Fund 106), Maintenance and Operations Department, for summer work program.

75 a. Assembly Memorandum No. AM 720-2008.

76 9.B.3. Resolution No. AR 2008-251, a resolution appropriating \$31,428 as a grant from the State of Alaska,
77 Department of Military and Veterans Affairs, Division of Homeland Security and Emergency

- 1 Management, to Anchorage Parks and Recreation Service Area CIP Fund (461) for the **Ben Boeke**
2 **Seismic Retrofit Project**, Maintenance & Operations Department.
3 a. Assembly Memorandum No. AM 721-2008.
4 9.B.4. Resolution No. AR 2008-252, a resolution of the Municipality of Anchorage appropriating the sum of
5 \$33,000 from Anticipated Unearned Program Revenues from the Areawide General Fund (101) to the
6 2008 General Operating Budget (Fund 101), Purchasing Department, to pay fees and expenses
7 associated with the **disposal of surplus/excess municipal property**.
8 a. Assembly Memorandum No. AM 722-2008.
9 9.B.5. Resolution No. AR 2008-249, a resolution of the Anchorage Municipal Assembly approving the
10 professional services selection for **West High and Romig Middle Schools Renewal** master planning
11 services, Anchorage School District.
12 a. Assembly Memorandum No. AM 700-2008.
13 9.B.6. Resolution No. AR 2008-250, a resolution of the Anchorage Municipal Assembly approving the
14 preliminary (conceptual) design for the **Sand Lake Elementary School Renewal**, Anchorage School
15 District.
16 a. Assembly Memorandum No. AM 701-2008.
17 9.B.7. Resolution No. AR 2008-260, a resolution of the Anchorage Municipal Assembly referring the issue of
18 **Municipal Administration compliance** with AMC 3.70.130 to the Internal Auditor, Assemblymember
19 Starr. **(Addendum)**
20 a. Assembly Memorandum No. AM 746-2008.
21

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

- 23
24 9.B.8. Resolution No. AR 2008-264, a resolution of the Anchorage Municipal Assembly authorizing Municipal
25 Light and Power Utility (ML&P) to apply for a grant from the Alaska Energy Authority to fund the
26 **design & construction of a combined heat and power project**, Municipal Light & Power.
27 a. Assembly Memorandum No. AM 755-2008. **(Addendum)**
28

29 Ms. Johnston requested this item be pulled for review on the Regular Agenda. *(See item 10.B.8)*

30
31 **9.C. BID AWARDS** There were none.
32

33 **9.D. NEW BUSINESS**

- 34 9.D.1. Assembly Memorandum No. AM 732-2008, **Eagle River-Chugiak Parks and Recreation Board of**
35 **Supervisors** appointments (Sarah Wright and Janet Brand), Mayor's Office.
36 9.D.2. Assembly Memorandum No. AM 733-2008, **Election Commission** appointment (Norma Sullivan),
37 Mayor's Office.
3 9.D.3. Assembly Memorandum No. AM 734-2008, **Parks and Recreation Commission** appointment (Sara
3 Boario), Mayor's Office.
4...

41 Dr. Selkregg requested this item be pulled for review on the Regular Agenda. *(See item 10.D.3)*

- 42
43 9.D.4. Assembly Memorandum No. AM 735-2008, **Women's Commission** appointment (Geran Tarr),
44 Mayor's Office.
45 9.D.5. Assembly Memorandum No. AM 736-2008, **Youth Advisory Commission** appointments (Anum Qadir
46 and Brett Scruton), Mayor's Office.
47 9.D.6. Assembly Memorandum No. AM 737-2008, Request to **Name the Proposed Diagonal Walk at the**
48 **Anchorage Museum at Rasmuson Center**, Mayor's Office.
49 9.D.7. Assembly Memorandum No. AM 712-2008, **Jewel Lake Liquor #2145**-Application for Transfer of
50 Ownership of a Package Store Liquor License (*NO PREMISE*), Clerk's Office.
51 9.D.8. Assembly Memorandum No. AM 713-2008, **Chepo's Mexican Restaurant #3765**-Application for
52 Renewal of a Beverage Dispensary Liquor License (Eagle River Community Council), Clerk's Office.
53 9.D.9. Assembly Memorandum No. AM 714-2008, **Asia Gardens/Brandy's #83**-Restaurant Designation
54 Permit for a Beverage Dispensary Liquor License (Taku/Campbell Community Council), Clerk's Office.
55 9.D.10. Assembly Memorandum No. AM 715-2008, **Fletcher's #2290**-Restaurant Designation Permit for a
56 Beverage Dispensary Liquor License (Downtown Community Council), Clerk's Office.
57 9.D.11. Assembly Memorandum No. AM 738-2008, Change Order No. 4 to Vendor Contract No. 26CRS007
58 with Baker & Taylor, Inc. for providing **library materials and services** on an "as required" basis to the
59 Municipality of Anchorage, Office of Economic & Community Development, Anchorage Municipal
60 Libraries (\$80,000), Purchasing.
61 9.D.12. Assembly Memorandum No. AM 739-2008, cooperative purchase award to NC Machinery for
62 furnishing **motor graders** to the Municipality of Anchorage, Maintenance & Operations Department
63 (M&O), Fleet Services Division (\$1,006,000), Purchasing.
6 9.D.13. Assembly Memorandum No. AM 740-2008, recommendation of award to GDM, Inc. to provide
6 architectural/engineering services for the **Anchorage Police Department (APD) Expansion Project**
64 for the Municipality of Anchorage, Maintenance and Operations Department (RFP 28-P013)
65 (\$879,546), Purchasing.
66
67
68

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

- 70
71 9.D.14. Assembly Memorandum No. AM 741-2008, Change Order No. 2 to Purchase Order No. 280650 with
72 EP Roofing, Inc. for the **Anchorage Senior Center Roof Replacement Project** for the Municipality of
73 Anchorage, Maintenance and Operations Department (\$11,659.51), Purchasing.
74 9.D.15. Assembly Memorandum No. AM 742-2008, Change Order No. 5 to Vendor Contract 24MLP146 with
75 PDC, Inc. to provide various **professional engineering services** to the Municipality of Anchorage,
76 Municipal Light & Power (ML&P) (\$100,000), Purchasing.

- 1 9.D.16. Assembly Memorandum No. AM 743-2008, Change Order No. 1 to Vendor Contract No. 27DON142
2 with L & B Rentals for **lease of office and warehouse space** for the Municipality of Anchorage,
3 Department of Neighborhoods (DON), Real Estate Services (\$184,096), Purchasing.
4 9.D.17. Assembly Memorandum No. AM 744-2008, recommendation of award to HDR, Inc. to provide
5 professional engineering services for the **Chester Creek at Muldoon Rd. Channel Restoration**
6 **Project** for the Municipality of Anchorage, Project Management & Engineering (PM&E) Department
7 (RFP 27-P041, Project E) (\$755,706), Purchasing.
8

9 Ms. Ossiander requested this item be pulled for review on the Regular Agenda. (See item 10.D.17)

- 10
11 9.D.18. Assembly Memorandum No. AM 745-2008, cooperative purchase of **IFR radio test sets** from Aeroflex
12 Wichita, Inc. for the Municipality of Anchorage, Traffic Department, Communications Division
13 (\$133,776.76), Purchasing.
14 9.D.19. Assembly Memorandum No. AM 757-2008, recommendation of award to Mikunda, Cottrell & Co. to
15 perform an **Independent Financial Statement Audit, Federal Single Audit, and State Single Audit**
16 for the Municipality of Anchorage, Anchorage Assembly, Budget and Legislative Services (RFP 28-
17 P029) (\$1,268,235), Purchasing. (*Addendum*)
18 a. Assembly Memorandum No. AM 757-2008(A), recommendation of award to Mikunda, Cottrell
19 & Co. to perform an Independent Financial Statement Audit, Federal Single Audit, and State
20 Single Audit for the Municipality of Anchorage, Anchorage Assembly, Budget and Legislative
21 Services (RFP 28-P029) (\$1,268,235), Purchasing. (*Laid on the Table*)
22

23 **9.E. INFORMATION AND REPORTS**

- 24 9.E.1. Information Memorandum No. AIM 85-2008, **2007 Schedule of Expenditures of Federal Awards,**
25 **State Financial Assistance Reports and Required Federal Information**, Finance.
26

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

- 28
29 9.E.2. Information Memorandum No. AIM 86-2008, **Municipal Investment Portfolio – Report to the**
30 **Assembly**, Finance.
31 9.E.3. Information Memorandum No. AIM 87-2008, **contracts awarded between \$50,000 and \$500,000**
32 **through formal competitive processes** for the month of September 2008, Purchasing.
33 9.E.4. Information Memorandum No. AIM 88-2008, **Sole Source Procurement Report** for the month of
34 **September 2008**, Purchasing.
35 9.E.5. Information Memorandum No. AIM 90-2008, **3rd Quarter 2008 Financial Reports**, Office of
36 **Management & Budget**. (*Addendum*)
37

38 Mr. Starr requested this item be pulled for review on the Regular Agenda. (See item 10.E.5)

39
40 **9.F. ORDINANCES AND RESOLUTIONS FOR INTRODUCTION**

- 41 9.F.1. Ordinance No. AO 2008-115, an ordinance of the Municipality of Anchorage, Alaska, authorizing and
42 providing for the borrowing from the State of Alaska Drinking Water Fund an aggregate amount Not To
43 Exceed \$6,600,000 for the purpose of financing a portion of the costs of various **AWWU 2008 Capital**
44 **Improvement Budget (CIB) Water Improvements Projects** and providing for related matters,
45 Anchorage Water and Wastewater. P.H. 11-25-08.
46 a. Assembly Memorandum No. AM 729-2008.
47 9.F.2. Ordinance No. AO 2008-116, an ordinance submitting to the qualified voters residing in Upper
48 O'Malley Limited Road Service Area (LRSA) and Alpine Terrace Subdivision, excluding Block 1, Lots
49 8, 9 and 10 and Block 2, Lots 4 & 5, Alpine Terrace Subdivision, at the Regular Municipal Election on
50 April 7, 2009, a ballot proposition to **annex the Alpine Terrace Subdivision properties** to the Upper
51 O'Malley LRSA and to amend Anchorage Municipal Code Section 27.30.700, effective retroactive to
52 January 1, 2009, Maintenance and Operations Department. P.H. 11-25-08.
53 a. Assembly Memorandum No. AM 730-2008.
54 9.F.3. Ordinance No. AO 2008-117, an ordinance amending Anchorage Municipal Code Section 26.30.040
55 to **revise standards for interconnection with the Municipal Light and Power Utility**, ensure
56 consistency with state and federal interconnection requirements, and clarify the prohibition on resale of
57 electricity, Municipal Light & Power. P.H. 11-25-08.
58 a. Assembly Memorandum No. AM 731-2008.
59 9.F.4. Resolution No. AR 2008-254, a resolution of the Municipality of Anchorage appropriating \$143,636
60 from the State of Alaska, Department of Transportation & Public Facilities; and appropriating \$2,658
61 as a contribution from the 2008 Anchorage Police Operating Budget, Anchorage Metropolitan Police
62 Service Area Fund (151) to the State Categorical Grants Fund (231) Anchorage Police Department,
63 for **Impaired Driving Enforcement**. P.H. 11-18-08.
64 a. Assembly Memorandum No. AM 723-2008.
65 9.F.5. Resolution No. AR 2008-255, a resolution of the Municipality of Anchorage appropriating \$383,187
66 from the U.S. Department of Health and Human Services and \$20,892 as a contribution from the 2008
67 Department of Health and Human Services General Government Operating Budget Fund (101) to the
68 Federal Categorical Grants Fund (241) for the **Pathways to Sobriety IV Project** in the Department of
69 Health and Human Services. P.H. 11-18-08.
70 a. Assembly Memorandum No. AM 724-2008.
71 9.F.6. Resolution No. AR 2008-256, a resolution of the Municipality of Anchorage appropriating \$106,280
72 from the State of Alaska, Department of Health and Social Services to the State Categorical Grants
73 Fund (231) for the **Aging and Disability Resource Center** in the Department of Health and Human
74 Services. P.H. 11-18-08.
75 a. Assembly Memorandum No. AM 725-2008.
76 9.F.7. Resolution No. AR 2008-257, a resolution appropriating \$1,165,124 as a grant from the State of Alaska,
77 Department of Military and Veterans Affairs, Division of Homeland Security and Emergency

- 1 Management, to Anchorage Parks & Recreation Service Area CIP Fund (461) for the **Ben Boeke**
2 **Seismic Retrofit Project**, Maintenance and Operations Department. P.H. 11-18-08.
3 a. Assembly Memorandum No. AM 726-2008.
4 9.F.8. **Resolution No. AR 2008-258**, a resolution of the Municipality of Anchorage appropriating \$165,500 as
5 a contribution from the Areawide General Fund (101) Heritage Land Bank/Real Estate Services
6 Department's 2008 Operating Budget to the Areawide Capital Fund (401) Heritage Land Bank
7 Department/Real Estate Services Division for **City Hall maintenance and improvements (\$90,500)**
8 **and tenant improvements (\$75,000)**. P.H. 11-18-08.
9 a. Assembly Memorandum No. AM 727-2008.
10 9.F.9. **Resolution No. AR 2008-259**, a resolution confirming and levying special assessments for **Special**
11 **Assessment District No. 2P04**, which provided street reconstruction and storm drain improvements
12 on Marathon Circle, and setting the date of assessment installment payments, interest on unpaid
13 assessments, and providing for penalties and interest in the event of delinquency, Project
14 Management & Engineering. P.H. 12-2-08.
15 a. Assembly Memorandum No. AM 728-2008.
16 9.F.10. **Resolution No. AR 2008-253**, a resolution of the Anchorage Municipal Assembly adopting specific
17 **wildlife public safety policies** for implementation by the administration and authorizing the allocation
18 of municipal resources to ensure the safety of Anchorage citizens, Assemblymember Starr. P.H. 11-
19 25-08.
20

21 Mr. Starr requested this item be pulled for review on the Regular Agenda. (See item 10.F.10)

- 22
23 9.F.11. **Ordinance No. AO 2008-118**, an ordinance approving annexation of properties to **Mountain**
24 **Park/Robin Hill Limited Road Service Area** (LRSA), pursuant to Alaska Statutes 29.35.450(c)(3),
25 and amending the boundaries of the LRSA in Anchorage Municipal Code Section 27.30.700
26 accordingly, effective January 1, 2009, Maintenance & Operations Department. P.H. 12-2-08.
27 a. Assembly Memorandum No. AM 748-2008. (*Addendum*)
28 9.F.12. **Ordinance No. AO 2008-119**, an ordinance approving annexation of properties to **Upper O'Malley**
29 **Limited Road Service Area** (LRSA), pursuant to Alaska Statutes 29.35.450(c)(3), and amending the
30 boundaries of the LRSA in Anchorage Municipal Code Section 27.30.700 accordingly, effective January
31 1, 2009, Maintenance and Operations Department. P.H. 12-2-08.
32 a. Assembly Memorandum No. AM 749-2008. (*Addendum*)
33 9.F.13. **Ordinance No. AO 2008-120**, an ordinance approving de-annexation of properties from **Upper**
34 **O'Malley Limited Road Service Area** (LRSA), pursuant to Alaska Statutes 29.35.450(c)(4), and
35 amending the boundaries of the LRSA in Anchorage Municipal Code Section 27.30.700 accordingly,
36 effective January 1, 2009, Maintenance & Operations Department. P.H. 12-2-08.
37 a. Assembly Memorandum No. AM 750-2008. (*Addendum*)
38 9.F.14. **Ordinance No. AO 2008-121**, an ordinance approving the annexation of properties to the **Villages**
39 **Scenic Parkway Limited Road Service Area** (LRSA) pursuant to Alaska Statutes 29.35.450(c)(3),
40 and amending the boundaries of the LRSA in Anchorage Municipal Code Section 27.30.700
41 accordingly, effective January 1, 2009, Maintenance & Operations Department. P.H. 12-2-08.
42 a. Assembly Memorandum No. AM 751-2008. (*Addendum*)
43 9.F.15. **Ordinance No. AO 2008-123**, an ordinance of the Anchorage Municipal Assembly to provisionally
44 adopt a new Chapter 21.03, **Review and Approval Procedures**, amending Anchorage Municipal
45 Code Title 21 subject to concurrent final passage and approval of all provisionally adopted chapters of
46 Title 21, Assemblymember Ossiander. P.H. 12-2-08.
47 a. Assembly Memorandum No. AM 753-2008. (*Addendum*)
48 9.F.16. **Resolution No. AR 2008-262**, a resolution of the Municipality of Anchorage adopting the **2009**
49 **Housing and Community Development Annual Action Plan**, which constitutes the application to
50 the U.S. Department of Housing and Urban Development (HUD) for the Community Development
51 Block Grant (CDBG), the Home Investment Partnerships Program (HOME), the American Dream
52 Downpayment Initiative (ADDI) and the Emergency Shelter Grant (ESG). This resolution seeks to
53 appropriate the annual entitlement grants from HUD, Program Income and Recaptured Funds in the
54 amount of \$1,833,994 of 2009 CDBG Entitlement, \$135,594 of Projected CDBG Program Income
55 Funds, \$823,134 of 2009 HOME Entitlement, \$181,660 of Projected HOME Program
56 Income/Recaptured Funds, \$10,298 of 2009 ADDI Entitlement, and \$90,000 of 2009 ESG Entitlement,
57 and to appropriate said funds to the Federal Categorical Grants Fund (241), Department of
58 Neighborhoods. P.H. 11-18-08.
59 a. Assembly Memorandum No. AM 747-2008. (*Addendum*)
60 9.F.17. **Resolution No. AR 2008-263**, a resolution of the Municipality of Anchorage appropriating \$250,000 from
61 the Alaska Natural Gas Development Authority (ANGDA) to the State Grants Fund (231), Office of
62 Economic and Community Development, as a contribution in support of a **Gas-Fed Value-Added**
63 **Technical Conference** to be held in Anchorage in April 2009. P.H. 11-18-08.
64 a. Assembly Memorandum No. AM 754-2008. (*Addendum*)
65 9.F.18. **Resolution No. AR 2008-265**, a resolution of the Municipality of Anchorage accepting and appropriating
66 grants of \$637,000 from the Rasmuson Foundation, \$500,000 from BP Alaska, \$175,000 from the
67 Gottstein Family Foundation, and \$150,000 from the Atwood Foundation to the Areawide General
68 Capital Improvement Program Fund (401), Office of Economic and Community Development, for the
69 **Mountain View Library Project**. P.H. 11-18-08.
70 a. Assembly Memorandum No. AM 756-2008. (*Addendum*)
71

72 Chair Claman called for a vote on the remainder of the Consent Agenda.

73 and this motion, as amended, was passed.

74
75
76 AYES: Starr, Gutierrez, Gray-Jackson, Birch, Claman, Selkregg, Drummond, Ossiander, Flynn, Johnston and
77 Coffey.
78 NAYS: None.

1
2 The amended Consent Agenda was approved and Chair Claman led the body into discussion of the pulled items.

3
4 **END OF CONSENT AGENDA**

5
6 **10. REGULAR AGENDA**

7 **10.A. RESOLUTIONS FOR ACTION - PROCLAMATIONS AND RECOGNITIONS**

8 10.A.1. Resolution No. AR 2008-216, a resolution of the Anchorage Municipal Assembly proclaiming October
9 2008 as **Disability Awareness Month**.

10
11 Mr. Flynn moved, to approve AR 2008-216.
12 Mr. Gutierrez seconded,
13 and the motion passed, 11-0.

14
15 Mr. Flynn read and Ms. Drummond presented the resolution proclaiming October, 2008 as Disability Awareness
16 Month. Americans with Disabilities Act Advisory Commission Chair David Barton accepted the resolution and thanked
17 fellow commissioners and the community for their support. He reported that Alaska Mentoring Day on October 23rd
18 was a success, with much community support and 37 volunteer mentors. The Commission had worked with staffs of
19 the Dena'ina Center, the Museum Expansion Project and the Performing Arts Center to address disability issues,
20 training for staff and assisting with policy recommendations. The Commission continued to address concerns of snow
21 removal, access to pedestrian walkways and citizens needing assistance moving garbage cans to the curb. Future
22 issues would include changes to laws concerning awareness and training for employees and supervisors.

23
24 10.A.2. Resolution No. AR 2008-261, a resolution of the Anchorage Municipal Assembly and Mayor Mark
25 Begich honoring the life and accomplishments of **Elsie Sexton. (Addendum)**

26
27 Mr. Gutierrez moved, to approve AR 2008-261.
28 Mr. Coffey seconded,
29 and the motion passed, 11-0.

30
31 Mr. Gutierrez read and Ms. Gray-Jackson presented the resolution honoring and recognizing Elsie Sexton for her
32 accomplishments, community service and devotion to the nation's veterans. C.W. Floyd and Ms. Sexton's daughter
33 accepted the award on behalf of Ms. Sexton. Her daughter thanked the Assembly for honoring her mother. A
34 representative from the Alaska Domiciliary of Anchorage also presented a plaque, honoring Ms. Sexton's service and
35 dedication. Chair Claman, on behalf of the entire Assembly, thanked Ms. Sexton for her service.

36
37 **10.B. RESOLUTIONS FOR ACTION - OTHER**

38 10.B.7. Resolution No. AR 2008-260, a resolution of the Anchorage Municipal Assembly referring the issue of
39 **Municipal Administration compliance** with AMC 3.70.130 to the Internal Auditor, Assemblymember
40 Starr. **(Addendum)**

41 a. Assembly Memorandum No. AM 746-2008.

42
43 Mr. Coffey moved, to approve AR 2008-260.
44 Ms. Drummond seconded,

45
46 Mr. Coffey moved, to amend AR 2008-260 on Page 2, Lines 16-20 by adding
47 Mr. Flynn seconded, to read: NOW THEREFORE BE IT RESOLVED that the
48 Anchorage Assembly hereby refers the mater of municipal
49 compliance with AMC 3.70.130 "from 1990 to the present" to
50 the Internal Auditor for study, with the documents attached to
51 AM 746-2008 and such other materials the Office of Internal
52 Audit deems relevant[;] "The Internal Auditor will provide a"
53 [for-preliminary] written report and findings to the Assembly
54 and the Mayor [no later than November 18, 2008] "upon
55 completion of the study."

56
57 Mr. Coffey stated that the Municipal Auditor a charge would present his report to the Assembly in a timely fashion,
58 whether it took a day or six months. He proposed an amendment to address the dates of examination and eliminate
59 the completion timeframe imposed on the Auditor. Mr. Coffey stated this audit would include a review of the past three
60 or four administrations.

61
62 Mr. Starr concurred and stated that Internal Auditor Peter Raiskums had already started an audit on this matter and
63 there should be no deadline for completion.

64
65 To Mr. Gutierrez, Mr. Coffey responded the intent was to remove a timeframe altogether.

66
67 Mr. Flynn supported the amendment.

68
69 and the motion passed, 11-0.

70
71 Mr. Coffey requested that, in the case a legal opinion was sought, the review be completed by an independent third
72 party labor attorney, so there would be an unquestioned opinion of the law.

73
74 Mayor Begich stated that if the audit indicated a process change was needed, the Administration would support any
75 improvements and changes.

76
77
78

1
2 Mr. Starr stated that the review was the right process to address the serious situation, which may have ramifications
3 with what had been done and what needed to be done. Municipal Attorney Jim Reeves' opinion would be sought at
4 the Committee Meeting the following day.

5
6 Dr. Selkregg stated the intent of the audit was to examine what occurred and the Assembly would be in a position to
7 respond to the review. Legal advice should be sought after more was known and after it was determined whether
8 there was a legal issue.

9
10 Mr. Flynn stated this was a simple topic. Governments and businesses across the United States had contracts with
11 their represented workforces, which were negotiated by management and approved by a board of directors or a
12 legislative body. Most organizations followed an implementation process by which labor and management
13 representatives could establish memorandums of understanding that interpret aspects of the contract. There was
14 question whether that process had gone too far and whether the Assembly needed to get the information and decide
15 whether different limitations were needed.

16
17 Mr. Gutierrez concurred with Dr. Selkregg and stated that the Assembly first needed to see the audit to determine what
18 had occurred. He concurred with Mr. Coffey, to first determine whether legal council was needed. Mr. Coffey
19 responded that he was not recommending that a legal opinion be sought, but rather whether it was determined
20 necessary, and that the review be completed by an independent third party.

21
22 Mr. Starr stated that the next day the Committee would address getting an opinion from the Municipal Attorney, who
23 may help determine whether there were issues that had been violated. He urged members to weigh in on the
24 seriousness of the matter.

25
26 Mayor Begich stated the Administration looked forward to the Audit Committee Meeting.

27
28 Chair Claman stated that Mr. Raiskums had expressed his intent to ask for an opinion from the Department of Law.
29 The Auditor needed to make a decision independently and request legal opinions as he saw appropriate.

30
31 and the main motion, as amended, passed without objection, 11-0.

32
33 *(Clerk's Note: Chair Claman moved the body to take up Appearance Requests, heard time-certain at 6:00 p.m.)*

- 34
35 10.B.8. Resolution No. AR 2008-264, a resolution of the Anchorage Municipal Assembly authorizing Municipal
36 Light and Power Utility (ML&P) to apply for a grant from the Alaska Energy Authority to fund the
37 **design & construction of a combined heat and power project**, Municipal Light & Power.
38 a. Assembly Memorandum No. AM 755-2008. *(Addendum)*

39
40 Ms. Johnston moved, to approve AR 2008-264.
41 Mr. Coffey seconded,

42
43 Ms. Johnston stated that this was the second time this month that the Assembly had been asked to approve grants
44 from the Alaska Energy Authority for power generation. The Municipality was addressing a southcentral plan, a
45 merger between Municipal Light and Power and Chugach Electric Association, and power generation, and she hoped
46 all entities were working together, with consideration of all related impacts. She hoped there was some element of
47 cooperation on the applications.

48
49 and the motion passed, 11-0.

50
51 **10.C. BID AWARDS** There were none.

52
53 **10.D. NEW BUSINESS**

54 10.D.3. Assembly Memorandum No. AM 734-2008, Parks and Recreation Commission appointment (Sara
55 Boario), Mayor's Office.

56
57 Dr. Selkregg declared a potential conflict of interest because Sara Boario, newly appointed to the Parks and
58 Recreation Commission, was her daughter-in-law. Dr. Selkregg stated that she had no financial conflict. Chair
59 Claman questioned Dr. Selkregg whether she could participate impartially on the matter. Dr. Selkregg responded
60 YES. Chair Claman ruled that Ms. Selkregg had no conflict of interest and ordered her to participate. There were no
61 objections.

62
63 Mr. Coffey moved, to approve AM 734-2008.
64 Mr. Flynn seconded,

65
66 Mr. Starr stated that community councils were not being informed of openings on boards or commissions. Office of
67 Economic and Community Development Director Mary Jane Michael responded the Mayor's Office solicited names
68 and appreciated the input because it was difficult to get volunteers to serve on boards and commissions. Mr. Starr
69 stated that councils wanted to be involved and their input was important.

70
71 and the motion passed, 11-0.

72
73 *(Clerk's Note: Chair Claman moved the body to take up item 14.O)*

74
75 10.D.13. Assembly Memorandum No. AM 740-2008, recommendation of award to GDM, Inc. to provide
76 architectural/engineering services for the **Anchorage Police Department (APD) Expansion Project**

1 for the Municipality of Anchorage, Maintenance and Operations Department (RFP 28-P013)
2 (\$879,546), Purchasing.

3
4 Ms. Ossiander moved, to approve AM 740-2008.
5 Mr. Coffey seconded,
6

7 To Ms. Ossiander, Municipal Manager Michael Abbott responded that \$4 million in the Capital Budget was for the
8 Police Expansion Project. State grant funding and local bond funding would also be available. Ms. Ossiander wanted
9 reassurance that if money was spent on the plans, that the projects would be completed. Mr. Abbott responded there
10 would be money to complete the expansion project, which included the police headquarters, the shooting range and
11 the property and evidence building.
12

13 Mr. Coffey stated the Assembly complained about continued change orders. Mr. Abbott responded that subsequent
14 elements of the design phase would not be authorized until the funds were available.
15

16 Dr. Selkregg requested a master plan of the expansion. Mr. Abbott responded that the site plan was available for
17 review.
18

19 and the motion passed, 11-0.
20

21 Dr. Selkregg moved, to Change the Order of the Day to take up 9.F.10.
22 Mr. Coffey seconded,
23 and this was approved without objection.
24

25 10.D.17. Assembly Memorandum No. AM 744-2008, recommendation of award to HDR, Inc. to provide
26 professional engineering services for the **Chester Creek at Muldoon Rd. Channel Restoration**
27 **Project** for the Municipality of Anchorage, Project Management & Engineering (PM&E) Department
28 (RFP 27-P041, Project E) (\$755,706), Purchasing.
29

30 Ms. Ossiander stated that four Assemblymembers represented this area. There were differing opinions over whether
31 the creek should be diverted. She urged the Administration to work with the community council to clarify the pros and
32 cons of moving the creek and requested the matter be postponed to November 18th. Municipal Manager Michael
33 Abbott responded that if no action was taken, the matter would automatically roll over to November 18th. Project
34 Manager Russ Oswald would discuss the matter with Assemblymembers and other interested parties.
35

36 10.E. INFORMATION AND REPORTS

37 10.E.1. Information Memorandum No. AIM 85-2008, 2007 Schedule of Expenditures of Federal Awards,
38 State Financial Assistance Reports and Required Federal Information, Finance.
39

40 Ms. Ossiander moved, to accept AIM 85-2008.
41 Mr. Coffey seconded,
42

43 Ms. Ossiander questioned whether Municipal grants may be at risk because of the child care assistance audit. Chief
44 Fiscal Officer Sharon Weddleton responded that when a grant was audited for single audit purposes, the finding was
45 reported on a national registry and could be reviewed by granting agencies. Theoretically, other municipal grants may
46 be at risk, but one grant finding of this size was minor, relative to the city's total grant activity.
47

48 and the motion was passed, 11-0.
49

50 10.E.5. Information Memorandum No. AIM 90-2008, 3rd Quarter 2008 Financial Reports, Office of
51 Management & Budget. (Addendum)
52

53 Mr. Gutierrez moved, to accept AIM 90-2008.
54 Mr. Coffey seconded,
55

56 Mr. Starr stated that the city was about a half-million dollars over budget on overtime. He requested that the Municipal
57 Manager discuss the matter with the Fire Chief and the Police Chief. The \$2 million that had been added was already
58 spent. The agreements had had policy changes, including an agreement that suggested a police field training officer
59 would receive 20 hours of comp time for every 16 days that officer worked as a trainee. Paying comp time took
60 officers off the street and drove up overtime (*costs*). Those agreements needed to be challenged.
61

62 To Mr. Coffey, Municipal Manager Michael Abbott responded the Administration would quickly respond to individual
63 questions and a worksession could be scheduled to discuss the audit report after completing the 2009 Budget review.
64

65 and this was approved without objection.
66

67 *(Clerk's Note: There was no time left in the meeting. See Agenda item 20 for details of Adjournment.)*
68

69 10.F. ORDINANCES AND RESOLUTIONS FOR INTRODUCTION

70 10.F.10. Resolution No. AR 2008-253, a resolution of the Anchorage Municipal Assembly adopting specific
71 **wildlife public safety policies** for implementation by the administration and authorizing the allocation
72 of municipal resources to ensure the safety of Anchorage citizens, Assemblymember Starr. P.H. [11-
73 25-08] 12-16-08.
74

75 Mr. Starr moved, to introduce AR 2008-253, with Public Hearing set for
76 Mr. Coffey seconded, December [14] "16," 2008 and to refer to the Public Safety
77 Dr. Selkregg was the concurring third. Committee.
78

1 Chair Claman changed the Public Hearing date to December 16th and referred the matter to the Public Safety
2 Committee.

3
4 Mr. Starr thanked Alaska Department of Fish and Game employees for being present that evening.

5
6 *(Clerk's Note: Chair Claman moved the body to take up 9.D.17)*

7
8 **11. OLD BUSINESS AND UNFINISHED ACTION ON PUBLIC HEARING ITEMS**

9 11.A. Resolution No. AR 2008-221, a resolution of the Anchorage Assembly approving the updated Records
10 Retention Schedule for the **Information Technology Department**, in accordance with Municipal
11 Policy and Procedure 52.2, Information Technology Department. *(Postponed from 10-14-08)*

12 Chair Claman read the resolution title and opened Public Hearing. There was no one to testify and he closed Public
13 Hearing and stated there was a motion on the floor to approve from October 14th.

14
15 Ms. Ossiander *had* moved, to approve AR 2008-221.
16 Mr. Coffey *had* seconded,

17
18
19 Ms. Ossiander stated that Information Technology had requested additional time to make changes to the document.
20 She urged approval.

21 and the motion passed, 11-0.

22
23
24 AYES: Starr, Gutierrez, Gray-Jackson, Birch, Claman, Selkregg, Drummond, Ossiander, Flynn, Johnston and
25 Coffey.

26 NAYS: None.

27
28 **12. APPEARANCE REQUESTS**

29 12.A. **Ronald W. Devon, President, Anchorage Unitarian Universalist Fellowship**, presentation of check
30 for Payment in Lieu of Taxes for 2008.

31
32 RONALD DEVON, President of Anchorage Unitarian Universalist Fellowship, testified that the congregation believed
33 strongly in the separation of church and state and believed that others should not subsidize their use of municipal
34 services. The church benefitted from all city services and believed in paying for their fair share. The church had paid
35 for services in lieu of taxes every year since 1968. He presented a check to Chief Fiscal Officer Sharon Weddleton in
36 the amount of \$4,200.00 for payment in lieu of taxes for 2008. He thanked the city for all services the church received.
37 Chair Claman and Dr. Selkregg thanked Mr. Devon for presenting the check and the church, for their appreciation.

38
39 12.B. **Marianne K. Burke, Report of Board of Equalization and answer questions in accordance with AMC**
40 **Chapter 12.05. (Addendum)**

41
42 MARIANNE K. BURKE, Board of Equalization Chair, presented the Board's Annual Report, concerning all requests for
43 adjustments cases heard during the past year, with all appeals being completed. She explained the appeals process
44 and reported there were 816 appeals filed, a decrease of 17% from 2007. 576 of those appeals did not appear. Of the
45 235 appeals heard, 177 evaluations were upheld, 57 were lowered and 1 was increased. The fifteen Board members
46 were qualified and committed to the process. Chair Claman, Ms. Ossiander, Mr. Coffey, Mr. Birch and Dr. Selkregg
47 thanked Ms. Burke and all Board members for their organized teamwork, their speed of determining appeals and
48 improving the process.

49
50 **13. CONTINUED PUBLIC HEARINGS** There were none.

51
52 **14. NEW PUBLIC HEARINGS**

53 14.A. Ordinance No. AO 2008-100, an ordinance amending Anchorage Municipal Code Sections 3.87.020,
54 3.87.050, 3.87.060 and 3.87.070, to provide a **Retiree Medical Funding Program** for certain police
55 officers and fire fighters, Finance.

56 1. Assembly Memorandum No. AM 560-2008.

57
58 Chair Claman called for a motion to combine Public Hearing on 14.A and 14.B.

59
60 Mr. Coffey moved, to combine Public Hearing on AO 2008-100 and
61 Dr. Selkregg seconded, AR 2008-185, items 14.A and 14. B.
62 and this was approved without objection.

63
64
65 Chair Claman read the ordinance and resolution titles and opened Combined Public Hearing. Ms. Ossiander reported
66 it was intended that Combined Public Hearing would be continued to November 18th.

67 JOHN ZOLSTRA, a retired police officer, testified in support the changes, which were what the union and the city had
68 formerly agreed to and involved things that needed fixing. To Mr. Coffey, Mr. Zolstra responded his healthcare costs
69 had increased four or five-fold since he retired. Mr. Coffey stated that his insurance had also increased that much and
70 stated it would be hard to tell taxpayers to contribute more money for an adjustment when no one would be paying for
71 their increased insurance rates. Mr. Zolstra responded that it was important that the city treat their employees and
72 retirees well. The agreement he had entered into as a retiree was not being upheld. Mr. Zolstra responded that he
73 had received a distribution of \$100,000 from the settlement of trust money, which was due. To Dr. Selkregg, he
74 responded the settlement to the police was due to a miscalculation by the Municipality and was not about medical
75 retirement.

76
77 DAVID DODD testified that the city had had an unfunded medical liability, which had involved multi-millions of dollars.
78 Police officers and firemen were given assurances that the tradeoff would provide them with medical insurance

1 coverage. He had been a fireman for 25 years and had volunteered his paramedic services for an additional four
2 years. Retirees were promised that they would be taken care of. Mr. Coffey stated there was lawsuit and risk of
3 litigation with a payment of more money and he wanted the lawsuit resolved. Mr. Dodd responded that he was not
4 involved in the lawsuit, but understood that it was a different matter.

5
6 BEN CLAYTON, a member of Keep The Promise, requested Assembly support for continued contributions for medical
7 benefits, as was proposed. He was a former Greater Anchorage Area Borough (GAAB) firefighter, who retired after 25
8 years. He requested that the Assembly help take care of the retirees.

9
10 JIM DENCHINETELIO, a retired firefighter and former Station One Senior Captain, testified that he had been injured
11 and found out that his health insurance was ended. He could not get a job and was now working as a jail clerk. He
12 and all retirees needed the help of the Assembly and urged support for the ordinance.

13
14 ANDREW PROVENCIO, a 25-year firefighter and Senior Captain, member of the Police and Fire Medical Trust and
15 the Police and Fire Retirement System and representing those involved in the case, testified that the unfunded liability
16 had involved \$120,000,000 to pay for medical insurance. The ordinance would allow Tier I employees or employees
17 hurt on the job to be able to buy the lowest level of insurance the city offered. Mr. Provencio explained those involved
18 had medical costs three times the national average. Mr. Birch stated that this involved a contract that had been
19 negotiated and had provisions and conditions. In 1999 the trust fund settlement paid out to the city and to individual
20 employees. Mr. Provencio responded that had involved retirement benefits. The medical trust was different. Mr.
21 Coffey stated the audit would come before the Assembly. Healthcare costs were rising for everyone and he had
22 obligations to the workers, but he also had obligations to the taxpayers, who would not benefit from the expense. He
23 needed to resolve the competing demands before he would take action. Mr. Provencio responded that not all
24 employees would buy into the city health insurance. Mr. Coffey stated the employees had agreed to the change. Mr.
25 Provencio responded that the charts and graphs used during negotiations, showing how the money was to work, were
26 not accurate. They were only asking to be able to buy insurance the way it had been promised to them. Mr. Coffey
27 stated it would be more than 5% of the budget and would cost the taxpayers. Mr. Provencio responded this would
28 involve only a select few people. Ms. Ossiander stated there was concern that, even if the Assembly took action,
29 things may still be unresolved. Mr. Provencio responded that resolving the matter would not affect or be affected by
30 the current lawsuit in any way. To Mr. Birch, Mr. Provencio responded that at 65 years of age he would use Medicare
31 for his primary medical insurance.

32
33 DOUG BOHAC, a retired police officer, testified he was in the litigation, which involved a pension and not medical. Mr.
34 Coffey stated there was still risk of litigation. Mr. Bohac responded that if the Assembly passed the ordinance, he
35 would support the workers dropping the lawsuit. Dr. Selkregg stated that she understood this was not about a threat to
36 the lawsuit and the employees were simply addressing the matter. Mr. Bohac concurred. Ms. Ossiander stated that
37 she personally felt the litigation would affect her ability to make a decision.

38
39 PAUL HONEMAN, a retired Tier I police officer, testified in support of the ordinance offering the medical coverage. All
40 new police officers and firemen were under the new system, agreed upon in 1995. It was only right to consider
41 minimum health benefits for police and fire employees who put their lives on the line to protect the public. He urged
42 the Assembly to support the medical retirement plan.

43
44 There was no additional public testimony and Chair Claman closed Public Hearing and called for a motion.

45
46 Ms. Ossiander moved, to continue AO 2008-100 and AR 2008-185 to
47 Mr. Coffey seconded, November 18, 2008, with a worksession scheduled for
48 November 14th.

49
50 Mr. Coffey requested that all information relative to the litigation be given to members by November 14th.

51
52 Chair Claman stated that prior to the worksession on the 14th there would be an Executive Session to get an update on
53 the lawsuit. Municipal Attorney Jim Reeves responded that all information would be available, but it would not possible
54 to determine when the court would issue a decision.

55
56 and the motion passed, 11-0.

57
58 AYES: Starr, Gutierrez, Gray-Jackson, Birch, Claman, Selkregg, Drummond, Ossiander, Flynn, Johnston and
59 Coffey.
60 NAYS: None.

61
62 14.B. Resolution No. AR 2008-185, a resolution of the Anchorage Municipal Assembly supporting the
63 approval of an increase in the employer contribution to the **Police and Fire Retirees Medical**
64 **Benefits**, Finance.

65
66 (Clerk's Note: See Agenda item 14.A for Combined Public Hearing of Agenda items 14.A and 14.B, and related
67 Assembly discussion and action on AO 2008-100 and AR 2008-185, continuing to November 18th with a worksession
68 scheduled for November 14th.)

69
70 14.C. Ordinance No. AO 2008-108, an ordinance of the Municipality of Anchorage, Alaska, authorizing and
71 providing for the issuance of Not To Exceed \$60,000,000 in aggregate principal amount of **General**
72 **Obligation General Purpose Bonds** of the Municipality for the purpose of financing the costs of
73 major roof repair and maintenance of certain public facilities; improving, renovating, replacing and
74 renewing pool facilities; public safety and transportation improvements; fire related improvements and
75 road and drainage improvements and related capital improvement projects in the Municipality;
76 delegating certain matters to the Chief Fiscal Officer in connection with the sale of the bonds;
77 authorizing the Chief Fiscal Officer to confirm the manner of sale of the bonds; pledging the full faith

1 and credit of the municipality to the payment thereof; and authorizing an amendment to Ordinance No.
2 AO 2008-3, Finance.
3 1. Assembly Memorandum No. AM 673-2008.
4

5 Chair Claman read the ordinance title and opened Public Hearing. There was no one to testify and he closed Public
6 Hearing and called for a motion.

7
8 Dr. Selkregg moved, to approve AO 2008-108.
9 Mr. Coffey seconded,

10
11 Mr. Coffey moved, to amend AO 2008-108 on Page 51, beginning on Line 5, by
12 Mr. Flynn seconded, adding to read: "**Section 21. Notwithstanding the foregoing,**
13 should the Administration be unable to sell the Bonds on
14 terms and conditions, that, in the discretion of the Chief Fiscal
15 Officer, are favorable to the Municipality within 90 days of the
16 approval of this Ordinance, the authorization provided
17 hereunder shall become null and void and the Administration
18 shall be required to report to the Assembly and shall seek
19 further authorization from the Assembly to issuance of the
20 Bonds."
21

22 Mr. Coffey stated that, based on the uncertainty of the markets and what might transpire with the bonds, the
23 amendment would allow an opportunity to get the best possible deals. After a period of time, if the target was not
24 achieved, the matter would be reviewed by the Assembly. This would allow caution to be used during these financially
25 troubled times.

26
27 To Dr. Selkregg, Chief Fiscal Officer Sharon Weddleton responded the Administration did not object to the
28 amendment. The city's financial advisor recommended issuing the bonds in November, 2008. Dr. Selkregg stated
29 that municipal bonds were attractive and people were investing. Ms. Weddleton responded that she had looked into
30 the matter, but the Permanent Fund was not an appropriate investor because it was a nontaxable entity.

31 and the motion passed without objection.

32 and the main motion, as amended, passed, 11-0.

33
34
35
36 AYES: Starr, Gutierrez, Gray-Jackson, Birch, Claman, Selkregg, Drummond, Ossiander, Flynn, Johnston and
37 Coffey.

38 NAYS: None.

39
40
41 14.D. Ordinance No. AO 2008-109, an ordinance of the Municipality of Anchorage, Alaska, authorizing and
42 providing for the issuance of Not To Exceed \$31,870,000 in aggregate principal amount of **General**
43 **Obligation Schools Bonds** of the Municipality for the purpose of financing the costs of renewing and
44 replacing Clark Middle School, Addition and Renewal of Chester Valley and Sand Lake Elementary
45 Schools, Design Plans For Girdwood K-8 School and for educational capital improvements for
46 Districtwide Major Buildings Systems Renewal in the Municipality; delegating certain matters to the
47 Chief Fiscal Officer in connection with the sale of the bonds; authorizing the Chief Fiscal Officer to
48 confirm the manner of sale of the bonds; pledging the full faith and credit of the municipality to the
49 payment thereof; and authorizing an amendment to Ordinance No. AO 2008-3, Finance.
50 1. Assembly Memorandum No. AM 674-2008.

51 Chair Claman read the ordinance title and opened Public Hearing.

52
53 CAROL COMEAU, Anchorage School District (ASD) Superintendent, testified in support of the school bonds for
54 Chester Valley, Sand Lake, a K-8 school in Girdwood and other capital improvements district wide. She supported the
55 amendment. To Mr. Coffey, Superintendent Comeau responded that Chester Valley was a much smaller school and
56 Sand Lake involved extensive remodeling and replacement of the older structures. If the bonds were approved,
57 project construction would begin in the spring of 2009. To Dr. Selkregg, Superintendent Comeau responded that the
58 scopes of both Sand Lake and Chester Valley had been downsized. Chair Claman stated that he understood the
59 amount of the bond was not enough to cover the original design and the design had been scaled down.

60
61 There was no additional public testimony and Chair Claman closed Public Hearing and called for a motion.

62
63 Dr. Selkregg moved, to approve AO 2008-109.
64 Mr. Coffey seconded,

65
66 Ms. Ossiander moved, amend AO 2008-109 on Page 46, beginning on Line 12, by
67 Mr. Flynn seconded, adding to read: "**Section 21. Notwithstanding the foregoing,**
68 should the Administration be unable to sell the Bonds on
69 terms and conditions, that, in the discretion of the Chief Fiscal
70 Officer, are favorable to the Municipality within 90 days of the
71 approval of this Ordinance, the authorization provided
72 hereunder shall become null and void and the Administration
73 shall be required to report to the Assembly and shall seek
74 further authorization from the Assembly to issuance of the
75 Bonds."
76

77 Mr. Coffey stated that \$31,870,000 had been voter approved and Assembly authorized, even though the propositions
78 totaled \$65,000,000. Chief Fiscal Officer Sharon Weddleton responded that voter approved bonds were not drawn at

1 one time. In order to avoid penalty, the money was pulled as it was needed. The Assembly would be asked to
2 appropriate the remainder of the funds needed in a year. Some projects were small and could be completed. Larger
3 projects would need additional appropriations. Ms. Weddleton responded that funds would be always be available,
4 with the difference being what it would cost. There were many successful government bond sales transacted across
5 the United States. The interest rates of the bonds being sold reflected the fact that buyers were not interested in
6 purchasing municipal debt unless they (*bonds*) paid extra. She anticipated that that would be the case today, six
7 months from now, nine months from now and one year from now. If the cost was too high, it will not impact what the
8 city could do with the proceeds, but it would impact the debt service for the next twenty years. The debt could also be
9 refinanced in the future when the market was more favorable.

10
11 Dr. Selkregg stated that bonds were very attractive right now and there was a movement for investing in bonds,
12 particularly municipal bonds that were secured by a tax base. Ms. Weddleton responded that bonds were attractive
13 because the yields of municipal bonds were higher than they were a year ago. If there was more of a movement the
14 rates would be higher, and closer to what they were a year ago.

15
16 and the main motion, as amended, was passed without objection.

17
18 AYES: Starr, Gutierrez, Gray-Jackson, Birch, Claman, Selkregg, Drummond, Ossiander, Flynn, Johnston and
19 Coffey.

20 NAYS: None.

21
22 14.E. Ordinance No. AO 2008-113, an ordinance of the Municipality of Anchorage, Alaska, authorizing an
23 Interfund Loan to the Port of Anchorage for the purpose of **repaying Commercial Paper Notes**, as
24 they mature, only in the event that the credit markets experience a heightened liquidity crisis
25 precluding issuance of refunding Commercial Paper Notes to retire outstanding commercial paper
26 note maturities, Finance.

27 1. Assembly Memorandum No. AM 711-2008.

28
29 Chair Claman read the ordinance title and opened Public Hearing.

30
31 JED WHITTAKER testified that the ordinance language opened up a lot of questions and he urged the Assembly to
32 ask more questions.

33
34 There was no additional public testimony and Chair Claman closed Public Hearing and called for a motion.

35
36 Mr. Coffey moved, to approve AO 2008-113.
37 Mr. Starr seconded,

38
39 To Mr. Flynn, Ms. Weddleton responded there would be a cash loss if the impact of unrealized losses was included. If
40 the commercial paper was rolled today, there was expectation that the interest rate would be about 3.5%. However,
41 the Administration would not be able to issue the commercial paper for more than 30 days. So, there would be a
42 continuous rollover, potentially every seven days. If the commercial paper cost increased to an unaffordable interest
43 rate, rather than using the Interfund Loan, the Administration would request the Assembly to approve issuing a
44 revenue bond for the Port, to pay off all the commercial paper.

45
46 Ms. Ossiander stated that the initial projections for growth were overly optimistic. She preferred that the matter come
47 back to the Assembly when necessary, rather than giving carte blanche. Ms. Weddleton responded the need for
48 attention may be as soon as November 14th, when the first portion of commercial paper matured, which was prior to
49 the next Assembly Meeting. There was a 95% certainty there would be no need to use the authority to use the
50 Interfund Loan and the city's financial advisor had agreed that the city would be able to roll the commercial paper.
51 Granting the authority would be creating insurance. Ms. Ossiander requested a worst case scenario. Ms. Weddleton
52 responded that if the commercial paper could not be rolled in November, the city would owe Dexia Bank \$20,000,000
53 with an interest rate of at least 12%. Commercial paper with an interest rate up to 10% would be used before the city
54 would consider issuing an Interfund Loan.

55
56 To Mr. Coffey, Ms. Weddleton responded that the Municipality currently had \$40,000,000 outstanding commercial
57 paper. The first \$20,000,000 was due on November 14th and the remainder would mature in February. In a normally
58 functioning market it would be rolled for nine months, but now the city would be lucky to roll it for seven days. Mr.
59 Coffey stated the hits to the Port included the financial status of commercial paper, the endanger status of the Beluga
60 and the current and uncertain national and world economy. Deputy Port Director STEVEN RIBUFFO responded that
61 the Port schedule had not changed, with (*project*) phases to be completed by 2010. Mr. Coffey stated that changed
62 circumstances had made a big difference and he requested the Port report regularly to the Assembly. Mr. Ribuffo
63 responded that the situation was continually reviewed. Mr. Coffey stated that additional information was needed
64 before considering paying off the \$40 million. Mr. Ribuffo concurred.

65
66 To Mr. Starr, Ms. Weddleton responded the general cash reserve was permanently available for a use such as this.
67 Lines of credits would not be available. Rating agencies were primarily interested in the fund balance and the policy
68 designations. Mr. Starr supported building up and maintaining the cash reserves.

69
70 To Dr. Selkregg, Ms. Weddleton responded the city was relying on a conservative assessment of the payback capacity
71 of the Port. Dr. Selkregg stated that ships were just sitting in port, with the slowdown of the world economy. She
72 questioned whether the 1% growth was ambitious in these current economic times. Ms. Weddleton responded the
73 model required an annual reassessment of revenue growth. The current financial markets had not yet had an impact
74 to Port revenues. The Port of Anchorage was unique with respect to not having the same competitive issues as other
75 ports. Dr. Selkregg requested Ms. Weddleton's worst case scenario. Ms. Weddleton responded that, using an unlikely
76 scenario that the Port had to pay 10% on the commercial paper or a revenue bond, the risk was that all phases of the
77 expansion could not be finished until debt was again affordable. In the event that the Port could not pay back the city,
78 it was inconceivable that the Municipality could not sell a revenue bond debt at some price and be paid back.

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Mr. Coffey moved, to amend AO 2008-113, Section 2, on Page 1, Lines 44-45,
Mr. Flynn seconded, by changing to read: The aggregate dollar amount of the
and the motion passed, 11-0. outstanding principal balance of the Interfund Loans shall not
exceed [Forty Million Dollars (40,000,000)] "Twenty Million
Dollars (20,000,000)."

Mr. Flynn moved to continue with other Agenda items and return to complete
Mr. Coffey seconded, this item.
and this was approved without objection.

(Clerk's Note: Chair Claman moved the body to complete the 2nd Combined Public Hearing on all Budget items, 14.F,
14.G, 14.H, 14.I, 14.J and 14.K and then returned the body to complete this item.)

Mr. Coffey moved, to amend AO 2008-113, Section 2, on Page 2, Lines 14-17 by
Mr. Starr seconded, adding a new Section 3, to read: "The Port shall, prior to
December 31, 2008, provide an analysis to the Assembly as
to the port expansion with emphasis on: Financing availability
and cost; the listing of the Cook Inlet Beluga whale as an
endangered species and the economic impact on the Port
from the listing; and the impact of the U.S. economic
circumstances on the port expansion project." And, by
renumbering the remainder.

Mr. Coffey stated that the amendment would require the Port to provide an analysis of impacts to the port expansion,
with emphasis on the financial availability and cost, the economic impact of listing the Beluga whale as an endangered
species and the impact of U.S. economic circumstances.

and this was approved without objection.

and the main motion, as amended, passed, 11-0.

AYES: Starr, Gutierrez, Gray-Jackson, Birch, Claman, Selkregg, Drummond, Ossiander, Flynn, Johnston and
Coffey.
NAYS: None.

Dr. Selkregg moved, to Change the Order of the Day to take up 14.N.
Mr. Coffey seconded,
and this was approved without objection.

14.F. Ordinance No. AO 2008-102, an ordinance of the Municipality of Anchorage adopting and
appropriating funds for the **2009 (Updated) General Government Operating Budget** for the
Municipality of Anchorage, Office of Management & Budget. (**Second Public Hearing**) (Continued to
November 18, 2008)
1. Assembly Memorandum No. AM 614-2008.

Chair Claman called for a motion to combine Public Hearing.

Mr. Flynn moved, to combine 2nd Public Hearing on all Budget items, including
Mr. Coffey seconded, AO 2008-102, AR 2008-212, AO 2008-103, AO 2008-104,
and this was approved without objection. AO 2008-105 and AR 2008-211, Agenda items 14.F, 14.G,
14.H, 14.I, 14.J and 14.K.

Chair Claman opened Combined Public Hearing.

CHARLENE SPADAFORÉ VASSAR, Project Access Director, requested an additional \$125,000 in the budget for
Project Access to help pay for costs of medical treatment for uninsured citizens. In 2008 the clinic served 939 first
appointments for patients, which generated three to five follow-up appointments per patient, including surgeries. She
reported there were 394 participating doctors and healthcare providers who volunteered with a calculation of donated
professional services valued over \$2,500,000, which was estimated to be only one half of total donations. Major
donors included Providence Hospital, the Alaska Mental Health Trust, the United Way, the Municipality, the State of
Alaska and many doctors and pharmaceutical companies. To Dr. Selkregg, Ms. Vassar responded the request was for
an additional \$100,000, above the \$25,000 the city was already contributing. To Ms. Johnston, Ms. Vassar responded
that Project Access had originally asked for \$125,000 for the 2009 Budget. Ms. Ossiander applauded Project Access
for their work, but stated that it was difficult to consider because taxpayers were overextended and concerned about
paying taxes and would be forced to pay for these discretionary costs. Ms. Vassar responded that people who did not
have healthcare went to the emergency room, which raised medical expenses for everyone. To Ms. Gray-Jackson,
Ms. Vassar responded Project Access had received additional funding from Providence, the Alaska Mental Health
Trust, the United Way and the State of Alaska and would be holding additional fund raisers.

JEROME VASE, a physician and Project Access Board Member, who donated his medical services, urged support.
Mr. Coffey proposed that Project Access be involved with fund raising and the city would consider matching funds. Dr.
Selkregg stated the medical services would be available to anyone in the community. Dr. Vase responded that
screeners determined the qualifications of the patients.

RICH WILLARD testified about his osteoporosis and failed health, with costs of \$150,000 for surgery alone. Project
Access had accepted him as a patient and he had been saved by their services. To Ms. Ossiander, Mr. Willard
responded that he had been turned down by Welfare, Medicaid, Medicare and Social Security. Ms. Ossiander stated

1 that other programs that provided funding for emergency medical situations had also requested funds from the city,
2 using taxpayers dollars. There were many needs in the community.

3
4 CASEY HAWTHORNE, endocrinologist, volunteer and Project Access Board President, testified there was no better
5 use for the money. 99% of Providence's specialists participated in the program. He told of his orthopedic care to
6 crippled patients. He urged support for Project Access, which was trying to expand to other areas in Alaska.

7
8 NICHOLE BALMAN testified that Project Access had helped her battle health concerns and expensive costs. She
9 could not qualify for Medicaid or other healthcare programs for assistance. She urged support for the project, which
10 was available to nearly everyone.

11
12 SHELLY HENNESSY, representing the 34 condominium owners of East Thunderbird Condominium Association and
13 20 residents on Alexander Avenue, requested Assembly assistance to resolve the groundwater issues in that area.
14 She distributed photos of flooded crawlspaces, the Anchorage feasibility study and engineering report and proposed
15 improvements. She requested all those present who supported the proposal for assistance to stand. *(Clerk's Note:*
16 *Approximately 30 people stood, showing their support).* 18th and 19th Avenues were reconstructed with storm drains
17 for all properties, but Alexander Avenue had not been included. These homeowners had experienced sinkholes,
18 foundation damage and backed-up sewer issues. Two condo units were currently in mediation. Sump-pumps could
19 not operate under the demand of kicking on every 30 to 50 seconds, 24 hours a day, year-round. Homeowners were
20 requesting the 29th Avenue capital improvements be increased to \$2,200,000. The distributed handout described the
21 needed improvements, as recommended by the city. Ms. Gray-Jackson requested that all affected residents again
22 stand up, to show how many people were being affected. To Dr. Selkregg, Ms. Hennessy responded that the drainage
23 problem had affected twelve condos and six single family homes, some for as long as 18 years. The city did not want
24 to take it on. To Ms. Ossiander, the Administration responded that \$5,000 had been allocated to complete a feasibility
25 study. The \$200,000 was a state grant for a storm drain, but this would not resolve the drainage problem. The
26 feasibility study recommended \$2,180,000 for full road reconstruction with a full storm drain. Ms. Ossiander stated she
27 would support modifying the state funding to \$2.2 million. To Mr. Birch, Ms. Hennessy responded that the affected
28 homes had no market value and could not be sold under these conditions. The excess water needed to go
29 somewhere other than this area, and the water was enough that the foundations were being destroyed. Mr. Coffey
30 stated the homeowners would need to help lobby in Juneau for the additional state money for this capital improvement
31 project. Ms. Hennessy responded that the homeowners would be involved. She stated they were passionate and
32 dedicated about fixing the problem and would follow the Assembly's lead on getting funds appropriated. To Mr. Starr,
33 Ms. Hennessy responded the water was a combination of groundwater and runoff. Mr. Starr recommended looking
34 into state grant applications for storm runoff water permits. Ms. Gray-Jackson thanked Mr. Coffey and Ms. Ossiander
35 for their support and stated this would take combined lobbying efforts carried to State Legislators.

36
37 JOHN HALL, an emergency room physician, proposed that, beginning January 1st, he would ride his bike and hire his
38 daughter to organize a fund raiser at his expense, to raise money that the Assembly would match for Project Access.

39
40 STEPHANIE ENGLE, a Project Access volunteer, read the story of patient Hazel Brown, who had colon cancer and
41 had been helped by Project Access.

42
43 NEIL KOENIGER, Animal Control Advisory Board Chair and speaking on behalf of the Board, requested funding in the
44 amount of \$86,700, which would add a new animal control officer to the program, along with equipment and officer
45 training for the officer. A national audit had indicated that Anchorage, with its current population, should have
46 seventeen animal control officers, but, currently there were only eight. Ms. Ossiander stated that she supported an
47 animal control officer, outreach and education. Mr. Koeniger responded the Administration had refused their requests
48 for an additional officer because additional revenues were needed.

49
50 TERESA STEINKOFF, a Project Access volunteer, testified in support of the requested additional \$100,000 for
51 coverage for patients.

52
53 There was no additional public testimony and Chair Claman reported that the 2nd Public Hearing on all Budget items
54 was closed. Public Hearings would be continued to November 18th.

55
56 14.G. Resolution No. AR 2008-212, a resolution of the Municipality of Anchorage approving the **2009-2014**
57 **Municipal Utilities Capital Improvement Program**, Office of Management & Budget. **(Second**
58 **Public Hearing)** *(Continued to November 18, 2008)*

- 59 1. Assembly Memorandum No. AM 622-2008.

60
61 *(Clerk's Note: See Agenda item 14.F for related details of Combined Second Public Hearing on all Budget items,*
62 *including AO 2008-102, AR 2008-212, AO 2008-103, AO 2008-104, AO 2008-105 and AR 2008-211, Agenda items*
63 *14.F, 14.G, 14.H, 14.I, 14.J and 14.K.)*

64
65 14.H. Ordinance No. AO 2008-103, an ordinance adopting and appropriating funds for the **Municipal**
66 **Utilities/Enterprise Activities Operating Budget** for Fiscal Year 2009 Update and the 2009 Municipal
67 **Utilities/Enterprise Activities Capital Budget**, Office of Management & Budget. **(Second Public**
68 **Hearing)** *(Continued to November 18, 2008)*

- 69 1. Assembly Memorandum No. AM 619-2008.

70
71 *(Clerk's Note: See Agenda item 14.F for related details of Combined Second Public Hearing on all Budget items,*
72 *including AO 2008-102, AR 2008-212, AO 2008-103, AO 2008-104, AO 2008-105 and AR 2008-211, Agenda items*
73 *14.F, 14.G, 14.H, 14.I, 14.J and 14.K.)*

74
75 14.I. Ordinance No. AO 2008-104, an ordinance adopting and appropriating funds for the 2009 Operating
76 and Capital Budgets for the **Anchorage Community Development Authority (ACDA)**, Office of
77 **Management & Budget.** **(Second Public Hearing)** *(Continued to November 18, 2008)*

- 78 1. Assembly Memorandum No. AM 620-2008.

1
2 (Clerk's Note: See Agenda item 14.F for related details of Combined Second Public Hearing on all Budget items,
3 including AO 2008-102, AR 2008-212, AO 2008-103, AO 2008-104, AO 2008-105 and AR 2008-211, Agenda items
4 14.F, 14.G, 14.H, 14.I, 14.J and 14.K.)
5

- 6 14.J. **Ordinance No. AO 2008-105**, an ordinance adopting the **2009 General Government Capital**
7 **Improvement Budget**, Office of Management & Budget. (**Second Public Hearing**) (Continued to
8 November 18, 2008)
9 1. Assembly Memorandum No. AM 621-2008.

10 (Clerk's Note: See Agenda item 14.F for related details of Combined Second Public Hearing on all Budget items,
11 including AO 2008-102, AR 2008-212, AO 2008-103, AO 2008-104, AO 2008-105 and AR 2008-211, Agenda items
12 14.F, 14.G, 14.H, 14.I, 14.J and 14.K.)
13

- 14 14.K. **Resolution No. AR 2008-211**, a resolution of the Municipality of Anchorage approving the **2009-2014**
15 **General Government Capital Improvement Program**, Office of Management & Budget. (**Second**
16 **Public Hearing**) (Continued to November 18, 2008)
17 1. Assembly Memorandum No. AM 618-2008.
18
19

20 (Clerk's Note: See Agenda item 14.F for related details of Combined Second Public Hearing on all Budget items,
21 including AO 2008-102, AR 2008-212, AO 2008-103, AO 2008-104, AO 2008-105 and AR 2008-211, Agenda items
22 14.F, 14.G, 14.H, 14.I, 14.J and 14.K.)
23

- 24 14.L. **Ordinance No. AO 2008-111**, an ordinance of the Municipality of Anchorage, Alaska, approving
25 submission by the Anchorage Water & Wastewater Utility (AWWU) of **rate changes based on [a]**
26 **Non-Recurring Charges and Fees (NRC)** update to the Regulatory Commission of Alaska (RCA).
27 1. Assembly Memorandum No. AM 706-2008.
28

29 Chair Claman read the ordinance title and opened Public Hearing. There was no one to testify and he closed Public
30 Hearing and called for a motion.

31
32 Dr. Selkregg moved, to approve AO 2008-111.
33 Mr. Flynn seconded,
34 and the motion passed, 11-0.

35
36 AYES: Starr, Gutierrez, Gray-Jackson, Birch, Claman, Selkregg, Drummond, Ossiander, Flynn, Johnston and
37 Coffey.
38 NAYS: None.
39

- 40 14.M. **Ordinance No. AO 2008-112**, an ordinance of the Municipality of Anchorage, Alaska, approving
41 submission by the Anchorage Water and Wastewater Utility on behalf of the Anchorage Water Utility
42 (AWU) and the Anchorage Wastewater Utility (ASU) of **revenue requirement studies** to the
43 Regulatory Commission of Alaska (RCA).
44 1. Assembly Memorandum No. AM 707-2008.
45

46 Chair Claman read the ordinance title and opened Public Hearing. There was no one to testify and he closed Public
47 Hearing and called for a motion.

48
49 Mr. Gutierrez moved, to approve AO 2008-112.
50 Dr. Selkregg seconded,
51 and the motion passed, 11-0.
52

53 AYES: Starr, Gutierrez, Gray-Jackson, Birch, Claman, Selkregg, Drummond, Ossiander, Flynn, Johnston and
54 Coffey.
55 NAYS: None.
56

57 Dr. Selkregg moved, to Change the Order of the Day to take up 14.U, 9.B.8
58 and Mr. Coffey seconded, and 14.P.
59 and there were no objections.
60

- 61 14.N. **Resolution No. AR 2008-247**, a resolution approving the conceptual plan to **lease of a site within the**
62 **Municipal Tudor Road Complex** to Anchorage Neighborhood Health Center for a new clinic building,
63 Anchorage Community Development Authority.
64 1. Assembly Memorandum No. AM 705-2008.
65

66 Chair Claman read the resolution title and opened Public Hearing.

67
68 JOAN FISHER, Executive Director of Anchorage Neighborhood Health Center (ANHC), testified in support of the lease
69 in the Tudor Road Complex. The Center had served hundreds of thousands of people in the city since 1971 and
70 needed to be move from its current location to a larger building with adequate parking. The Tudor Road location would
71 allow higher visibility, expansion. Being located next to the University-Medical (U-Med) District would offer cooperative
72 operations and services. Mr. Flynn questioned how the ANHC would continue to help people in Fairview, who had
73 transportation challenges. Ms. Fisher responded that the clinic did not provide transportation. Satellite stations were
74 not effective and would not be considered without additional providers. Mr. Flynn urged communication with
75 Transportation Director Jody Karcz to discuss public transportation. To Mr. Gutierrez, Ms. Fisher responded that
76 ANHC continually referred patients who needed specialty care to Project Access providers. She would consider
77 sharing the building with Project Access, depending on cost. To Mr. Birch, Ms. Fisher responded that about 62% of
78 patients drove or used transportation to get to the current Fairview location and 11% walked. There had been

1 consideration of the former site of the Alaska Native Hospital on 3rd Avenue, but that site was proposed to be used for
2 a Gamble-Ingra extension. Dr. Selkregg stated the proposed site was well served by public transportation and would
3 serve a high number of patients from South Anchorage and the U-Med District.

4
5 TOM LIVINGSTON, architect with Livingston Slone Architects, testified he had worked on the plans since 2002 and
6 had helped select the Tudor Road site. His architectural layouts depicted the Municipal Tudor Road Complex as a
7 perfect location in a safe neighborhood, with good access, adequate space and visibility. The 4.5 acres was in a good
8 geographical location within the Anchorage Bowl and would be easily developable. To Mr. Birch, Mr. Livingston
9 responded the site of the former Alaska Native Hospital on 3rd Avenue had been considered, but had been removed
10 from the list because of the Port Expansion, the possible Knik Arm Crossing and transportation improvements, and
11 because that location did not have a high concentration of patients.

12
13 TOM NIGHSWANDER, a physician who had helped found ANHC, testified that the U-Med area was now the central
14 hub of the city, with transportation opportunities and surrounded by the universities and hospitals, labs, with
15 opportunities of collaboration.

16
17 JOHN HALL, Providence emergency room physician, testified in support of the site for ANHC with an opportunity of
18 providing healthcare to all residents. He explained the patient qualifications and that there was no better use for the
19 money. There were no private clinics that offered free or low-cost healthcare. By approving the resolution, the
20 Assembly could show voters that they were committed to serving them.

21
22 DENALI DANIELS, Denali Commission Health Care Program Manager, testified the Commission had provided funding
23 for the project design. The design contract had a five-year sunset and this was the third year. She urged support for
24 securing the site for the new facility. To Ms. Ossiander, Ms. Daniels responded that the Denali Commission had
25 provided a \$1.2 million grant toward the ANHC project design. Ms. Ossiander stated the city received continual
26 requests for healthcare and needed assistance reviewing the needs and determining funding priorities. Ms. Daniels
27 responded that she would be happy to assist.

28
29 MAX GRUENBERG, State Representative for the Mountain View, Russian Jack and Turpin areas, testified in support
30 of the current location and urged consideration of continued service for the residents in that area. He urged
31 consideration of providing transportation for those area residents. Mr. Gutierrez stated that more public money was
32 needed to resolve healthcare, transportation, employment and other needs in the city. Representative Gruenberg
33 supported the Assembly and the Legislature working more closely together.

34
35 DON CRANDALL, Mountain View Community Council Chair, requested a commitment from the Assembly to continue
36 healthcare to Mountain View, which had 42% of the ANHC clients. Dr. Selkregg stated that the request was
37 *(consistent with)* a broader community problem and a strategy was needed to determine the locations of healthcare
38 needs. To Mr. Flynn, Municipal Health Director Diane Ingle responded that she and Ms. Karcz were communicating
39 about transportation for all locations in the city.

40
41 SHARON CISSNA, State Representative for the Airport Heights area, testified in support of the Health Center in the U-
42 Med District with a strong transportation system, to serve a high concentration of people. More creative solutions,
43 including healthcare clinics and transportation were needed to accommodate all of Anchorage and all of Alaska. The
44 Alaska Legislature supported neighborhood health clinics.

45
46 JOHN SWARTZ, a 28-year practicing primary care physician and former 16-year volunteer with ANHC, testified in
47 support of Project Access and a long term agreement with ANHC, which served uninsured members of the community.

48
49 KAY LAHDENPERA, a retired public health nurse, testified in support of ANHC, which offered excellent service to
50 uninsured people. Neighborhood healthcare centers were effective and the wave of the future, providing a cost-
51 effective delivery of services. ANHC currently had 104 employees providing primary healthcare to 47,500 visits
52 annually, with 12,000 unduplicated patients, including immigrants and seniors.

53
54 PAT MOODY testified in support of ANHC, which was the wave of the future, providing primary healthcare services to
55 everyone, including seniors. He urged support for the resolution.

56
57 HAROLD JOHNSTON, a family physician, Alaska Family Medicine Residency Program Director run by Providence
58 Hospital and former ANHC Medical Director, testified in support of the Center, which offered low-cost, quality primary
59 care for all, including underserved and Medicare patients.

60
61 TOM HUNT a physician and current ANHC Medical Director testified there were not enough examination rooms to
62 accommodate the existing clientele. The center would not grow unless there was additional space. Dr. Hunt
63 supported the new location, which was close to the Anchorage Rescue Mission.

64
65 JED WHITTAKER questioned what the municipality was going to do with the current location of ANHC. He
66 recommended letting the ANHC keep the existing facility and to give them the new site for free.

67
68 There was no additional public testimony and Chair Claman closed Public Hearing and called for a motion.

69
70 Mr. Gutierrez moved, to approve AR 2008-247.
71 Dr. Selkregg seconded,

72
73 Mr. Gutierrez stated that he was skeptical about giving up the Mountain View site. Approving the resolution would only
74 approve a preliminary conceptual plan. There were many additional steps in the process before construction would
75 begin. As the process continued, the benefits would become clearer.

76
77 Ms. Ossiander stated the trade would be essentially a donation of \$1.5 million to this organization. She would support
78 the resolution because there would be opportunity for additional public process. The Assembly had the responsibility

1 to conduct a fair process and balance public good with the desire of many citizens to limit the city's budget. She had
2 the utmost respect for the good of the ANHC and the workers and she thanked them for their needed services.
3

4 Mr. Coffey stated that by calculating the figures, the net present value for the land and the 50-year lease with ANHC
5 would not cost the city anything. The land was an asset that would make the city a little money and be able to serve
6 the patients who needed services. The Assembly would continue to review the final product.
7

8 Mr. Flynn moved,
9 Mr. Gutierrez seconded,

to amend AR 2008-247 on Page 2, Line 24, by adding to
read: "Section 5 The Anchorage Assembly urges that the
board and staff of the Anchorage Neighborhood Health
Center work with lower income neighborhoods to ensure the
proposed new clinic provides health care opportunities to
these communities."

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14
15 Mr. Flynn stated that, while he respected the need for the move which would prove to be beneficial, there were still
16 concerns of the effect to the customers in the old location. He prescribed to continue to address the needs of Fairview.
17

18 and this was passed without objection, 11-0.
19

20 Dr. Selkregg stated that the Assembly shared a concern of addressing community needs and the cost to taxpayers.
21 This proposed location was the best use for the organization. Because of an increasing public need, more
22 governments across the nation were providing community healthcare centers, which related to the welfare of the entire
23 community. Healthcare centers needed local, state and volunteer support. This was a positive step for the future.
24

25 Mayor Begich commended the Assembly for their support for community healthcare.
26

27 Ms. Gray-Jackson stated the land had been vacant for a very long time and she was please to see the proposed use.
28 She would support the conceptual site plan for the ANHC facility.
29

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

32 AYES: Starr, Gutierrez, Gray-Jackson, Birch, Claman, Selkregg, Drummond, Ossiander, Flynn, Johnston and
33 Coffey.

34 NAYS: None.
35

36 (Clerk's Note: Chair Claman moved the body to take to 14.L)
37

38 14.O. Ordinance No. AO 2008-110, an ordinance of the Municipality of Anchorage, Alaska, authorizing and
39 providing for the borrowing from the State of Alaska Clean Water Fund an aggregate amount Not To
40 Exceed \$8,650,000 for the purpose of financing a portion of the costs of various **AWWU 2008 Capital
41 Improvement Budget (CIB) Wastewater Improvements Projects** and providing for related matters,
42 Anchorage Water and Wastewater.

43 1. Assembly Memorandum No. AM 675-2008.
44

45 Chair Claman read the ordinance title and opened Public Hearing. There was no one to testify and he closed Public
46 Hearing and called for a motion.
47

48 Mr. Flynn moved, to approve AO 2008-110.
49 Mr. Coffey seconded,
50 and the motion passed, 11-0.
51

52 AYES: Starr, Gutierrez, Gray-Jackson, Birch, Claman, Selkregg, Drummond, Ossiander, Flynn, Johnston and
53 Coffey.

54 NAYS: None.
55

56 (Clerk's Note: Chair Claman moved the body to take up item 14.Q.)
57

58 14.P. Resolution No. AR 2008-248, a resolution of the Anchorage Municipal Assembly approving an
59 alcoholic beverages conditional use in the B-3 (General Business) District for a restaurant beverage
60 dispensary use and License Number 4825 per AMC 21.40.180 D.8, for Laile Fairbairn, dba **Spenard
61 Roadhouse Restaurant**, located at 1049 West Northern Lights Boulevard, Lot 11B, Lot 12 E2, and
62 Lot 12 W2, Block 3, Sunbeam Subdivision; generally located on the north side of West Northern Lights
63 Boulevard between Spenard Road and Arctic Boulevard (Spenard Community Council) (Planning
6 Case 2008-123), Planning Department.

6 a. Assembly Memorandum No. AM 717-2008.
64

65 Chair Claman read the resolution title.
66

67
68
69 Mr. Flynn declared a potential conflict of interest. The group that owned the Spenard Roadhouse shared some owners
70 with the ownership group of Snow City Café, of which he was a minor partner. Chair Claman questioned Mr. Flynn
71 whether his partnership interest in Snow City would have any financial interest that would be impacted through
72 business at Spenard Roadhouse. Mr. Flynn responded that he understood there would be some intermingling of
73 equipment leases and if the venture were to fail, there may be a minor potential financial risk to the Snow City Café
74 ownership group. Chair Claman questioned Mr. Flynn whether his association distinguished him from the general
75 public. Mr. Flynn responded YES. Chair Claman ruled that Mr. Flynn had a conflict of interest and ordered that he
76 abstain from participation. There were no objections.
77

1 Mr. Starr declared a possible conflict of interest with the matter because he often did work for insurance underwriters
2 and had completed a review of the construction and the building and had reviewed their process for general liability.
3 Chair Claman questioned Mr. Starr whether he had information concerning the business that could not be disclosed to
4 the public. Mr. Starr responded NO. Chair Claman questioned Mr. Starr whether he had an economic interest. Mr.
5 Starr responded NO and that he could not control the outcome of the underwriter. He stated that he could set aside
6 any personal interest and act in the public interest. Chair Claman ruled that Mr. Starr did not have a conflict of interest
7 and ordered that he participate. There were no objections.
8

9 Mr. Coffey declared a potential conflict of interest because his former firm had sought his legal consultation and he had
10 offered advice on the how the business was structured and financed. Chair Claman questioned Mr. Coffey whether he
11 was being paid for his services. Mr. Coffey responded that he was being paid by the firm which was being paid by the
12 owners. Chair Claman stated that based on Mr. Coffey's attorney-client relationship, he ruled that Mr. Coffey had a
13 conflict of interest and ordered that he not participate. There were no objections.
14

15 Chair Claman read the resolution title and opened Public Hearing.

16
17 LAILE FAIRBAIRN, manager and partner of Snow City Café, testified that she had joined a group of investors to
18 purchase the former Hogg Brothers (Café) on Northern Lights. She testified in support of the conditional use for a
19 beverage dispensary license for their new restaurant, Spenard Roadhouse.
20

21 CATHERINE CALL testified that the owners had submitted a landscape and parking plan to Traffic and Planning and
22 proposed a better traffic pattern within the site to accommodate handicap parking and screened dumpsters. They
23 were able to provide 49 of the 50 parking spaces required by the current Title 21 standards. The determination of
24 Traffic and Planning was that the owners were moving in the direction of conformity and doing everything possible to
25 improve the property. To Ms. Ossiander, Ms. Call responded the joint parking agreement involving two lots was
26 recorded and had helped resolve the problem.
27

28 JED WHITTAKER testified that there was a need to reduce traffic and fast driving in the area. He would support the
29 Roadhouse if there were speed limit signs and safety improvements to Spenard Road and on 25th, 26th and 27th. This
30 establishment would bring more inebriated drivers to his neighborhood.
31

32 There was no additional public testimony and Chair Claman closed Public Hearing and called for a motion.

33
34 Dr. Selkregg moved, to approve AR 2008-248.
35 Ms. Ossiander seconded,
36

37 Ms. Drummond stated the Spenard Community Council had sent a resolution in support of the conditional use (*permit*).

38 and the motion passed, 9-0.
39
40

41 AYES: Starr, Gutierrez, Gray-Jackson, Birch, Claman, Selkregg, Drummond, Ossiander, Johnston and Coffey.

42 NAYS: None.

43 ABSTAIN: Flynn and Coffey, each with a conflict of interest.
44

45 Dr. Selkregg moved, to Change the Order of the Day to take 9.D.3.
46 Mr. Gutierrez seconded,
47 and this was approved without objection.
48

49 14.Q. Resolution No. AR 2008-239, a resolution of the Anchorage Municipal Assembly appropriating
50 \$500,000 from the U.S. Department of Justice, Office of Justice Programs, National Institute of Justice
51 and \$9,261 as a contribution from the 2008 Anchorage Police Operating Budget, Anchorage
52 Metropolitan Police Service Area Fund (151), to the Federal Categorical Grants Fund (241),
53 Anchorage Police Department, for the purpose of a **Cold Case DNA Grant Program**.
54 1. Assembly Memorandum No. AM 676-2008.
55

56 Chair Claman read the resolution title and opened Public Hearing. There was no one to testify and he closed Public
57 Hearing and called for a motion.
58

59 Mr. Flynn moved, to approve AR 2008-239.
60 Mr. Coffey seconded,
61 and the motion passed, 11-0.
62

63 AYES: Starr, Gutierrez, Gray-Jackson, Birch, Claman, Selkregg, Drummond, Ossiander, Flynn, Johnston and
64 Coffey.

65 NAYS: None.
66

67 14.R. Resolution No. AR 2008-240, a resolution of the Municipality of Anchorage appropriating \$55,203 from
68 the State of Alaska, Department of Transportation & Public Facilities; and appropriating \$45,820 as a
69 contribution from the 2008 Anchorage Police Operating Budget, Anchorage Metropolitan Police
70 Service Area Fund (151) to the State Categorical Grants Fund (231) Anchorage Police Department,
71 for **law enforcement equipment and traffic enforcement overtime**.
72 1. Assembly Memorandum No. AM 677-2008.
73

74 Chair Claman read the resolution title and opened Public Hearing. There was no one to testify and he closed Public
75 Hearing and called for a motion.
76

77 Mr. Flynn moved, to approve AR 2008-240.
78 Dr. Selkregg seconded,

1
2 Mr. Starr stated that this would combine to total over \$400,000 in the police overtime fund. Municipal Manager Michael
3 Abbott responded that the 2008 Budget would be amended to accommodate the changes. He responded that
4 allocations for overtime, which were allocations within an appropriation, were not items for Assembly approval.

5
6 and the motion passed, 11-0.

7
8 AYES: Starr, Gutierrez, Gray-Jackson, Birch, Claman, Selkregg, Drummond, Ossiander, Flynn, Johnston and
9 Coffey.
10 NAYS: None.

11
12 14.S. Resolution No. AR 2008-241, a resolution of the Municipality of Anchorage appropriating \$152,398
13 from the U.S. Department of Justice, Office of Justice Programs, Edward Byrne Memorial Justice
14 Assistance Grant, and appropriating \$2,820 from the Anchorage Metropolitan Police Service Area
15 Fund (151), Anchorage Police Department 2008 Operating Budget as a contribution to the Federal
16 Categorical Grants Fund (241) Anchorage Police Department, for the purpose of underwriting projects
17 to **reduce crime and improve public safety**.

18 1. Assembly Memorandum No. AM 678-2008.

19
20 Chair Claman read the resolution title and opened Public Hearing. There was no one to testify and he closed Public
21 Hearing and called for a motion.

22
23 Dr. Selkregg moved, to approve AR 2008-241.
24 Mr. Gutierrez seconded,
25 and the motion passed, 11-0.

26
27 AYES: Starr, Gutierrez, Gray-Jackson, Birch, Claman, Selkregg, Drummond, Ossiander, Flynn, Johnston and
28 Coffey.
29 NAYS: None.

30
31 14.T. Resolution No. AR 2008-242, a resolution of the Municipality of Anchorage appropriating \$379,410 in
32 Prior Year Grant Earnings and \$105,176 in Reimbursed Cost Revenues to the Federal Categorical
33 Grants Fund (241), Anchorage Fire Department, to support continuing **hazardous fuels reduction**
34 **efforts** and mitigate wildfire hazards in the Municipality of Anchorage.

35 1. Assembly Memorandum No. AM 679-2008.

36
37 Chair Claman read the resolution title and opened Public Hearing. There was no one to testify and he closed Public
38 Hearing and called for a motion.

39
40 Mr. Gutierrez moved, to approve AR 2008-242.
41 Dr. Selkregg seconded,

42
43 Ms. Ossiander hoped the appropriation would be used to keep the wood lot open. Mr. Starr responded that he had
44 been told by Fire Chief Craig Goodrich that the funding would cover deadfall and the wood lots for the next year.

45
46 and the motion passed, 11-0.

47
48 AYES: Starr, Gutierrez, Gray-Jackson, Birch, Claman, Selkregg, Drummond, Ossiander, Flynn, Johnston and
49 Coffey.
50 NAYS: None.

51
52 *(Clerk's Note: Chair Claman moved the body to take up item 9.D.13)*

53
54 14.U. Resolution No. AR 2008-244, a resolution of the Municipality of Anchorage appropriating \$383,187 as
55 a grant from the U.S. Department of Health and Human Services, Substance Abuse and Mental
56 Health Services Administration to the Federal Categorical Grants Fund (241), for the **Alaska**
57 **Methamphetamine Education Project** in the Department of Health and Human Services.

58 1. Assembly Memorandum No. AM 681-2008.

59
60 Chair Claman read the resolution title and opened Public Hearing. There was no one to testify and he closed Public
61 Hearing and called for a motion.

62
63 Dr. Selkregg moved, to approve AR 2008-244.
64 Mr. Coffey seconded,
65 and the motion passed, 11-0.

66
67 AYES: Starr, Gutierrez, Gray-Jackson, Birch, Claman, Selkregg, Drummond, Ossiander, Flynn, Johnston and
68 Coffey.
69 NAYS: None.

70
71 15. **SPECIAL ORDERS** There were none.

72
73 16. **UNFINISHED AGENDA** There was none.

74
75 17. **AUDIENCE PARTICIPATION** There was none.

76
77 18. **ASSEMBLY COMMENTS** There were none.

78

1 19. EXECUTIVE SESSIONS There were none.
2

3 20. ADJOURNMENT
4

5 Mr. Gutierrez moved, to adjourn the Regular Assembly Meeting.
6 and there was no second.

7
8 Chair Claman adjourned the Regular Assembly Meeting at 11:00 p.m.
9

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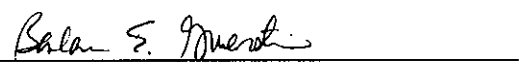
33



MATT CLAMAN, Assembly Chair

ATTEST:

HARRIET A. DRUMMOND, Acting



BARBARA GRUENSTEIN, Municipal Clerk

Date Minutes Approved: February 3, 2009.

MC/BG

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