

MUNICIPALITY OF ANCHORAGE
ANCHORAGE ASSEMBLY

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

Minutes for the Special Meeting of February 17, 2009

1. CALL TO ORDER

The Special Assembly Meeting of February 17, 2009 was convened by Chair Drummond at 6:03 p.m.

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

PRESENT: William Starr, Mike Gutierrez, Elvi Gray-Jackson, Chris Birch, Harriet Drummond, Dan Coffey, Sheila Selkregg, Debbie Ossiander, Patrick Flynn and Jennifer Johnston.

ABSENT: None.

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

4. ITEMS OF BUSINESS (Resolving the Budget Deficit)

Chair Drummond counted those in the audience who wanted to testify and called for a motion.

Ms. Gray-Jackson moved, *to Change the Order of the Day* to take up Agenda item 4.A,
Mr. Gutierrez seconded, allowing public testimony on the Budget Deficit.
and this passed without objection, 10-0.

4.A. Presentations by selected departments.

Acting Mayor Claman reported that the Administration was addressing fiscally responsible considerations to deal with the \$17 million deficit. Cuts would be considered for all departments, while minimizing layoffs and disrupting public services. He addressed his request for a 3-5% reduction of spending for each department. He reported the Anchorage Police Department (APD) Chief had recommended delaying the 2009 Police Academy for 93 new officers and that he would request a reduction of the 3% cost of living in union contracts. He responded to questions from Ms. Johnston, Mr. Coffey, Mr. Birch, Mr. Starr, Ms. Ossiander, Dr. Selkregg, Ms. Gray-Jackson and Chair Drummond.

Economic and Community Development Director Mary Jane Michael explained that Anchorage was identifying shovel-ready projects that would stimulate the economy and produce jobs to receive funds from the federal stimulus package. Dr. Selkregg and Mr. Coffey stated that the Assembly wanted to be involved.

Chief Fiscal Officer Sharon Weddleton reported on the adjustments approved by Acting Mayor Claman to date. She reported cuts and potential impacts to the Office of the Chief Fiscal Officer.

Municipal Manager Michael Abbott reported cuts and potential impacts to Development Services. He responded to questions from Mr. Starr, Mr. Coffey and Dr. Selkregg.

Ms. Weddleton reported cuts and potential impacts to Employee Relations. She and Acting Mayor Claman responded to questions from Mr. Starr, Mr. Birch and Mr. Coffey.

Ms. Weddleton reported cuts and potential impacts to the Department of Finance including Property Appraisal, Treasury, the Controller and the Public Finance Group.

Mr. Abbott reported cuts and potential impacts to the Anchorage Fire Department (AFD). Mr. Abbott and AFD Chief Craig Goodrich responded to questions from Ms. Johnston, Dr. Selkregg, Mr. Gutierrez, Mr. Starr and Ms. Ossiander.

Mr. Abbott reported cuts and potential impacts to Health and Human Services concerning combining divisions, eliminating a position and longer response times. He responded to a question from Dr. Selkregg.

Ms. Michael reported cuts and potential impacts to Heritage Lank Bank. She responded to questions from Mr. Starr and Mr. Coffey.

To Acting Mayor Claman, Chair Drummond recommended taking up Special Orders and introducing the new items.

Mr. Coffey moved, *to Change the Order of the Day* to take up Special Orders,
Mr. Gutierrez seconded, to address items 5.A.1, 5.A.2 and 5.A.3.
and this passed without objection.

Ms. Weddleton reported cuts and potential impacts to Information Technology (IT). She and IT Director Fred Carpenter responded to questions from Mr. Starr, Ms. Johnston and Dr. Selkregg.

Mr. Birch recommended continuing public testimony because there was only ten minutes left in the meeting. Mr. Coffey stated that the department presentations could be continued at the Friday worksession. Mr. Gutierrez stated that more information and discussion were needed.

Mr. Coffey moved, *to extend the Special Meeting to 9:30 p.m.*
Ms. Ossiander seconded,
and the motion failed, 7-3.

(Clerk's Note: Eight affirmative votes were needed to pass the motion.)

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

4.B. Review and discussion of possible ways to reduce budget.

(Clerk's Note: There was not enough time in the meeting for the Assembly to take up this Agenda item.)

4.C. Public Testimony: Priorities, Ideas, Comments.

RON COLBERT, owner of an electrical business with 400 workers doing business all over Alaska for 39 years, urged the Assembly to rescind the International Brotherhood of Electrical Workers (IBEW) Union contract, which included a signatory clause that required all contractors doing business with the city to belong to the union. He responded to questions from Ms. Ossiander, Ms. Johnston, Mr. Coffey and Mr. Birch.

JED WHITTAKER testified that cutting all executive salaries over \$60,000 a year by 10% would save \$1,217,000. To Mr. Gutierrez, he responded there were about 175 executives.

JEFFERY MANFULL, Public Transportation Advisory Board member, testified of the increased need for public transportation during hard economic times. Mr. Starr, Mr. Coffey and Dr. Selkregg commented about the Assembly not being informed before the cuts were made, reinstating bus services and looking for additional cuts elsewhere. Ms. Johnston recommended that Mr. Manfull read Indianapolis Mayor Goldsmith's book, *The Twenty-First Century City*, about the importance of bus services during hard economic times.

TIM BRIGGS, owner of a local electrical business, testified that when work began on the new state prison out-of-state union workers would get city work and would leave the state with the earnings. His business was recently awarded two city contracts, saving the city \$2 million. He responded to questions from Mr. Coffey, Ms. Ossiander, Mr. Birch and Mr. Starr.

SETH ANDERSON, Public Transportation Advisory Board member, testified that People Mover ridership was at record high levels and he opposed cutting public transportation during hard economic times.

DENNIS EBERT, with Megawatt Electric which had recently completed the Dena'ina Center, testified against the union contract. He responded to questions from Mr. Coffey, Mr. Starr, Mr. Gutierrez and Ms. Johnston.

DARYL NELSON opposed reducing public transportation and stated that money from the Stimulus Package should be used for government operating costs. He responded to a question from Ms. Ossiander concerning AnchorRides.

ED HARRIS opposed not allowing non-union contractors to bid city projects. He testified the Dena'ina Center and the Museum used non-union electrical labor and that 64% of workers in Alaska were non-union.

CHERYL RICHARDSON testified it was important to set priorities for the community when addressing budget cuts. She addressed public transportation ridership and service levels and the availability of alternative funds.

TOM McGRATH testified there were non-essential positions in the mayor's office that be terminated without consequences. He stated he was disappointed with Assemblymembers who had supported the union contracts.

JUDITH STEPHANIE MAGNUS testified about the signs of a failing economy and that the Assembly put the city in debt for \$17 million. Assemblymembers needed to take a \$1 dollar per year salary, to set an example.

Mr. Coffey moved, *to extend the Assembly Meeting to 9:15 p.m. to complete*
Ms. Johnston seconded, *public testimony.*
and this was passed without objection.

PETER ROBERTS testified about gaming lotteries supported by the State of Alaska that squandered funds that should be used for people in real need. He requested that the Assembly address changing the gaming law with the State.

SERENA McDONALD testified that she and her husband owned a local electrical company and would be affected by the current IBEW contract, which would cost the city 30% to 40% more.

TONY, a new Anchorage resident, testified that he had lost his job in Juneau, where there were similar labor agreements. Non-union businesses were downsizing because they could no longer secure jobs.

CHRIS HAAS, a small contractor with six employees who did several city jobs a year, testified the new contract would take away 20%-30% of his business. His bids were thousands of dollars below union bids.

JAY DULANY, Public Transit Advisory Board member, testified that consistent and reliable bus service was needed. Cutting services would deny those who could least afford public transportation.

DON LEDERHOS, with Raven Electric, testified he could not bid on city projects. His company performed certain functions that no other company in Alaska was certified to do. When he addressed Assemblymembers having conflicts of interest on the matter, Ms. Ossiander advised him of the matter being taken up with the Ethics Board.

MATTHEW ROUNDTREE, a new Girdwood resident formerly from Portland, Oregon, testified the city needed an information system to educate residents about protecting themselves against volcano eruptions.

Chair Drummond requested that a worksession be scheduled for Friday, February 20th from 10:00 a.m. until 12:00 p.m. to continue department presentations and to discuss the deficit.

5. SPECIAL ORDERS

5.A. Introduction of Ordinances and Resolutions to be set for Public Hearing on March 3rd.

5.A.1. Ordinance No. AO 2009-29, an ordinance amending Anchorage Municipal Code Subsections 17.25.060E. regarding **spaying and neutering dogs and cats** adopted from the Animal Care and Control Center, and amending Section 17.70.010 Fee Schedule regarding sterilization deposits; Department of Health and Human Services. *(Laid on the Table) (Public Hearing 03-03-09)*.

Mr. Coffey moved, *to introduce AO 2009-29, with Public Hearing set for*
Dr. Selkregg seconded, *March 3, 2009.*
Ms. Johnston the concurring third.

5.A.2. Ordinance No. AO 2009-30, an ordinance approving a long-term, non-competitive lease of Heritage Land Bank Parcels 3-032B and 3-060, restricted by a public purpose reverter clause, located south of Tudor Road and east of Elmore Road, to the State of Alaska, Department of Public Safety, for a statewide services **Scientific Crime Laboratory**. *(Laid on the Table) (Public Hearing 03-03-09)*

Mr. Coffey moved, *to introduce AO 2009-30, with Public Hearing set for*
Dr. Selkregg seconded, *March 3, 2009.*
Mr. Gutierrez was the concurring third.

5.A.3. Ordinance No. AO 2009-31, an ordinance of the Anchorage Municipal Assembly amending Anchorage Code Section 12.25.040 to include **payments in lieu of taxes** from municipal utilities, departments, agencies, public corporations, and enterprise authorities; to use a five-year average to calculate any increase in the consumer price index; and to phase in application of the amended tax limitation calculation. *(Laid on the Table) (Public Hearing 03-03-09)*

Mr. Coffey moved, *to introduce AO 2009-31, with Public Hearing set for*
Ms. Johnston seconded, *March 3, 2009.*
Mr. Gutierrez was the concurring third.

6. ADJOURNMENT

Mr. Coffey moved, *to adjourn the Special Meeting of February 17, 2009.*
Dr. Selkregg seconded,
and there was no opposition.

The Special Meeting was adjourned at 9:15 p.m.


HARRIET DRUMMOND, Assembly Chair

ATTEST:


BARBARA GRUENSTEIN, Municipal Clerk
Date Minutes Approved: April 21, 2009.
MC/BG
(Approved Meeting Minutes online at the Municipal Web Site, www.muni.org or call the Municipal Clerk's Office, 632 West 6th Avenue, Suite 250, Anchorage, Alaska, (907)343-4505)

