

**A. CALL TO ORDER**

A regular meeting of the Palmer City Council was held on June 13, 2017, at 7:00 pm in the council chambers, Palmer, Alaska.

Mayor DeVries called the meeting to order at 7:00 pm.

**B. ROLL CALL**

Comprising a quorum of the Council, the following were present:

Edna DeVries, Mayor	Linda Combs, Deputy Mayor
Richard Best – participated telephonically	Steve Carrington
David Fuller	Brad Hanson
Peter LaFrance	

Also in attendance were the following:

Nathan Wallace, City Manager	Norma I. Alley, MMC, City Clerk
Michael Gatti, City Attorney	Bernadette Packa, CMC, Deputy City Clerk

**C. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Council Member Carrington.

**D. APPROVAL OF AGENDA**

1. Approval of Consent Agenda
  - a. Introduction of **Ordinance No. 17-009-Z-1-SL**: Amending the Zoning Map to Revise the Designation of Tax Parcel C8, Located in Section 4, Township 17 North, Range 2 East, Seward Meridian from R-1, Single-family Residential to R-4, High Density Residential with Special Limitations
  - b. Introduction of **Ordinance No. 17-010-Z-2-SL**: Amending the Zoning Map to Revise the Designation of Lot 8, Lot 7 and the West One-half of Lot 6, Block 3, T A Smith Subdivision Located in Section 33, Township 18 North, Range 2 East, Seward Meridian from R-2, Low Density Residential to CG – General Commercial with Special Limitations
2. Approval of Minutes of Previous Meetings
  - a. May 9, 2017, Regular Meeting
  - b. May 23, 2017, Regular Meeting

**Main Motion: To Approve Consent Agenda Items 1.a., 1.b., and Minutes**

Moved by:	Combs
Seconded by:	Fuller
Action:	Motion carried unanimously by roll call vote
In favor:	Best, Carrington, Combs, DeVries, Fuller, Hanson, LaFrance
Opposed:	None

1. c. **Action Memorandum No. 17-038:** Authorizing the City Manager to Negotiate and Execute a Contract with AlasConnect, LLC, for Information Technology Services in the Amount Not to Exceed \$114,000.00 Annually

Council Member Hanson requested to be recused from the vote due to his wife being employed by the parent company of AlasConnect, LLC.

**Main Motion: To Approve Consent Agenda Item 1.c.**

Moved by:	Carrington
Seconded by:	Fuller
Action:	Motion carried by a 6-0 roll call vote with one recused
In favor:	Best, Carrington, Combs, DeVries, Fuller, LaFrance
Recused:	Hanson

**E. COMMUNICATION AND APPEARANCE REQUESTS**

**Item 1 – Presentation by LaMarr Anderson, Board of Economic Development Chair**

- Commented on the board being full and the excellent attendance by its members;
- Provided a broad overview of the board’s goals;
- Commented on the board’s desire to change its meeting time to 6:00 p.m.;
- Addressed a resolution in support of community and regional running events planned to be brought before the Council; and
- Commented on the excellence of the Council Community Grant program.

Mayor DeVries expressed the appreciation of the Council to the entire Board of Economic Development for its good work and the hours it puts in.

**F. REPORTS**

**Item 1 – City Manager’s Report**

City Manager Nathan Wallace:

- Highlighted his construction report;
- Commented on the potential Alaska Government shutdown and any impact on the City of Palmer;
- Provided an update on the Greater Palmer Area Fire Service agreement;
- Noted the official dispatch transition date would be June 28, 2017;
- Commented on the influx of skydivers due to the Summer Solstice Boogie held by the Alaska Skydive Center;
- Noted the Scottish games scheduled for June 24, 2017; and
- Addressed a waiver of formal procedures to award a contract to MEA for the relocation of electrical service at the wastewater treatment plant.

**Item 2 – City Clerk’s Report**

City Clerk Norma Alley:

- Highlighted her written report;
- Noted board and commission members with attendance issues;
- Noted a change in the meeting schedule; and
- Fielded questions from the Council.

**Main Motion: To Reconsider Approval of the Minutes for the May 23, Regular Meeting at the June 27 Meeting**

Moved by:	Best
Seconded by:	Hanson
Action:	Motion carried unanimously by roll call vote
In favor:	Best, Carrington, Combs, DeVries, Fuller, Hanson, LaFrance
Opposed:	None

Direction was given to the City Clerk to review the audio of the May 23, 2017, Regular Meeting, and correct the Minutes to more clearly reflect the comments made by Council Member Best during Council Member Comments.

**Item 3 – Mayor’s Report**

Mayor DeVries:

- Requested Council Members make recommendations for the Palmer Pride Awards; and
- Requested any changes to the 2017 AML Position Statements be forwarded to the City Clerk; and
- Spoke to the upcoming Highland Games.

Deputy Mayor Combs reminded everyone of the upcoming Friday Fling performance by the Taiko Drummers from Anchorage.

**G. AUDIENCE PARTICIPATION**

Eugene Carl Haberman:

- Spoke to the lack of opportunity for the public to speak on the Information Technology Services contract; and
- Noted a reason must be given by a Council Member in order to be recused from a vote.

**H. PUBLIC HEARINGS**

**Item 1 – Resolution No. 17-020:** Accepting and Appropriating a Grant Offer from the Federal Aviation Administration (FAA) in an Amount up to \$7,827,300.00 for Runway 16/34 Rehabilitation and Related Improvements at the Warren “Bud” Woods Palmer Municipal Airport and Authorizing the City Manager to Negotiate and Execute the Grant when Offered

Mayor DeVries requested a staff report. City Manager Wallace noted receipt of the grant offer with the same grant assurances listed in the offer letter.

Mayor DeVries opened the public hearing.

Eugene Carl Haberman:

- Noted Resolution No. 17-020 was Introduced and taken to Public Hearing at the same meeting; and
- Requested the item be brought back to the next meeting for an additional public hearing.

Hearing no objection from the Council, Mayor DeVries closed the public hearing.

Deputy Mayor Combs commended City Manager Wallace for his efforts in getting the Runway 16/34 Rehabilitation Project underway and keeping the Council apprised of its progress.

**Main Motion: To Approve Resolution No. 17-020**

Moved by:	Combs
Seconded by:	Hanson
Action:	Motion carried unanimously by roll call vote
In favor:	Best, Carrington, Combs, DeVries, Fuller, Hanson, LaFrance
Opposed:	None

**I. ACTION MEMORANDA**

**Item 1 – Action Memorandum No. 17-039:** Authorizing the City Manager to Negotiate and Execute a Construction Management and Related Additional Engineering Design Contract with HDL Engineering Consultants in the Amount of \$682,455.00 for the Construction Management of the Airport Improvements Project, Contingent Upon Receiving a Federal Aviation Administration Grant

**Main Motion: To Authorize Action Memorandum No. 17-039**

Moved by:	Fuller
Seconded by:	Combs
Action:	Motion carried unanimously by roll call vote
In favor:	Best, Carrington, Combs, DeVries, Fuller, Hanson, LaFrance
Opposed:	None

**Item 2 - Action Memorandum No. 17-040:** Authorizing the City Manager to Negotiate and Execute a Contract for the Construction of the “Rehabilitation of Runway 16/34 and Related Improvements” Project (Bid No. 17-04PW) to Pruhs Construction Company, LLC, in the Amount of \$6,404,078.20, Contingent Upon Receiving a Federal Aviation Administration Grant

**Main Motion: To Authorize Action Memorandum No. 17-040**

Moved by:	Carrington
Seconded by:	Fuller
Action:	Motion carried unanimously by roll call vote
In favor:	Best, Carrington, Combs, DeVries, Fuller, Hanson, LaFrance
Opposed:	None

**Item 3 – Action Memorandum No. 17-041:** Authorizing the City Mayor to Negotiate and Enter into an Agreement with the State of Alaska Regarding Improvements and Maintenance as Part of the Glenn Highway Reconstruction, MP 32-44 Project

Council Member LaFrance requested a staff report. City Manager Wallace provided a timeline of the project and highlighted the division of responsibilities for the transfer of lands. He explained the City would be assuming maintenance of the highway and the pathway in two to four years.

City Attorney Gatti expressed desired changes with the agreement including receipt of a Warranty Deed from the State, inclusion of a mediation provision, and deletion of indemnification provisions.

Council Member Hanson expressed concern over assuming ownership of the roadways and the costs for future paving projects or necessary upgrades.

City Manager Wallace noted the City was still in negotiations, and he would address the concerns noted by City Attorney Gatti.

**Main Motion: To Authorize Action Memorandum No. 17-041 as Amended**

Moved by:	Combs
Seconded by:	Fuller
Action:	Motion carried unanimously by roll call vote
In favor:	Best, Carrington, Combs, DeVries, Fuller, Hanson, LaFrance
Opposed:	None

**Primary Amendment #1: To Change Authorization for City Manager to Negotiate the Agreement and the Mayor to Execute an Agreement**

Moved by:	Combs
Seconded by:	Carrington
Action:	Motion carried unanimously by roll call vote
In favor:	Best, Carrington, Combs, DeVries, Fuller, Hanson, LaFrance
Opposed:	None

**Item 4 – Action Memorandum No. 17-042:** Authorizing the City Manager to Negotiate and Execute a New Temporary Lease Agreement with Alaska Air Fuel, Inc., for Lease Lot 2, Block 3, of Apron D, Palmer Municipal Airport for the Purpose of Operating an Air/Ground Fuel and Cargo Business

Council Member Hanson requested a staff report. City Manager Wallace provided an overview of the development of the lease and its provisions.

**Main Motion: To Authorize Action Memorandum No. 17-042 as Amended**

Moved by:	Carrington
Seconded by:	Fuller
Action:	Motion carried unanimously by roll call vote
In favor:	Best, Carrington, Combs, DeVries, Fuller, Hanson, LaFrance
Opposed:	None

**Primary Amendment #1: To Change the Summary Statement’s Last Paragraph to Include Alaska Air Fuel (AAF) has 14 Days to Execute the Lease and Move Their Operations**

Moved by:	Combs
Seconded by:	Fuller
Action:	Motion carried unanimously by roll call vote
In favor:	Best, Carrington, Combs, DeVries, Fuller, Hanson, LaFrance
Opposed:	None

**Item 5 – Action Memorandum No. 17-043:** Approving a Council Community Grant in the Amount of \$3,000.00 to the Palmer Museum of History and Art to Support Midsummer Garden and Art Faire

**Main Motion: To Authorize Action Memorandum No. 17-043 as Amended**

Moved by:	Combs
Seconded by:	Fuller
Action:	Motion carried by a 6-1 roll call vote
In favor:	Carrington, Combs, DeVries, Fuller, Hanson, LaFrance
Opposed:	Best

**Primary Amendment #1: To Reduce the Grant Amount from \$3,000.00 to \$2,000.00.**

Moved by:	Fuller
Seconded by:	Combs
Action:	Motion carried by a 6-1 roll call vote
In favor:	Carrington, Combs, DeVries, Fuller, Hanson, LaFrance
Opposed:	Best

Council Member Best spoke against the reduced grant amount. He noted three-fourths of the budget for the Community Grants would be depleted after only the first half of the year. He also pointed out the cost ratio for the anticipated participants was higher than for other similar events, and as a result, he felt he had to vote no.

Council Member Hanson noted the original intention of the Council Community Grant Program was to provide funding to “fledgling” organizations. He emphasized the need to remove eligibility of the Downtown Merchants from the grant program and instead provide support to them through a specific budgeted line item.

**J. RECORD OF ITEMS PLACED ON THE TABLE**

BED Working Draft of Economic Development Strategic Plan Update 2017 provided by LaMarr Anderson  
FAA Grant Offer for the Runway Project provided by City Manager Wallace

**K. AUDIENCE PARTICIPATION**

Frank Kelly, Airport Superintendent:

- Requested clarification on the lease rate for the new lease with Alaska Air Fuel.

Eugene Carl Haberman:

- Addressed appropriate bid processes; and
- Emphasized the need to provide opportunity for the public to be heard.

**L. COUNCIL MEMBER COMMENTS**

Council Member Carrington:

- Recognized a new Voter Precinct Map was mounted on the wall of the Council Chambers.

Council Member LaFrance:

- Requested to be excused from the July 11, 2017, meeting to attend a family wedding.

The Council had no objections.

Council Member Best:

- Thanked everyone for indulging him for the evening.

Council Member Hanson:

- Recognized efforts by all members of the Council for the magnificent Colony Days event;
- Reminded everyone of the skydivers out at the airport; and
- Wished the City Manager a Happy 30<sup>th</sup> Anniversary, today.

Council Member Fuller:

- Echoed Council Member Hanson’s comments; and
- Thanked Public Works and Ailis Vann for their hard work over the weekend.

Deputy Mayor Combs:

- Commended the Council for their participation in Colony Days;
- Reminded everyone of Flag Day and the U.S Army's Birthday; and
- Commented on the Fly-In and the Memorial Day Celebration.

#### **M. ADJOURNMENT**

With no further business before the Council, the meeting adjourned at 9:28 pm.

**Approved this 11<sup>th</sup> day of July, 2017.**

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Norma I. Alley, MMC, City Clerk

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Edna B. DeVries, Mayor