

Mayor Edna B. DeVries  
Deputy Mayor Linda Combs  
Council Member Richard Best  
Council Member Steve Carrington  
Council Member David Fuller  
Council Member Brad Hanson  
Council Member Pete LaFrance

City Attorney Michael Gatti  
City Clerk Norma I. Alley, MMC  
City Manager Nathan Wallace

**City of Palmer, Alaska**  
**Regular City Council Meeting**  
**July 11, 2017, at 7 PM**  
City Council Chambers  
231 W. Evergreen Avenue, Palmer  
[www.cityofpalmer.org](http://www.cityofpalmer.org)

## Agenda

- A. Call to Order
- B. Roll Call
- C. Pledge of Allegiance
- D. Approval of Agenda
  - 1. Approval of Consent Agenda
    - a. Introduction of **Ordinance No. 17-011**: Amending the City of Palmer Municipal Code Chapter 5.04 Business Licenses Regarding Landlords ..... Page 3
  - 2. Approval of Minutes of Previous Meetings
    - a. June 13, 2017, Regular Meeting ..... Page 13
- E. Communication and Appearance Requests
  - 1. Planning & Zoning Commission Chair Dan Lucas
- F. Reports
  - 1. City Manager's Report ..... Page 21
  - 2. City Clerk's Report ..... Page 29
  - 3. Mayor's Report ..... Page 37
  - 4. City Attorney's Report
- G. Audience Participation
- H. Public Hearing
  - 1. **Ordinance No. 17-008**: Adopting a City of Palmer Parks, Recreation and Outdoor Facilities Donation Policy (Pending Motion) (3<sup>rd</sup> Public Hearing) ..... Page 39
  - 2. **Resolution No. 17-024**: Authorizing the City Manager and Mayor to Execute the Necessary Documents to Purchase Fire Station No. 3-1 on Lots 10, 11, and 12, Block 12, of the ARRC Subdivision from the Matanuska-Susitna Borough In the Amount of One Dollar per Lease Agreement Dated February 28, 1978 ..... Page 59
- I. New Business
  - 1. Committee of the Whole to Discuss Borough Sales Tax (note: action may be taken by the council following the committee of the whole)
    - a. **Resolution No. 17-025**: Requesting the Matanuska-Susitna Borough Assembly Not Adopt Ordinance Serial No. 17-093, Ordinance Serial No. 17-094, and Ordinance No. 17-095 all Pertaining to an Implementation of an Areawide Sales Tax ..... Page 67
- J. Record of Items Placed on the Table

K. Audience Participation

L. Council Member Comments

M. Adjournment

### Tentative 2017 Palmer City Council Meetings

Meeting Date	Meeting Type	Time	Notes
July 25	Special	6 pm	Audit Report
July 25	Regular	7 pm	
Aug 8	Regular	7 pm	
Aug 22	Regular	7 pm	
Sept 12	Regular	7 pm	
Sept 26	Regular	7 pm	

**City of Palmer  
Ordinance No. 17-011**

**Subject:** Amending the City of Palmer Municipal Code Chapter 5.04 Business Licenses Regarding Landlords


**Agenda of:** July 11, 2017 – Introduced  
July 25, 2017 – Public Hearing

**Council Action:**     **Adopted**                       **Amended:** \_\_\_\_\_  
                                  **Denied**




**Originator Information:**

**Originator:**    Nathan E. Wallace, City Manager

**Department Review:**

Route to:	Department Director:	Signature:	Date:
_____	Community Development	_____	_____
_____	Finance		6/27/17
_____	Fire	_____	_____
_____	Police	_____	_____
_____	Public Works	_____	_____

**Approved for Presentation By:**

	Signature:	Remarks:
City Manager		_____
City Attorney		_____
City Clerk		_____

**Certification of Funds:**


Total amount of funds listed in this legislation:    \$ \_\_\_\_\_

This legislation (√):

- Creates revenue in the amount of:                      \$ \_\_\_\_\_
- Creates expenditure in the amount of:                      \$ \_\_\_\_\_
- Creates a saving in the amount of:                      \$ \_\_\_\_\_
- Has no fiscal impact

Funds are (√):

- Budgeted                      Line item(s): \_\_\_\_\_
- Not budgeted                      \_\_\_\_\_

Director of Finance Signature:    

**Attachment(s):**

- Ordinance No. 17-011

**Summary Statement:**

The Palmer Municipal Code 5.04 Business Licenses had requirements for business license applications to include copy of current State of Alaska business license. This requirement held up the City's processing of city business licenses requiring the city to hold checks and wait for businesses to comply. This requirement has been removed from the business license application.

The addition of a Landlord License is being added to the Business License code for residential rentals.

**Administration's Recommendation:**

Adopt Ordinance No. 17-011 amending the City of Palmer Municipal Code Chapter 5.04 Business Licenses Regarding Landlords.

Introduced by: City Manager  
Date: July 11, 2017  
Public Hearing: July 25, 2017  
Action:  
Vote:

Yes:	No:

CITY OF PALMER, ALASKA

**Ordinance No. 17-011**

**An Ordinance of the Palmer City Council Amending Palmer Municipal Codes 5.04 Business Licenses Regarding Landlords**

WHEREAS, a license is required for the privilege of engaging in business in the city and;

WHEREAS, residential rentals are a form of business in the city and;

WHEREAS, the city is not responsible for administration of state business licenses and;

THE CITY OF PALMER, ALASKA, ORDAINS:

Section 1. Classification. This ordinance shall be permanent in nature and shall be incorporated into the Palmer Municipal Code.

Section 2. Severability. If any provisions of this ordinance or application thereof to any person or circumstances are held invalid, the remainder of this ordinance and the application to the other persons or circumstances shall not be affected thereby.

Section 3. Palmer Municipal Code Chapter 5.04 is hereby amended to read as follows (new language is underlined and deleted language is stricken):

**Chapter 5.04 Business Licenses**

**5.04.010 Definitions.**

In this chapter, unless the context requires otherwise:

A. "Business" means a for profit or nonprofit entity or person engaging or offering to engage in a trade, a service, a profession, or an activity with the goal of receiving a financial benefit in exchange for the provision of services, or goods or other property including commercial rental properties;

B. "Department" means the department of finance;

C. "Director" means the director of the department of finance;

D. "Dwelling" means a building designed or used exclusively for living quarters for one or more families

E. "Landlord" means an owner of a residential dwelling that is rented or leased to an individual;

Ɖ.F. "Licensee" means the person to whom a business or landlord license is issued pursuant to this chapter;

E. G. "Person" includes an individual, firm, partnership, joint venture, association, corporation, estate trust, business trust, receiver, or any group or combination acting as a unit;

G. H. "Seller" shall have the same meaning given in PMC 3.16.020. (Ord. 12-017 § 3, 2012; Ord. 10-017 § 3, 2011; Ord. 209 § 4, 1978; Ord. 166 § 1, 1972; 1978 code § 3.12)

**5.04.020 License – Required.**

For the privilege of engaging in business in the city, a person shall first apply on forms required by the department of finance, obtain a license to do so, and pay the license fee provided in PMC 5.04.070. (Ord. 12-017 § 3, 2012; Ord. 10-017 § 3, 2011; Ord. 166 § 1, 1972; 1978 code § 3.1)

**5.04.023 License – Type and duration.**

A. Biennial Business License.

1. A biennial business license is issued to a business that provides goods and/or services throughout the year or a portion of the year.
2. Businesses with a biennial business license shall not be required to have a separate business license for participation at the state fair or a special event lasting three days or less.
3. A biennial business license issued for a particular line of business covers all of a licensee's operations in the city for that line of business, regardless of the number of its establishments.
4. A biennial business license is issued for the calendar year for which an application is received and shall expire on December 31st of the following calendar year.
5. A biennial business license is only available to existing business license holders; new businesses cannot apply for a biennial business license until they have an established annual business license.

B. Annual Business License.

1. An annual business license is issued to a business that provides goods and/or services throughout the year or a portion of the year.
2. Businesses with an annual business license shall not be required to have a separate business license for participation at the state fair or a special event lasting three days or less.
3. An annual business license issued for a particular line of business covers all of a licensee's operations in the city for that line of business, regardless of the number of its establishments.
4. An annual business license is issued for the calendar year for which an application is received and shall expire on December 31st of the calendar year in which it was issued.

C. Special Event Business License.

1. A special event business license is issued for the sole purpose and privilege of engaging in business at a special event that lasts three days or less.
2. A separate special event business license is required for each special event lasting three days or less.
3. A special event business license shall expire at the conclusion of the special event.

D. Alaska State Fair Business License.

1. An Alaska State Fair business license is a temporary license issued by the city for the sole purpose and privilege of engaging in business at the Alaska State Fairgrounds during the Alaska State Fair.
2. A state fair business license shall expire at the conclusion of the state fair during the year in which the license was issued. (Ord. 12-017 § 3, 2012)

**5.04.025 License – Application – Biennial and annual business license.**

An application for a biennial and annual business license shall be made to the director of finance on a form approved by the director and shall be accompanied by the following:

- A. The license fee established in the current, adopted budget;
- ~~B. Proof that the applicant has the following:
 
  - ~~1. A current state of Alaska business license, as required by the state;~~~~
- ~~B. 2. Any Copies of any professional or occupational licenses;~~
- C. The business address and telephone number to be used by the applicant for the business to be operated pursuant to the license;
- D. A complete description of the type(s) of goods and/or services that shall be offered under the business license. (Ord. 12-017 § 3, 2012)

**5.04.027 License – Application – Special event and Alaska State Fair business license.**

Application for a special event or Alaska State Fair business license shall be made to the director of finance on a form approved by the director and shall be accompanied by the following:

- A. The license fee established in the current, adopted budget;
- ~~B. Proof the applicant has the following:
 
  - ~~1. A current state of Alaska business license, as required by the state;~~~~
- ~~B. 2. Any Copies of any professional or occupational licenses;~~
- C. The business address and telephone number to be used by the applicant for the business to be operated pursuant to the license;
- D. A complete description of the type(s) of goods and/or services that shall be offered under the license. (Ord. 12-017 § 3, 2012)

#### **5.04.028 Landlord License**

A landlord license is required for any residential rentals. The landlord license is issued for a calendar year and expires on December 31<sup>st</sup> of the calendar year for which it was issued. The application for a landlord license shall be made to the director of finance on a form approved by the director and shall be accompanied by the following:

- A. The license fee established in the current, adopted budget;
- B. The name of the landlord, address and telephone number;
- C. The street address of the residential rental property;
- D. If managed by a third party, contact information for the property manager.

#### **5.04.033 Business or Landlord license not issued.**

A. No business or landlord license shall be issued unless a person is compliant with the requirements of this chapter and is current in the payment and collection of sales taxes, or any other payments, fees, taxes, charges, penalties, interest, citation, or other amounts that are due and owing to the city.

B. The department may issue a license to an applicant who does not meet the requirements of this section or who has a history of noncompliance with the code if such applicant posts a bond, furnishes a statement of net worth or additional security to ensure the full and prompt payment of all fees, taxes, charges, penalties, interest or other amounts due the city.

C. Each person who obtains or is required to obtain a business or landlord license in accordance with this chapter consents to the inspection of that person's state business license, application, or other business records as necessary in order to facilitate the accomplishment of the provisions and objectives of this chapter. (Ord. 12-017 § 3, 2012)

#### **5.04.035 Annual or biennial license – Renewal.**

Application for renewal of a license and payment of the renewal fee shall be made before February 1st of the applicable year. (Ord. 12-017 § 3, 2012; Ord. 10-017 § 3, 2011; Ord. 166 § 1, 1972; 1978 code § 3.2. Formerly 5.04.030)

#### **5.04.040 License – Duration.**

*Repealed by Ord. 12-017.* (Ord. 10-017 § 3, 2011; Ord. 166 § 1, 1972; 1978 code § 3.3)

#### **5.04.050 Display of business license.**

A. The city business license must be prominently displayed in all locations where the seller conducts business, including temporary locations.

B. A licensee with no permanent place of business shall display the license upon request.

C. Seller shall be charged the fee established in the adopted budget for failure to display a business or landlord license. (Ord. 14-025 § 3, 2014; Ord. 12-017 § 3, 2012; Ord. 10-017 § 3, 2011)



**5.04.060 License – Compliance with other provisions required.**

A person engaging in a business subject to licensing provisions of a regulatory nature must, in addition to filing the regular application required by this chapter, comply with any other or additional regulatory provisions before being entitled to a license. (Ord. 12-017 § 3, 2012; Ord. 10-017 § 3, 2011; Ord. 166 § 1, 1972; 1978 code § 3.4. Formerly 5.04.050)

**5.04.070 License – Fee.**

A. The license fee, established in the current, adopted budget, shall be paid to the city for each business or landlord license and shall be applicable for the calendar year in which the fee is paid.

B. Business or landlord license and ~~permit~~ late fees are nonrefundable.

C. If payment is made by check, bill of exchange, or note which is later returned by the drawee as uncollectible because of insufficient funds or is dishonored by the drawee for any reason, the dishonor is prima facie evidence of nonpayment of the license fee.

D. In event of nonpayment, the applicant shall be subject to additional penalty as prescribed by PMC 5.04.080. (Ord. 12-017 § 3, 2012; Ord. 10-017 § 3, 2011; Ord. 07-029 § 14, 2007; Ord. 487 § 3, 1995; Ord. 166 § 1, 1972; 1978 code § 3.5. Formerly 5.04.060)

**5.04.080 License – Failure to apply – Penalty.**

A. Failure to file a business or landlord license application or pay the license fee as prescribed by this chapter shall result in a penalty. The amount of penalty shall be prescribed in the current, adopted budget and shall be due at the same time a license fee is due.

B. Failure to pay a penalty at the time the fee for the license is made may result in denial of a license application.

C. In case of delinquency in the payment of any fee or penalty due under this chapter, the interest rate established in the current, adopted budget shall be assessed. (Ord. 12-017 § 3, 2012; Ord. 10-017 § 3, 2011; Ord. 07-029 § 15, 2007; Ord. 166 § 1, 1972; 1978 code § 3.6. Formerly 5.04.070)

**5.04.090 Surrender of license.**

A. A business or landlord license must be surrendered to the city by the licensee to whom it was issued immediately upon the licensee ceasing to do business.

B. If there is a change in ownership or form of organization, such as from a sole proprietorship to a partnership or a corporation, the admission or withdrawal of a partner, or any other change in the ownership structure, the licensee making such change shall surrender the current city business or landlord license to the city for cancellation. The successor owner shall be required to file a new application for a city business or landlord license pursuant to this chapter and upon approval, a new city business or landlord license will be issued. (Ord. 12-017 § 3, 2012; Ord. 10-017 § 3, 2011)

**5.04.100 City manager regulation promulgation authority.**

The city manager may, with the approval of the council, promulgate regulations necessary to determine and collect fees imposed and to otherwise enforce the provisions of this chapter. (Ord. 12-017 § 3, 2012; Ord. 10-017 § 3, 2011; Ord. 166 § 1, 1972; 1978 code § 3.7. Formerly 5.04.080)

**5.04.110 Unlawful acts designated.**

It is unlawful for a person to:

- A. Willfully evade the licensing provisions of this chapter;
- B. Fail to make an application for license or fail to keep or produce any records required under this chapter or by regulation;
- C. Make a false or fraudulent return or false statement with intent to defraud the city or evade payment of the fee; or
- D. Aid or abet another in an attempt to evade payment of the fee. (Ord. 12-017 § 3, 2012; Ord. 10-017 § 3, 2011; Ord. 166 § 1, 1972; 1978 code § 3.8. Formerly 5.04.090)

**5.04.120 False statements by agents prohibited.**

It is unlawful for an executive officer or agent of a corporation or agent of a person to make or permit to be made for his or her principal a false return or false statement in answer to an inquiry from the director of finance with intent to evade the payment of the fee or to comply with the provisions of this chapter. (Ord. 12-017 § 3, 2012; Ord. 10-017 § 3, 2011; Ord. 166 § 1, 1972; 1978 code § 3.9. Formerly 5.04.100)

**5.04.130 Violation – Penalty.**

Any person violating any requirement of this chapter or any regulation adopted pursuant thereto shall be penalized as an ordinance violator. Nothing in this section shall be construed to limit, but may be in addition to, any other remedy available under this chapter, at law or at equity to enforce violations of this chapter. (Ord. 12-017 § 3, 2012; Ord. 10-017 § 3, 2011; Ord. 209 § 3, 1978; Ord. 166 § 1, 1972; 1978 code § 3.10. Formerly 5.04.110)

**5.04.140 Violation – Testimony required – Compromise.**

In a prosecution for a violation under this chapter, no person otherwise competent as a witness is privileged to refuse to testify on the grounds that his or her testimony may incriminate him or her; however, no indictment or prosecution shall afterwards be brought against the witness on account of an offense or transaction concerning which he testifies as a witness. In a prosecution under this chapter, the city attorney may, with the consent of the city ~~council~~manager, compromise the case by accepting from the defendant a sum not less than the fee, penalties and interest provided in PMC 5.04.080 and costs of such prosecution. (Ord. 12-017 § 3, 2012; Ord. 10-017 § 3, 2011; Ord. 166 § 1, 1972; 1978 code § 3.11. Formerly 5.04.120)

**5.04.150 License – Suspension or revocation.**

- A. The city manager, or designee, may suspend or revoke a business or landlord license if a licensee is in violation of any requirement of this chapter, code, or any regulation adopted pursuant thereto pursuant to the notice requirements of PMC 5.04.160.
- B. The city manager, or designee, may immediately suspend the license of a licensee who is delinquent in the remittance of sales tax or sales tax returns under Chapter 3.16 PMC, Sales Tax.
- C. A suspension issued under this subsection shall be effective immediately upon the giving of written notice of suspension for failure to remit and pay city sales taxes to the licensee.

D. A license suspended under this subsection shall be lifted upon the licensee's compliance with the city sales tax requirements, including remittance and payment of all delinquent sales taxes, sales tax returns, interest and penalties. (Ord. 12-017 § 3, 2012; Ord. 10-017 § 3, 2011)

**5.04.160 License – Suspension or revocation – Notice.**

A. The city manager, or designee, may not suspend or revoke a business or landlord license without first providing the licensee at least 30 days' written notice of the intent to suspend or revoke the business or landlord license and an opportunity for a hearing on the suspension or revocation, except as provided in PMC 5.04.150(B).

B. The notice required under this section shall be as follows:

1. Notice of the proposed revocation or suspension shall be made in writing and mailed via certified mail, return receipt requested, to the last known address of the licensee.

2. Notice of the proposed revocation or suspension shall contain the name and address of the licensee, the name of the business for which the license was issued, and describe the reason for the revocation or suspension with citation to the relevant code provision, if applicable, and the name, address and telephone number of the city representative to contact concerning the proposed revocation or suspension.

3. The notice of suspension or revocation shall also contain a statement advising licensee of his or her right to request a hearing to challenge the proposed suspension or revocation pursuant to subsections (C) and (D) of this section.

C. The licensee has a right to a hearing on the proposed revocation or suspension by requesting a hearing in writing to the city representative identified in the notice of suspension or revocation not more than 30 days after the date of the notice of proposed revocation or suspension. Within 10 days of receipt of a written request for a hearing, the city manager, or designee, shall schedule a hearing on the proposed suspension or revocation pursuant to PMC 5.04.170.

D. Failure to request a hearing within 30 days of receipt of a notice of suspension or revocation constitutes a waiver of any further rights to appeal under this chapter and the decision of the city manager shall become final 30 days after the date of notice given pursuant to subsection (B) of this section. (Ord. 12-017 § 3, 2012; Ord. 10-017 § 3, 2011)

**5.04.170 License – Suspension or revocation – Hearing.**

A. A hearing requested pursuant to PMC 5.04.160 shall be held before the city manager or designee. This hearing shall be recorded, conducted in an informal manner, and shall not be bound by the formal rules of evidence.

B. The purpose of the hearing shall be to determine whether good cause exists for suspending or revoking a license issued under this chapter. Good cause exists when it is determined that the licensee is in violation of the requirements of this chapter or any other requirement of this code.

C. The licensee has the right to appear, present evidence, and examine and/or cross-examine witnesses for the purpose of establishing that licensee is not in violation of the requirements of this chapter. The city manager, or designee, has the right to cross-examine any witnesses presented by the licensee.

D. Failure of the licensee to appear at the time set for a hearing requested under this section, except for good cause shown, shall result in a waiver of any further appeal rights and the decision of the city manager becomes final.

E. Within 10 days following the conclusion of the hearing, the city manager, or designee, shall issue a written decision whether to suspend or revoke the license which contains written findings in support of the decision based upon the evidence presented at the hearing. A written decision to suspend or revoke a business or landlord license issued pursuant to this chapter shall advise the licensee of his or her right to appeal the decision pursuant to PMC 5.04.180. A copy of the decision shall be provided to the licensee via certified mail, return-receipt requested, and shall take effect immediately upon its issuance. (Ord. 12-017 § 3, 2012; Ord. 10-017 § 3, 2011)

**5.04.180 Appeals to superior court.**

A. A licensee may appeal a decision made pursuant to PMC 5.04.170 not later than 30 days following the date of written notice of the decision from the city manager. Failure to appeal a decision made pursuant to PMC 5.04.170 within 30 days of the date of notice constitutes a waiver of his or her appeal rights and the city manager's decision becomes final.

B. Appeals from the written decision of the hearing officer shall be made to the superior court for the state of Alaska, in Palmer, Alaska. The hearing before the superior court shall be treated as an administrative appeal heard solely on the record and shall be governed by Part VI of the Alaska Court Rules of Appellate Procedure (Superior Court as an Appellate Court), as amended.

C. A licensee bringing an appeal under this section shall be responsible for the costs to prepare a transcript and record of the hearing conducted in accordance with PMC 5.04.170. Upon receipt of a notice of appeal, the director of finance shall estimate the cost of preparing the transcript of the hearing and compiling the record on appeal. The licensee shall deposit the estimated costs for preparation of the transcript and record with the director in advance of preparation of the transcript and record. The director shall refund any excess deposit or charge to the business owner for costs exceeding the deposit. (Ord. 15-022 § 6, 2015; Ord. 12-017 § 3, 2012; Ord. 10-017 § 3, 2011)

Section 4. Effective Date. Ordinance 17-0XX shall take effect July 26, 2017.

Passed and approved this \_\_\_\_\_ day of \_\_\_\_\_, 201X.

\_\_\_\_\_  
Edna B. DeVries, Mayor

\_\_\_\_\_  
Norma I. Alley, MMC, City Clerk

**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 11th day of July, 2017.**

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Norma I. Alley, MMC, City Clerk

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Edna B. DeVries, Mayor



	Project Description	Estimated Budget/Cost	Planned Completion	Status	Expenditures	Comments
<b>1</b>	Waste Water Treatment Plant Upgrades: MMBR and Secondary Clarifiers to meet EPA/ADEC permit requirement per Consent Decree	\$9,000,000- \$14,000,000 (revised estimate after 65%~ \$12,610,290)	August 2020		\$842,107 as of January	Funding Sources <b>On hand:</b> State Grant \$2.5M State Grant: \$145k Enterprise or GF: \$600,000 <b>Applied</b> for: ADEC grant: \$1M USDA Loan: \$4.8 USDA Grant: \$3.5
a	Engineering/Design to EPA and ADEC (65%)	\$ 900,000	December	Complete	\$842,107 APPROVED	
b	Material Bid (MMBR system components)		December	Complete		
c	Material Bid Award (MMBR system components)	\$ 1,100,000	December	Complete	\$918,760 APPROVED	
d	Financing options(USDA and/or interim financing)		January/February	Complete		State Grant for FY 18 not available-GF loan
e	Permitting from DEC and State Fire Marshall		February	Complete		DEC permit and Fire Marshall review approved and on hand
f	Construction Bid Doc (95%/Final) to USDA		February	Complete		Submtted to USDA for review
g	Construction Bid		April	Complete		New bid \$9.5M April 28
h	Bond Resolution to Council		February	Complete		
i	Construction Bid Award (pending financing) to Council	\$ 9,500,000	May	Complete		NOIA and NTP published
j	Townhall on financing and construction schedule		July			Discuss construction schedule, noise/dust mitigation, financing
k	Construction Commence		June	Started		Contractor Mob underway
l	Secondary Clarifier Construction Commence		UNK			
m	MMBR System on line for testing		July 2018			
n	MMBR System tesing complete		April 2019			
o	Secondary Clarifiers on line		August 2020			

	Project Description	Estimated Budget/Cost	Planned Completion	Status	Expenditures	Comments
<b>2</b>	Rehabilitate RW 16/34 & Related Improvements	\$10,000,000- \$11,500,000	October 2017	Pre-Liminary Application Approved by FAA		Funding Sources <b>On hand:</b> State Grant: \$400K COP: \$225k Anticipated FAA: \$9.375M - \$10.781M
a	Engineering/Design in 2 Phases	Phase 1 \$237,913 Phase 2 \$182,579 Total \$420,492	May-17	Phase I nearing completion	\$237, 913 APPROVED	
b	Project Initiation		December	Complete		
c	Stakeholder Coordination		December	Complete		
d	Surveying & Mapping		Jan-17	Ongoing		
e	Geotechnical Evaluation		December	Ongoing		
f	Engineer's Design Report (35%)		Jan-17	Complete		EDR 35% to FAA for Review & Comment 01/10/2017
g	Phase 2 Design funding approval		Jan-17	Complete	\$182,759 Approved	
h	Construction Safety & Phasing Plan		Mar-17	Complete		
i	Final Design and submission to FAA		Apr-17	Complete		Approved by FAA
j	Townhall on project		June	Complete		FAA Fly-in
k	Bid & Grant Assistance		Apr-17	On going		With FAA for final approval
l	Bids Due		May-17	Complete		Due May 18
m	Award & Grant Acceptance from FAA	\$7,827,300.00	June			Anticipated soon
n	Construction Mobilization		June			
o	Runway Closed		August 2017			
p	Supplemental FAA Funding	\$1,406,250.00	August 2017			If other Airport Sponsor \$ Becomes Available will require City Match approval
q	Supplemental COP Funding	\$93,750.00	August 2017			
r	Project Completion		November			Ribbon cutting ceremony

	Project Description	Estimated Budget/Cost	Planned Completion	Status	Expenditures	Comments
<b>3</b>	Replace boiler in the Palmer Library.	\$50,000.00	September 2017		\$48,798.00	
a	Engineering and Design	\$4,900.00	In hand	Complete	\$4,900	Engineering documents have been completed by T3 Alaska
b	General Contractor Bid	\$44,100.00	Complete	Awarded	\$43,898.00	Bid awarded to Pinnacle Mechanical
c	Project work and completion		1-Sep-17	Scheduling		Mechanical eqpt is on order and project is expected to begin mid-July. Conducted Pre-Con meeting and boiler room walk thru with Pinnacle on 22Jun17. Project is expected to take 2 weeks, start to finish.

	Project Description	Estimated Budget/Cost	Planned Completion	Status	Expenditures	Comments
<b>4</b>	Replace heating system in the Palmer FSS.	\$30,000.00	September 2017		\$10,000.00	
a	Engineering and Design	\$10,000.00	February 2017	Complete	\$10,000	Documents are complete.
b	General Contractor Bid	\$20,000.00	TBD	Not Started		Awaiting FAA scheduling of asbestos abatement
c	Project work and completion		October 2017	Not Started		Will establish start and completion dates with winning contractor after bidding process is complete. Plan to go out for bids by mid-July. This project will be tied in with the FSS required FAA upgrade project.



	Project Description	Estimated Budget/Cost	Planned Completion	Status	Expenditures	Comments
<b>5</b>	Palmer FSS interior improvements	\$54,500.00	September 2017	Awaiting new lease signing by FAA	\$8,500.00	
a	Architectural Services and Design	\$8,500.00	February 2017	Complete	\$8,500	Documents are complete
b	General Contractor Bid	\$46,000.00	TBD	Not Started		Awaiting FAA scheduling of asbestos abatement
c	Project work and completion		October 2017	Not Started		Will establish start and completion dates with winning contractor after bidding process is complete. Plan to go out for bids by mid-July. This project will be tied in with the FSS required FAA upgrade project.

	Project Description	Estimated Budget/Cost	Planned Completion	Status	Expenditures	Comments
<b>6</b>	City Hall and Fire Station 3-1 Parking Lot Upgrade	\$100,000.00	Aug 2017			
a	Engineering and Design	~\$15,000		Complete		HDL has completed design work for the Fire Station and is still making adjustments to the City Hall parking lot. Expect documents for bid by mid-July.
b	Paving Contractor Bid	\$85,000.00	May 2017	Not Started		Will attempt to coordinate with Airport Runway project if possible.
c	Project work and completion		Aug 2017	Not Started		Project will be broken into 2x phases. 1) Fire Station driveway 2) Front and employee parking lots

	Project Description	Estimated Budget/Cost	Planned Completion	Status	Expenditures	Comments
<b>7</b>	<b>Bogard Road Booster Station to provide adequate pressure and flow for the western portion of Bogard Rd Water Main Extension Project.</b>	<b>\$1,420,000.00</b>	<b>TBD</b>	<b>Land Prep and Engineering Drawings Working</b>	<b>\$118,595.00</b>	Through use of remaining grant funds (14-DC-125), PW has contracted HDL Engineering for Preliminary Engineering and site preparation.
	a HDL conduct preliminary engineering work and booster station site prep	\$118,595.00	July 2017	Working	\$118,595.00	Construction and Engineering drawings/specs are complete.
	b Project out for bid			accepting bids		Project is currently open for bids. Pre-bid is scheduled for 11 July Bid opening scheduled for 20 July

	Project Description	Estimated Budget/Cost	Planned Completion	Status	Expenditures	Comments
<b>7</b>	ADA Sidewalk installation of designated driveways and curb corners in the downtown Palmer area	\$100,000.00		In progress		Contract for this phase of the ADA Sidewalk project was awarded to Dirtworks. The project is underway at this time.



**Norma I. Alley, MMC**  
**City Clerk**

Phone: (907) 745-3271  
Direct: (907) 761-1321  
Fax: (907) 745-0930

231 W. Evergreen Ave.  
Palmer, Alaska 99645-6952  
[www.cityofpalmer.org](http://www.cityofpalmer.org)

**TO:** Palmer City Council  
**FROM:** Norma I. Alley, MMC *Norma I. Alley*  
**SUBJECT:** City Clerk's Report for the July 11, 2017, Council Meeting

1. The monthly Boards & Commissions attendance spreadsheets are attached.
  - a. AAC
  - b. BED
  - c. PRCRAB
  - d. P&ZC
2. Election Officials – Poll Workers Needed

I received an email from the MSB Clerk's Office and we are in need of volunteers to work the Polls on Election Day. We have had a couple of volunteers at Precinct 11-070 and 11-075 retire leaving a gap in the needed five volunteers at each precinct. This decline in volunteers is in many of the precincts all over the Borough. If you know of anyone willing to volunteer their time on October 3 starting at 6:30 a.m., please encourage them to contact the Deputy Borough Clerk Jessica Kilborn at 861-8683, myself at 761-1321, or go to the Borough's website at [www.matsugov.us/elections](http://www.matsugov.us/elections). Attached is the application and cover letter with more information.

3. Upcoming Meetings

The tentative meetings schedule is attached.

Tentative Future Meeting Schedule			
Meeting Date	Meeting Type	Time	Notes
July 25	Special	6 pm	Audit Report
July 25	Regular	7 pm	
Aug 8	Regular	7 pm	
Aug 22	Regular	7 pm	
Sept 12	Regular	7 pm	
Sept 26	Regular	7 pm	
Oct 9	Special	6 pm	Election Certification
Oct 10	Regular	7 pm	
Oct 17	Special	6 pm	2018 Budget
Oct 24	Special	6 pm	2018 Budget

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<b>Oct 24</b>	Regular	7 pm	
<b>Nov 7</b>	Special	6 pm	2018 Budget
<b>Nov 14</b>	Special	6 pm	2018 Budget
<b>Nov 14</b>	Regular	7 pm	
<b>Nov 21</b>	Special	6 pm	2018 Budget
<b>Nov 28</b>	Special	6 pm	2018 Budget
<b>Nov 28</b>	Regular	7 pm	
<b>Dec 5</b>	Special	6 pm	2018 Budget
<b>Dec 12</b>	Special	6 pm	2018 Budget
<b>Dec 12</b>	Regular	7 pm	Budget Adoption
<b>Dec 26</b>	Regular	7 pm	
<b>Jan 9, '18</b>	Regular	7 pm	

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# City of Palmer

## Airport Advisory Commission Members

PMC 2.25.020. There is created a city airport advisory commission which shall consist of seven members.

Seat	Board Member	Term Expires
A	John Lee	Oct. 2019
B	Kenneth More	Oct. 2019
C	Jeff Helmericks	Oct. 2017
D	Andrew Weaver	Oct. 2018
E	Joyce Momarts	Oct. 2017
F	Shannon Jardine	Oct. 2019
G	Allan Linn	Oct. 2018

PMC 2.25.140.B. Cause for removal. In addition, a board member may be removed by the council if, during any 12-month period while in office: 1) The board member is absent from three regular meetings without excuse; or 2) The board member is absent from six regular meetings.

### 2017 Attendance Record

Board Member	Jan	Feb	Mar	Apr	May *	June	July	Aug	Sept	Oct	Nov	Dec
Lee	✓	✓	✓	✓		✓						
More	✓	✓	✓	✓		✓						
Helmericks	U	✓	✓	✓		✓						
Weaver	✓	✓	✓	E		✓						
Momarts	E	✓	✓	✓		✓						
Jardine	✓	✓	✓	✓		✓						
Linn	✓	✓	✓	✓		✓						

### 2016 Attendance Record

Board Member	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Lee	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
More	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Helmericks	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Weaver											E	✓
Momarts	E	✓	✓	✓	✓	✓	✓	✓	E	✓	✓	✓
Jardine											✓	✓
Linn										✓	✓	✓

- \* Meeting Cancelled
- \*\* Special Meeting
- ✓ - Present
- E - Excused
- U - Unexcused Absence
- V - Vacant

# City of Palmer

## Board of Economic Development Members

PMC 2.30.010.A. There is created a city board of economic development which shall consist of seven members.

Seat	Board Member	Term Expires
A	LaMarr Anderson	Oct. 2017
D	Christopher Chappel	Oct. 2018
B	Peter Christopher	Oct. 2019
E	Janet Kincaid	Oct. 2019
C	Lorie Koppenberg	Oct. 2018
F	Tendra Nicodemus	Oct. 2017
G	Dusty Silva	Oct. 2018
CC	David Fuller	Oct. 2017
PZC	Not Yet Appointed	Oct. 2017

PMC 2.30.140.B. Cause for removal. In addition, a board member may be removed by the council if, during any 12-month period while in office: 1) The board member is absent from three regular meetings without excuse; or 2) The board member is absent from six regular meetings.

### 2017 Attendance Record

Board Member	Jan	Feb	Mar	Mar **	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Anderson	E	✓	✓	✓	✓	✓	✓						
Chappel	✓	✓	✓	✓	✓	✓	✓						
Christopher	✓	✓	✓	E	✓	✓	E						
Kincaid	✓	E	✓	✓	✓	✓	✓						
Koppenberg	✓	✓	E	✓	✓	✓	E						
Nicodemus	✓	✓	✓	✓	✓	E	✓						
Silva	✓	✓	✓	✓	✓	✓	✓						
Fuller	✓	✓	✓	✓	✓	✓	✓						
PZ&C	V	V	V	V	V	V							

### 2016 Attendance Record

Board Member	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Anderson	*	✓	✓	✓	✓	E	✓	✓	✓	✓	✓	✓
Chappel	*	✓	✓	✓	✓	✓	✓	✓	✓	✓	E	✓
Christopher											✓	✓
Kincaid											✓	✓
Koppenberg	*	E	✓	✓	E	✓	✓	✓	✓	✓	E	✓
Nicodemus	*	E	✓	✓	✓	E	E	E	✓	✓	E	✓
Silva	*	✓	✓	✓	✓	✓	✓	E	✓	✓	✓	✓
Fuller												✓
PZ&C	V	V	V	V	V	V	V	V	V	V	V	V

\* Meeting Cancelled  
 \*\* Special Meeting  
 ✓ – Present

E – Excused Absence  
 U – Unexcused Absence  
 V – Vacant



# City of Palmer

## Parks, Recreation and Cultural Resources Advisory Board Members

PMC 2.22.010.A. There is created a city board for parks, recreation and cultural resources which shall consist of seven members.

Seat	Board Member	Term Expires
A	Stephanie Allen	Oct. 2017
F	Meggie Aube-Trammell	Oct. 2018
D	Shannon Connelly	Oct. 2019
B	Jo Ehmann	Oct. 2018
C	Dot Helm	Oct. 2017
E	Jan Newman	Oct. 2017
G	Fran Seager-Boss	Oct. 2017

PMC 2.22.140.B. Cause for removal. In addition, a board member may be removed by the council if, during any 12-month period while in office: 1) The board member is absent from three regular meetings without excuse; or 2) The board member is absent from six regular meetings.

### 2017 Attendance Record

Board Member	Jan	Feb	Mar	Mar **	Apr	May *	June	July	Aug	Sept	Oct	Nov	Dec
Allen	E	✓	✓	E	✓		✓						
Aube-Trammell	✓	✓	✓	✓	✓		✓						
Connelly	✓	✓	✓	✓	✓		✓						
Ehmann	✓	✓	✓	✓	✓		E						
Helm	✓	✓	✓	✓	✓		✓						
Newman	✓	E	✓	E	✓		✓						
Seager-Boss	✓	✓	E	E	✓		✓						

### 2016 Attendance Record

Board Member	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Allen	✓	✓	U	E	✓	E	✓	✓	✓	✓	✓	✓
Aube-Trammell	✓	✓	✓	✓	✓	✓	✓	✓	E	✓	✓	✓
Connelly											✓	✓
Ehmann	✓	✓	E	✓	✓	E	✓	E	✓	✓	✓	✓
Helm	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Newman	✓	E	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Seager-Boss			E	✓	E	✓	✓	✓	✓	U	U	✓

- \* Meeting Cancelled
- \*\* Special Meeting
- ✓ – Present
- E – Excused Absence
- U – Unexcused Absence
- V – Vacant

# City of Palmer

## Planning & Zoning Advisory Commission Members

PMC 2.20.010.A. There is created a city planning and zoning commission which shall consist of seven members who shall be nominated by the mayor and confirmed by the city council. All members must be residents of the city.

Seat	Commission Member	Term Expires
A	Gena Ornquist	Oct. 2017
B	Erik Cordero-Giorgana	Oct. 2019
C	Merry Maxwell	Oct. 2018
D	Kristy Thom Bernier	Oct. 2019
E	Dan Lucas	Oct. 2017
F	David Petty	Oct. 2018
G	Douglas Cruthers	Oct. 2018

PMC 2.20.321.C. Cause for removal. In addition, a commissioner may be removed by the council if, during any 12-month period while in office: 1) The commissioner is absent from three regular meetings without excuse; or 2) The commissioner is absent from six regular meetings.

### 2017 Attendance Record

Commissioner	Jan	Feb	Mar	Apr **	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Ornquist	✓	*	✓	✓	✓	✓	✓						
Cordero-Giorgana	✓	*	E	U	U	✓	E						
Maxwell	✓	*	✓	E	✓	E	✓						
Thom Bernier	✓	*	✓	✓	E	✓	E						
Lucas	✓	*	✓	✓	✓	✓	✓						
Petty	✓	*	✓	✓	✓	✓	✓						
Cruthers	E	*	E	✓	✓	✓	✓						

### 2016 Attendance Record

Commissioner	Jan	Feb	Mar	Apr **	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Ornquist											✓	✓
Cordero-Giorgana											U	E
Maxwell	✓	*	✓	✓	E	✓	✓	✓	✓	E	E	✓
Thom Bernier											✓	✓
Lucas	✓	*	✓	✓	✓	✓	E	✓	✓	✓	✓	✓
Petty	✓	*	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cruthers	✓	*	✓	✓	✓	U	✓	✓	✓	✓	✓	✓

- \* Meeting Cancelled
- \*\* Special Meeting
- ✓ – Present
- E – Excused Absence
- U – Unexcused Absence
- V – Vacant



## MATANUSKA-SUSITNA BOROUGH 2017 ELECTION OFFICIAL APPLICATION

Borough Clerk's Office  
350 E. Dahlia Avenue  
Palmer, AK 99645  
907-861-8683 phone | 907-861-7845 fax  
[www.matsugov.us](http://www.matsugov.us)

Thank you for your interest in serving as an election official for the Matanuska-Susitna Borough. Every election, hundreds of Borough residents play an important role in the election by helping to operate polling places. Election officials put a face on the election process and work hard to ensure their neighbors can vote with ease, while helping us to safeguard the process so all Borough residents have confidence in the election results.

Election officials are recommended by the Borough Clerk to the Borough Assembly for appointment. Election officials are responsible for carrying out the election process under the direction and supervision of the Borough Clerk. Qualifications and general duties are described below. Training and compensation are provided.

Applications must be submitted annually. If you are interested in serving, please complete, sign, and return the attached application to the Borough Clerk's Office **by May 29, 2017**, at 350 E. Dahlia Avenue, Palmer, AK 99645, email to [Jessica.kilborn@matsugov.us](mailto:Jessica.kilborn@matsugov.us), or fax it to 861-7845.

**Electronically fillable applications are available** on our website at <http://www.matsugov.us/elections> or by request via email to [Jessica.kilborn@matsugov.us](mailto:Jessica.kilborn@matsugov.us).

Applicants selected to serve will be contacted in August to confirm their precinct assignment and training schedule.

If you have any questions, please contact the Borough Clerk's Office at 861-8683.

### Qualifications include:

- Must be a registered voter of the Matanuska-Susitna Borough.
- Must be available to work on Election Day from 6:30 a.m. to approximately 9 p.m.
- Must be available to work for a few hours on the day before the election to set up the precinct for voting, if needed.
- Must be able to lift 25 lbs.
- Must be available to attend a mandatory training session for approximately 2.5 hours prior to Election Day.
- Must have transportation to the polling place.
- Must take an oath that you will honestly, faithfully, and promptly perform the duties of an election official, according to law, and you will diligently endeavor to prevent the violation of any provision of law in conducting the election, and if you provide assistance to a voter, you will not divulge how the voter cast their ballot.
- Must be dedicated, cooperative, and professional.

### General duties include:

- Prepare, open, and close the polling place.
- Find voter information on the voter register.
- Issue and accept official ballots.
- Assist voters in any phase of the voting process.

Lonnie McKechnie, CMC  
Borough Clerk

Jessica Kilborn, CMC  
Deputy Clerk

**MATANUSKA-SUSITNA BOROUGH  
2017 ELECTION OFFICIAL APPLICATION**

Borough Clerk's Office  
350 E. Dahlia Avenue  
Palmer, AK 99645  
907-861-8683 phone | 907-861-7845 fax  
[www.matsugov.us](http://www.matsugov.us)

<b>1. SELECT THE ELECTION(S) FOR WHICH YOU ARE AVAILABLE TO WORK</b>		
<input type="checkbox"/> Regular Borough Election (Tuesday, October 3, 2017) <input type="checkbox"/> All Borough Elections in Calendar Year 2017 (i.e., Special Borough Elections)		
<b>2. APPLICANT INFORMATION - PRINT CLEARLY AND LEGIBLY</b>		
<b>Last Name:</b>	<b>First Name:</b>	<b>Middle Initial:</b>
<b>Cell Phone:</b>	<b>Home Phone:</b>	<b>Work Phone:</b>
<b>Email Address:</b>		
<b>Residence address (include street name and house number):</b>		
City:	Zip:	
<b>Mailing address, if different from your residence address:</b>		
City:	Zip:	
<b>What position(s) are you most interested in working?</b>		
<input type="checkbox"/> Precinct Chairperson	<input type="checkbox"/> Review Board	<input type="checkbox"/> Absentee Voting Official
<input type="checkbox"/> Poll Worker	<input type="checkbox"/> Canvass Board	
<b>What area of the Borough or to which precinct do you wish to be assigned, if any?</b> (Due to the large number of precincts, we are unable to accommodate all requests):		
<b>Have you ever served as an election official for the Borough?</b>		
<input type="checkbox"/> <b>YES</b> If yes, how long? _____ <input type="checkbox"/> <b>NO</b> If no, what experience do you have that will help you to successfully serve as an election official?		
Have you ever served as an election official for the Alaska State Division of Elections or another municipality?		
<input type="checkbox"/> <b>YES</b> If yes, who did you work for? _____ <input type="checkbox"/> <b>NO</b>		
<b>3. CONFLICTS</b> (Attach a separate sheet, if necessary)		
Are you aware of any conflict of interest with an issue or candidate that may appear on the ballot that could be considered incompatible with your service as an election official, such as, a candidate is a member of your immediate family or you are actively involved in a political campaign? <input type="checkbox"/> <b>NO</b> <input type="checkbox"/> <b>YES</b> If yes, please explain the conflict.		
Have you been convicted of any crime, excluding traffic tickets? <input type="checkbox"/> <b>NO</b> <input type="checkbox"/> <b>YES</b> If yes, what were you convicted of?		
<b>4. CERTIFICATION AND SIGNATURE</b>		
I certify that the information contained in this application is true, accurate, and complete to the best of my knowledge.		
<b>Signature:</b> _____		<b>Date:</b> _____
<b>FOR OFFICE USE ONLY</b>		
Voter No.:	Registered Precinct:	Date Received:
Precinct Assignment: _____ <input type="checkbox"/> Chairperson <input type="checkbox"/> Poll Worker	Other Assignments: <input type="checkbox"/> Absentee Voting Official - Location: _____ Shift: _____ <input type="checkbox"/> Review Board <input type="checkbox"/> Canvass Board	
Database Entry Date: _____	Notes: _____	

# Mayor's Memo

Council Meeting report – July 11, 2017

## OUTREACH:

**Rebel Riders 4-H Club – concession stand dedication**

## UP COMING EVENTS:

**July 8 – Midsummer Festival – downtown Palmer**

- ✓ **Town Hall meeting on Sewer Project**
- ✓ **Outreach to High school age student(s) for Boards and Commission**
- ✓ **Mayor's Minute on Radio – Sept 22**
- ✓ **Mayor/Manager's meeting – July 20 – Palmer; August 24 Wasilla**
- ✓ **Mat Su Miners/City of Palmer – July 26 – 7 pm**
- ✓ **Manager, Mayor, Clerk & Attorney agenda - July 13/July 27**
- ✓ **United Way/Seahawks – Elks July 10 – 7 to 9 pm; \$50.00 per ticket**
- ✓ **Job Corps graduation – August 18 – 2 pm**

**Palmer Pride – July 28 - ideas – Citizen of the Year; Business(es) of the Year, Beautiful Garden – your input is welcome – Palmer Depot**

**Read the Palmer Buzz now in the Frontiersman**

**Pick up your copy of the Mat-su Bike Map**

## PENDING ITEMS –

**Flag Pole by Library**

**Sales Tax proposal by Mat Su Borough assembly – on council agenda- July 11 and Borough Assembly on August 1.**

**Leaders choose the right things to do**  
**and managers do those things.**



**City of Palmer  
Ordinance No. 17-008**

**Subject:** Adopting a City of Palmer Parks, Recreation and Outdoor Facilities ~~Memorial and~~ Donation Policy

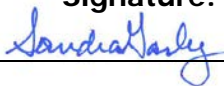
**Agenda of:** April 25, 2017 – Introduction  
 May 9, 2017 – 1<sup>st</sup> Public Hearing  
 May 23, 2017 – 2<sup>nd</sup> Public Hearing  
June 11, 2017 – 3<sup>rd</sup> Public Hearing

**Council Action:**     **Adopted**                       **Amended:** \_\_\_\_\_  
                                   **Denied**


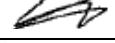

**Originator Information:**

**Originator:**    Community Development Director Sandra Garley

**Department Review:**

Route to:	Department Director:	Signature:	Date:
<u>X</u>	Community Development		<u>4/3/17</u>
_____	Finance	_____	_____
_____	Fire	_____	_____
_____	Police	_____	_____
_____	Public Works	_____	_____

**Approved for Presentation By:**

	Signature:	Remarks:
City Manager		_____
City Attorney		_____
City Clerk		_____

**Certification of Funds:**


Total amount of funds listed in this legislation:    \$ \_\_\_\_\_

This legislation (√):

- Creates revenue in the amount of:                      \$ \_\_\_\_\_
- Creates expenditure in the amount of:                      \$ \_\_\_\_\_
- Creates a saving in the amount of:                      \$ \_\_\_\_\_
- Has no fiscal impact

Funds are (√):

- Budgeted                      Line item(s): \_\_\_\_\_
- Not budgeted                      \_\_\_\_\_

Director of Finance Signature: 

**Attachment(s):**

- Ordinance No. 17-008 adopting a City of Palmer Parks, Recreation, and Outdoor Facilities ~~Memorial and~~ Donation Policy – Substitute Ordinance and Ordinance Currently on the Floor
- Parks, Recreation & Cultural Resources Advisory Board Resolution No. 16-002
- Resolution No. 05-028

**Summary Statement:**

The purpose of this policy is to establish guidelines, standards, and procedures for the acceptance, installation, and care of donated park improvements, either as a result of a cash or physical property donation. When the City is approached by families or other community members who wish to donate items for installation in a public space, the City staff should have a specific set of guidelines to use in processing the requested donation ~~or memorial~~.

The Parks, Recreation and Cultural Resources Advisory Board has developed criteria that will ensure that there is a uniform standard for items being placed on City property. Having a set of guidelines will also assist a family or organization that wants to make a donation in making a decision on what to donate.

Palmer Municipal Code (PMC) 12.24.040 authorizes the manager to promulgate regulations for “maintenance or other reasons.”

Palmer Municipal Code 2.07.030 requires Ordinances of less than general and permanent nature, and not intended to become a part of the code, shall conform to the requirements of PMC 2.07.010.

On May 23, 2017, the City Council passed a motion directing staff to remove references of memorials; replace references to purchasing equipment/elements with donating equipment/elements where applicable; and removing the last sentence in 4.B. and setting a substitute ordinance to be presented at a 3rd Public Hearing. What is presented before the Council tonight reflects these changes.

**Administration’s Recommendation:**

Adopt Ordinance No. 17-008 adopting a City of Palmer Parks, Recreation, and Outdoor Facilities ~~Memorial and~~ Donation Policy.



Introduced by: City Manager Wallace  
Date: April 25, 2017  
1<sup>st</sup> Public Hearing: May 9, 2017  
2<sup>nd</sup> Public Hearing: May 23, 2017  
3<sup>rd</sup> Public Hearing: July 11, 2017

Action:  
Vote:

Yes:

No:

CITY OF PALMER, ALASKA

**Ordinance No. 17-008-S**

**An Ordinance of the Palmer City Council Adopting a City of Palmer Parks, Recreation, and Outdoor Facilities ~~Memorial and~~ Donation Policy**

WHEREAS, the City has public land that citizens enjoy throughout the year; and

WHEREAS, many citizens and visitors desire to assist and enhance these public lands through donating ~~ingon and memorialization~~ items; and

WHEREAS, the Parks, Recreation and Cultural Resources Advisory Board developed and recommends a standard operating procedure for accepting and maintaining donations for public use at recreational and outdoor facilities.

THE CITY OF PALMER, ALASKA, ORDAINS:

Section 1. Classification. This is a non-code ordinance which adopts regulations for the Parks, Recreation and Outdoor Facilities ~~Memorial and~~ Donation Policy.

Section 2. Severability. If any provisions of this ordinance or application thereof to any person or circumstances are held invalid, the remainder of this ordinance and the application to the other persons or circumstances shall not be affected thereby.

Section 3. The City of Palmer Parks, Recreation and Outdoor Facilities ~~Memorial and~~ Donation Policy is hereby adopted as follows:

1. PURPOSE

The purpose of this policy is to establish guidelines, standards, and procedures for the acceptance, installation, and care of donated park improvements, either as a result of a cash or physical property donation. These donations may include, but are not limited to, park benches, picnic tables, bicycle racks, trees, monuments, banners, interpretive signs, public art, and other types of park and trails accessories. This policy does not apply to buildings or land. The City desires to encourage donations while at the same time manage aesthetic impacts and mitigate on-going maintenance cost.

Donations will be incorporated into upcoming or ongoing park improvement projects. The development of public facilities is expected to be the result of careful planning and quality construction. In addition, public facilities are expected to be maintained to a standard acceptable to the community.

Guidelines established by this policy will apply to all donations made after the effective date of this policy. This policy is also designed to provide guidelines for individuals or groups should they desire to decorate, landscape or adorn a donation, such as a tree, bench, or picnic table on City owned or City maintained property.

Standards established by this policy will apply to ~~purchased-donated~~ equipment, installation techniques, donation plaques, decoration and long term care of all donations made after the adoption of this policy. Materials and design of such donations shall be reviewed by the Palmer Parks, Recreation and Cultural Resources Advisory Board (the Board). The Board shall forward their recommendation as to the acceptance of the proposed donation to City Council for final action.

## 2. STANDARDS FOR DONATIONS

- A. Acquisition or Purchase:** The City and the community have an interest in ensuring that park and trail elements ~~purchased-donated~~ and installed be of high quality related to style, appearance, durability and ease of maintenance. The Board will be responsible for review and approval of material and design of all park elements.
- B. Appearance and Aesthetics:** The City and the community have an interest in ensuring the best appearance and aesthetic quality of their public facilities. Park elements and/or their associated donation acknowledgments should reflect the character of the park or facility. Prior to installation, the Board must determine that all park elements will be installed in such a manner that will not substantially change the character of a facility or its intended use.
- C. Cost:** The City has an interest in ensuring that the donor covers the full-cost of the ~~purchase donation~~, installation, and maintenance for the expected life cycle of donated park elements. A separate fee schedule is maintained in which the City will detail costs for donations, installation, and maintenance. The City also has an interest in ensuring that ongoing maintenance costs do not negatively impact the resources available for maintenance of other City park facilities. Consequently, the City will assess, at the time of ~~purchase donation~~, a charge sufficient to cover anticipated ongoing maintenance of donated park elements during their expected life expectancy.
- D. Maintenance:** Donated park elements and/or their associated donation plaques, become City property. Accordingly, the City has the duty to maintain the donation only for the expected life cycle of the donation. (See Section 11 for more information on life cycle.) If current information is on file, the donor will be informed and given the opportunity to take further action at the expiration of the original life cycle.
- E. Repair:** The community has an interest in ensuring that all park elements remain in good repair. In addition, the public has an interest in ensuring that the short and long-term repair costs are reasonable. Repair parts and materials must be readily available. Donated

park elements must be of high quality to ensure a long life, be resistant to the elements, wear and tear, and to acts of vandalism.

### 3. PROCEDURE FOR MAKING A DONATION

The City's Community Development office will manage all donations located on City park property, with the assistance of the Parks Maintenance Crew.

**A. Application:** The donor must contact the Community Development office to determine whether a donation may be accepted based upon criteria contained in this policy. If a donation can be accepted, the donor will complete an application form. Applications are available through the mail or in person at the Community Development office.

### 4. CRITERIA FOR ACCEPTANCE

**A. Park Plan:** To accept donation of a park element for a specific park facility, a park plan must exist showing the available locations for park elements. If no plan exists then a donation may be made to another facility. If a plan exists, but does not identify a particular park element proposed for donation, the City may accept the donation under certain conditions. Under this circumstance, the donation must 1) meet a true need of the facility, 2) not interfere with the intended current or future use or function of the facility and 3) not require the relocation of other equipment or infrastructure to accommodate the donation. In the opinion of the City, a facility may be determined to be fully developed and the opportunity for donations would not be available.

**B. Donation Plaques:** Donation plaques, as approved by the Board, are to be directly affixed to the donation and/or, are to be made of bronze and purchased through the City. Donation plaques will be a maximum 5" x 7" or 2" x 18" inches in size (depending on the donated item), utilize either "Palatino" or "Cheltenham Light" lettering and numbers, have a leatherette or travertine background texture, be of dark brown oxide stain and be manufactured by a City approved vendor to ensure highest quality, life and durability. In cases where bronze plaques are not feasible, the Board may approve alternative types.  
~~The Board must approve all text and graphics for donation plaques.~~

In park bench applications, the donation plaque will be affixed to the front of the seat back of the bench. In picnic table applications, the donation a plaque will be affixed to the table top. In tree installation applications, the donation plaque will be installed on a post or on a stone next to the base of the tree.

**C. Notification:** It shall be the responsibility of the donor to provide the Community Development office with a current address for purposes of notification regarding their donation. For the purposes of notification, the City will send a certified letter to the donor, notifying the donor of changes related to the status of their donation (i.e. a need to remove, relocate, or comply with conditions set forth in this policy).

### 5. PARK BENCHES, PICNIC TABLES, & BICYCLE RACKS

Park benches, picnic tables, bicycle racks, and playground components may be placed in locations approved by the Board in accordance with an available site plan approved by City Council. Items donated must be of a product approved by the Board, and these items become City property at time of ~~purchase~~ donation.

**A. Bicycle Specifications:**

1. Bicycle Rack Dimensions -

Height:	36" max. – 30" min.
Materials:	Stainless steel or galvanized round or square pipe [2-3/8 in OD, 0.154-inch wall, Schedule 40 steel pipe] [1-5/8 inch OD, 0.140 wall Schedule 40 steel pipe]
Safety:	<ol style="list-style-type: none"> <li>1. Comply with ADA Standards – no overhangs or protrusions that could be difficult for visually impaired in the walkway or that may cause tripping hazard;</li> <li>2. Minimum 10" gap at the bottom of the rack to allow space for pedal;</li> <li>3. Space gaps on the rack shall be larger than 9" and smaller than 3.5"</li> </ol>
Locking:	<ol style="list-style-type: none"> <li>1. Must provide minimum of two-point connection between the bicycle frame and the rack;</li> <li>2. Locking points must be a minimum of 1 inch and a maximum of 4 inches</li> </ol>

2. Required Bicycle Rack Clearances on Sidewalks -

Description	Minimum Clearance (feet)	Object
Bicycle Rack Clearances from other Sidewalk Objects	0	In-ground utility pull box – allow enough room to remove cover
	2	Tree or tree well; newspaper rack; trash can; curb cut/driveway
	6	Bicycle rack (along curb)
	3	Bicycle rack (parallel to other rack)
	5	Fire hydrant; stand pipe (near entrances)
	10	Building entrance
	5	Street light pole; Traffic sign pole
Bicycle Rack Clearances from Parking Spaces	2	Sign pole (mid-block)
	5	Parallel car parking
	5	Perpendicular car parking

3. Sidewalk Width Requirements for Bicycle Parking -

Description	Minimum Clearance (feet)	Location
Curbside bicycle rack	9	Between curb face and building or café seating (leaving 6' walkway)
Building side bicycle rack	1	Between bicycle rack and building

**B. Bench Specifications:**

Bench Type	Framing	Seating
Contour wooden park bench with back (6-ft.)	Heavy duty 2-3/8" O. D. pipe fame	Planks (2" x 4") with 8 slats of untreated wood, or pressure-treated planking options
Wooden park bench without back (6-ft.)	Heavy duty 2-3/8" O. D. pipe welded framework and brace 1-5/16" O. D. pipe	Wood planks (2" x 4"); finished seat dimensions 15" wide by 18" high

**C. Picnic Table Specifications:**

Table	Framing
Rectangular expanded metal table with backless bench (6-ft. or 8-ft.)	2-3/8" O.D. steel tubing frame to create a sturdy base

**D. Options:**

The Board may recommend alternative sizes and types of park bench or picnic table based on the location proposed and the City's needs to the City Council.

6. TREES

Landscaping and plant selection for park facilities is critical due to the wind conditions, soils, and winter weather in Palmer. Accordingly, location, size and specie of tree or trees proposed for donation shall be limited to those reviewed and recommended by the Board. The Board shall forward their recommendation as to the acceptance of the proposed tree(s) to City Council for final action.

Trees will only be accepted for areas with suitable soils for the species and areas that have access to public water supply in place.

**A. Minimum Tree Size:**

Coniferous trees shall have a minimum height of six feet (6'); and  
Deciduous trees shall have a minimum caliper (diameter or thickness) of two inches (2").

**B. Prohibited Plant Species:**

- |                              |                      |
|------------------------------|----------------------|
| <i>Acer platanoides</i>      | Norway Maple         |
| <i>Aegopodium podagraria</i> | Bishop's Weed        |
| <i>Berberis sp.</i>          | Barberry             |
| <i>Caragana arborescens</i>  | Siberian Pea Shrub   |
| <i>Eleagnus sp</i>           | Russian Olive        |
| <i>Euonymus alatus</i>       | Burning Bush         |
| <i>Fallopia japonica</i>     | Japanese Knotweed    |
| <i>Ligistrum sp</i>          | Privet               |
| <i>Lonicera japonica</i>     | Japanese Honeysuckle |

*Polygonum sp*  
*Populus alba*  
*Prunus padus*  
*Rosa multiflora*  
*Sorbaria sorbifolia*  
*Sorbus aucuparia*  
*Viburnum opulus*

Knotweed  
White Poplar  
European Bird Cherry  
Multiflora Rose  
False Spirea  
European Mountain Ash  
European Cranberry Bush

## 7. MONUMENTS

Upright monuments or monuments resembling those typically found in cemeteries may not be installed at any City park facility. Exceptions to this policy are monuments installed by the City commemorating the history and/or dedication of a park facility.

## 8. INTERPRETIVE & OTHER DONATED PARK SIGNS

Interpretive and other donated park signs as recommended by the Board. The Board shall forward their recommendation as to the acceptance of the proposed sign to City Council for final action. Signs shall be consistent with any adopted City way finding standards may be installed at sites that are appropriate for describing the history, geology, environment, and flora and fauna of a particular area. Interpretive signs shall be of a size that is in keeping with the character of the site. Interpretive signs shall be of a design that meets requirements for access to the disabled. Interpretive signs shall be designed in such a manner that is consistent with other interpretive signs on the site. Interpretive signs shall be constructed of materials that are of high quality, vandal resistant, and able to withstand harsh environmental conditions.

## 9. PUBLIC ART

Donated public art is subject to full review by the Board. The Board shall forward their recommendation as to the acceptance of the proposed art to City Council for final action.

## 10. OTHER DONATIONS

There may be donations possible, other than those expressly listed or contained within this policy. The Board may, at their discretion, review any donation proposal and forward a recommendation. The City may accept those donations subject to approval by the City Council.

## 11. CONDITIONS

**A. Installation:** Installation of donated park ~~elements-equipment~~ will be scheduled at a time and date as determined by Pparks Mmaintenance Ccrew so as not to unnecessarily interfere with routine park maintenance activities.

Placement of the ~~memorial-or~~ equipment may not pose a safety risk to users of the public space or impede mowing, drainage or public access.

**B. Removal and/or Relocation:** This section applies to both existing and new donations. The City reserves the right to remove and/or relocate donated park ~~elements-equipment~~ and their associated donation acknowledgments/~~memorial~~-plaques, when they interfere with site safety, maintenance or construction activities. In accordance with previously stated procedures in this policy, the City will send a registered letter to each identifiable donor notifying the donor of any action related to the disposition or relocation of the donation. In certain situations, such as safety or emergency situations, the notification

may be made after the action taken. In the event a donation must be permanently removed; the City will, in best effort, seek an alternative location consistent with this policy. ~~If no such location can be found, the information contained on the memorial may be, at the donor's request, located on a memorial plaque set aside for this purpose at a designated location.~~

## 12. MAINTENANCE AND REPAIR

The long-term care and maintenance of donated park elements is important to both the donor and the City.

- A. Life Cycle Care Fund:** The establishment of the Life Cycle Care Fund ensures that the City will care for the donation for the estimated life of the donation, or until such time the City determines ~~that the memorial~~ donation must be removed and/or relocated for unforeseen circumstances. The establishment of a Life Cycle Care Fund applies to all donated park elements installed after the adoption of this policy.

The fund is established with the intent of providing a regular revenue source dedicated and sufficient to reasonably maintain future donations for the duration of their expected life cycle. The cost of a donation will include the cost of purchase and installation, and the funds estimated to be sufficient, based upon the expected life cycle, for maintenance of the donated item. The expected life cycle, routine maintenance and element costs are identified in a separate schedule. This schedule is maintained administratively and may be modified from time to time to ensure that sufficient resources are available to maintain donations.

Accordingly, the City will determine the level of maintenance required for the donated property based upon available budget funding and the type of care needed to reasonably maintain the donation.

At the end of the life-cycle term, the donor may choose to extend the life-cycle term by paying for the current value of a new donation if deemed necessary by the Board and its associated maintenance cost. The City reserves the right to seek a new donor for the donation at the end of the established life cycle should the original donor choose not to renew the donation, or if the City has not been able to contact the original donor.

Section 4. Effective Date. Ordinance No. 17-008-S shall take effect upon adoption by the City of Palmer City Council.

**Adopted** this \_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
Edna B. DeVries, Mayor

\_\_\_\_\_  
Norma I. Alley, MMC, City Clerk





Introduced by: City Manager Wallace  
Date: April 25, 2017  
1<sup>st</sup> Public Hearing: May 9, 2017  
2<sup>nd</sup> Public Hearing: May 23, 2017  
3<sup>rd</sup> Public Hearing: July 11, 2017  
Action:  
Vote:

Yes:	No:

CITY OF PALMER, ALASKA

**Ordinance No. 17-008**

**An Ordinance of the Palmer City Council Adopting a City of Palmer Parks, Recreation, and Outdoor Facilities Memorial and Donation Policy**

WHEREAS, the City has public land that citizens enjoy throughout the year; and

WHEREAS, many citizens and visitors desire to assist and enhance these public lands through donation and memorialization items; and

WHEREAS, the Parks, Recreation and Cultural Resources Advisory Board developed and recommends a standard operating procedure for accepting and maintaining donations for public use at recreational and outdoor facilities.

THE CITY OF PALMER, ALASKA, ORDAINS:

Section 1. Classification. This is a non-code ordinance which adopts regulations for the Parks, Recreation and Outdoor Facilities Memorial and Donation Policy.

Section 2. Severability. If any provisions of this ordinance or application thereof to any person or circumstances are held invalid, the remainder of this ordinance and the application to the other persons or circumstances shall not be affected thereby.

Section 3. The City of Palmer Parks, Recreation and Outdoor Facilities Memorial and Donation Policy is hereby adopted as follows:

1. PURPOSE

The purpose of this policy is to establish guidelines, standards, and procedures for the acceptance, installation, and care of donated park improvements, either as a result of a cash or physical property donation. These donations may include, but are not limited to, park benches, picnic tables, bicycle racks, trees, monuments, banners, interpretive signs, public art, and other types of park and trails accessories. This policy does not apply to buildings or land. The City desires to encourage donations while at the same time manage aesthetic impacts and mitigate on-going maintenance cost.

Donations will be incorporated into upcoming or ongoing park improvement projects. The development of public facilities is expected to be the result of careful planning and quality construction. In addition, public facilities are expected to be maintained to a standard acceptable to the community.

Guidelines established by this policy will apply to all donations made after the effective date of this policy. This policy is also designed to provide guidelines for individuals or groups should they desire to decorate, landscape or adorn a donation, such as a tree, bench, or picnic table on City owned or City maintained property.

Standards established by this policy will apply to purchased equipment, installation techniques, donation plaques, decoration and long term care of all donations made after the adoption of this policy. Materials and design of such donations shall be reviewed by the Palmer Parks, Recreation and Cultural Resources Advisory Board (the Board). The Board shall forward their recommendation as to the acceptance of the proposed donation to City Council for final action.

## 2. STANDARDS FOR DONATIONS

- A. Acquisition or Purchase:** The City and the community have an interest in ensuring that park and trail elements purchased and installed be of high quality related to style, appearance, durability and ease of maintenance. The Board will be responsible for review and approval of material and design of all park elements.
  
- B. Appearance and Aesthetics:** The City and the community have an interest in ensuring the best appearance and aesthetic quality of their public facilities. Park elements and/or their associated donation acknowledgments should reflect the character of the park or facility. Prior to installation, the Board must determine that all park elements will be installed in such a manner that will not substantially change the character of a facility or its intended use.
  
- C. Cost:** The City has an interest in ensuring that the donor covers the full-cost of the purchase, installation, and maintenance for the expected life cycle of donated park elements. A separate fee schedule is maintained in which the City will detail costs for donations, installation, and maintenance. The City also has an interest in ensuring that ongoing maintenance costs do not negatively impact the resources available for maintenance of other City park facilities. Consequently, the City will assess, at the time of purchase, a charge sufficient to cover anticipated ongoing maintenance of donated park elements during their expected life expectancy.
  
- D. Maintenance:** Donated park elements and/or their associated donation plaques, become City property. Accordingly, the City has the duty to maintain the donation only for the expected life cycle of the donation. (See Section 11 for more information on life cycle.) If current information is on file, the donor will be informed and given the opportunity to take further action at the expiration of the original life cycle.
  
- E. Repair:** The community has an interest in ensuring that all park elements remain in good repair. In addition, the public has an interest in ensuring that the short and long-term repair costs are reasonable. Repair parts and materials must be readily available. Donated

park elements must be of high quality to ensure a long life, be resistant to the elements, wear and tear, and to acts of vandalism.

### 3. PROCEDURE FOR MAKING A DONATION

The City's Community Development office will manage all donations located on City park property, with the assistance of the Parks Maintenance Crew.

**A. Application:** The donor must contact the Community Development office to determine whether a donation may be accepted based upon criteria contained in this policy. If a donation can be accepted, the donor will complete an application form. Applications are available through the mail or in person at the Community Development office.

### 4. CRITERIA FOR ACCEPTANCE

**A. Park Plan:** To accept donation of a park element for a specific park facility, a park plan must exist showing the available locations for park elements. If no plan exists then a donation may be made to another facility. If a plan exists, but does not identify a particular park element proposed for donation, the City may accept the donation under certain conditions. Under this circumstance, the donation must 1) meet a true need of the facility, 2) not interfere with the intended current or future use or function of the facility and 3) not require the relocation of other equipment or infrastructure to accommodate the donation. In the opinion of the City, a facility may be determined to be fully developed and the opportunity for donations would not be available.

**B. Donation Plaques:** Donation plaques, as approved by the Board, are to be directly affixed to the donation and/or, are to be made of bronze and purchased through the City. Donation plaques will be a maximum 5" x 7" or 2" x 18" inches in size (depending on the donated item), utilize either "Palatino" or "Cheltenham Light" lettering and numbers, have a leatherette or travertine background texture, be of dark brown oxide stain and be manufactured by a City approved vendor to ensure highest quality, life and durability. In cases where bronze plaques are not feasible, the Board may approve alternative types. The Board must approve all text and graphics for donation plaques.

In park bench applications, the donation plaque will be affixed to the front of the seat back of the bench. In picnic table applications, the donation a plaque will be affixed to the table top. In tree installation applications, the donation plaque will be installed on a post or on a stone next to the base of the tree.

**C. Notification:** It shall be the responsibility of the donor to provide the Community Development office with a current address for purposes of notification regarding their donation. For the purposes of notification, the City will send a certified letter to the donor, notifying the donor of changes related to the status of their donation (i.e. a need to remove, relocate, or comply with conditions set forth in this policy).

### 5. PARK BENCHES, PICNIC TABLES, & BICYCLE RACKS

Park benches, picnic tables, bicycle racks, and playground components may be placed in locations approved by the Board in accordance with an available site plan approved by City Council. Items donated must be of a product approved by the Board, and these items become City property at time of purchase.

**A. Bicycle Specifications:**

1. Bicycle Rack Dimensions -

Height:	36" max. – 30" min.
Materials:	Stainless steel or galvanized round or square pipe [2-3/8 in OD, 0.154-inch wall, Schedule 40 steel pipe] [1-5/8 inch OD, 0.140 wall Schedule 40 steel pipe]
Safety:	<ol style="list-style-type: none"> <li>1. Comply with ADA Standards – no overhangs or protrusions that could be difficult for visually impaired in the walkway or that may cause tripping hazard;</li> <li>2. Minimum 10" gap at the bottom of the rack to allow space for pedal;</li> <li>3. Space gaps on the rack shall be larger than 9" and smaller than 3.5"</li> </ol>
Locking:	<ol style="list-style-type: none"> <li>1. Must provide minimum of two-point connection between the bicycle frame and the rack;</li> <li>2. Locking points must be a minimum of 1 inch and a maximum of 4 inches</li> </ol>

2. Required Bicycle Rack Clearances on Sidewalks -

Description	Minimum Clearance (feet)	Object
Bicycle Rack Clearances from other Sidewalk Objects	0	In-ground utility pull box – allow enough room to remove cover
	2	Tree or tree well; newspaper rack; trash can; curb cut/driveway
	6	Bicycle rack (along curb)
	3	Bicycle rack (parallel to other rack)
	5	Fire hydrant; stand pipe (near entrances)
	10	Building entrance
	5	Street light pole; Traffic sign pole
Bicycle Rack Clearances from Parking Spaces	2	Sign pole (mid-block)
	5	Parallel car parking
	5	Perpendicular car parking

3. Sidewalk Width Requirements for Bicycle Parking -

Description	Minimum Clearance (feet)	Location
Curbside bicycle rack	9	Between curb face and building or café seating (leaving 6' walkway)
Building side bicycle rack	1	Between bicycle rack and building

**B. Bench Specifications:**

Bench Type	Framing	Seating
Contour wooden park bench with back (6-ft.)	Heavy duty 2-3/8" O. D. pipe fame	Planks (2" x 4") with 8 slats of untreated wood, or pressure-treated planking options
Wooden park bench without back (6-ft.)	Heavy duty 2-3/8" O. D. pipe welded framework and brace 1-5/16" O. D. pipe	Wood planks (2" x 4"); finished seat dimensions 15" wide by 18" high

**C. Picnic Table Specifications:**

Table	Framing
Rectangular expanded metal table with backless bench (6-ft. or 8-ft.)	2-3/8" O.D. steel tubing frame to create a sturdy base

**D. Options:**

The Board may recommend alternative sizes and types of park bench or picnic table based on the location proposed and the City's needs to the City Council.

6. TREES

Landscaping and plant selection for park facilities is critical due to the wind conditions, soils, and winter weather in Palmer. Accordingly, location, size and specie of tree or trees proposed for donation shall be limited to those reviewed and recommended by the Board. The Board shall forward their recommendation as to the acceptance of the proposed tree(s) to City Council for final action.

Trees will only be accepted for areas with suitable soils for the species and areas that have access to public water supply in place.

**A. Minimum Tree Size:**

Coniferous trees shall have a minimum height of six feet (6'); and  
Deciduous trees shall have a minimum caliper (diameter or thickness) of two inches (2").

**B. Prohibited Plant Species:**

- |                              |                      |
|------------------------------|----------------------|
| <i>Acer platanoides</i>      | Norway Maple         |
| <i>Aegopodium podagraria</i> | Bishop's Weed        |
| <i>Berberis sp.</i>          | Barberry             |
| <i>Caragana arborescens</i>  | Siberian Pea Shrub   |
| <i>Eleagnus sp</i>           | Russian Olive        |
| <i>Euonymus alatus</i>       | Burning Bush         |
| <i>Fallopia japonica</i>     | Japanese Knotweed    |
| <i>Ligistrum sp</i>          | Privet               |
| <i>Lonicera japonica</i>     | Japanese Honeysuckle |

*Polygonum sp*  
*Populus alba*  
*Prunus padus*  
*Rosa multiflora*  
*Sorbaria sorbifolia*  
*Sorbus aucuparia*  
*Viburnum opulus*

Knotweed  
White Poplar  
European Bird Cherry  
Multiflora Rose  
False Spirea  
European Mountain Ash  
European Cranberry Bush

## 7. MONUMENTS

Upright monuments or monuments resembling those typically found in cemeteries may not be installed at any City park facility. Exceptions to this policy are monuments installed by the City commemorating the history and/or dedication of a park facility.

## 8. INTERPRETIVE & OTHER DONATED PARK SIGNS

Interpretive and other donated park signs as recommended by the Board. The Board shall forward their recommendation as to the acceptance of the proposed sign to City Council for final action. Signs shall be consistent with any adopted City way finding standards may be installed at sites that are appropriate for describing the history, geology, environment, and flora and fauna of a particular area. Interpretive signs shall be of a size that is in keeping with the character of the site. Interpretive signs shall be of a design that meets requirements for access to the disabled. Interpretive signs shall be designed in such a manner that is consistent with other interpretive signs on the site. Interpretive signs shall be constructed of materials that are of high quality, vandal resistant, and able to withstand harsh environmental conditions.

## 9. PUBLIC ART

Donated public art is subject to full review by the Board. The Board shall forward their recommendation as to the acceptance of the proposed art to City Council for final action.

## 10. OTHER DONATIONS

There may be donations possible, other than those expressly listed or contained within this policy. The Board may, at their discretion, review any donation proposal and forward a recommendation. The City may accept those donations subject to approval by the City Council.

## 11. CONDITIONS

**A. Installation:** Installation of donated park elements will be scheduled at a time and date as determined by Parks Maintenance Crew so as not to unnecessarily interfere with routine park maintenance activities.

Placement of the memorial or equipment may not pose a safety risk to users of the public space or impede mowing, drainage or public access.

**B. Removal and/or Relocation:** This section applies to both existing and new donations. The City reserves the right to remove and/or relocate donated park elements and their associated donation acknowledgments/memorial plaques, when they interfere with site safety, maintenance or construction activities. In accordance with previously stated procedures in this policy, the City will send a registered letter to each identifiable donor notifying the donor of any action related to the disposition of the donation. In certain situations, such as safety or emergency situations, the notification may be made after the

action taken. In the event a donation must be permanently removed; the City will seek an alternative location consistent with this policy. If no such location can be found, the information contained on the memorial may be, at the donor's request, located on a memorial plaque set aside for this purpose at a designated location.

## 12. MAINTENANCE AND REPAIR

The long-term care and maintenance of donated park elements is important to both the donor and the City.

- A. Life Cycle Care Fund:** The establishment of the Life Cycle Care Fund ensures that the City will care for the donation for the estimated life of the donation, or until such time the City determines that the memorial donation must be removed and/or relocated for unforeseen circumstances. The establishment of a Life Cycle Care Fund applies to all donated park elements installed after the adoption of this policy.

The fund is established with the intent of providing a regular revenue source dedicated and sufficient to reasonably maintain future donations for the duration of their expected life cycle. The cost of a donation will include the cost of purchase and installation, and the funds estimated to be sufficient, based upon the expected life cycle, for maintenance of the donated item. The expected life cycle, routine maintenance and element costs are identified in a separate schedule. This schedule is maintained administratively and may be modified from time to time to ensure that sufficient resources are available to maintain donations.

Accordingly, the City will determine the level of maintenance required for the donated property based upon available budget funding and the type of care needed to reasonably maintain the donation.

At the end of the life-cycle term, the donor may choose to extend the life-cycle term by paying for the current value of a new donation if deemed necessary by the Board and its associated maintenance cost. The City reserves the right to seek a new donor for the donation at the end of the established life cycle should the original donor choose not to renew the donation, or if the City has not been able to contact the original donor.

Section 4. Effective Date. Ordinance No. 17-008 shall take effect upon adoption by the City of Palmer City Council.

**Adopted** this \_\_\_\_ day of \_\_\_\_\_, 2017.

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Edna B. DeVries, Mayor

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Norma I. Alley, MMC, City Clerk

CITY OF PALMER  
PARKS, RECREATION & CULTURAL RESOURCES ADVISORY BOARD  
**Resolution No. 16-002**

**A Resolution of the Parks, Recreation & Cultural Resources Advisory Board  
Recommending the Adoption of a Memorial Policy**

WHEREAS, the City Council in creating the Parks, Recreation & Cultural Resources Advisory Board required the Board under Palmer Municipal Code 2.22.006. B. to provide input and recommendations on issues relating to placement of memorials and plaques on City property; and

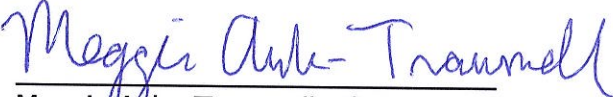
WHEREAS, the Board has considered standards for various types of memorials during the September 10, 2015 and October 1, 2015 meetings; and

WHEREAS, the Board reviewed and amended to wording to incorporate further input on October 6, 2016 ; and

WHEREAS, the Board has worked to develop a draft memorial and donation policy for consideration by City Council that will authorize the Manager to establish guidelines, standards and procedures for the installation and care of donated memorials that are benches, picnic tables, bicycle racks, trees, monuments, banners, interpretive signs, public art pieces or other park improvements, either as result of a cash or physical property donations.

NOW, THEREFORE, BE IT RESOLVED that the Palmer Parks, Recreation & Cultural Resources Advisory Board recommends that the City Council consider adoption of the attached memorial and donation policy

Passed and approved by the Parks, Recreation & Cultural Resources Advisory Board of Palmer, Alaska, this 6th day of October, 2016.

  
\_\_\_\_\_  
Meggie Aube-Trammell, Chair

  
\_\_\_\_\_  
Sandra Garley, Director of Community Development



Introduced by: Mayor Combs  
Date: June 26, 2005  
Action: Adopted  
Vote: Unanimous

CITY OF PALMER, ALASKA

RESOLUTION NO. 05-028

A RESOLUTION OF THE PALMER CITY COUNCIL AUTHORIZING THE CITY MANAGER TO OFFICIALLY NAME ANY UNNAMED CITY PARKS AND ANY FUTURE CITY PARKS CREATED BY THE CITY OF PALMER, AFTER THE MAYORS WHO HAVE SERVED THIS COMMUNITY SINCE 1951, BEGINNING WITH THE FIRST MAYOR OF PALMER AND CONTINUING FORWARD

WHEREAS, There exists parks within the City of Palmer parks that are unnamed or only referred to as to location or configuration; and

WHEREAS, The City of Palmer has adopted a Neighborhood Parks Ordinance that will serve to continue creating new parks in the City of Palmer; and

WHEREAS, The Mayors of Palmer since 1951 have served the City faithfully and should be recognized for their contribution to the community; and

WHEREAS, The City of Palmer agrees to place a permanent marker in each park with an official ceremony, naming the park in honor of each Mayor.

NOW THEREFORE, BE IT RESOLVED by the Palmer City Council that the City of Palmer City Manager is authorized to officially name any unnamed city parks and any future city parks created by the City of Palmer, after the Mayors who have served this community since 1951, beginning with the first Mayor of Palmer and continuing forward.

Passed and approved by the City Council of the City of Palmer, Alaska this 26th day of July, 2005.

/s/  
John C. Combs, Mayor

/s/  
Janette Bower, City Clerk



**City of Palmer  
Resolution No. 17-024**

**Subject:** Authorizing the City Manager and the Mayor to Execute the Necessary Documents to Purchase Fire Station No. 3-1 on Lots 10, 11, and 12, Block 12, of the ARRC Subdivision from the Matanuska-Susitna Borough In the Amount of One Dollar per Lease Agreement Dated February 28, 1978

**Agenda of:** July 11, 2017

**Council Action:**     **Approved**                       **Amended:** \_\_\_\_\_  
                                   **Denied**




**Originator Information:**

**Originator:**    John McNutt, Fire Chief

**Department Review:**

Route to:	Department Director:	Signature:	Date:
_____	Community Development	_____	_____
<u>  √  </u>	Finance	<u></u>	<u>06/21/2017</u>
<u>  √  </u>	Fire	<u></u>	<u>20 Jun 2017</u>
_____	Police	_____	_____
_____	Public Works	_____	_____

**Approved for Presentation By:**

	Signature:	Remarks:
City Manager	<u></u>	_____
City Attorney	<u></u>	_____
City Clerk	<u></u>	_____

**Certification of Funds:**


Total amount of funds listed in this legislation:    \$ 1.00

This legislation (√):

- Creates revenue in the amount of:                      \$ \_\_\_\_\_
- Creates expenditure in the amount of:                      \$ 1.00
- Creates a saving in the amount of:                      \$ \_\_\_\_\_
- Has no fiscal impact

Funds are (√):

- Budgeted                      Line item(s): 01-13-10-6030
- Not budgeted

Director of Finance Signature: 

**Attachment(s):**

- Resolution No. 17-024
- Lease Agreement

**Summary Statement:**

On February 28, 1978, an agreement between the Matanuska Susitna Borough (MSB) and the City of Palmer (City) was created for use, maintenance, lease and purchase of the property that is the site of the current Fire Station 3-1 (Daniel Contini Fire Station). The agreement states the City would lease the building for one dollar (\$1) per year for forty years beginning March 1, 1978, and the lease would end March 1, 2018. The City would occupy the building and be responsible for all maintenance and repairs as well as all utilities for the building. The City would also be responsible for all insurance of the building at its own cost. Section 9 of the agreement provides for the City to buy the property from the MSB by the end of the forty years but no earlier than August, 2017.

Fire Station 3-1 is the primary, active fire station serving the City and houses fire apparatus for City emergency responses.

**Administration's Recommendation:**

Approve Resolution No. 17-024 authorizing the purchase of Fire Station 3-1 from the Matanuska Susitna Borough.

Introduced by: City Manager Wallace

Date: June 11, 2017

Action:

Vote:

Yes:

No:

--	--

CITY OF PALMER, ALASKA

**Resolution No. 17-024**

**A Resolution of the Palmer City Council Authorizing the City Manager and the Mayor to Execute the Necessary Documents to Purchase Fire Station No. 3-1 on Lots 10, 11, and 12, Block 12, of the ARRC Subdivision from the Matanuska-Susitna Borough In the Amount of One Dollar (\$1.00) per Lease Agreement Dated February 28, 1978**

WHEREAS, the City of Palmer Fire & Rescue provides emergency response to structure fires, wildland fires, motor vehicle accidents and search and rescue calls in the City of Palmer; and

WHEREAS, the City of Palmer on February 28, 1978, through Quitclaim Deed, transferred Lots 10, 11, 12 of Block 12 of the ARRC Subdivision to the Matanuska Susitna Borough for construction of a fire station in the city limits of Palmer; and

WHEREAS, the City of Palmer has an agreement with the Matanuska Susitna Borough, Lease Agreement with Option for Purchase; and

WHEREAS, Section 9 of said lease gives the City an option to purchase the property for one dollar (\$1.00) between the period of August 1, 2017, through March 1, 2018; and

WHEREAS, the City of Palmer Fire & Rescue requires the use of the fire station to house fire and emergency response vehicles for emergencies inside the City of Palmer for the health and safety of the Palmer community.

NOW, THEREFORE, BE IT RESOLVED the Palmer City Council hereby authorizes the City Manager and the Mayor to execute the necessary documents to purchase Fire Station No. 3-1 on Lots 10, 11, 12, Block 12, of the ARRC Subdivision from the Matanuska Susitna Borough in the amount of one dollar.

**Approved** by the City Council of the City of Palmer, Alaska, this \_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
Edna B. DeVries, Mayor

\_\_\_\_\_  
Norma I. Alley, MMC, City Clerk



LEASE AGREEMENT WITH OPTION FOR PURCHASE

THIS AGREEMENT made and entered into this 28 day of February, 1978, by and between the CITY OF PALMER, a home rule municipality of the first class, organized under the laws of the State of Alaska, hereinafter referred to as City; and the MATANUSKA-SUSITNA BOROUGH, a municipality of the second class, organized under the laws of the State of Alaska, hereinafter referred to as Borough.

W I T N E S S E T H:

That Borough, for and in consideration of the installments of rent hereinafter provided for, to be paid by the City and the performance of other obligations by the City, has leased and by these presents does let upon the City the following described real property:

Lots 10, 11, and 12, Block 12, of the ARRC SUBDIVISION, according to the official plat thereof, in the Palmer Recording District, Third Judicial District, State of Alaska.



TO HAVE AND TO HOLD for the term of FORTY (40) YEARS, commencing on the 1st day of March, 1978, and ending on the 1st day of March, 2018, for the rental sum of ONE DOLLAR (\$1.00) per year, totalling FORTY DOLLARS (\$40.00), payable upon execution of this lease.

PROVIDED ALWAYS, that this lease is made and entered into upon the following terms and conditions, all of which the parties hereto covenant and agree to keep and perform:

1. Use. City will occupy and use said property for construction and maintenance of a fire hall and medical emergency services structure and City shall not cease to use said structure for such purposes during the entire leasehold period. City further agrees not to utilize the structure for any unlawful purposes or for purposes in violation of the conditions of the Federal Economic Development Administration Grant received by Borough for constructing the fire hall or medical emergency services structure.

2. Maintenance and repairs. City shall, upon occupancy, be responsible for all interior and exterior, minor and major, structural and nonstructural maintenance of the buildings, plumbing, heating, and other equipment and fixtures used in connection with the leased premises and City shall pay for and make such repairs as necessary. Alterations, additions, or improvements to said leased premises may be made freely by City without the written consent of Borough so long as the provisions regarding use of said premises in paragraph one above shall be adhered to. All costs of alterations, additions or improvements shall be the responsibility of the City.

3. Utilities. Borough shall not be required to furnish to City any utilities or services of any nature, including but not limited to steam, heat, gas, water, sewer, electricity, lights, or power. The furnishing of all utilities shall be the responsibility of the City and utilities shall be furnished at the expense of City.

4. Casualty. In case of destruction or damage to any portion of the leased premises by fire, wind storm, or any other casualty, the City shall have the responsibility of repairing or reconstructing the premises to a condition equal to or better than the condition of the premises prior to such casualty.

5. Assigning or subletting. City shall not assign, mortgage or encumber this lease nor sublet or permit the leased property or any part thereof to be used by others, except for the purposes and uses as provided for in paragraph one above, and in the instance of such assignment or subletting for the purposes of paragraph one above, the same may be accomplished without consent of Borough. City may specifically sublet back to the Borough, for the purpose of running an ambulance service or to house ambulances, under such terms as the parties may subsequently agree.

6. Indemnification. City shall indemnify and hold Borough harmless from any and all personal injuries or property damages that might be incurred as a result of the use or occupancy of City of said leased premises or of any alterations, additions, or reconstructions thereto. Such indemnification shall include liabilities where they are caused by contract or tort and shall include indemnification for all costs and attorney's fees for legal defense of such claims whether real or imagined.

7. Insurance. City shall provide, at its own cost, and shall keep the premises insured for such reasonable amount of policy limit as Borough and City agree will protect Borough from liability.

8. Termination and default. Upon default in performance or noncompliance with terms and conditions herein, this lease may be terminated at the option of Borough by giving to City 60 days written notice; however, if said breach is remedied within said 60-day period, tenancy shall not terminate.

9. City's option to purchase. For and in consideration of the terms and conditions of this agreement and other good and valuable consideration, City shall be granted an option to repurchase the above-leased premises for the sum of ONE DOLLAR (\$1.00) commencing August 1st, 2017. Said option shall be exercised by the payment of \$1.00 and notice in writing from City to Borough at any time between said August 1st, 2017 and the following March 1st, 2018. Upon exercise of option, Borough shall convey, by valid quitclaim deed, to City all its right, title and interest to the above-leased premises.

10. Interpretation. The covenants and conditions contained herein shall be the whole and complete agreement between the parties and shall apply to and bind the parties, their heirs, and assigns.

IN WITNESS WHEREOF, the parties hereto have caused this lease to be executed this 28 day of February, 1978.

MATANUSKA-SUSITNA BOROUGH

by Wesley M. Howe

WESLEY M. HOWE, Manager



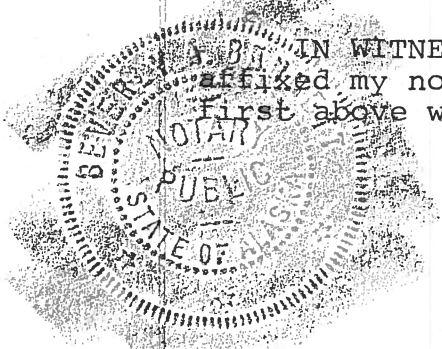
CITY OF PALMER

by William E. Curtis  
WILLIAM E. CURTIS, Manager

STATE OF ALASKA )  
 ) ss  
THIRD JUDICIAL DISTRICT )

THIS IS TO CERTIFY that on the 28 day of February, 1978, before me, the undersigned Notary Public, in and for Alaska, duly commissioned and sworn as such, personally appeared WESLEY M. HOWE, who is known to me and to me known to be the Manager of the MATANUSKA-SUSITNA BOROUGH, which is named in the above and foregoing Lease Agreement with Option for Purchase, and he acknowledged to me the execution thereof as his free and voluntary act and deed on behalf of said Borough for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year in this certificate first above written.



Beverly Bennett  
NOTARY PUBLIC in and for Alaska  
My Commission expires: Aug 8, 1979

STATE OF ALASKA )  
 ) ss  
THIRD JUDICIAL DISTRICT )

THIS IS TO CERTIFY that on the 28 day of February, 1978, before me, the undersigned Notary Public, in and for Alaska, duly commissioned and sworn as such, personally appeared WILLIAM E. CURTIS, who is known to me and to me known to be the Manger of the CITY OF PALMER, which is named in the above and foregoing Lease Agreement with Option for Purchase, and he acknowledged to me the execution thereof as his free and voluntary act and deed on behalf of said City for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year in this certificate first above written.

78-003926  
9-  
RECORDED-FILED  
PALMER REC.  
DISTRICT

Catherine A. Rotter  
NOTARY PUBLIC in and for Alaska  
My Commission expires: Jan 6, 1982

APR 13 1 20 PM '78  
REQUESTED BY MATANUSKA - SUSITNA BOROUGH INC  
ADDRESS \_\_\_\_\_ BOX 8  
PALMER, ALASKA 99645

QUITCLAIM DEED

The Grantor, CITY OF PALMER, a home rule municipality of the first class organized under the laws of the State of Alaska, of Palmer, Alaska, for and in consideration of TEN DOLLARS (\$10.00) and other valuable consideration in hand paid, the receipt of which is hereby acknowledged, has remised, released, conveyed and forever quitclaimed and by these presents does REMISE, RELEASE, CONVEY and forever QUITCLAIM unto the Grantee, MATANUSKA-SUSITNA BOROUGH, a municipality of the second class organized under the laws of the State of Alaska, of P. O. Box B, Palmer, Alaska, its successors and assigns, FOREVER, the following described real property, to-wit:

Lots 10, 11, 12, of Block 12, of the ARRC SUBDIVISION, according to the official plat thereof, in the Palmer Recording District, Third Judicial District, State of Alaska.

TOGETHER WITH ALL AND SINGULAR, the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, and also all the estate whatsoever, as well in law as in equity of said Grantor in or to the said premises and every part and parcel thereof with the appurtenances unto the said Grantee, its successors and assigns, FOREVER.

DATED this 28<sup>th</sup> day of February, 1978.

CITY OF PALMER

by Jack E. Maze  
 JACK E. MAZE, Mayor

by William E. Curtis  
 WILLIAM E. CURTIS, Clerk

STATE OF ALASKA )  
 ) ss.  
 THIRD JUDICIAL DISTRICT )

THIS IS TO CERTIFY that on the 28<sup>th</sup> day of February, 1978, before me, the undersigned Notary Public, in and for Alaska, duly commissioned and sworn as such, personally appeared JACK E. MAZE and WILLIAM E. CURTIS, who are known to me and to me known to be the Mayor and Clerk of the City of Palmer, which is named in the above and foregoing Quitclaim Deed, and they acknowledged to me the execution thereof as their free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year in this certificate first above written.

Catherine A. Rolan  
 NOTARY PUBLIC in and for Alaska  
 My Commission expires: Jan. 16, 1980

TULL & LUFFBERRY  
 ATTORNEYS AT LAW  
 P. O. BOX 898  
 PALMER, ALASKA 99645  
 TELEPHONE: (907) 745-3208

**City of Palmer  
Resolution No. 17-025**

**Subject:** Requesting the Matanuska-Susitna Borough Assembly Not Adopt Ordinance Serial No. 17-093, Ordinance Serial No. 17-094, and Ordinance No. 17-095 all Pertaining to an Implementation of an Areawide Sales Tax

**Agenda of:** July 11, 2017

**Council Action:**     **Approved**                       **Amended:** \_\_\_\_\_  
                                   **Denied**

**Originator Information:**

**Originator:**    Deputy Mayor Linda Combs and Councilmember David Fuller

**Department Review:**

<b>Route to:</b>	<b>Department Director:</b>	<b>Signature:</b>	<b>Date:</b>
_____	Community Development	_____	_____
_____	Finance	_____	_____
_____	Fire	_____	_____
_____	Police	_____	_____
_____	Public Works	_____	_____

**Approved for Presentation By:**

	<b>Signature:</b>	<b>Remarks:</b>
City Manager	_____	_____
City Attorney	_____	_____
City Clerk	_____	_____

**Certification of Funds:**

Total amount of funds listed in this legislation:    \$ 0.0

This legislation (√):

- Creates revenue in the amount of:                      \$ \_\_\_\_\_
- Creates expenditure in the amount of:                      \$ \_\_\_\_\_
- Creates a saving in the amount of:                      \$ \_\_\_\_\_
- Has no fiscal impact

Funds are (√):

- Budgeted                      Line item(s): \_\_\_\_\_
- Not budgeted                      \_\_\_\_\_

Director of Finance Signature: \_\_\_\_\_

**Attachment(s):**

- Resolution No. 17-025
- Sponsorship Letter to Introduce
- Matanuska-Susitna Borough IM No. 17-129
- Matanuska-Susitna Borough Ordinance Serial No. 17-093
- Matanuska-Susitna Borough Ordinance Serial No. 17-094
- Matanuska-Susitna Borough Ordinance Serial No. 17-095

**Summary Statement:**

On June 20, 2017, the Matanuska-Susitna Borough (MSB) Assembly introduced Ordinance Serial No. 17-093, Ordinance Serial No. 17-094, and Ordinance Serial No. 17-095 all pertaining to the implementation of an areawide sales tax.

The city of Palmer City Council does not support an areawide sales tax and wishes to encourage the MSB to not adopt the three ordinances.

Introduced by: Deputy Mayor Combs and  
Council Member Fuller  
Date: July 11, 2017  
Action:  
Vote:

Yes:	No:

CITY OF PALMER, ALASKA

**Resolution No. 17-025**

**A Resolution of the Palmer City Council Requesting the Matanuska-Susitna Borough Assembly Not Adopt Ordinance Serial No. 17-093, Ordinance Serial No. 17-094, and Ordinance No. 17-095 all Pertaining to an Implementation of an Areawide Sales Tax**

WHEREAS, on June 20, 2017, the Matanuska-Susitna Borough Assembly introduced Ordinance Serial No. 17-093, Ordinance Serial No. 17-094, and Ordinance Serial No. 17-095 pertaining to an areawide sales tax; and

WHEREAS, the Palmer City Council has grave reservations regarding the proposed areawide sales tax; and

WHEREAS, the Palmer City Council is concerned to the immediate and long-term effects on those citizens residing within the Palmer city limits; and

WHEREAS, the language of the proposed areawide sales tax and the proposed methods of collecting and disbursing said tax has caused the Palmer City Council to question the definitions within the proposed ordinances; and

WHEREAS, recent actions taken by the state of Alaska Legislature in regard to the funding of the education in the Matanuska-Susitna Borough has relieved the immediate pressures of identifying education funding for the Fiscal Year 2017-2018; and

WHEREAS, the Palmer City Council believes that its citizens and those of the Matanuska-Susitna Borough would be better served by not passing Ordinance Serial No. 17-093, Ordinance Serial No. 17-094, and Ordinance Serial No. 17-095.

NOW, THEREFORE, BE IT RESOLVED the Palmer City Council hereby requesting the Matanuska-Susitna Borough Assembly not adopt Ordinance Serial No. 17-093, Ordinance Serial No. 17-094, and Ordinance No. 17-095 all pertaining to an implementation of an areawide sales tax.

Approved by the Palmer City Council this \_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
Edna B. DeVries, Mayor

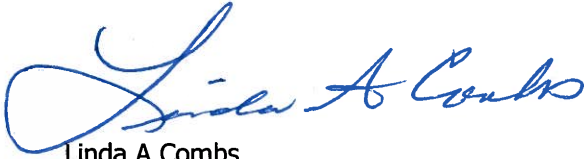
\_\_\_\_\_  
Norma I. Alley, MMC, City Clerk

June 28, 2017

Norma Alley

Palmer City Clerk  
231 W. Evergreen Avenue  
Palmer, AK 99645

I am requesting that a Resolution in a draft form that can be discussed and amended by the City Council in regards to the proposed Matanuska Susitna Borough Sales Tax be prepared and included on the agenda for July 11, 2017.



Linda A Combs

Deputy Mayor Palmer City Council

I support the above request made by Deputy Mayor Linda Combs.



David Fuller

Palmer City Council


SUBJECT: ORDINANCES OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY ADOPTING MSB 3.35 AND MSB 1.10.170 3 PERCENT AREAWIDE SALES TAX TO SUPPORT EDUCATION AND SUBMITTING THE SALES TAX QUESTION TO THE QUALIFIED VOTERS AT THE OCTOBER 3, 2017, REGULAR BOROUGH ELECTION; AND ADOPTING MSB 3.04.046 TO ESTABLISH A LIMIT ON LOCAL CONTRIBUTION TO SCHOOL FUNDING FROM SOURCES OTHER THAN SALES TAX.

AGENDA OF: June 20, 2017

ASSEMBLY ACTION:

MANAGER RECOMMENDATION: Introduce and set for public hearing.

APPROVED BY JOHN MOOSEY, BOROUGH MANAGER: \_\_\_\_\_

Route To:	Department/Individual	Initials	Remarks
	Originator	NS	for Mayor Halter at request of School Board
	Finance Director	<i>NS</i>	
	Borough Attorney	<i>NS</i>	
	Borough Clerk	<i>JAM</i>	6/12/17 

ATTACHMENT (S): Fiscal Note: YES X NO \_\_\_\_\_  
 School Board Resolution 17-004 (2 pp)  
 Ordinance Serial No. 17-094 (3 pp)  
 Ordinance Serial No. 17-093 (47 pp)  
 Ordinance Serial No. 17-095 (2 pp)

**SUMMARY STATEMENT:** The Matanuska-Susitna Borough School Board has requested a sales tax for educational purposes within the Matanuska-Susitna Borough. To enact such a tax, state law requires that the Borough Assembly must first vote on the issue and place it on the ballot. Thereafter, the qualified voters within the Matanuska-Susitna Borough must approve the ballot question for the sales tax to take effect.



In response to the School Board resolution, Mayor Halter is moving forward the accompanying sales tax ordinances. If approved by the Borough Assembly, the issue will be placed on the ballot at the upcoming October 3, 2017 regular Borough election.

The drafted ordinance being presented for Assembly Consideration is at a 3% rate. However, the Finance Director is providing revenue projections for a 2.5%, 2% and 1.5% tax rate for Assembly consideration. Assembly Members can amend the rate in this Ordinance at their discretion. The School Board may also recommend their preferred sales tax rate for Assembly consideration.

The sales tax ordinances will enact 2 new provisions of Borough code. Proposed MSB 1.10.170 will authorize the Borough to levy and collect a sales tax. MSB 3.35 is a forty-seven page ordinance implementing the tax and providing for exemptions, collections mechanisms, etc. The sales tax is titled "3 Percent Areawide Sales Tax To Support Education."

As it pertains to definitions, exemptions, filing of returns, etc., the proposed sales tax largely mirrors the sales tax currently levied within the City of Wasilla. This means that the administration of the tax will not be something new, unusual, or unique.

Of particular significance is the sales tax would be limited to the first \$1,000 of a sale. The tax on any sale with a 3% sales tax will never exceed \$30 even when the sale is over \$1,000. The City of Palmer has the same \$1,000 cap and the City of Wasilla has a \$500 cap for their local sales tax.

Along with the sales tax ordinances is an ordinance changing the Matanuska-Susitna Borough code as it pertains to the Borough's Local Contribution for Education. Currently MSB 3.04.045 contains an outdated and confusing mechanism to calculate the Borough's Local Contribution for education. This formula has not been part of the School District's requested budget for over 10 years. In addition, it is unclear whether this formula would comply with the Required Local Contribution under state law. As a practical matter, the School district makes a budget request, and the Assembly votes on the total amount of Local Contribution to be provided to the school district within the bounds of state law.



The proposed ordinance changes how the Borough will fund education locally. The Ordinance will limit the Borough's local contribution for education from current sources of revenue (which is mainly areawide property taxes and several other smaller sources of borough revenue) to \$50 million or less. Future local contribution to education will then be the amount of sales tax collected plus any other Borough revenue up to \$50 million. This means that the future growth of education funding will be reliant on the growth of sales tax which will increase over the years as more people move into the Borough and more commercial activity occurs within the Borough.

Because the revision to the Local Contribution is dependent on whether the Borough has a sales tax, all 3 ordinances are being presented as companion ordinances. All 3 ordinances will not take effect unless the sales tax question is approved by the voters at the October 3, 2017 regular Borough election.

**RECOMMENDATION OF ADMINISTRATION:** Adopt Legislation.

MATANUSKA-SUSITNA BOROUGH  
FISCAL NOTE

Agenda Date: June 20, 2017

SUBJECT: ORDINANCES OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY ADOPTING MSB 3.35 AND MSB 1.10.170 3 PERCENT AREAWIDE SALES TAX TO SUPPORT EDUCATION AND SUBMITTING THE SALES TAX QUESTION TO THE QUALIFIED VOTERS AT THE OCTOBER 3, 2017, REGULAR BOROUGH ELECTION; AND ADOPTING MSB 3.04.046 TO ESTABLISH A LIMIT ON LOCAL CONTRIBUTION TO SCHOOL FUNDING FROM SOURCES OTHER THAN SALES TAX.

FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT YES NO
AMOUNT REQUESTED 14,341,500**	FUNDING SOURCE Areawide Sales Tax
FROM ACCOUNT #	PROJECT #
TO ACCOUNT: 100.000.000.313.200	PROJECT #
VERIFIED BY: <i>Chapman Kendall</i>	CERTIFIED BY:
DATE: <i>6/7/17</i>	DATE:

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
Personnel Services						
Travel						
Contractual						
Supplies						
Equipment						
Land/Structures						
Grants, Claims						
Miscellaneous (Education)			28,683			
<b>TOTAL OPERATING</b>			<b>28,683</b>			

CAPITAL						
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REVENUE		14,341.5	28,683			
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FUNDING:

(Thousands of Dollars)

General Fund		14,341.5	28,683			
State/Federal Funds						
Other						
<b>TOTAL</b>		<b>14,341.5</b>	<b>28,683</b>			

POSITIONS:

Full-Time		**	**	**	**	**
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary) \*\* Amount is estimated for 6 months. Additionally 2 - 4 FTE's will be required to process and collect sales tax at a cost of 122,000 - 245,000

PREPARED BY: \_\_\_\_\_ PHONE: \_\_\_\_\_

DEPARTMENT: \_\_\_\_\_ DATE: \_\_\_\_\_

APPROVED BY: *Chapman Kendall* DATE: *6/7/17*



OFFICE OF THE SCHOOL BOARD

**MATANUSKA-SUSITNA BOROUGH SCHOOL BOARD  
RESOLUTION 17-004**

**A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH SCHOOL BOARD IN SUPPORT  
OF INCREASED LOCAL FUNDING GENERATED BY AN AREA-WIDE SALES TAX THAT  
SUPPLEMENTS THE CURRENT PER PUPIL FUNDING AMOUNT ADJUSTED FOR INFLATION.**

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**WHEREAS**, the Mat-Su Borough School District relies on funding appropriations from the State of Alaska and the Mat-Su Borough in order to maintain educational services at its 47 school sites across the Borough; and

**WHEREAS**, the State of Alaska faces a \$3 billion budget shortfall created by declining oil revenues; and

**WHEREAS**, the State of Alaska is contemplating a combination of spending reductions which have already begun to impact services provided by the Mat-Su Borough School District; and

**WHEREAS**, the Mat-Su Borough School District is projecting a \$11 million deficit in Fiscal Year 2018; and,

**WHEREAS**, boroughs and municipalities will need to increase public education funding in order to preserve essential programs and services; and

**WHEREAS**, based on the State's Foundation Formula Program, the Mat-Su Borough is currently funding the Mat-Su Borough School District at \$55,841,300 or 78% of the maximum allowable; and

**WHEREAS**, the Mat-Su Borough has the ability to increase its local contribution to the Mat-Su Borough School District by over \$16 million without exceeding the maximum allowable amount established by the State of Alaska; and

**WHEREAS**, the Mat-Su Borough currently funds the Mat-Su Borough School District at the lowest per pupil funding amount (\$2,969) when compared to the local funding received by the Anchorage School District (\$4,291), the Fairbanks North Star Borough School District (\$3,988), the Kenai Peninsula Borough School District (5,493), and the Juneau School District (\$5,311); and

**WHEREAS**, local proceeds generated from an area-wide sales tax should supplement the existing per pupil funding amount adjusted for inflation in order to properly support District programs and protect education funding into the future; and

**WHEREAS**, the Mat-Su Borough School District is committed to innovative programs and preparing all students for success by being a responsive, resourceful, and relevant school district; and

**WHEREAS**, the Mat-Su Borough School District has demonstrated exceptional stewardship of public funds through its management of reserves, long-term financial planning, and by receiving the Association of School Business Officials International's Meritorious Budget Award and Certificate of Excellence in Financial Reporting;

**THEREFORE BE IT RESOLVED** that the Matanuska-Susitna Borough School District supports increased local funding generated by an area-wide sales tax that supplements the current per pupil funding amount adjusted for inflation based on the Anchorage CPI-U as measured by the U.S. Department of Labor, Bureau of Labor & Statistics.

**APPROVED** by the Mat-Su School Board this 22<sup>nd</sup> day of March, 2017.

*Dr. Donna Dearman*

Dr. Donna Dearman, Board President

*Gene Stone*

Gene Stone, Superintendent

ATTEST:

*Stacy Escobedo*

Stacy Escobedo, Board Secretary

IM17-129  
OR17-093  
OR17-094  
OR17-095



CODE ORDINANCE

Sponsored by: Mayor Halter  
Introduced:  
Public Hearing:  
Action:

**MATANUSKA-SUSITNA BOROUGH  
ORDINANCE SERIAL NO. 17-093**

AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY ADOPTING MSB 3.35, AREAWIDE SALES TAX TO SUPPORT EDUCATION, LEVYING A 3 PERCENT TAX ON SALES, SERVICES AND RENTALS WITHIN THE MATANUSKA-SUSITNA BOROUGH.

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WHEREAS, the intent and rationale for this ordinance is found in the Informational Memorandum accompanying this ordinance and the discussions of the assembly at meetings in which it was considered.

BE IT ENACTED:

Section 1. Classification. This ordinance is of a general and permanent nature and shall become a part of the Borough Code.

Section 2. Adoption of new chapter. MSB 3.35, Areawide Sales Tax To Support Education is hereby adopted to read as follows:

**Chapter 3.35 3 PERCENT AREAWIDE SALES TAX TO SUPPORT  
EDUCATION**

- 3.35.010 AUTHORITY, USE OF TAX
- 3.35.020 DEFINITIONS
- 3.35.025 INTERPRETATION

- 3.35.030 LEVY OF TAX
- 3.35.035 MAXIMUM TAX PER TRANSACTION
- 3.35.040 TRANSACTIONS IN THE MATANUSKA-SUSITNA BOROUGH
- 3.35.045 RULES APPLICABLE TO PARTICULAR BUSINESSES OR OCCUPATIONS
- 3.35.050 EXEMPTIONS
- 3.35.080 CERTIFICATE OF EXEMPTION
- 3.35.090 DETERMINATION WHETHER TRANSACTION IS EXEMPT
- 3.35.100 COLLECTION OF SALES TAX, ADDITION AND SEPARATE STATEMENT; EXCEPTIONS
- 3.35.110 TITLE TO COLLECTED SALES TAX
- 3.35.120 TAX RETURNS, CONTENTS, PENALTY FOR DELINQUENCY
- 3.35.125 APPLICATION OF SALES TAX PAYMENTS
- 3.35.128 DEDUCTION OF BAD DEBTS
- 3.35.130 DUTIES UPON CESSATION OR TRANSFER OF BUSINESS
- 3.35.140 AMENDED RETURNS
- 3.35.145 REFUNDS
- 3.35.150 EXTENSION OF TIME, WAIVERS, FORGIVENESS
- 3.35.160 USE OF INFORMATION ON TAX RETURNS
- 3.35.170 TAX RECORDS, ADDITIONAL INFORMATION FROM SELLER, AUDITS
- 3.35.180 ESTIMATED TAX
- 3.35.190 VIOLATIONS, REMEDIES

- 3.35.200 REGULATIONS
- 3.35.210 TAX LIMIT EXEMPTION
- 3.35.215 PROTEST
- 3.35.220 APPEAL

**3.35.010 AUTHORITY, USE OF TAX.**

(A) This chapter is adopted pursuant to the Alaska Constitution and Alaska Statutes.

(B) All taxes levied and collected under this chapter are to be used to support education, subject to annual appropriation by the Borough Assembly.

**3.35.020 DEFINITIONS.**

When used in this chapter, the following words and phrases shall have the meanings set forth in this section:

"Buyer" means a person who acquires property, or the right to use or occupy property, or who receives a service, for consideration.

"Capital lease" also referred to as a financing lease, means a lease which is in substance a purchase and wherein substantially all of the risks and benefits of ownership are assumed by a lessee. A lease which meets any one or more of the following criteria shall be considered a capital lease:

(1) The lease transfers ownership of the leased property to the lessee by the end of the lease term.

(2) The lease contains a bargain purchase option or a purchase less than fair market value upon termination of the lease.

(3) The lease term is equal to 75% or more of the estimated economic life of the leased property.

(4) The present value at the beginning of the lease term of the minimum lease payments, excluding that portion of the payments, equals or exceeds 90% of the fair value of the leased property.

"Delivery" means that goods have been placed within the buyer's control.

"Gaming property" means a right to participate in a game of chance regulated under Alaska Statutes Chapter 5.15, including without limitation a right to participate that is represented by a pull-tab, bingo card, or raffle, or lottery ticket.

"Health care services" means services required in the course of mental or physical treatment of a human patient.

"Lease" means a contract permitting the use or occupancy of real or personal property for consideration.

"Other lease types" means any lease that is not a capital lease.

"Price" means the amount of money, and the fair market value of consideration other than money, that the buyer gives to



the seller in exchange for property, the right to use or occupy property, or the rendering of services.

"Rental" means any transfer of the right to use or occupy property for consideration.

"Residential rentals" means rental of a dwelling designed for living or sleeping purposes.

"Sale" means any transfer of property for consideration.

"Sales tax" means the tax levied by this chapter.

"Seller" means a person who, as principal or agent, transfers property, or the right to use or occupy property, or provides a service, for consideration.

"Service" means any application of labor, skill, or knowledge to produce value in exchange for consideration, and may include the provision of property or the right to use or occupy property, but does not include services rendered to an employer by an employee. Service may include, but is not limited to:

(1) Professional, advertising, maintenance, recreation, amusement, and craftsman services.

(2) Services in which a product or sale of property may be involved, including personal property made to order.

(3) Utility services including but not limited to sewer, water, solid waste collection or disposal, electrical,

telephone services and repair, natural gas, cable television, and internet services.

(4) The sale of transportation services originating inside the Matanuska-Susitna Borough.

(5) Services rendered for compensation by any person who furnishes any such services in the course of the person's trade, business, or occupation including services rendered for commission when the commission is paid on a service or product that has not been charged areawide sales tax.

"Shipping and freight hauling services" means the service of transporting goods by means other than the United States Postal Service.

"Transaction" means any transfer of property, or the right to use or occupy property, or the rendering of a service, for consideration.

"U.S. postage" means the cost of mailing an item by the United States Postal Service.

**3.35.025 INTERPRETATION.**

(A) The tax levied by this chapter applies to all sales, rentals, and services in the Matanuska-Susitna Borough.

(B) Exemptions from the tax levied by this chapter are to be construed narrowly.

**3.35.030 LEVY OF TAX.**

(A) Subject to the remainder of this chapter, a tax of 3 percent of the price is levied on all sales, rentals, and services made in the Matanuska-Susitna Borough.

**3.35.035 MAXIMUM TAX PER TRANSACTION.**

(A) Only the first \$1,000 of the price in each transaction shall be subject to sales tax; provided, that a single payment for the sale or rental of property, or the rendering of a service, over a period exceeding one month shall be allocated pro rata to each one-month period or part thereof during the term of the transaction, and the first \$1,000 of the price allocated to each such period shall be subject to sales tax.

(B) The payment of rent, whether for real or personal property, in excess of \$1,000, and for more than one month shall be treated as separate transactions covering the rental for one month each. A transaction involving payment for services to be rendered or delivered over a period of more than one month for a consideration in excess of \$1,000 shall be treated as separate transactions occurring one each month over the period of time that the service is rendered.

(C) Each night of each individual room rental shall be considered a separate transaction and therefore the maximum tax computation shall be calculated on a per room per night basis.

(D) Capital leases. Contracts to purchase the property at the end of a lease shall be treated as a sale on the effective date of the contract and are subject to the maximum tax per transaction pursuant to MSB 3.35.035(A).

(E) Other lease types. Leases that have an option to purchase at the end of the lease are taxed on the principal amount of each lease payment for the term of the lease. If the purchase is made at the end of the lease, the purchase transaction would be treated as another separate transaction. Interest and financing charges related to the lease payment are not subject to tax.

(F) Installment payments. When payments for a single transaction are made on an installment basis the sales tax on the transaction shall be collected on the first payment.

**3.35.040 TRANSACTIONS IN THE MATANUSKA-SUSITNA BOROUGH.**

(A) The following rules determine whether a transaction is made within the Matanuska-Susitna Borough:

(1) A sale or rental is made within the Matanuska-Susitna Borough if delivery occurs in the Matanuska-Susitna Borough, and the seller either:

(a) Maintains a place of business, or an agent or employee, in the Matanuska-Susitna Borough; or

(b) Regularly or repeatedly promotes sales or rentals in the Matanuska-Susitna Borough by means such as advertising, promotional events, or solicitation of sales.

(2) A service is made within the Matanuska-Susitna Borough if:

(a) All or a substantial part of the service is rendered in the Matanuska-Susitna Borough; or

(b) The seller maintains a place of business, or an agent or employee, in the Matanuska-Susitna Borough, the service benefits a person or property in the Matanuska-Susitna Borough, and either the order for the service is received or solicited in the Matanuska-Susitna Borough, or payment for the service is received in the Matanuska-Susitna Borough.

(3) A rental or lease of real property is made in the Matanuska-Susitna Borough if the real property is located in the Matanuska-Susitna Borough. A rental or lease of personal property is made if delivery occurs in the Matanuska-Susitna Borough or the property is located in the Matanuska-Susitna Borough.

(4) A service involving the construction, repair, renovation, improvement, sale or rental of real property is made in the Matanuska-Susitna Borough if the real property is located in the Matanuska-Susitna Borough.

**3.35.045 RULES APPLICABLE TO PARTICULAR BUSINESSES OR OCCUPATIONS.**

(A) Real Estate Sales Commissions.

(1) Commissions on sales of real property located in the Matanuska-Susitna Borough are subject to sales tax, regardless of the location of the person to whom the commission is payable.

(2) Commissions on sales of real property payable to a person who maintains an office in the Matanuska-Susitna Borough are subject to sales tax, regardless of the location of the real property.

(B) Sales of Gaming Property. An amount equal to the gross receipts of the seller from sales of gaming property, less the cost of prizes awarded on each series, set of games, or contest for which gaming property has been sold, shall be subject to sales tax.

(C) Sales from Coin-Operated Machines. An amount equal to the gross receipts from each coin-operated machine that the seller operates in the Matanuska-Susitna Borough, shall be subject to sales tax.

**3.35.050 EXEMPTIONS.**

(A) The following transactions are exempt from sales tax:

(1) Sales of real property and interests in real property.

(2) Casual and isolated sales, rentals or services, not made:

(a) In the ordinary course of business; or

(b) Pursuant to a business license; or

(c) By sellers representing themselves to be in the business of making such retail sales, rentals, or services.

(3) Sales of securities, insurance and bonds of guaranty and fidelity.

(4) The following fees charged by banks, savings and loan associations, credit unions, and investment banks:

(a) Fees associated with deposit accounts, including service fees, monthly account fees, non-sufficient funds (NSF) fees, and attachment fees.

(b) Fees for the purchase of bank checks, money orders, travelers checks, foreign currency, and similar products for payments.

(c) Fees for, or commissions on, the sale, exchange or transfer of currency, stocks, bonds, and other securities.

(d) Fees for the use of automatic teller machines and for transactions made through automatic teller machines, notary fees, and overdraft protection fees.

(e) Loan transaction fees and escrow collection services.

(f) Safe deposit box rentals or fees.

(5) Contracts to transport elementary or secondary school students to and from school.

(6) Sales of food in lunchrooms or cafeterias in elementary, secondary or post-secondary schools that are operated primarily for the convenience of school students and faculty, and not operated for profit.

(7) Sales, rentals, or services which the borough is prohibited from taxing by the constitution or statutes of the United States or the State of Alaska.

(8) Sales of subscriptions to newspapers and other periodicals.

(9) Sales, rentals, and services to the United States, the State of Alaska, and any of their agencies, instrumentalities, or political subdivisions.

(10) Dues or fees to nonprofit clubs, labor unions, or fraternal organizations.



(11) Sales of admission to school entertainments, school athletic events, and events conducted for the benefit of charitable or community organizations. Retail sales by a school sanctioned activity group raising funds for its approved purpose. This exemption does not apply to sales of gaming property.

(12) Sales related to orbital space facilities, space propulsion systems, space vehicles, satellites or stations, to the extent of the exemption required by AS 29.45.650(h).

(13) All purchases made with (i) food coupons, food stamps, or other type of allotment issued under 7 U.S.C. 2011-2036 (Food Stamp Program); or (2) food instruments, food vouchers, or other type of certificate issued under 42 U.S.C. 1786 (Special Supplemental Food Program for Women, Infants or Children) are exempt. For purposes of this subsection, the value of a food stamp allotment paid in the form of a wage subsidy as authorized under AS 47.25.975(b) is not considered to be an allotment issued under 7 U.S.C. 2011-2036 (Food Stamp Program).

(14) Residential rentals for a term of 30 or more consecutive days.

(15) Child and adult daycare services, pre-elementary school, and babysitting services.

(16) Sales of cemetery plots, caskets, funeral and burial related goods and services by a funeral home.

(17) Human health care services provided by a health care provider licensed by the State of Alaska under Title 8 of the Alaska Statutes, and sales of property and services pursuant to a prescription or written order from such a person.

(18) Sales and rentals of hearing aids, crutches, wheelchairs and personal apparatus specifically manufactured for a patient.

(19) U.S. Postage and shipping and freight hauling services that originate in the Matanuska-Susitna Borough but the end destination is outside the limits of the Matanuska-Susitna Borough.

(20) Assisted living services provided in accordance with an assisted living plan and in an assisted living home licensed as such by the State of Alaska.

(21) Sales of goods and services provided under a warranty or service contract, whether performed by the manufacturer or authorized representative of the manufacturer, and charged to a third-party warrantor for repairs, major maintenance, or both. The initial purchase of warranty or service contract would be taxed at the time of purchase. Any

portion of repair paid by the customer through a deductible or other means would not be exempt under this section.

(B) The following transactions are exempt from sales tax; provided, that the buyer presents to the seller at the time of the sale transaction a valid certificate of exemption applicable to the transaction, issued to the buyer under MSB 3.35.080:

(1) Sales to a dealer in the property sold, for the purpose of resale by the dealer.

(2) Sales of raw material to a manufacturer, which raw material becomes an ingredient or component part of a manufactured product or a container thereof, or is consumed in the manufacturing process.

(3) Sales of tangible personal property that either will be consumed in the course of construction or become part of real property, and rentals of equipment or services by a licensed contractor under Chapter 8.18 of the Alaska Statutes, to an owner of real property for use in the original construction of, or renovations to, improvements to the real property. This exemption does not apply to sales of tangible personal property, or rentals of equipment, that are to be used in repairing or maintaining real property.

(4) Sales of tangible personal property that either will be consumed in the course of construction or become part of

real property, and rentals of equipment or services by a licensed contractor under Chapter 8.18 of Alaska Statutes, to a person licensed as a contractor under Chapter 8.18 of the Alaska Statutes for use in the original construction of, or renovations to, improvements to real property. This exemption does not apply to sales of tangible personal property, or rentals of equipment, that are to be used in repairing or maintaining real property.

(5) Sales, rentals, and services to a person that the Internal Revenue Service recognizes as an organization described in Section 501(c)(3), 501(c)(4) or 501(c)(19) of the Internal Revenue Code; provided, that the sale, rental or service is not for use in an "unrelated trade or business" of the person, as that term is defined in Section 513 of the Internal Revenue Code.

(6) Sales, rentals, and services to a church that is organized as a nonprofit corporation under the laws of the State of Alaska.

(7) Sales of food supplies to food service establishments for incorporation into food products to be sold to the public.

(8) Sales of food supplies to hospitals, institutions housing six or more residents, and schools.

(9) Services sold for resale when the services are directly integrated into services or goods sold by the buyer located within the Matanuska-Susitna Borough and registered with the sales tax administrator, to another purchaser in the normal course of business, provided that the services are purchased separately for resale, and the services are identified, charged for and billed for separately without markup from any other services.

(C) The following transactions are exempt from sales tax; provided, that the seller has at the time of the transaction a valid certificate of exemption applicable to the sales transaction, issued to the seller under MSB 3.35.080:

(1) Sales, rentals, and services by a person that the Internal Revenue Service recognizes as an organization described in Section 501(c)(3), 501(c)(4) or 501(c)(19) of the Internal Revenue Code; provided, that the sale, rental or service is not part of an "unrelated trade or business" of the person, as that term is defined in the Internal Revenue Code.

**3.35.080 CERTIFICATE OF EXEMPTION.**

(A) A person shall apply to the finance director for a certificate of exemption that is required for an exemption from sales tax under MSB 3.35.050(B) or (C) on a form approved by the finance director. The application shall be accompanied by any

applicable fee that is required under subsection (B) of this section. The finance director may require additional information from the applicant as necessary to determine whether the application should be granted, including without limitation documentation of Internal Revenue Service recognition of the applicant as an exempt organization, or the organization of a church as a nonprofit corporation under the laws of the State of Alaska. A certificate of exemption is issued for a calendar year, and expires on December 31st of the calendar year for which it was issued.

(B) Except as provided in this subsection, there shall be no additional charge for a certificate of exemption. The applicant shall pay the borough:

(1) For a certificate of exemption issued under MSB 3.35.050(B)(3) for the calendar year, \$30.

(2) For a certificate of exemption issued under MSB 3.35.050(B)(4) for the calendar year, \$150.

(C) The finance director may revoke a certificate of exemption after notice to the holder of the certificate and a hearing, if the finance director finds that the holder of the certificate:

(1) Gave false information when applying for the certificate of exemption;

(2) Used the certificate of exemption in a transaction that was not exempt from sales tax under the exemption in MSB 3.35.050 for which the certificate was issued;

(3) Permitted use of the certificate of exemption by a person other than an authorized agent or employee of the holder of the certificate; or

(4) Ceases to be entitled to exemption from sales tax under the exemption in MSB 3.35.050 for which the certificate was issued.

(D) Prior to revocation of a certificate of exemption, the holder of the certificate shall be provided with notice of the alleged violation not less than 15 days prior to the proposed effective date of revocation of the certificate. The person or entity to whom the certificate was issued may request a hearing before the manager or manager's designee, who may be a borough employee, regarding the alleged violation by filing a written request with the borough prior to the effective date for revocation. If requested, the hearing shall be held within 20 days after the date of receipt of the request, and the certificate shall not be revoked prior to the date of hearing.

(E) A decision under subsection (D) of this section revoking a certificate of exemption may be appealed to the Superior Court for the State of Alaska, Third Judicial District

at Palmer in accordance with the Alaska Appellate Rules of Procedure.

(F) If a certificate of exemption is revoked, a new certificate may not be issued to the same person or entity for a period of two years from the date of revocation.

**3.35.090 DETERMINATION WHETHER TRANSACTION IS EXEMPT.**

(A) A seller shall determine in the first instance whether a sale is exempt under this chapter. However, if a seller incorrectly determines that a sale is exempt, and does not collect the tax from the buyer, then the seller is liable to the borough for the uncollected tax.

(B) If the seller determines that a sale is not exempt, but the buyer believes the sale to be exempt, then the buyer may protest the tax by paying the tax at the time of sale and filing a certificate of protest form with the borough no later than 60 days after the date of sale. The seller shall collect the protested tax at the time of the sale.

(C) If the seller determines that a sale is exempt, the seller can request a determination on whether a sale is exempt by filing a certificate of protest form with the borough, no later than 60 days after the date of sale. The seller shall continue to collect the tax at the time of sale until the seller receives a determination from the borough.



(D) The finance director will rule on each protest by sending to the buyer or seller a written determination on the protest. If the protest is allowed, a refund of the sales tax paid will be remitted to the buyer with the determination.

(E) Either the buyer or seller may appeal the finance director's determination by requesting a hearing within 15 days after service of notification of the determination under subsection (D) of this section. A hearing requested shall be conducted before the manager or the manager's designee, who may be a borough employee. After the hearing, the person conducting the hearing shall serve the decision on the protestor and finance director by delivering the notice to the protestor's address of record and the finance director's place of business.

(F) A decision under subsection (E) of this section may be appealed to the Superior Court for the State of Alaska, Third Judicial District at Palmer in accordance with the Alaska Appellate Rules of Procedure.

**3.35.100 COLLECTION OF SALES TAX, ADDITION AND SEPARATE STATEMENT; EXCEPTIONS.**

(A) The buyer shall pay sales tax to the seller at the time of payment for a sale, rental, or service subject to sales tax. The seller shall collect sales tax from the buyer at the time of payment for a sale, rental, or service subject to sales

tax. The seller is responsible for remitting sales tax on all nonexempt sales to the borough, regardless of whether the seller collects the sales tax from the buyer. The seller is liable for any sales tax due because of the seller's incorrect determination of the sales tax rate to be applied.

(B) Except as provided in subsection (C) of this section:

(1) The seller shall add the sales tax to the price or charge for the sale, rental or service, showing the tax as a separate and distinct item on any receipt, invoice, statement of account, or other record of the transaction. The sales tax on more than one separately priced item may be shown as a total tax on the aggregate price of all items sold or rented, or services rendered, in a single transaction.

(2) The amount of sales tax to be added to the price of a sale, rental or service shall be determined in accordance with the following schedule:

<b>Price of sale, rental or service</b>	<b>Tax 3%</b>
Under \$0.17	None
\$0.17 through \$0.50	\$.01
\$0.51 through \$0.83	\$.02

Price of sale, rental or service	Tax 3%
\$0.84 through \$1.16	\$.03
\$1.17 through \$1.50	\$.04
\$1.51 through \$1.83	\$.05
\$1.84 through \$2.16	\$.06
\$2.17 through \$2.50	\$.07
\$2.51 through \$2.83	\$.08
\$2.84 through \$3.16	\$.09
\$3.17 through \$3.50	\$.10

Over \$3.50, continue on same scale up to one thousand dollars (\$1,000.00).

(3) A seller may not assume, fail to add to the price or charge for a sale, rental or service, or refund to the buyer all or part of the sales tax, or advertise or represent to any person that the seller will do so.

(C) Sales tax on sales of gaming property and sales from coin-operated machines is not added to the sales price and collected with each transaction, but is computed and paid as provided in MSB 3.35.045.

**3.35.110 TITLE TO COLLECTED SALES TAX.**

Title to sales tax vests in the borough upon collection by the seller. The seller holds collected sales tax in trust for the borough, and is accountable to the borough therefor.

**3.35.120 TAX RETURNS, CONTENTS, PENALTY FOR DELINQUENCY.**

(A) A seller shall prepare a sales tax return for each calendar month. The sales tax return shall state the total amount of the seller's sales, rentals, and services; the amounts of the seller's exempt and taxable sales, rentals, and services, and the amount of sales tax that is due from the seller. The seller shall submit on or with the return such additional information as the borough may require to determine the amount of sales tax due for the month. The seller shall prepare the return and remit sales tax to the borough on the same basis, cash or accrual, that the seller uses in preparing its federal income tax return. The seller shall sign the return, and transmit the return, with the amount of sales tax that it shows to be due to the borough.

(B) A seller that filed or should have filed a sales tax return for any month during a Borough fiscal year ending on June 30 shall file a return for every month remaining in the fiscal year even though no tax may be due. The return shall show why no tax is due.

(C) A sales tax return, and the related remittance of sales tax, is due, and must be received by the borough, not later than 5:00 p.m. on the last business day of the month immediately following the month for which the return was prepared. The failure of the U.S. Postal Service or any private delivery service to make timely delivery of a sales tax return or the related remittance of sales tax shall not excuse an untimely filing or remittance.

(D) Sales tax that is not received on or before the time when due is delinquent. Delinquent sales tax bears interest at the rate of 15% per annum until paid. In addition, delinquent sales tax shall be subject to a late payment penalty equal to 5% of the amount of the delinquent sales tax multiplied by the number of calendar months (or portions thereof) that elapse until the delinquent sales tax, interest and penalty are paid in full; provided, that the amount of penalty shall not exceed 25% of the amount of the delinquent sales tax. The penalty does not bear interest.

(E) The finance director may require a seller that fails to submit a sales tax return or remit taxes when due to submit tax returns and remit taxes more frequently than monthly.

**3.35.125 APPLICATION OF SALES TAX PAYMENTS.**

(A) Except as this section provides otherwise, payments on sales tax accounts shall be applied to the amount due for each calendar month, in chronological order, and within the amount due for each calendar month first to fees, accrued penalty, accrued interest, and then to sales tax payments owed by the seller.

(B) Payments on sales tax accounts submitted with sales tax returns shall be applied to the most current return period, first to fees, accrued penalty, accrued interest, and then to sales tax payable under the return. Any remaining moneys shall be applied as provided in subsection (A) of this section.

(C) Amounts of delinquent sales tax, interest, penalty or fees that have been reduced to judgment, are the subject of a confession of judgment, or are the subject of a written payment agreement between the borough and the seller are payable as provided in the judgment, confession of judgment or payment agreement, respectively, and, except as provided otherwise in the judgment, confession of judgment or payment agreement, thereafter cease to be subject to the further accrual of interest or penalty under this chapter.

**3.35.128 DEDUCTION OF BAD DEBTS.**

(A) A person filing a return under MSB 3.35.120 may deduct sales found to be worthless. The bad debt may be deducted when it meets the following:

- (1) The sales tax was paid on an accrual basis; and
- (2) Is written off as uncollectible in the person's books and records; and
- (3) Qualifies as a deduction for federal income tax purposes under the Internal Revenue Code of 1986.

(B) If the amount of bad debt exceeds the amount of taxable sales during the period that the bad debt is written off, a person may file a refund claim with the borough.

(C) If a bad debt deducted under subsection (A) of this section is subsequently collected, the person who claimed the deduction shall pay the tax levied under MSB 3.35.030 on the amount collected. For purposes of this subsection, any payments made on a debt or account are applied:

- (1) First to the taxable price of the property or service and the tax levied under MSB 3.35.030 on the property or service; then
- (2) To interest, service charges, and any other charges.

**3.35.130 DUTIES UPON CESSATION OR TRANSFER OF BUSINESS.**

(A) A seller that ceases to engage in business in the Matanuska-Susitna Borough without a transfer of the business shall file with the borough a final sales tax return, and remit any sales tax due, for the period ending on the date that the seller ceases to engage in business in the Matanuska-Susitna Borough, not later than 15 days after that date.

(B) A seller that transfers its business in the Matanuska-Susitna Borough shall provide the transferee with written notice of the transferee's obligations under subsection (C) of this section not less than 15 days before the effective date of the transfer, but neither the seller's failure to give the notice nor the transferee's failure to receive the notice shall relieve the transferee of any such obligation. The seller shall file with the borough a final sales tax return, and remit any sales tax due, for the period ending on the effective date of the transfer, not later than 15 days after the effective date, and provide a copy of the return to the transferee. The seller shall file with the final sales tax return proof that it provided the transferee with the written notice described in the first sentence of this subsection.

(C) The transferee of a business, with written consent of the owner, shall obtain from the borough before the effective



date of the transfer an estimate of the delinquent sales tax, penalty and interest, if any, owed by the seller as of the date of the transfer, and shall withhold that amount from the consideration payable for the transfer, until the seller has produced a receipt from the borough showing that all tax obligations imposed by this chapter have been paid. A transferee that fails to withhold the amount required under this subsection shall be liable to the borough for the lesser of the amount of delinquent sales tax, penalty and interest due from the seller as of the date of transfer, and the amount that the transferee was required to withhold.

(D) In subsections (B) and (C) of this section, the term "transfer" includes the following:

(1) A change in voting control, or in more than 50% of the ownership interest in a seller that is a corporation, limited liability company or partnership;

(2) A sale of substantially all of the assets used in the business of the seller; and

(3) The initiation of a lease, management agreement or other arrangement under which another person becomes entitled to the seller's gross receipts from sales, rentals or services.

**3.35.140 AMENDED RETURNS.**

(A) A seller may file with the borough an amended sales tax return with supporting documentation, and the borough may accept the amended return, but only in the following circumstances:

(1) The amended return is filed within one year of the original due date for the return; and

(2) The seller provides a written justification for amending the return; and

(3) The seller held a current borough business license for the period for which the amended return was filed and filed an original return for that period; and

(4) The seller agrees to submit to an audit upon request of the borough.

(B) The borough shall notify the seller in writing if it rejects an amended return, including the reasons for any rejection.

**3.35.145 REFUNDS.**

(A) No sales tax refund shall be made unless the claimant complies with the requirements to obtain a sales tax refund set out in this section.

(B) A claim for refund of sales taxes paid for exempt sales shall be denied unless the claimant complies with MSB 3.35.140.

(C) A claim for refund of sales taxes over collected in error is barred unless:

(1) The claimant files a claim for refund with the borough within one year of the date of sale, on the form prescribed by the borough; and

(2) If the claimant is a seller, and the tax refund is owed to any buyer, the seller submits, and the borough approves, a refund plan to all affected buyers.

(D) A claim for refund overpaid in error because of a mistake on the face of a sales tax return is barred unless:

(1) The claimant files a claim for refund within one year of the due date of the return, on the form prescribed by the borough; and

(2) The claimant files an amended return pursuant to the requirements of this chapter.

(E) When the borough initiates an audit or estimate pursuant to MSB 3.35.170, the period for claiming a refund under subsections (C) and (D) above, is the same as the period under audit, but in no case more than three years from the date of sale.

(F) The borough shall not be liable for interest on any refund claimed or paid, or for any costs incurred by a buyer or seller in claiming or obtaining a refund.

**3.35.150 EXTENSION OF TIME, WAIVERS, FORGIVENESS.**

(A) Upon written application of a seller, stating the reasons therefor, the finance director may extend the time to file a sales tax return, if the finance director finds each of the following:

(1) For reasons beyond the seller's reasonable control, the seller has been unable to maintain in a current condition the books and records that contain the information required to complete the return; and

(2) The seller has a reasonable plan to cure the problem that caused the seller to apply for an extension, the seller will commence and proceed with diligence to cure the problem, and the problem will be cured within a reasonable time; and

(3) At the time of the application, the seller is not delinquent in filing any other sales tax return or in remitting sales tax to the borough.

(B) A penalty and/or fee assessed under MSB 3.35.120(D) for the delinquent remittance of sales tax or under MSB 3.35.180(F) for failure to file a sales tax return may be

waived by the finance director, upon written application of the seller accompanied by a payment of all delinquent sales tax, interest, penalty and/or fee otherwise owed by the seller to the borough, within 45 business days of the assessment of the penalty and/or fee. A seller may not be granted more than one waiver of penalty and/or fee under this subsection in any period of 24 consecutive months. The finance director shall report all such waivers of penalty and fees to the Borough Assembly and Mayor in writing, at least once each calendar quarter.

(C) The manager or the manager's designee, who may be a borough employee, may forgive the payment of uncollected sales taxes, interest and penalty thereon, and penalties for failure to file owing by a seller to the borough upon a determination by the manager or manager's designee that:

(1) Such uncollected sales taxes have never been collected by a substantial portion of a clearly definable class of seller; or

(2) Such uncollected sales taxes have never been collected on a substantial portion of a clearly defined class or type of transaction or service; or

(3) A reasonable interpretation and reliance upon that interpretation results in failure to collect a sales tax,

which collection is later determined to have been legally required under this chapter.

(D) The manager or manager's designee shall notify the Borough Assembly and Mayor in writing of any such incidence of forgiveness.

**3.35.160 USE OF INFORMATION ON TAX RETURNS.**

(A) Except as otherwise provided in this chapter, all returns, reports and information required to be filed with the borough under this chapter, and all information contained therein, are exempt from the disclosure requirements of MSB 1.50. and shall be kept confidential and shall be subject to inspection only by:

(1) Employees and agents of the borough whose job responsibilities are directly related to such returns, reports and information;

(2) The person supplying such returns, reports and information;

(3) Persons authorized in writing by the person supplying such returns, reports and information; and

(4) The borough's attorneys.

(B) The borough will release information described in subsection (A) of this section pursuant to subpoena, order of a

court or administrative agency of competent jurisdiction, and where otherwise required by law to do so.

(C) Notwithstanding subsection (A) of this section, the following information is available for public inspection:

(1) The name and address of a person who holds a current borough business license; and

(2) Whether a holder of a borough business license is more than 30 days delinquent in filing a return or remitting sales tax; and, if so, the number of returns not filed.

(D) The borough may publish the name of any seller that is delinquent in remitting sales tax, and the delinquent amount thereof. The borough also may provide the public statistical information related to sales tax collections, provided that no information identifiable to a particular seller is disclosed.

**3.35.170 TAX RECORDS, ADDITIONAL INFORMATION FROM SELLER, AUDITS.**

(A) A seller shall maintain records of transactions supporting the information that the seller submits on sales tax returns, including without limitation records of daily gross receipts from sales, rentals, and services, invoices of purchases and sales, bills of lading and bills of sale. A seller shall also maintain records of transactions that are exempt from sales tax, including information that will substantiate the

claim of exemption. The seller shall maintain all such records for a period not less than three years after the date of payment of the sales tax to which they pertain, except to the extent that the borough has authorized in writing their destruction or disposal at an earlier date.

(B) If insufficient detail exists within a seller's business records to substantiate retail sales exemptions, such sales will be reclassified as taxable sales and subject to sales tax collection and remittance.

(C) The seller shall immediately notify the borough of any fire, theft, or other casualty which prevents the seller's compliance with this chapter. The casualty constitutes a defense to any penalty and/or fee provided in this chapter if determined to be the proximate cause of the failure to comply for a given reporting period, but does not excuse the seller from liability for taxes due. Accidental loss of funds or records is not a defense against the penalties and/or fees of this chapter.

(D) Any seller who has established a sales tax account with the borough, who is required to collect and remit sales tax under MSB 3.35.100, or who is required to submit a sales tax return under MSB 3.35.120 is subject to a discretionary sales tax audit at any time. The purpose of such an audit is to examine the business records of the seller in order to determine



whether appropriate amounts of sales tax revenue has been collected by the seller and remitted to the borough.

(E) The finance director shall be responsible for selecting the particular sellers whose business records will be audited.

(F) Sales tax audits of seller's business records may be accomplished by either an employee of the finance department or by an individual or firm under contract with the borough. The borough may use sampling principles or methods in lieu of 100% examination of records in conducting a sales tax audit.

(G) Sellers selected for a sales tax audit will be notified by letter and will be required to meet with, and make available for inspection and copying, all pertinent business records including income tax returns that may be requested for the prior three years for examination, to the finance department employee, or contractor conducting the audit, within 30 days of notification. Under extenuating circumstances, the finance director may grant an extension of time for compliance.

(H) After completion of a sales tax audit, sellers subject to the audit will be notified of the results of the audit by letter. If the audit resulted in an additional sales tax liability to the borough, the additional sales tax, with interest assessed retroactive to the date the sales tax was due,

must be remitted to the borough within 30 days after the receipt of the letter, or the additional sales tax will be subject to the procedures on delinquencies outlined in MSB 3.35.120. If the audit has resulted in a refund due to the seller, the refund outlined in MSB 3.35.145 will be sent to the seller within 30 days.

**3.35.180 ESTIMATED TAX.**

(A) If a seller fails to file a sales tax return, or if the borough has reasonable cause to believe that any information on a sales tax return is not accurate, the borough may estimate the sales tax due based on any information available.

(B) The borough shall notify the seller in writing that the borough has estimated the amount of sales tax that is due from the seller under subsection (A) of this section, stating the estimated amount. The borough shall serve the notice on the seller by delivering the notice to the seller's place of business, or by mailing the notice by certified mail, return receipt requested, to the seller's last known mailing address.

(C) The borough's estimate of the amount of sales tax that is due from a seller shall become a final determination of the amount that is due unless the seller, within 15 days after service of notice of the estimated sales tax, gives the borough a written request for a hearing.

(D) A hearing requested under subsection (C) of this section shall be conducted before the manager or the manager's designee, who may be a borough employee. At the hearing, the seller shall have the burden of proving, by testimony or documentary evidence, that the amount of sales tax that is due is less than the amount that the borough estimated. After the hearing, the person conducting the hearing shall issue a decision determining the amount of sales tax that is due from the seller. The borough shall serve the decision on the seller by delivering the notice to the seller's place of business, or by mailing the notice by certified mail, return receipt requested, to the seller's last known mailing address.

(E) A decision under subsection (D) of this section determining the amount of sales tax that is due may be appealed to the Superior Court for the State of Alaska, Third Judicial District at Palmer in accordance with the Alaska Appellate Rules of Procedure.

(F) The amount of sales tax finally determined to be due under this section shall bear interest and penalty as provided in MSB 3.35.120, from the date that the sales tax originally was due, plus an additional civil penalty of \$250 for each calendar month for which the amount of sales tax that is due has been determined.

**3.35.190 VIOLATIONS, REMEDIES.**

(A) Each of the following is a violation of this chapter:

(1) A buyer failing to pay sales tax to a seller as required by this chapter.

(2) A seller failing to collect sales tax from a buyer as required by this chapter.

(3) seller failing to file a sales tax return or remit sales tax when due.

(4) A buyer or seller knowingly submitting false information in a document filed with the borough under this chapter.

(5) A seller falsifying or concealing information related to its business activities in the borough for the purpose of avoiding payment of sales tax.

(6) A seller failing to permit the borough to inspect records of the seller as required by this chapter.

(7) A seller failing to maintain records as required by this chapter.

(8) A buyer giving false information when applying for a certificate of exemption, or using a certificate of exemption in a transaction that was not exempt from sales tax under the exemption for which the certificate was issued.

(9) A seller failing to notify a transferee of the seller's business of the transferee's withholding obligation under MSB 3.35.130(C) or the transferee failing to withhold the amount required by MSB 3.35.130(C).

(10) A person causing or permitting a corporation of which the person is an officer or director, a limited liability company of which the person is a member or manager, or a partnership of which the person is a partner, to commit a violation of this chapter described in subsections (A)(1) through (9) of this section.

(B) A person who is convicted of a violation of this chapter described in this section shall be subject to a fine of not more than \$1,000 plus any surcharge required to be imposed by AS 29.25.074.

(C) Each act or omission in violation of this chapter, and each day in which the act or omission occurs, is a separate violation of this chapter.

(D) A seller that fails to file a sales tax return or remit sales tax when due, in addition to any other liability therefor imposed by this chapter, shall pay to the borough all costs incurred by the borough to determine the amount of the seller's sales tax liability or to collect the sales tax, including without limitation costs of obtaining, reviewing and

auditing the seller's business records, collection agency fees, and actual reasonable attorney's fees.

(E) A person who causes or permits a corporation of which the person is an officer or director, a limited liability company of which the person is a member or manager, or a partnership of which the person is a partner, to fail to collect sales tax or to remit sales tax to the borough as required by this chapter shall be liable to the borough for the amount that should have been collected or remitted, plus any applicable interest and penalty.

(F) Pursuant to AS 29.45.650 there is created a lien on the real and personal property of a seller to secure the payment of sales tax, interest, penalty, and costs of collection. The finance director shall cause notice of the lien to be recorded with respect to the property of a seller when the finance director finds that the seller is delinquent in remitting sales tax to the borough. The notice shall state the name of the seller; the amount of delinquent sales tax, interest, penalty and cost of collection owed by the seller as of a specified date; and that interest, penalty, and costs will continue to accrue until payment is made. Within 10 days after recording the notice, borough shall mail a copy of the notice by certified mail, return receipt requested, to the last known address of the

seller; provided, that failure of the borough to mail the notice or of the seller to receive it shall not affect the validity or priority of the lien.

(G) The borough may bring a civil action to:

(1) Enjoin a violation of this chapter. On application for injunctive relief and a finding of a violation or threatened violation, the superior court shall enjoin the violation.

(2) Collect delinquent sales tax, penalty, interest, fees and costs of collection, either before or after estimating the amount of sales tax due under MSB 3.35.180.

(3) Recover a civil penalty of \$1,000 for each violation of this chapter.

(4) Foreclose a recorded sales tax lien as provided by law.

(H) All remedies for violations of this chapter are cumulative and are in addition to any others existing at law or in equity.

**3.35.200 REGULATIONS.**

The finance director may adopt, amend and repeal regulations to implement, interpret or make specific the provisions of this chapter, or prescribe forms to be used under this chapter.

**3.35.210 TAX LIMIT EXEMPTION.**

All taxes levied and collected under this chapter are exempt from the requirements of MSB 3.04.075 Tax Levy Limitation and shall not be included in any calculations under MSB 3.04.075.

**3.35.215 PROTEST.**

(A) A seller disputing the amount of the estimate, or the results of an examination or audit under MSB 3.35.170, may do so by filing a protest with the borough's finance director within 30 days of the date of the notice of estimated tax or results of an audit or examination. The protest must set forth:

(1) The seller's justification for reducing or increasing the estimated tax amount, including any missing sales tax returns for the periods estimated; or

(2) The seller's reasons for challenging the examination or audit results.

(B) Upon receipt of a protest filed under subsection (A) of this section, the finance director shall process the protest.

(C) The finance director or designee, who may be a borough employee, shall advise the seller of a date certain for an informal meeting or hearing with the seller and shall informally review the protest, make written findings and state reasons for the decision. No later than the first business day following the



written decision, the finance director or designee shall mail the decision to the seller by certified mail, return receipt requested, to the last known mailing address of the seller. The written decision shall be maintained by the finance director in accordance with the borough's records management policy.

(D) The seller may appeal the written decision under subsection (C) of this section to the borough manager pursuant to MSB 3.35.220 within 15 business days from the date of mailing the written decision. Failure of the seller to appeal the decision shall be deemed to be a waiver of any right to appeal such decision.

**3.35.220 APPEAL.**

(A) Appeals filed under this section shall be heard by the borough manager or designee, who may be a borough employee. The borough manager or designee shall hear and decide on appeals from a decision of the finance director or designee on the results of a sales tax audit pursuant to MSB 3.35.170.

(B) The appellant affected by a decision of the finance director or designee on the results of a sales tax audit pursuant to MSB 3.35.170, may appeal the decision to the borough manager by filing an appeal with the borough manager within 15 business days from the date of decision. The appeal shall state

with specificity the grounds for the appeal and include contact information for the appellant or the appellant's representative.

(C) *Hearing.* The manager or designee shall conduct a hearing on the appeal no more than 60 days after the appeal application is filed. Records and proceedings before the manager or designee shall be confidential and are not open to the public. The records related to the proceedings shall be maintained by the manager in accordance with the borough's records management policy.

(D) The manager or designee may order that the borough compromise and abate penalties and/or interest and fees, and/or negotiate and enter into payment plans for delinquent sales taxes, penalties, and/or interest and fees. The decision of the manager or designee shall be in writing and sent to the appellant on the first business day following the decision.

(E) A decision under subsection (B) of this section may be appealed to the Superior Court for the State of Alaska, Third Judicial District at Palmer in accordance with the Alaska Appellate Rules of Procedure.

Section 3. Repeal of existing limited sales taxes.

MSB Chapter 3.32 Transient Accommodations Tax and MSB Chapter 3.60 Marijuana Sales Tax are repealed.

Section 4. Effective date. This ordinance shall take effect on January 1, 2018 only if the ballot proposition contained in Ordinance Serial No. 17-094 (3 Percent Areawide Sales Tax To Support Education Ballot Proposition) is approved by a majority of the qualified voters voting on the proposition at the regular Borough election on October 3, 2017.

ADOPTED by the Matanuska-Susitna Borough Assembly this - day of -, 2017.

\_\_\_\_\_  
VERN HALTER, Borough Mayor

ATTEST:

\_\_\_\_\_  
LONNIE R. McKECHNIE, CMC, Borough Clerk

(SEAL)

CODE ORDINANCE

Sponsored by: Mayor Halter  
Introduced:  
Public Hearing:  
Action:

**MATANUSKA-SUSITNA BOROUGH  
ORDINANCE SERIAL NO. 17-094**

AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY AUTHORIZING THE BOROUGH TO ENACT MSB 1.10.170, 3 PERCENT AREAWIDE SALES TAX TO SUPPORT EDUCATION, TO GRANT THE BOROUGH THE POWER TO LEVY A 3 PERCENT TAX ON SALES, SERVICES, AND RENTALS WITHIN THE MATANUSKA-SUSITNA BOROUGH, AND SUBMITTING THE QUESTION TO THE QUALIFIED VOTERS AT THE OCTOBER 3, 2017, REGULAR BOROUGH ELECTION.

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WHEREAS, the intent and rationale for this ordinance is found in the Informational Memorandum accompanying this ordinance and the discussions of the assembly at meetings in which it was considered.

BE IT ENACTED:

Section 1. Classification. Section 2 of this ordinance is of a continuing and permanent nature and shall become part of borough code. Sections 1, 3 and 4 are non-code provisions.

Section 2. Adoption of Section. MSB 1.10.170 is hereby adopted as follows:

**1.10.170. 3 PERCENT AREAWIDE SALES TAX TO SUPPORT EDUCATION.**

**The borough may exercise the power to levy, collect, and enforce a tax of 3 percent on sales, services, and rentals within the Matanuska-Susitna Borough as a source of Areawide**

revenue to support education.

Section 3. Submission to voters. The Borough will submit the following proposition to the qualified voters within the Matanuska-Susitna Borough at the regular borough election on October 3, 2017. The proposition must receive an affirmative vote from a majority of the qualified voters voting on the question to be approved.

**PROPOSITION NO. \_\_\_\_\_**

**Enact MSB 1.10.170 and MSB 3.35  
3 Percent Areawide Sales Tax To Support Education**

Shall the Matanuska-Susitna Borough enact MSB 1.10.170 and MSB 3.35 "3 Percent Areawide Sales Tax to Support Education" and exercise the power to levy, collect, and enforce a tax of 3 percent on sales, services, and rentals within the Matanuska-Susitna Borough?

Yes \_\_\_\_\_ No \_\_\_\_\_

Section 4. Effective date. Section 2 of this ordinance will take effect on January 1, 2018 only if the proposition in Section 3 is approved by a majority of the qualified voters who vote on the proposition at the regular Borough election on October 3, 2017. The remaining sections of this ordinance take effect immediately.

ADOPTED by the Matanuska-Susitna Borough Assembly this -  
day of -, 2017.

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VERN HALTER, Borough Mayor

ATTEST:

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LONNIE R. McKECHNIE, CMC, Borough Clerk  
(SEAL)

CODE ORDINANCE

Sponsored by: Mayor Halter  
Introduced:  
Public Hearing:  
Action:

**MATANUSKA-SUSITNA BOROUGH  
ORDINANCE SERIAL NO. 17-095**

AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY REPEALING MSB 3.04.045 AND ENACTING MSB 3.04.046 TO ESTABLISH A LIMIT ON LOCAL CONTRIBUTION TO SCHOOL FUNDING FROM SOURCES OTHER THAN SALES TAX.

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WHEREAS, the existing MSB 3.04.045 is outdated, contains confusing calculations, and is not being used by the Borough or School District at this time; and

WHEREAS, the Matanuska-Susitna Borough is proposing to enact an Areawide Sales Tax to Support Education; and

WHEREAS, it is the intent of the Borough Assembly to diversify revenues for education and also ensure that future increases to other taxes are limited; and

WHEREAS, to accomplish this goal, the Borough will limit the total amount of tax from sources other than sales tax that can be allocated to educational purposes; and

WHEREAS, with a limit of sources other than sales tax to education, it will allow the Borough to offer tax relief in other areas.

BE IT ENACTED:

Section 1. Classification. This ordinance is of a general

and permanent nature and shall become a part of the Borough Code.

Section 2. Repeal of section. MSB 3.04.045 is repealed in its entirety.

Section 3. Adoption of section. MSB 3.04.046 is adopted as follows:

**MSB 3.04.046 FUNDING FOR EDUCATION**

**Unless otherwise required by state law, the borough's total amount of local contribution for education from sources other than the Areawide Sales Tax to Support Education (MSB 3.35) will be less than \$50 million.**

Section 4. Effective date. This ordinance shall take effect on January 1, 2018 only if the ballot proposition contained in Ordinance Serial No. 17-094 (Areawide Sales Tax To Support Education Ballot Proposition) is approved by a majority of the qualified voters voting on the proposition at the regular Borough election on October 3, 2017.

ADOPTED by the Matanuska-Susitna Borough Assembly this - day of -, 2017.

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VERN HALTER, Borough Mayor

ATTEST:

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LONNIE R. McKECHNIE, CMC, Borough Clerk  
(SEAL)