

**ANCHORAGE COMMUNITY DEVELOPMENT AUTHORITY
BOARD OF DIRECTOR'S REGULAR SESSION
October 27, 2005**

Present

JoAnne Zito-Brause
Bill Smith
Jeff Sinz
Jana Hayenga
Dan Coffey

Present

Mike Zoske
Louise Lazur
Mary Jane Michael
Dana Pruhs

Excused

Joelle Hall
Ken Stout

Staff/Guests

Kevin Kinney
Robin Ward
Healia Palmer
Wendy Mikowski
Krin Kempainen
Fred Boness
Kevin Dee

Call to Order

Ms. Zito-Brause called the meeting to order at 5:06 pm.

Review of Agenda

Mr. Zoske moved to accept the agenda as printed, Ms. Lazur seconded. The motion carries.

Chief Operating Director's Report

- Mr. Kinney stated he spent 2 hours in teleconference with JC Penny reps working on the lease; it does appear we have agreements on all the major points of the contract. He prepared a resolution for the Board to approve which will allow him to continue contract negotiations.

Minutes

Mr. Zoske moved to accept the minutes from September 26 & 29 as printed, Ms Lazur seconded. The motion carries.

Public Comment

No public comments tonight.

New Business

- A. Executive Session – Ms. Lazur moved to enter into Executive Session to discuss legal and personnel matters related to potential litigation that may have a direct impact on ACDA finances, Mr. Zoske seconded. The motion carries; ACDA entered into Executive Session. Ms. Lazur stated ACDA was out of Executive Session where no official action was taken.
- B. Handbook and Job Descriptions – Mr. Kinney stated this is a specific proposal that Mr. Dee put together telling us what it would cost to have his company update legal requirements with job descriptions and handbooks, which needs to happen before we can move forward with the compensation/classification study. Mr. Kinney requested the Board allow Mr. Dee to update job descriptions and handbooks. The Board would have to decide if they want to review the documents before the compensation study or not. Mr. Coffey asked if the job descriptions will be narrow in scope or multi tasked. Mr. Kinney stated he and Mr. Dee have discussed this issue. The goal is to get job descriptions which are industry descriptions or general job descriptions; we don't want to create a job description which doesn't exist anywhere else in the world. Mr. Dee stated his goal is to get the job descriptions in alignment with NAIC (National Association of Industrial Code) and Fair Labor Standard Act

compliant, and make sure they fall under EEO classifications. They need to be skills, tasks, and qualification. Mr. Zoske made a motion to allow Mr. Dee to update the job descriptions and handbooks and let Mr. Kinney go forward with the compensations study once the job descriptions have been completed; Ms. Michael seconded. The motion carries.

- C. Compensation Study – Mr. Kinney recommended the Board approve the functional organization chart presented in the Board packet, and authorize management along with the consultant to move forward with an implantation plan. Ms. Lazur moved to accept the recommendation as stated; Mr. Zoske seconded. Mr. Coffey asked if we looked closely at the needs of our organization in relation to upcoming projects and used that to help determine the functional organization. Mr. Dee stated yes and he has been working with Ms. Mikowski to develop good processes and a tracking system to build a good infrastructure as jobs come along. He went on to say they have also looked at other outside development agencies to help keep us on target. Mr. Kinney explained the chart shows how the development side will expand up to 5 people, which will come once we have the growth. Ms. Zito-Brause called for the vote, the motion carries.
- D. CFO Moving Expenses – Mr. Zoske moved to approve the request to reimburse Ms. Palmer's moving expenses; Mr. Sinz seconded. Mr. Kinney stated he did reconfirm with the city on reimbursement and was told different departments do percentages differently, so if we wanted to do our percentages differently we could set our own schedule. Mr. Zoske recommended we go with 100%, 75% then 25%. Ms. Lazur stated we should get her the money so she can get her moving expenses paid and not hold the issue up discussing her reimbursement to us if she doesn't stay with ACDA. Mr. Coffey asked what the policy for reimbursement was because we need to be consistent. Ms. Zito-Brause stated in the discussion at the work session this will establish precedence not a policy. Mr. Pruhs asked if Ms. Palmer leaves and is required to reimburse ACDA some of the moving expense how will we be able to collect the funds. Mr. Kinney stated we will have the last pay check and litigation if need be. Mr. Pruhs suggested we have a promissory note signed by Ms. Palmer. Mr. Kinney stated he will talk with the municipal attorney to determine the best way to handle this. Mr. Sinz amended the motion to approve reimbursement with the terms of repayment to be set consistent with municipal policy and the employee required to sign an acknowledgement of the expectation to be drafted by management; Ms Lazur seconded the amendment. The motion carries.
- E. Budget 2006 – Mr. Zoske moved to approve the budget; Ms. Michael seconded. Mr. Kinney explained the changes printed in the updated budget. He went on to say depending on the final take on the Mt. View project, we may have to look at reducing our expenses which would be done as a budget revision. Mr. Smith asked when we would know the final cost of the project. Mr. Kinney stated we will know more as the project moves along. He recommends we don't do any major changes since this project's profits are changing regularly. Ms. Ward stated we don't as of yet have any hard bids on anything so it is premature to look at major revisions in the budget. Mr. Sinz asked for more specific details on what may change. Ms. Mikowski stated, as an example, she received a bill for \$200,090 for site clean-up which is on top of what was budgeted. Mr. Kinney said the problem is because the expenses are not part of the development authority expense directly, it is an

expense the HLB is paying for and we will be reimbursing them after closing. Mr. Zoske asked why wait to readjust the budget now if we know the profits will be less. Mr. Kinney stated because we don't even know what the final sale cost will be, so why change anything until we start getting hard numbers. The motion carries.

F. Anchorage School District Parking – Ms. Lazur moved to have the school district pay \$60.00 a month total for 3 spaces in the 6th Avenue garage for the first year until they budget parking charges; Mr. Smith seconded. The motion carries.

Old Business

A. JC Penney Garage – Ms. Zito-Brause had the Board take time to read the resolution of the ACDA authorizing a long term contract with JC Penney to operate the JC Penney parking garage. Mr. Sinz move we accept the resolution as printed; Mr. Zoske seconded. Mr. Kinney explained the 3 issues resolved in the 2 hour teleconference. He explained we will have complete operational control over the facility so we will be able to make it a 24/7 garage. Mr. Zoske asked when we will start remodeling. Mr. Kinney stated the painting will happen in the spring. He spoke to the federal distributor for the region about the possibility of installing new operating equipment in January. Ms. Lazur asked for clarification on article 19 dealing with termination. Mr. Kinney stated that was a right of ours to termination after we get started with renovations and we discover problems. Mr. Smith asked when the engineer was coming. Mr. Kinney stated the week of November 7, so we are talking about not signing the document until after his inspection. Ms. Hayenga asked do we ever have more than one inspector. Mr. Kinney stated we will have the one in November, and Mr. Kinney specifically asked for any documents relating to previously done inspections. He knows the consulting agency most recently used by them and if by chance they don't provide the documents he will contact them personally to discuss any issues. The motion carries.

FYI: Mr. Kinney informed the Board a resolution will come before them at the November session to officially reject all 3rd and G garage RFP proposals before the Board based on the discussions from the work session on Monday, October 24.

Department Reports

Finance –

Nothing to add

Data Processing –

Ms. Zito-Brause asked if anyone would be interested in chairing this committee.

Marketing & Public Affairs –

Nothing to add

Customer Service/Enforcement –

Nothing to add

Operations –
Nothing to add

Employee Relations –
Nothing to add

Development Committee –

- Mr. Kinney stated an action item will be added to November from Mt. View. He also passed out updated drawings for the Mt. View project. Mr. Coffey asked the status of this project. Ms. Ward said we are still working on the final technical language of the purchase and sales agreement. She stated we have a signed MOU with the school district and ML&P is wrapped up.
- Mr. Sinz asked the status of the Block 48 lot. Ms. Mikowski stated we are waiting for Public Works to sign off so we can move forward.

Ms Zito-Brause adjourned the meeting at 6:23 p.m.

Respectfully submitted by:

JoAnne Zito-Brause, Chairperson