

**ANCHORAGE COMMUNITY DEVELOPMENT AUTHORITY
BOARD OF DIRECTOR'S REGULAR SESSION
December 22, 2005**

Present

Louise Lazur
Mike Zoske
Jeff Sinz

Present

Jana Hayenga
Joelle Hall
Dana Pruhs

Excused

Bill Smith
JoAnne Zito-Brause
Mary Jane Michael
Dan Coffey
Ken Stout

Staff/Guests

Kevin Kinney
Healia Palmer
Wendy Mikowski
Krin Kemppainen

Call to Order

Ms. Lazur called the meeting to order at 5:00 pm.

Review of Agenda

A new agenda was passed out and there were no changes to it.

Chief Operating Director's Report

- Mr. Kinney passed out the corrected information on the 2004 – 2005 December parking comparison for the 5th Ave garage.
- He provided copies of the proposed Board schedule for 2006; the schedule will be discussed and approved at the January session.
- He informed the Board Ms. Palmer and Mr. Griffin will be going to Grand Jury next week testifying on the meter vandalism. He went on to say the current meter vandalism was worse than the vandalism we experienced a couple of years ago. We had a total of 124 meters vandalized this time. The vandalism has helped to emphasize the direction we plan to go with the multi-space meters on street.
- Ms. Lazur asked how a multi-space meter can cut down on vandalism. Mr. Kinney stated if an individual attempts to vandalize the meter, an alarm would go off.
- Ms. Hayenga asked if they take credit cards. Mr. Kinney said yes.
- Ms. Hall asked if we go to a multi space meter, would it involve an education campaign. Mr. Kinney stated we will have to, because it will be a pay and display system. Customers may have to walk a distance to pay. Once they do pay, the receipt will tell them how much time they have; then they will have to take the receipt back to the vehicle. The good thing about a pay and display is the receipt is transportable; meaning they could move their vehicle elsewhere if they still have time on the receipt.
- Mr. Pruhs asked if we will lose revenue. Mr. Kinney stated we would gain revenue. Mr. Sinz asked how this would happen. Mr. Kinney stated most people wouldn't be moving. They will be leaving downtown when they are done with their business, so if there is extra time on the receipt, it will leave with them. Whereas now when a person leaves a parking space, the time stays on the meter and the next person who pulls into the space may not have to pay as much for the space.
- Mr. Kinney passed out a reorganization implementation process he had Mr. Dee complete which included a timeline for the process. There are 2 key points the Board will have to approve in January; then we should be done with the reorganization by the middle of February. The first is eliminating the current positions; second would be advertising and hiring for the new positions.

- Ms. Hayenga asked how long we would post the new jobs. Mr. Kinney stated the rule of thumb is 10 days, but we may leave the Parking Director position open longer than that. This will be the first position we will fill, we want a quality person for this position.
- Mr. Pruhs asked how ACDA does the hiring process. Mr. Kinney stated we have our own HR department, but in the case of the Parking Director we may hire head hunters to find the fill for the Parking Director position. We plan to do more than we normally do on advertising since it is such a key position.

Minutes

Ms. Hayenga moved to accept the minutes from November 14 and 17, Ms. Hall seconded. The motion passed.

Public Comment

No public comment was scheduled.

New Business

- A. Property Purchase for Mt. View Project – Mr. Kinney stated this is part of the MOU we have with POB Montgomery; and he requests the Board to authorize ACDA to purchase the 2 pieces of property. Mr. Zoske moved to approve the request; Ms. Hayenga seconded. Mr. Pruhs asked if we were receiving a good deal on the purchases. Mr. Mikowski stated yes and real estate has gone up in value because of this development. This motion passed.
- B. Electronic Pay Station –
- Mr. Kinney stated he would like authorization to sole source the LUKE system and one other system. We are currently looking at VAULT Technology system, which looks appropriate for our needs. He went on to state his goal is to test 3 systems. In late spring or early summer we will do an evaluation process and determine which system best meets our needs and then purchase the selected system for our use. Potentially the whole project could cost 1.5 – 2 Million, which we would obviously not do all in 1 year. Mr. Kinney stated since this is a sole source request, the Board needs to approve the purchase.
 - Mr. Sinz asked if he understood the process right. ACDA will try different manufacturers products, decide which one ACDA likes best, and then go out to negotiate a purchase and not have a competitive bid process. Mr. Kinney stated if more than one brand meets our needs, we would do it on price and see which manufacturer gave us the best deal on doing our whole system. If we find out only one works in our climate, that is what the board would use to make their decision.
 - Mr. Sinz stated he feels going out to sole source and buy a product to test is taking away from the competitive bid process. Granted we may end up with the best product for our needs but maybe not the best price. Mr. Kinney stated we have historically had bad experience with several electronic pay stations, which were purchased based on price with guarantees they would work in our environment. Experience has taught us this isn't true. So, the best solution to this problem is to bring up 3 systems, run them through the winter, and see which is best for us. If they all function well, we can go back and see who will give us the best price.

- Mr. Sinz asked if we would be establishing a standard to measure by and those which meet the standard would be eligible for competitive bid, or would we be more subjective. Mr. Kinney stated it would be the function of the equipment (i.e. not breaking down every other day, not having to send someone out to clean the frost or ice out of the machine).
 - Mr. Pruhs asked if we looked into competitive bid which includes the test phase. Once we find out which one works best; we already have our price for the full purchase, so we know what we are looking at for money. Then there is no sole source.
 - Ms. Hayenga asked if this is the procedure for these companies to have their systems purchased for test. Or do we say we have 3 companies we are looking at; and would you like us to test your system. Mr. Kinney stated all the companies know we are looking for equipment we will use throughout our system and that we are testing them to see which works best. Ms. Hayenga asked if these companies are used to giving cities a unit to test. Mr. Kinney stated that was the first request for each company; and the answer he received was no.
 - Mr. Sinz asked what the unit price for one of these systems was. Mr. Kinney stated they range from \$12,000 to \$18,000.
 - Mr. Pruhs asked if we would have a price structure before we start the test. Mr. Kinney stated we know we would be looking at 200 units. Mr. Pruhs wanted to know if we would have a total price if we purchase 150 – 250 units before we test any of the systems. Also if we know what the warranty or support would be. He feels if we had that information, it would help in determining which company we would use. Mr. Kinney stated he felt all 3 companies would give him all that information so we could see what the final cost would be.
 - Ms. Hall asked if that would alleviate the sole source issue. Mr. Kinney stated not if we don't go with the least expensive bid. We will spend time on the evaluation of the pay stations to ensure we acquire the best system for our needs. He went on to say the main reasons he has looked at these 3 companies is because they all have web access; and as the software is improved/updated, the systems would be updated also.
 - Ms. Lazur asked where these systems would be placed. Mr. Kinney stated we will use the Parkeon system at the Koniag lot, which the Board has already approved. The LUKE system will replace the Phoenix system at 3rd & L. The VAULT system will be at a location yet to be determined. We will run each system for 6-8 months and determine which is best for us. And, if they all function within standards, it comes down to the best price and long term support.
 - Ms. Hayenga asked if we could RFP this request with an open ended date so a test phase could be done. Mr. Kinney stated it is possible and will look into creating an RFP but we still need to purchase a pay station to replace the Phoenix system, which we will be returning in January.
 - Mr. Zoske moved to accept management's recommendations for purchase of a single unit electronic pay station; Ms. Hall seconded. The motion carried.
- C. Ad Walls – Mr. Kinney stated this item is being tabled until January. The marketing committee would like to meet with the firm to discuss this.

D. Town Square Ice Rink – Mr. Kinney stated this request is for \$5000 from the weekend market money to go to the downtown square ice rink. Ms. Hayenga asked how much this was costing overall. Mr. Kinney stated he thinks it's about \$30,000. Ms. Hayenga asked if ADP was part of this. Mr. Kinney stated they are the organizers. Ms. Hayenga asked how money we received from the weekend market and how much is left. Mr. Kinney stated we gave \$45,000 for the summer program, \$7,500 for the flowers, and this would be \$5,000. We made a little over \$100,000. Mr. Sinz moved to approve the request for \$5000; Mr. Zoske seconded. The motion carried.

E. JC Penney Revenue Control –

- Mr. Kinney stated this will be a sole source purchase because of the system we currently use in the other garages. We want this garage to function within that system. The Federal distributor in the northwest is Entrance Control Systems; and they gave us a bid of \$199,000. Management is requesting the Board authorize the order so we can move on the JC Penney garage upgrades as soon as we take possession of the garage.
- Ms. Hayenga asked what would happen if we approve this purchase and we end up with integrity issues with the structure of the garage. Mr. Kinney stated there are currently no visible issues with de-lamination, we have asked to test the concrete just to make sure.
- Ms. Hayenga asked if de-lamination is found, what is the next step. Mr. Kinney stated this means we will have to go back to the negotiating table since there is a cap on what we are required to spend, and de-lamination is a life safety issue. A life safety issue would shut down the garage.
- Mr. Zoske asked if this was within the 1.6 million already in the contract. Mr. Kinney stated yes, this is in the budget of the contract.
- Mr. Zoske moved to approve management's request to purchase the new Federal system; Mr. Sinz seconded. The motion carried.

Old Business

A. Mt. View Neighborhood Plan –

- Ms. Mikowski stated the Mt. View Neighborhood Plan did submit a request, but they filled the new forms incorrectly and we gave them back. They are in the process of resubmitting the request. She went on to say everything they are doing is in line with what the Development Opportunity Services indicates.
- Mr. Kinney stated the paperwork will be brought to the Board next month, but management requests the Board to approve the expenditure of up to \$16,000 for the Mt. View Neighborhood Plan. Ms. Mikowski stated she understands the request for approval is coming before the application, but since the Development Authority is new and we are just developing and creating our processes as we are going along, we don't want to hold up their request any longer than necessary.
- Ms. Hall asked if we'll be giving them all the funds up front. Ms. Mikowski stated the Development and Services agreement states explicitly how we will pay and reimburse money. In this case, the funds will be given to the Community Land Trust so we won't be paying anyone individually; and we will only pay on invoices received.
- Ms. Hall stated she wants it on the record this process needs a separate budget item with an amount to spend for the year to be used on a first come first serve basis.

- Ms. Lazur asked if there was a line in the 2006 budget yet. Mr. Kinney stated we are actually going to be using the Mt. View funds to cover this request. He does feel we need to add this into our operating budget; but when we are dealing with this internally, his requirement is whatever project we are working on has to cover whatever neighborhood development we are doing.
- Ms. Hall stated that we may want to only do this for neighborhoods we have developments planned for, so we don't get requests from just any community who may not have any development planned. She suggested we make a cap for the amount we will provide.
- Ms. Mikowski stated the process is set up so the request doesn't just have to be monetary; but it may be a service we can provide or maybe buy them something. She recommends this process be budgeted in our developments and not in the operating budget. This way it stays within our projects.
- Ms. Hall stated this will keep it from becoming part of our organization overhead.
- Ms. Hall moved to approve the expenditure of up to 50% of the \$16,000 requested with the remainder to be held until submission and approval of their application; Mr. Zoske seconded. The motion carried.

B. 3rd & H Resolution – Mr. Kinney stated this item will have to be tabled and be carried forward. He informed the Board there have been some developments related to the 3rd and H project and the Block 70 convention center project; as soon as he knows more he will talk with the development committee.

Department Reports

Finance –

Nothing to add

Data Processing –

Nothing to add

Marketing & Public Affairs –

Nothing to add

Customer Service/Enforcement –

Nothing to add

Operations –

Nothing to add

Employee Relations –

Nothing to add

Development Committee –

Nothing to add

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Ms Lazur adjourned the meeting at 6:04 p.m.

Respectfully submitted by:

Louise Lazur, Treasurer