

I. CALL TO ORDER

The special meeting of the Matanuska-Susitna Borough Assembly was held on January 20, 2009, at the Borough Assembly Chambers, 350 E. Dahlia Avenue, Palmer, Alaska. The meeting was called to order at 4:05 p.m. by Deputy Mayor Lynne Woods for the purpose of discussing Borough space issues.

II. ROLL CALL

Assembly members present and establishing a quorum were:

- Ms. Lynne Woods, Assembly District No. 1 (*Deputy Mayor*)
- Mr. Pete Houston, Assembly District No. 2
- Ms. Michelle R. Church, Assembly District No. 3
- Mr. Mark Ewing, Assembly District No. 4
- Ms. Cindy L. Bettine, Assembly District No. 5
- Mr. Tom Kluberton, Assembly District No. 7 (*arrived at 4:11 p.m.*)

Assemblymembers absent and excused were:

- Mr. Robert Wells, Assembly District No. 6

Staff in attendance were:

- Ms. Lonnie R. McKechnie, Borough Clerk
- Mr. John Duffy, Borough Manager
- Ms. Elizabeth Gray, Assistant Borough Manager
- Mr. Nicholas Spiropoulos, Borough Attorney
- Ms. Cheryl D. Marino, Deputy Borough Clerk
- Ms. Tammy Clayton, Finance Director
- Mr. Keith Rountree, Public Works Director
- Mr. Dennis Brodigan, Emergency Services Director
- Mr. Mark Mayo, Planning and Land Use Director
- Ms. Patty Sullivan, Public Affairs Director

III. APPROVAL OF AGENDA

Deputy Mayor Woods inquired if there were any changes to the agenda.

GENERAL CONSENT: The agenda was approved as presented without objection.

IV. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mr. Gary Wolf, Wolf Architecture.

V. ITEMS OF BUSINESS

A. BOROUGH SPACE ISSUES

Mr. Duffy:

- provided an overview of reports that have been completed to date regarding space issues;
- introduced Mr. Gary Wolf, Wolf Architecture;
- spoke to the space analysis that Mr. Wolf completed;
- spoke to the employee "Space WarZ" work group report;
- noted the maintenance expenses on the Dorothy Swanda Jones (DSJ) Building; and
- stated that the budgeted amount for major repairs since fiscal year 2004 is approximately \$2.4 million.

Assemblymember Church queried the cost of the window replacements.

Mr. Duffy:

- explained the expense report; and
- noted how the building's window replacement is separated out within the report.

Discussion ensued regarding:

- the expense report; and
- how the expense report is allocated.

Assemblymember Bettine:

- queried if there are future DSJ Building projects that would cause a major expenditure; and
- asked if there have been frequent upgrades to the building.

Mr. Rountree:

- reported that the Borough has been steadily doing upgrades;
- noted that there will be upgrades to the heating, ventilation, air conditioning, parking lot, and door hardware in the next few years;
- commented that a structural analysis of the building will be performed; and
- reported that water proofing of the foundation will also be done.

Assemblymember Bettine queried whether the upgrades were budgeted in phases or if they would be new funds.

Mr. Duffy:

- reported that the Borough would be using new funding; and
- advised that the DSJ Building is expensive due to its age and lack of space.

Assemblymember Ewing queried the anticipated total square footage needed.

Mr. Rountree reported that a 15,000 square foot expansion is needed in addition to the space that the Borough currently has.

Assemblymember Ewing:

- spoke to conversations he has had with different developers;
- stated that the developers quoted \$195 per square foot for a quality, one-story building, with handicap accessibility;
- spoke to the code specifications of the DSJ Building;
- stated that funds are continually expended on maintaining the building and it may be a never ending process;
- spoke to the option of leasing space;
- stated that adding 8,000 square feet would cost \$1.5 million;
- commented on the need to look at leasing until there is a permanent solution; and
- spoke to the possibility of putting bonds for a new building on the ballot.

Mr. Rountree:

- spoke to current construction costs; and
- noted the cost of construction per square foot.

Deputy Mayor Woods:

- stated that the need for additional space is apparent; and
- noted the discussions that the Assembly has had in the past regarding space.

Assemblymember Kluberton queried the \$725,000 improvement to the gym.

Mr. Rountree advised that the only project in the Capital Improvement Projects in FY10 is for the community gymnasium floor structure upgrade for \$150,000.

Assemblymember Kluberton:

- spoke to the need to resolve the space issues;
- stated that there is \$1 million in reserves;
- spoke to the difficulty of placing the office space question on the ballot;
- noted that the School District Administration building has constraints;
- spoke to the 12,000 square feet at Owen's Inspection Services; and
- commented that there may be a viable annex elsewhere in the Borough.

Mr. Duffy advised that the Borough has not performed a Boroughwide search for office space.

Assemblymember Kluberton:

- spoke in favor of performing a Boroughwide search;
- expressed his support of locating essential Borough services further north;
- spoke to Districts 5 and 7 having the largest tax valuations in the Borough; and
- queried if there was an assessment of how existing and new space will be used.

Mr. Duffy:

- advised that the only assessments performed were on the list of alternatives that were forwarded to the Assembly;
- opined that additional assessments would be easy to do;

- requested Assembly direction regarding future space assessments;
- noted the additional space that Emergency Services needs; and
- spoke to the possibility of relocating Emergency Services staff from the Cottonwood Station No. 6-1.

Assemblymember Church:

- spoke to the office space discussions in 2007; and
- queried if the Borough had hired an owner's representative.

Mr. Duffy advised that the Assembly ended up not approving the hiring of an owner's representative.

Discussion ensued regarding:

- hiring an owner's representative;
- how the Municipality of Anchorage splits their offices between Tudor and downtown;
- the need for an annex in the north;
- the old School District Administrative Building;
- the possibility of a request for proposal process for space;
- the space that is needed by Emergency Services;
- whether the Borough is responsible for maintenance of the space that Emergency Services leases;
- the possibility of adding another floor to the building that Emergency Services leases on Tommy Moe Drive;
- the need to define the space that is needed;
- the need to have staff workload projections;
- the possibility of an annex in the northern part of the Borough;
- the impact to the Borough due to the state of the economy;
- the need to hire an owner's representative to search for space on the Borough's behalf;
- the options that the owner's representative would be directed to look for;
 - 10,000 to 20,000 square foot space;
 - lease based purchase;
 - purchase of existing space;
 - leasing a built to specifications with option to purchase; and
 - Boroughwide search.
- the need to place the old School District's Administration building on the market;
- the need to still consider the Owen's building; and
- the annex option not being able to solve the space issues.

Deputy Mayor Woods:

- requested that the Manager hire an owner's representative to provide a report by March 3, 2009, regarding 10,000 to 20,000 square feet of office space including the following options: lease, lease/purchase, or build to specifications; and
- asked that the owner's representative incorporate ideas for the administrative building in downtown Palmer.

There was no objection noted.

VI. AUDIENCE PARTICIPATION

The following person recommended that Borough tie down requirements on the specifications:
Mr. Gary Wolf, Wolf Architecture.

Assemblymember Kluberton noted the importance to address parking.

Mr. Wolf responded that the more specifications that are provided, the better the developer can address the Borough's needs.


VII. MAYOR AND ASSEMBLY COMMENTS

Assemblymember Bettine:

- noted the need for the Assembly to review the criteria that is being requested from the owner's representative;
- spoke to the Assembly's decision in 2007 regarding hiring an owner's representative; and
- requested an update on the criteria at the next meeting.

VIII. ADJOURNMENT

The regular meeting adjourned at 5:41 p.m.


CURTIS D. MENARD, Borough Mayor

ATTEST:


LONNIE R. McKECHNIE, CMC, Borough Clerk

Minutes approved: 02/17/09