

**MATANUSKA-SUSITNA BOROUGH REGULAR MEETING**  
ASSEMBLY APRIL 16, 2002

**I. CALL TO ORDER**

The regular meeting of the Matanuska-Susitna Borough Assembly was held on April 16, 2002, at the Matanuska-Susitna Borough Assembly Chambers, Palmer, Alaska. The meeting was called to order at 6 p.m. by Mayor Timothy L. Anderson.

**II. ROLL CALL**

Assembly members present and establishing a quorum were:

Mr. J. Bruce Bush, Assembly District No. 1  
Ms. Sara Jansen, Assembly District No. 2  
Mr. Talis J. Colberg, Assembly District No. 3  
Mr. Dan Kelly, Assembly District No. 4  
Ms. Jody Simpson, Assembly District No. 5  
Mr. Jim Colver, Assembly District No. 6  
Ms. Kelly Ladere, Assembly District No. 7

Staff in attendance were:

Ms. Sandra A. Dillon, Borough Clerk  
Mr. John Duffy, Borough Manager  
Mr. Michael Gatti, Borough Attorney  
Ms. Michelle M. McGehee, Deputy Borough Clerk  
Mr. Jim Swing, Public Works Director  
Mr. Ron Swanson, Community Development Director  
Mr. Ken Hudson, Code Compliance Director  
Mr. Kevin Koechlein, Public Safety Director  
Mr. Karl Borglum, Borough Assessor  
Ms. Kelly Veech, Comptroller

**III. APPROVAL OF AGENDA**

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

**IV. PLEDGE OF ALLEGIANCE**

The pledge of allegiance was led by Martin Buser - 2002 Iditarod Sled Dog Race champion and resident of the Matanuska-Susitna Borough.

**V. MINUTES OF PRECEDING MEETING**

Ms. Dillon noted that there would be no minutes to approve until the May 7, 2002, regular meeting.

**VI. SPECIAL ORDERS OF THE DAY**

**A. Proclamation in Honor of Martin Buser**

Mayor Anderson:

- presented Mr. Buser with a proclamation in honor of his 2002 Iditarod win and with a state flag that flew over the state capitol on March 13, 2002, in recognition of his naturalization as a United States citizen on that day.

Mr. Buser thanked his family, the borough assembly, and the borough residents for their support.

## VII. REPORTS/CORRESPONDENCE

### A. AGENCY REPORTS

#### 1. Reports from the cities

There were no reports presented from the cities.

#### 2. Matanuska-Susitna Borough School District

Jack Sherman, Director of Business and Risk Management:

- reported that the school district is looking forward to presenting their budget with the assembly on April 30, 2002; and
- advised that teacher contract arbitration is scheduled for April 23 and 24, but has not yet been scheduled for classified employees.

#### 3. Palmer Economic Development Authority (PEDA) - Mike Liebing re: new school district administration building.

Mr. Liebing:

- stated that he is a member of the board of directors;
- noted that PEDA is a non-profit corporation organized to promote the greater well being of Palmer;
- addressed the assembly regarding the need for a new school district administration building;
- spoke to the current plan to utilize the Sherrod Elementary School and noted that the building is badly in need of repair;
- opined rather, that it is possible to have a administration building located in a central business location;
- spoke to financing of a facility by the city of Palmer and then lease to the school district;
- gave an overview of some proposed changes and upgrades; and
- asked the assembly to view the project objectively.

Assemblymember Colver inquired into lease/sale agreements and cautioned regarding the school district's budget.

Assemblymember Simpson:

- inquired if PEDA has contacted the school board in this regard;
- inquired regarding funding options and plan details; and
- asked to receive additional information regarding the non-profit organization.

Assemblymember Jansen spoke to substantial rehabilitation costs associated with moving into the Sherrod Elementary school location.

Assemblymember Kelly inquired regarding bonding and if it would be contingent upon leasing to the school district.

Assemblymember Ladere asked that PEDA keep the assembly apprised of their proposal.

### B. COMMITTEE REPORTS

#### 1. Joint Assembly/School Board Committee on School Issues

Assemblymember Jansen:

- reported that Superintendent Chesbro has inquired what the assembly would like to see in their budget presentation on April 30, 2002;

- noted items for discussion to include: formulas, what changes assessments make in the level of funding, personnel costs on a three-year comparison, specific educational components, and student ratio numbers; and
- inquired if there were any other items that the assembly wished the school district to address.

Assemblymember Colberg asked for a chart that reflects the total budget of the borough, the school district's portion of the budget, the total contribution to the district, and enrollment data, for the past five years.

Members of the assembly noted budgetary discussion items for the April 30, 2002, work session to include: a legislative update, school designator terminology, pupil transportation, and teacher contract arbitration.

## 2. Intergovernmental Liaison Committee:

(There has been no meeting since last reported. The next meeting will be scheduled late May or early June)

### C. MANAGER COMMENTS

Mr. Duffy:

- reported that the administration has been exchanging information with PEDA;
- stated that the Federal Highway Administration has given approval to the borough's approach for addressing the issues identified within the Corps of Engineers report, that a scope of work for the remedial action is being drafted, and that the Federal Highway

Administration has agreed to release the remaining funds and interest that was being held;

- advised that work continues on the business plan, economic feasibility study, geotechnical analysis, and water supply identification;
- spoke to the new library circulation report and noted that there has been a 17 percent increase in circulation;
- addressed the summary report of the proposed FY03 Department of Environmental Conservation (DEC) budget and stated that high-ranked borough projects include: the central landfill expansion, Garden Terrace water system renovations, and the Talkeetna wastewater treatment facility;
- reported that the borough has received a \$1.3 million grant award from the Rural Development Agency for the Talkeetna water and sewer system;
- informed that the clerk's office will be holding a records management seminar on April 19, 2002, that will focus on the management of local governmental records;
- referenced the quarterly Animal Care and Regulation report; and
- commented that the Demographic Trends Committee will be meeting on April 18, 2002, from 1:30 p.m. to 3 p.m. in the Palmer Library, to primarily discuss the 2002 computer based transportation model.

Assemblymember Ladere requested a copy of the demographic trends report and transportation model.

Assemblymember Colberg inquired of the manager if he had spoken to the planning commission regarding the Euclidean zoning map.

Mr. Duffy stated that he had advised the planning commission not to spend a lot of time on the map as criteria as the districts may change.

### D. ATTORNEY COMMENTS

Mr. Gatti had no comments to present.

### E. CLERK COMMENTS

Ms. Dillon:

- congratulated Martin Buser for his Iditarod championship and for becoming a United States citizen;

- reported that the meeting schedule has not changed since the last clerk's report was issued;
- noted that updates have been included in the report regarding the next Intergovernmental Liaison Committee meeting and the next meeting of the full borough assembly and the Anchorage assembly;
- updated the assembly regarding the status of redistricting and stated that Gordon Harrison has advised that a final map will be released by the end of the week and made available on the Internet;
- noted a presentation on April 23, 2002, regarding children's health and safety issues, which will be held at the Wasilla Police Department;
- referenced an e-mail from Julie Kraft of the Alaska Municipal League (AML) regarding times that the senate finance committee will be meeting to discuss the FY03 budget - Thursday, April 18, 2002;
- thanked the manager for informing everyone about the records management seminar to be held on April 19, 2002;
- recognized Joell Church for her efforts in bringing the borough's records management program to the level that it is at today; and
- reported that the next tracking report will be distributed for the May 7, 2002, regular assembly meeting.

#### F. CITIZEN AND OTHER CORRESPONDENCE

1. MSB Board/Committee Minutes:
  - a. Local Road Service Area Advisory Board No. 17: 03/23/02
  - b. Port Commission: 03/11/02
2. Community Council Correspondence:
  - a. Butte Community Council: 03/13/02

The citizen and other correspondence were presented and no comments were noted.

#### G. INFORMATIONAL MEMORANDUMS

1. IM No. 02-104: EMERGENCY PURCHASE OF AN UNINTERRUPTIBLE POWER SUPPLY FROM COMPUCOM SYSTEMS, INC. IN THE AMOUNT OF \$22,357.

The information memorandum was presented and no comments were noted.

The regular meeting recessed at 6:45 p.m. and reconvened at 7:04 p.m.

### VIII. SPECIAL ORDERS (to begin at 7 p.m.)

#### A. PERSONS TO BE HEARD (Three minutes per person.)

1. Jill Reese re: use of rail belt money for utility extension at Hatcher Pass (AM No. 02-056)

Ms. Reese:

- stated that she is the owner of the Motherlode Lodge;
- hopes that everyone has had time to review the issues and understands the need for the utility extension to Hatcher Pass;
- thanked the borough for the way that they have approached the project; and
- encouraged the assembly to utilize the rail belt money for the electrical extension and approve AM No. 02-056.

#### A. PUBLIC HEARINGS (Three minutes per person.)

1. Ordinance Serial No. 02-041: AN ORDINANCE CONFIRMING THE ASSESSMENT ROLL FOR THE SOUTH BIG LAKE ROAD NATURAL GAS LOCAL IMPROVEMENT DISTRICT NO. 325 AND ESTABLISHING THE METHOD OF TERMINATING ASSESSMENTS AND MAKING

## REFUNDS TO PROPERTY OWNERS.

- a. Ordinance Serial No. 02-042: AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF NOT-TO-EXCEED \$172,000 PRINCIPAL AMOUNT OF SPECIAL ASSESSMENT BONDS FOR THE SOUTH BIG LAKE ROAD NATURAL GAS LOCAL IMPROVEMENT DISTRICT NO. 325, AND FIXING DETAILS OF SAID BONDS.  
(1) IM No. 02-076

Mayor Anderson opened the public hearing.

There being no one who wished to be heard, the public hearing closed and discussion moved to the assembly.

MOTION: Assemblymember Simpson moved to adopt Ordinance Serial No. 02-041 and Ordinance Serial No. 02-042.

Assemblymember Simpson noted that there were two letters of objection received in regard to the legislation.

MOTION: Assemblymember Jansen moved a primary amendment to Ordinance Serial No. 02-042, page 2, Section 3, definition A, to strike the definition of "Agreement" and replace to read as follows:

"Agreement" means the commitment letter dated January 10, 2002, from Wells Fargo Bank Alaska, N.A., and accepted by the borough for the sale of the bonds by the borough to the purchaser."

Assemblymember Jansen noted that the amendment is technical and has been advised by bond counsel.

GENERAL CONSENT: The primary amendment passed without objection.

MOTION: Assemblymember Jansen moved a primary amendment to Ordinance Serial No. 02-042, page 3, to strike 7.625 percent and insert 7.765 percent.

GENERAL CONSENT: The primary amendment passed without objection.

GENERAL CONSENT: The main motion, as amended, passed without objection.

## C. AUDIENCE PARTICIPATION (Three minutes per person.)

Mayor Anderson opened audience participation.

The following persons spoke regarding the need for funding of the Mat-Su Youth Court Program: Lisa Albert and Peter Lyse.

Jay Nolfi spoke regarding the potential construction of a new school district building, location of the building, and following the bid process outlined in the borough code for solicitations to construct. Ms. Nolfi also addressed use of the rail belt funds for the Hatcher Pass electrical extension and noted that the funds were initially appropriated for economic development and not specifically for Hatcher Pass.

There being no others who wished to be heard, Mayor Anderson closed audience participation.

## IX. UNFINISHED BUSINESS

(There was no unfinished business.)

## X. NEW BUSINESS

### A. INTRODUCTION (For public hearing - 05/07/02, 7 p.m., Borough Assembly Chambers)

1. Ordinance Serial No. 02-063: AN ORDINANCE ACCEPTING AND APPROPRIATING \$696 FROM THE ALASKA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT

TO THE COASTAL MANAGEMENT (306) PROGRAM FISCAL YEAR 2002 GRANT, TO FUND 480, PROJECT NO. 20158.

- a. Resolution Serial No. 02-047: A RESOLUTION AMENDING THE SCOPE OF WORK AND BUDGET FOR THE FISCAL YEAR 2002 COASTAL MANAGEMENT GRANT (306) PROGRAM.
  - (1) IM No. 02-091
2. Ordinance Serial No. 02-064: AN ORDINANCE CLASSIFYING BOROUGH-OWNED REAL PROPERTY DESCRIBED AS THE E1/2 NW1/4, S1/2, SECTION 32, T26N, R4W; AND GLO LOTS 1, 2, 3, AND 4, S1/2, S1/2 N1/2, SECTION 5, T25N, R4W, SEWARD MERIDIAN, ALASKA, IN THE TALKEETNA LAKES AREA, AS PUBLIC RECREATION LAND.
  - a. IM No. 02-101
3. Ordinance Serial No. 02-065: AN ORDINANCE AUTHORIZING THE CLASSIFICATION AND THE FAIR MARKET VALUE SALE OF BOROUGH- OWNED REAL PROPERTY LYING WITHIN SECTION 23, T24N, R9W, SEWARD MERIDIAN, ALASKA, LOCATED EAST OF SHULIN LAKE AND WEST OF THE KAHILTNA RIVER (MSB 3514).
  - a. IM No. 02-102
4. Ordinance Serial No. 02-066: AN ORDINANCE APPROPRIATING \$447,852 FROM THE NON-AREAWIDE FUND BALANCE AND REAPPROPRIATING \$205,348 FROM THE NON-AREAWIDE OPERATING BUDGET, LANDFILL DIVISION, TO FUND 420, LANDFILL CAPITAL PROJECT NO. 25038, FOR THE CENTRAL LANDFILL EXPANSION.
  - a. IM No. 02-103
5. Ordinance Serial No. 02-067: AN ORDINANCE AMENDING MSB TITLE 25: ELECTIONS.
  - a. IM No. 02-105

B. INTRODUCTION (For public hearing - 05/09/02 and 05/14/02, 7 p.m., Borough Assembly Chambers)

1. Ordinance Serial No. 02-002: AN ORDINANCE APPROPRIATING MONIES FROM THE CENTRAL TREASURY AND ESTABLISHING THE RATE OF LEVY FOR ALL BOROUGH FUNCTIONS FOR THE FISCAL YEAR BEGINNING JULY 1, 2002, AND ENDING JUNE 30, 2003.

Ms. Dillon read the above legislation into the record.

MOTION: Assemblymember Jansen moved for introduction of the legislation as read into the record by the clerk and set the public hearings for May 7 and the public hearing on Ordinance Serial No. 02-002 for May 9 and May 14, 2002.

Assemblymember Ladere referenced p. 74 of the assembly packet and noted that the title of Ordinance Serial No. 02-065 should be amended to read, "west" of Shulin Lake and "east" of Kahiltna River. Members of the assembly had no objections to the amendment.

MOTION: Assemblymember Colver moved to divide the question and pull Ordinance Serial No. 02-066.

Assemblymember Colver:

- spoke regarding a provision of the legislation which states that should federal funding from the EPA be obtained, the administration will request that the reappropriation be rescinded;
- opined that the assembly should not take action on an item that may be funded at the federal level and then rescind the reappropriation;
- spoke to budgetary issues that are associated with the legislation; and
- stated that action on the legislation should be taken on May 16, 2002.

GENERAL CONSENT: The motion, to divide the question, passed without objection.

GENERAL CONSENT: The motion to introduce the legislation as read into the record by the clerk and set the public hearings for May 7 and the public hearing on Ordinance Serial No. 02-002 for May 9 and May 14, 2002, passed without objection.

MOTION: Assemblymember Colver moved to amend the public hearing date of Ordinance Serial No. 02-066 to May 16, 2002.

Mr. Duffy voiced concerns in regard to postponing the legislation as it is budget related and the need to discuss it during the budget discussions is critical.

MOTION: Assemblymember Ladere moved a secondary amendment to change the public hearing date to May 14, 2002.

GENERAL CONSENT: The secondary amendment passed without objection.

GENERAL CONSENT: The main motion, as amended, passed without objection.

### C. CONSENT AGENDA

(Resolution Serial No. 02-048 and AM No. 02-056 were pulled from the consent agenda.)

#### 2. ACTION MEMORANDUMS

- a. AM No. 02-052: CHANGE ORDER TO PRUHS CORPORATION IN THE AMOUNT OF \$105,000 TO ADD EXTRA WORK FOR THE 2001 ROAD PAVING PROJECT PHASE II.
- b. AM No. 02-054: AUTHORIZING THE MANAGER TO ENTER INTO AN AGREEMENT WITH THE MATANUSKA TELEPHONE ASSOCIATION, INC. IN THE AMOUNT OF NOT TO EXCEED \$256,266.06; EXTENSION OF TELEPHONE SERVICE TO PORT MACKENZIE.
- c. AM No. 02-055: AWARD OF PROPOSAL NO. 02-127 TO PDC CONSULTING ENGINEERS, INC. IN THE AMOUNT OF \$152,236; FIRE SPRINKLER SYSTEM DESIGN.

Ms. Dillon read the above legislation into the record.

MOTION: Assemblymember Jansen moved to approve the legislation as read into the record by the clerk.

GENERAL CONSENT: The motion passed without objection.

- a. Resolution Serial No. 02-048: A RESOLUTION ESTABLISHING THE MINIMUM LEVEL OF FUNDING FOR THE MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT FOR THE FISCAL YEAR ENDING JUNE 30, 2003.  
(1) IM No. 02-099

MOTION: Assemblymember Ladere moved to adopt Resolution Serial No. 02-048.

MOTION: Assemblymember Ladere moved to postpone Resolution Serial No. 02-048 to a time certain of May 7, 2002.

Mr. Gatti advised that the resolution is time sensitive and should not be postponed.

Assemblymember Ladere expressed her desire to hear public input regarding Resolution Serial No. 02-048.

Mayor Anderson informed that the legislation results in compliance with state law as it sets a minimum level of funding for the school district and that the public would have an opportunity to comment during the public hearings scheduled for May 9 and 14.

WITHDRAW: Assemblymember Ladere withdrew her motion to postpone to a time certain.

GENERAL CONSENT: The motion passed without objection.

- d. AM No. 02-056: AUTHORIZING THE MANAGER TO ENTER INTO AN AGREEMENT WITH THE MATANUSKA ELECTRIC ASSOCIATION, INC. IN THE AMOUNT OF NOT TO EXCEED \$697,000; EXTENSION OF A THREE-PHASE ELECTRICAL DISTRIBUTION SYSTEM TO THE HATCHER PASS SKI AREA.

MOTION: Assemblymember Colberg moved to approve AM No. 02-056.

CONFLICT OF INTEREST: Assemblymember Colver asked Mayor Anderson for a conflict of interest ruling as he owns property that the proposed utility extension would cross.

RULING: Mayor Anderson ruled that Assemblymember Colver did have a conflict of interest.

(Assemblymember Colver exited chambers at this time.)

Assemblymember Colberg stated that he would be opposing the legislation as not all work has been completed regarding data compilation and analysis at Hatcher Pass.

Discussion followed regarding:

- the anticipated date of the soils report;
- potential reappropriation of the designated funds by the state; and
- any plans by the state to extend an electrical line to Independence Mine.

Mr. Duffy:

- noted that the state has no plans to extend electric to the mine or to the Motherload Lodge; and
- voiced concerns regarding the time-sensitive nature of the legislation and reappropriation of the funds by the state.

VOTE: The motion, to approve AM No. 02-056, passed with Assemblymember Colberg in opposition.

(Assemblymember Colver returned to chambers.)

## D. MAYORAL NOMINATIONS AND APPOINTMENTS

### 1. VACANCY REPORT

Mayor Anderson noted that there would be no vacancy report presented until the May 7, 2002, regular assembly meeting.

## E. OTHER NEW BUSINESS

(There was no other new business presented.)

## XI. RECONSIDERATION

(There were no reconsiderations presented.)

## **XII. VETO**

(There were no vetos presented.)

## **XIII. EXECUTIVE SESSION**

(There was no executive session held.)

## **XIV. MAYOR AND ASSEMBLY COMMENTS**

Assemblymember Bush:

- commented that he enjoyed the meeting and presentation of the proclamation honoring Martin Buser.

Assemblymember Ladere:

- voiced her appreciation for the funds received for the Talkeetna water and sewer system; and
- noted that a ceremony would be held in Talkeetna on Saturday at 1 p.m. in this regard.

Assemblymember Colver:

- encouraged everyone to attend the ground-breaking ceremony for the Brett Ice Arena;
- asked the manager to follow up with Mr. Silvers, the borough's federal lobbyist, regarding funding for the central landfill; and
- informed that a hydrogen fuel cell research presentation would be held at the Agate Inn from 7 - 9 p.m., on May 15, 2002.

Assemblymember Colberg had no additional comments to present.

Assemblymember Kelly had no additional comments to present.

Assemblymember Simpson had no additional comments to present.

Assemblymember Jansen had no additional comments to present.

Mayor Anderson:

- commented that he had testified to the state redistricting board on Friday and reiterated the borough's position;
- thanked Assemblymembers Colver and Kelly for attending the Brett Ice Arena ground-breaking ceremony; and
- stated that he would be attending the ceremony in Talkeetna on Saturday regarding receipt of funds for the Talkeetna water and sewer system; and
- noted that the Knik River exit would be reopened, and that the Bureau of Land Management is putting a closure into effect regarding the use of firearms or fireworks in this area, except for regular permitted hunting.

## **XV. ADJOURNMENT**

The regular meeting adjourned at 8 p.m.

Minutes approved: May 7, 2002

*Signed copy available in the clerk's office.*