

I. CALL TO ORDER

The special meeting of the Matanuska-Susitna Borough Assembly was held on February 14, 2006, at the Borough Assembly Chambers, 350 E. Dahlia Avenue, Palmer, Alaska. The meeting was called to order at 6 p.m. by Mayor Timothy L. Anderson for the purpose of discussing the Mayor's veto of Ordinance Serial Nos. 06-030 and 06-031 and to tentatively hold a public hearing for Ordinance Serial Nos. 06-030 and 06-031.

II. ROLL CALL

Assembly members present and establishing a quorum were:

Ms. Lynne Woods, Assembly District No. 1
Mr. Bill Allen, Assembly District No. 2 (*via teleconference*)
Mr. Talis J. Colberg, Assembly District No. 3
Ms. Mary Kvalheim, Assembly District No. 4
Ms. Cindy Bettine, Assembly District No. 5
Ms. Betty Vehrs, Assembly District No. 7

Assembly members absent and excused were:

Mr. Jim Colver, Assembly District No. 6 (*Deputy Mayor*)

Staff in attendance were:

Ms. Michelle M. McGehee, CMC, Borough Clerk
Mr. John Duffy, Borough Manager
Ms. Teresa S. Williams, Borough Attorney
Ms. Janice A. Case, Deputy Borough Clerk
Ms. Marian Romano, Assistant Borough Manager
Ms. Tammy Clayton, Finance Director
Mr. Keith Rountree, Public Works Director
Ms. Patty Sullivan, Public Affairs Manager

III. APPROVAL OF AGENDA

Mayor Anderson 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. Penny Nixon, a member of the audience.

V. ITEMS OF BUSINESS

A. VETO

1. Ordinance Serial No. 06-030: AN ORDINANCE CALLING FOR A SPECIAL ELECTION TO BE HELD IN THE MATANUSKA-SUSITNA BOROUGH ON TUESDAY, APRIL 25, 2006.
 - a. Ordinance Serial No. 06-031: AN ORDINANCE AUTHORIZING THE BOROUGH TO ISSUE AREAWIDE GENERAL OBLIGATION BONDS IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$39,700,000 TO FINANCE THE ACQUISITION, DESIGN, CONSTRUCTION, INSTALLATION, MAJOR RENOVATION AND RENEWAL OF EDUCATIONAL CAPITAL IMPROVEMENT PROJECTS AND RELATED CAPITAL IMPROVEMENTS IN THE BOROUGH, AND TO SUBMIT THE QUESTION OF THE ISSUANCE OF SUCH BONDS, TO THE QUALIFIED VOTERS OF THE BOROUGH AT THE APRIL 25, 2006, BOROUGH SPECIAL ELECTION. *(Sponsor: Assemblymember Bettine) (Veto issued by Mayor Anderson on 02/06/06)*
- (1) IM No. 06-037
 - (2) IM No. 06-041

MOTION: Assemblymember Bettine moved to override the Mayor's veto of the introduction of Ordinance Serial Nos. 06-030 and 06-031.

Assemblymember Bettine:

- noted that the veto has given the Assembly some good issues to discuss;
- referred to the issue addressed in the veto regarding the special election not saving time for construction;
- reviewed the construction schedule for a spring versus a fall election;
- stated that approximately \$400,000 would be needed for portables for the Knik-Goosebay Area Elementary School;
- opined that an early election will save money;
- spoke to the need for a better education for the children; and
- spoke in support of overriding the veto.

Assemblymember Vehrs:

- thanked Assemblymember Bettine for her hard work and research on this issue;
- voiced some concerns regarding the construction schedule and the School District not making immediate use of the schools if they are completed mid-year;
- spoke to the difficulties of obtaining information from the Administration;
- discussed the importance of the schools and education; and
- spoke in opposition to overriding the veto.

Assemblymember Allen:

- discussed the importance of thinking in terms of “one Alaska,” not a political division;
- stated that everyone pledged to work together and to support the issues impacting the Borough at the joint work session with the Legislative Delegation;
- stated that the Legislative Delegation has done their part and the Borough has been given an opportunity for a 70 percent reimbursement on school bonds; and
- urged the members of the Assembly to override the veto.

Assemblymember Colberg:

- stated that overcrowding has been an issue for schools in the past and will continue to be an issue;
- commented that delaying will only make the schools more expensive;
- spoke to the awareness that has been attained for this issue; and
- spoke in support of overriding the veto.

Assemblymember Kvalheim spoke in support of overriding the veto.

VOTE: The motion to override passed with Assemblymember Vehrs opposed.

B. PUBLIC HEARINGS (Three minutes per person.)

1. Ordinance Serial No. 06-030: AN ORDINANCE CALLING FOR A SPECIAL ELECTION TO BE HELD IN THE MATANUSKA-SUSITNA BOROUGH ON TUESDAY, APRIL 25, 2006.
 - a. Ordinance Serial No. 06-031: AN ORDINANCE AUTHORIZING THE BOROUGH TO ISSUE AREAWIDE GENERAL OBLIGATION BONDS IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$39,700,000 TO FINANCE THE ACQUISITION, DESIGN, CONSTRUCTION, INSTALLATION, MAJOR RENOVATION AND RENEWAL OF EDUCATIONAL CAPITAL IMPROVEMENT PROJECTS AND RELATED CAPITAL IMPROVEMENTS IN THE BOROUGH, AND TO SUBMIT THE QUESTION OF THE ISSUANCE OF SUCH BONDS, TO THE QUALIFIED VOTERS OF THE BOROUGH AT THE APRIL 25, 2006, BOROUGH SPECIAL ELECTION.
 - (1) IM No. 06-037
 - (2) IM No. 06-041
2. Ordinance Serial No. 06-030(SUB): AN ORDINANCE CALLING FOR A SPECIAL ELECTION TO BE HELD IN THE MATANUSKA-SUSITNA BOROUGH ON TUESDAY, MAY 2, 2006.
 - a. Ordinance Serial No. 06-031(SUB): AN ORDINANCE AUTHORIZING THE MATANUSKA-SUSITNA BOROUGH TO ISSUE AREAWIDE GENERAL OBLIGATION BONDS IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$39,700,000 TO FINANCE THE ACQUISITION, DESIGN, CONSTRUCTION, INSTALLATION, MAJOR RENOVATION AND RENEWAL OF EDUCATIONAL CAPITAL IMPROVEMENT PROJECTS AND RELATED CAPITAL IMPROVEMENTS IN THE BOROUGH, AND TO SUBMIT THE QUESTION OF

THE ISSUANCE OF SUCH BONDS TO THE QUALIFIED VOTERS OF THE
BOROUGH AT THE MAY 2, 2006 BOROUGH SPECIAL ELECTION.

(Sponsor: Assemblymember Bettine)¹

(1) IM No. 06-083

(Assemblymember Allen was disconnected from the meeting at this time.)

Ms. Clayton provided a staff report on the bonding process.

Assemblymember Woods inquired regarding the amount for the Wasilla High School remodel.

Ms. Clayton replied that it was \$3.5 million of which 70 percent would be reimbursed.

Discussion ensued regarding the Wasilla High School remodel.

Assemblymember Bettine asked Mr. Rountree to explain how the schools proposed could be constructed at a lower price.

Mr. Rountree:

- discussed the cost model used by the School District for schools; and
- explained the cost estimate that he used for the schools, which was approximately \$15.4 million.

Assemblymember Bettine queried if a spring election would provide a cost savings.

Mr. Rountree:

- opined that it may provide a cost savings, but that it is difficult to predict; and
- noted that research has shown that the average cost of construction has been increased by 4 to 7 percent annually.

Mayor Anderson opened the public hearing.

(Su Valley joined the meeting at this time.)

The following persons spoke in support of Ordinance Serial Nos. 06-030 and 06-031: Mr. Jason Hamlen; Ms. Rebecca Wright; Mr. Bob Doyle, Chief School Administrator; Ms. Nancy Copping; Mr. Mark Pasier; Mr. Terry Syder; Ms. Sandra White; Mr. Chris Hager; Ms. Rani Roby; Ms. Abby Kellner-Rode; Ms. Stacey Ruta; Ms. Anne Killkenny; Ms. Patty Coan; Mr. Gilbert Lucero; Ms. Nancy Blake; Mr. Jim Sykes; Ms. Michelle Church; Mr. Charlie Fannon; Ms. Colleen Hamblen; Ms. Kim Floyd; Ms. Laura Fortunoff; Ms. Mary McMann; Ms. Katie Hurley; Ms. Jennie King Taylor; Ms. Sara Welton; and Ms. Jody Simpson.

¹ For historical purposes, Ordinance Serial Nos. 06-030(SUB-1) and 06-031(SUB-1) will be referred to as Ordinance Serial Nos. 06-030(SUB) and 06-031(SUB).

The following persons spoke in opposition of Ordinance Serial Nos. 06-030 and 06-031: Mr. Henry Corbin; Mr. Ronald Wright, Jr.; and Mr. Penny Nixon.

The following person spoke in support of holding a special election for school bonding and spoke to adding the Su Valley roof repair to the bond proposition: Ms. Cheryl Turner.

There being no others present who wished to testify, the public hearing closed and discussion moved to the Assembly.

(The regular meeting recessed at 7:30 p.m. and reconvened at 7:56 p.m.)

MOTION: Assemblymember Bettine moved to adopt Ordinance Serial Nos. 06-030 and Ordinance Serial Nos. 06-031.

MOTION: Assemblymember Bettine moved to amend Ordinance Serial Nos. 06-030 and 06-031 by substitute Ordinance Serial Nos. 06-030(SUB) and 06-031(SUB).

Mayor Anderson inquired if there were any amendments to the original legislation.

There were no amendments to the original legislation noted.

Mayor Anderson inquired if there were any amendments to the substitute legislation.

MOTION: Assemblymember Vehrs moved to amend Ordinance Serial No. 06-031(SUB) to strike \$17,000,000 from both the Knik Goosebay Elementary School and the South Palmer Area Elementary School and to insert \$15,000,000 for each of the projects (for a total reduction of \$4,000,000), and to insert a project for Su Valley High School Renovation and Renewal in the amount of \$4,000,000, for a total bonding amount of \$ \$39,700,000.

Assemblymember Vehrs:

- spoke to working with the Legislative Delegation;
- noted that according to the Public Works Director, the schools can be construction for \$15 million; and
- stated that adding Su Valley to the ballot proposition will gain support from the northern valley.

Assemblymember Colberg requested a report from Bond Counsel on the amendment.

Ms. Cheryl Brooking:

- stating that the total amount of the bond proposition cannot be increased without repeating the public notice and public hearing process; and
- noted that the amendment is valid because it stays within the \$39,700,000.

Assemblymember Bettine:

- voiced concerns regarding changing the bond propositions at this time; and
- queried the latest date a decision would have to be made on the bond proposition language.

Ms. McGehee replied that the bond proposition ordinance must be adopted at least 60 days prior to the special election.

Assemblymember Colberg inquired if the change would have to be approved by the Alaska State Department of Education.

Ms. Clayton:

- replied that the School District would have to complete the applications requesting reimbursement;
- stated that the bonds would not be issued until final approval was received; and
- noted that the applications for the other projects have already been completed.

Assemblymember Colberg spoke in opposition to the amendment.

Assemblymember Bettine opined that \$4 million would not be sufficient for the Su Valley project.

Mr. Rountree stated that the original estimate for the repairs was \$4.6 million and then increased to \$5.5 after the facility condition survey.

Mayor Anderson:

- inquired regarding the minimum cost for fixing the roof;
- queried that if \$4 million was approved, could the capital budget funds be used for the remaining \$600,000.

Mr. Duffy stated that there may or may not be funds available.

Discussion ensued regarding the amendment.

VOTE: The primary amendment failed with Assemblymembers Colberg and Bettine opposed.

VOTE: The motion to amend by substitute passed with Assemblymember Vehrs opposed.

VOTE: The main motion as amended by substitute passed with Assemblymember Vehrs opposed.

MOTION: Assemblymember Kvalheim moved to reconsider Ordinance Serial Nos. 06-030(SUB) and 06-031(SUB).

VOTE: The motion to reconsider failed unanimously.

MOTION: Assemblymember Colberg moved to add an item under the veto section for the February 21, 2006, regular meeting for a motion to override any possible Mayoral veto of Ordinance Serial No. 06-030(SUB) and Ordinance Serial No. 06-031(SUB) adopted by the Assembly on February 14, 2006.

(The regular meeting recessed at 8:23 p.m. and reconvened at 8:38 p.m.)

RULING: Mayor Anderson ruled the motion to add an item under the veto section for the February 21, 2006, regular meeting for a motion to override any possible Mayoral veto of Ordinance Serial No. 06-030(SUB) and Ordinance Serial No. 06-031(SUB) adopted by the Assembly on February 14, 2006, out of order.

Mayor Anderson:

- stated that based on his discussion with the Attorney, he is ruling this motion out of order as it is establishing an action on something that has not yet taken place;
- noted that no veto has been issued at this time;
- stated that according to code, a veto would have to be issued by the next regular Assembly meeting, which would be February 21, 2006; and
- commented that a veto at this time would not change any action that the Assembly made unless a motion to override passed.

MOTION: Assemblymember Colberg moved to appeal the decision of the chair.

Assemblymember Colberg:

- stated that the Attorney previously ruled that the motion was appropriate; and
- noted that the public hearing held this evening was advertised based on the assumption that the motion to override would pass.

Assemblymember Vehrs requested the Attorney's opinion.

Ms. Williams opined that the motion could be placed on the agenda, just as the tentative public hearing this evening was placed on the agenda.

Ms. McGehee noted that the agenda has already been sent to the Frontiersman, but that the addition may be possible in the proof.

Assemblymember Bettine:

- opined that the motion is in the best interest of the public; and
- noted that "veto" is on every agenda, but this motion would expand on that item so that the public could anticipate the possible discussion.

VOTE: The motion to sustain the decision of the chair failed with Assemblymember Vehrs opposed.

Assemblymember Vehrs spoke in opposition to placing this item on the agenda.

Assemblymember Colberg stated that this gives the public notice on issues when the Assembly believes a veto may be likely, and does not prevent a veto.

VOTE: The motion passed with Assemblymember Vehrs in opposition.

VI. AUDIENCE PARTICIPATION

The following persons spoke in support of holding a special election and discussed the Su Valley roof issue: Ms. Michelle Church and Ms. Cheryl Turner.

VII. MAYOR, ASSEMBLY, AND STAFF COMMENTS

Ms. McGehee queried if the members of the Assembly would like to reschedule the March 28 and March 30 meetings, as some members will be absent.

There was no objection to rescheduling the meetings.

Mr. Duffy:

- noted that it has been a pleasure working with Ms. Williams; and
- provided the Assembly with an overview of the process previously used for the selection of the Borough Attorney.

Assemblymember Kvalheim thanked staff for their hard work on this legislation.

Assemblymember Bettine thanked the staff for their hard work on legislation.

Assemblymember Colberg:

- commented that it is always interesting when Mr. Nixon is present;
- stated that a distinction needs to be made between the cost of the buildings and the rest of the budget;
- noted that even though \$34 might not be much to some people, this is the only portion of the budget they are able to address; and
- wished everyone a happy Valentines Day.

Assemblymember Woods:

- stated that this is one of the most popular items that she has dealt with in addition to coal bed methane;
- noted that a large majority of the opponents had the same arguments as Assemblymember Colberg;
- opined that it is her job to get the schools built and that the administration of the schools is done by the School District Administration and the School Board;
- stated that the Assembly has tried to address the efficiency of some of the budget issues at the joint Assembly/School Board meetings;

- commented that she represents a more rural district where the tax bill is very important; and
- noted that there is an overcrowding problem and new schools are needed.

Assemblymember Vehrs:

- referred to a story a constituent told her about a principal attending auctions to buy classroom supplies;
- discussed the need for new schools;
- stated that she disagreed with the timing of the special election, as many of these items were on the October 4, 2005, regular election ballot; and
- commented that she hopes that people will promote the bonds and that the bond proposition is adopted.

Mayor Anderson:

- spoke in support of schools and discussed the problems of overcrowding;
- noted that he issued the veto because of the timing of the special election;
- commented that a positive outcome of the veto was that it generated a lot of public comment; and
- stated that he hopes everyone will work hard to promote the ballot proposition and get it adopted.

VIII. ADJOURNMENT

The regular meeting adjourned at 9:10 p.m.

/ S /

TIMOTHY L. ANDERSON, Borough Mayor

ATTEST:

/ S /

MICHELLE M. MCGEHEE, CMC, Borough Clerk

Minutes approved: 03/07/06