

I. CALL TO ORDER

The regular meeting of the Matanuska-Susitna Borough Assembly was held on March 4, 2008, at the Borough Assembly Chambers, 350 E. Dahlia Avenue, Palmer, Alaska. The meeting was called to order at 6 p.m. by Mayor Curtis D. Menard.

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
Ms. Mary Kvalheim, Assembly District No. 4
Ms. Cindy L. Bettine, Assembly District No. 5
Mr. Robert Wells, Assembly District No. 6
Mr. Tom Kluberton, Assembly District No. 7

Staff in attendance were:

Ms. Lonnie R. McKechnie, Borough Clerk
Mr. John Duffy, Borough Manager
Ms. Marian Romano, Assistant Borough Manager
Mr. Nicholas Spiropoulos, Borough Attorney
Ms. Amanda E. Charles, Executive Assistant to the Borough Clerk
Ms. Elizabeth Hartley, Comptroller
Mr. Dennis Brodigan, Emergency Services Director
Ms. Linda Brenner, Community Development Director
Mr. Mark Mayo, Planning and Land Use Director
Mr. Dave Hanson, Economic Development Director
Ms. Patty Sullivan, Public Information Manager
Mr. Bill Klebesadel, Project Management and Engineering Division Manager
Ms. Eileen Probasco, Chief of Planning
Mr. Marc Van Dongen, Port Director
Ms. Lauren Kruer, Planner II

III. APPROVAL OF AGENDA

Mayor Menard 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 Ms. Bonnie Quill, a member of the audience.

V. MINUTES OF PRECEDING MEETINGS

Mayor Menard inquired if there were any corrections to the regular meeting minutes of February 19, 2008.

GENERAL CONSENT: The minutes were approved as presented without objection.

VI. REPORTS/CORRESPONDENCE

A. AGENCY REPORTS

1. Reports from cities

(There were no reports provided.)

2. Matanuska-Susitna Borough School District

School Board President Welton:

- reported on the school district's budget process;
- noted that the first public hearing on the budget would be held on March 5, 2008; and
- spoke regarding a performance based budget.

Assemblymember Woods requested that "Enhanced Literacy Program for elementary schools" be added to the Joint Assembly/School Board meeting of March 11, 2008.

3. Mat-Su Convention & Visitors Bureau – Ms. Karen Harris

Ms. Harris:

- spoke regarding the funding formula split;
- spoke to the Mat-Su Convention & Visitors Bureau (MSCVB) budget;
- noted that their website is undergoing changes and upgrades;
- commented on tourism infrastructure;
- noted the need for a work session with the Assembly; and
- pointed out that the MSCVB had provided a report on their last meeting.

B. COMMITTEE REPORTS

1. Joint Assembly/School Board Committee on School Issues

Assemblymember Church:

- noted discussions on the Susitna Valley High School update;
- added that the construction is set to begin the summer of 2008; and

- reported on bringing forward a joint effort during the legislative session.

Mr. Duffy reported that there is an estimate of \$17.9 million in construction costs, and a project total of \$23.3 million for the Susitna Valley High School.

2. Assembly Public Relations

(There were no reports provided.)

C. MANAGER COMMENTS

1. State/Federal Legislation

Mr. Duffy:

- reported that the Secretary of the Interior awarded the Matanuska-Susitna Borough a Cooperative Conservation Award;
- noted that this is fourth national award in the last several years;
- spoke to the manager's report; and
- pointed out that the legislative session ends on April 13, 2008.

D. ATTORNEY COMMENTS

Mr. Spiropoulos reported on the superior court case nos. 3PA-03-03-328CI and 3PA-05-1182CI.

E. CLERK COMMENTS

Ms. McKechnie:

- spoke regarding the upcoming meeting schedule; and
- advised that Ms. Lorali Carter submitted the petition today, March 4, 2008.

F. CITIZEN AND OTHER CORRESPONDENCE

1. MSB Board/Committee Minutes:

- a. Animal Care and Regulation Board: 12/10/07
- b. Big Lake, Meadow-Lakes, and Wasilla-Lakes Fire Service Area Joint Board of Supervisors: 10/08/07
- c. Caswell RSA No. 15: 10/04/07, 11/01/07, 12/06/07
- d. Emergency Medical Services Board: 08/01/07, 10/03/07
- e. Greater Talkeetna RSA No. 29: 11/08/07
- f. Parks, Recreation and Trails Advisory Board: 10/22/07
- g. Planning Commission: 11/19/07, 12/03/07, 12/17/07, 01/07/08
- h. Transportation Advisory Board: 01/24/07, 02/28/07, 10/24/07
- i. Wasilla-Lakes FSA No. 130: 12/10/07, 01/14/08

2. Community Council Correspondence:
 - a. 'Y' Community Council: 08/02/07

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

G. INFORMATIONAL MEMORANDUMS

(There were no informational memorandums presented.)

VIII. UNFINISHED BUSINESS

- A. Ordinance Serial No. 08-017: AN ORDINANCE AMENDING MSB 17.28, INTERIM MATERIALS DISTRICT, TO INCLUDE PROVISIONS FOR REGULATING EXCAVATION INTO THE SEASONAL HIGH WATER TABLE. *(Main motion pending from: 08/21/07)(Previously Ordinance Serial No. 07-115)*
 1. IM No. 08-036

Mr. Duffy recommended that the ordinance be postponed until March 18, 2008.

Mayor Menard asked if there was any objection to postponing Ordinance Serial No. 08-017 to a time certain of March 18, 2008.

There was no objection noted.

IX. NEW BUSINESS

- A. INTRODUCTION (For public hearing - 03/18/08, 7 p.m., Borough Assembly Chambers)
 1. Resolution Serial No. 08-019: A RESOLUTION ADOPTING THE CAPITAL IMPROVEMENT PROGRAM FOR FISCAL YEAR 2009 THROUGH FISCAL YEAR 2014.
 - a. IM No. 08-058
- B. INTRODUCTION (For public hearing - 04/15/08, 7 p.m., Borough Assembly Chambers)
 1. Ordinance Serial No. 08-028: AN ORDINANCE CREATING BRENNA'S WAY ROAD PAVING LOCAL IMPROVEMENT DISTRICT NO. 431, APPROVING THE IMPROVEMENT PLAN FOR THE DISTRICT, AUTHORIZING THE MANAGER TO PROCEED WITH THE IMPROVEMENT, AND ASSESSING EQUALLY AMONG THE PROPERTIES WITHIN THE DISTRICT THE COSTS OF THE IMPROVEMENT.
 - a. IM No. 08-053

Ms. McKechnie read the above legislation into the record.

MOTION: Assemblymember Woods moved to introduce the legislation as read into the record by the Clerk and set the public hearings for March 18, 2008, and April 15, 2008, respectively.

VOTE: The motion passed without objection.

C. MAYORAL NOMINATIONS AND APPOINTMENTS

1. VACANCY REPORT

Mayor Menard requested the following confirmations and resignations:

Board of Adjustment and Appeals
Alvah Clark Buswell
Board of Equalization
Brian Sullivan
Resignation of Sean Riggan
Local Emergency Planning Committee
Resignation of Dianne Woodruff

Mayor Menard made the following recommendations:

Board of Equalization
John Van Diest
Local Emergency Planning Committee
Marc Peterson
Angella Long
Senior Citizens Advisory Board
Janice Moore

MOTION: Assemblymember Woods moved to confirm the Mayor's recommendations and resignations up for confirmation this evening.

VOTE: The motion passed without objection.

D. OTHER NEW BUSINESS

X. RECONSIDERATION

(There were no reconsiderations presented.)

XI. VETO

(There were no vetoes presented.)

XII. EXECUTIVE SESSION *(for matters, the immediate public knowledge of which would clearly have an adverse effect upon the finances of the borough and matters which by law, municipal charter, or ordinance are required to be confidential.)*

A. NPI Litigation Update

MOTION: Assemblymember Woods moved to enter executive session to discuss matters, which the immediate public knowledge of which would clearly have an adverse effect upon the finances of the Borough and matters which by law, municipal charter, or ordinance are required to be kept confidential. Specifically to discuss NPI Litigation.

VOTE: The motion passed without objection and the Assembly entered the executive session at 6:38 p.m. Those present during the executive session were the members of the Assembly, the Mayor, the Manager, the Clerk, and Ms. Lisa Thomas.

MOTION: Assemblymember Woods moved to exit executive session.

VOTE: The motion passed and the Assembly exited the executive session at 7 p.m.

(The regular meeting recessed at 7 p.m. and reconvened at 7:10 p.m.)

VII. SPECIAL ORDERS (to begin at 7 p.m.)

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

B. PUBLIC HEARINGS (Three minutes per person.)

1. Ordinance Serial No. 08-003: AN ORDINANCE ADOPTING MSB 17.21, HATCHER PASS SPECIAL LAND USE DISTRICT, AND AMENDING MSB 17.125, DEFINITIONS.

a. Ordinance Serial No. 08-004: AN ORDINANCE PROVIDING POLICIES AND STANDARDS FOR THE HATCHER PASS SPECIAL LAND USE DISTRICT, MSB 17.21.

(1) IM No. 08-005

Ms. Probasco provided a staff report.

Mayor Menard opened the public hearing.

The following persons spoke regarding proposed changes to Ordinance Serial No. 08-003 and Ordinance Serial No. 08-004: Mr. Joe Irvine; Mr. Darin Markwardt; Mr. Scott Lapiene; Ms. Mimi Peabody; Mr. Pio Cottini; Mr. Ralph Baldwin; Mr. Andrew Weaver; Mr. Neil Fox; Mr. Mark Masteller; and Ms. Kathy Wells, Director of Friends of Mat-Su.

The following persons spoke in support of Ordinance Serial No. 08-003 and Ordinance Serial No. 08-004: Mr. Brian Sullivan, and Ms. Yvonne Sutter.

The following persons spoke in opposition to Ordinance Serial No. 08-003 and Ordinance Serial No. 08-004: Mr. Alvin Johnston, Ms. Maria Cunningham, Mr. Byron Williams, Mr. Ed Strabel, Ms. Esther Huddleston, and Mr. Norm Stout.

The following person spoke regarding communication problems with DOWL engineering: Ms. April Moser-Chapman.

The following person spoke in a general nature regarding Ordinance Serial No. 08-003 and Ordinance Serial No. 08-004: Mr. Wayne Biessel, Park Superintendent for Mat-Su Area State Parks.

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

MOTION: Assemblymember Wells moved to adopt Ordinance Serial No. 08-003 and Ordinance Serial No. 08-004.

Assemblymember Wells spoke regarding possible concerns with the ordinance as presented.

Assemblymember Kluberton:

- expressed his pleasure at the process the Planning Commission took for this special land use district (SPUD); and
- spoke regarding protecting the head waters so as not to negatively affect the fish population in the lower waters.

Assemblymember Kvalheim:

- spoke in favor of passing the ordinances; and
- noted concerns with the residential area in the southern district.

MOTION: Assemblymember Woods moved to add “Discharge of firearms is allowed on the south-side until public development occurs” as the last sentence to MSB 17.21.060(C)(10).

Assemblymember Bettine spoke regarding the need for amendments to the ordinances.

MOTION: Assemblymember Bettine moved to postpone Ordinance Serial No. 08-003 and Ordinance Serial No. 08-004 to a time certain of March 18, 2008, at 3 p.m.

Assemblymember Wells:

- advised that the Fishhook Community Council had requested that this item be postponed; and
- spoke regarding working with the staff on potential amendments.

Assemblymember Church queried if the Federal Highway Administration would need the ordinances to be passed in order to consider further funding.

Mr. Duffy advised that they did not need the ordinances passed in order to consider funding for the area.

VOTE: The motion to postpone passed without objection.

[CLERK'S NOTE: Ms. McKechnie exited the meeting and Ms. Charles assumed the position of parliamentarian.]

2. Ordinance Serial No. 08-029: AN ORDINANCE APPROVING A SUPPLEMENTAL APPROPRIATION OF \$13,500 FROM GARDEN TERRACE SERVICE AREA NO. 8 FUND BALANCE, FUND 291, TO THE GARDEN TERRACE SERVICE AREA NO. 8 FISCAL YEAR 2008 OPERATING BUDGET, FUND 291.
 - a. IM No. 08-043

Mr. Klebesadal provided a staff report.

Mayor Menard opened the public hearing.

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

MOTION: Assemblymember Church moved to adopt Ordinance Serial No. 08-029.

VOTE: The motion passed without objection.

3. Ordinance Serial No. 08-030: AN ORDINANCE AMENDING MSB 15.24.030(B), TO INCLUDE THE LAZY MOUNTAIN COMPREHENSIVE PLAN.
 - a. IM No. 08-044

Ms. Kruer provided a staff report.

Mayor Menard opened the public hearing.

The following persons spoke in support of Ordinance Serial No. 08-030: Mr. Jim Sykes, Chair of the Lazy Mountain Community Council; Mr. Gary LoRusso; Mr. Will Peabody; Ms. Mimi Peabody; and Ms. Kathy Wells.

The following person spoke in a general nature regarding Ordinance Serial No. 08-030: Mr. John Leiner.

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

MOTION: Assemblymember Woods moved to adopt Ordinance Serial No. 08-030.

VOTE: The motion passed without objection.

4. Ordinance Serial No. 08-031: AN ORDINANCE ADOPTING MSB 4.58, HEALTH AND SOCIAL SERVICES BOARD.
 - a. IM No. 08-045

Ms. Kruer provided a staff report.

Assemblymember Woods queried why one of the task force's recommendations was not in the ordinance.

Ms. Kruer explained that by leaving it out of the ordinance, it will allow the task force to pursue further funding.

Assemblymember Kluberton:

- queried the 60 percent health care professionals; and
- asked if the areas of specialty were determined.

Ms. Kruer:

- spoke regarding the phrase "as feasible;" and
- noted that this terminology allows the Mayor to appoint to the Board as each specialty group is needed.

Assemblymember Kluberton spoke regarding special needs coverage.

Mayor Menard opened the public hearing.

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

MOTION: Assemblymember Woods moved to adopt Ordinance Serial No. 08-031.

VOTE: The motion passed without objection.

5. Ordinance Serial No. 08-032: AN ORDINANCE ACCEPTING AND APPROPRIATING A \$3,940 DONATION FROM THE TALKEETNA COMMUNITY PLAN ORGANIZATION TO FUND 480, PROJECT NO. 47005, FOR THE TALKEETNA PUBLIC FACILITIES PLAN.
 - a. Resolution Serial No. 08-015: A RESOLUTION APPROVING THE SCOPE OF WORK AND BUDGET FOR THE TALKEETNA PUBLIC FACILITIES PLAN.
 - (1) IM No. 08-048

Ms. Brenner provided a staff report.

Assemblymember Kluberton queried if the study was complete.

Ms. Brenner responded that additional input is needed from the public.

Assemblymember Kluberton queried how this amount of money was determined.

Ms. Brenner spoke regarding the community involvement.

Mr. Duffy advised that the Assembly is only verifying that the community is agreeable with the chosen site.

Assemblymember Woods requested verification that the Borough is not building the playground.

Ms. Brenner:

- responded that a private company would be building the playground; and
- clarified that the playground would be built on Borough land.

Assemblymember Woods queried if the Borough would be held liable.

Ms. Brenner:

- affirmed the query; and
- noted that she would be discussing this matter with the Law Department.

Discussion ensued regarding the playground.

Mayor Menard opened the public hearing.

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

MOTION: Assemblymember Woods moved to adopt Ordinance Serial No. 08-032 and Resolution Serial No. 08-015.

Assemblymember Bettine spoke regarding liability.

Mr. Duffy:

- advised that the Borough will ultimately own the park; and
- suggested areas for improvement during the grant seeking process.

Assemblymember Woods queried if the park could be sold to the community for a nominal fee.

Assemblymember Kluberton informed the Assembly that they did not want to own the park due to the potential liability and maintenance costs.

Discussion ensued regarding:

- the fund raising process; and

- the choice of the target parcel.

VOTE: The motion passed without objection.

6. Ordinance Serial No. 08-033: AN ORDINANCE APPROVING AN APPROPRIATION OF \$148,755 FROM THE LAND MANAGEMENT FUND BALANCE FUND 203, TO FUND 450, PROJECT NO. 70007, TO PAY FOR EXPLOSIVE ORDNANCE DISPOSAL CLEARANCE AT POINT MACKENZIE TO BE REIMBURSED FROM THE ROYALTIES RECEIVED FROM ALASKA AGGREGATE PRODUCTS MATERIAL.
 - a. Resolution Serial No. 08-016: A RESOLUTION APPROVING THE SCOPE OF WORK AND BUDGET FOR EXPLOSIVE ORDNANCE DISPOSAL CLEARANCE AT POINT MACKENZIE TO BE REIMBURSED FROM THE ROYALTIES RECEIVED FROM ALASKA AGGREGATE PRODUCTS MATERIAL SALE CONTRACT.
 - (1) AM No. 08-015: AUTHORIZING CONTRACT NO. 08-092 WITH BRICE ENVIRONMENTAL SERVICES CORPORATION FOR AN AMOUNT NOT TO EXCEED \$148,755 FOR EXPLOSIVE ORDNANCE DISPOSAL CLEARANCE AT POINT MACKENZIE.
 - (2) IM No. 08-051

Mr. Duffy:

- provided a staff report; and
- asked that the Assembly postpone this item indefinitely.

Mayor Menard opened the public hearing.

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

MOTION: Assemblymember Bettine moved to adopt Ordinance Serial No. 08-033 and Resolution Serial No. 08-016.

MOTION: Assemblymember Bettine moved to postpone Ordinance Serial No. 08-033 and Resolution Serial No. 08-016 indefinitely.

VOTE: The motion to postpone indefinitely passed without objection.

C. AUDIENCE PARTICIPATION (Three minutes per person.)

The following person spoke regarding postponing Ordinance Serial No. 08-017: Mr. John Leiner.

The following persons spoke regarding process issues, concerns with who the Law Department represents when an appeal is filed with the Board of Adjustment and Appeals: Mr. Jim Sykes, Mr. Gary LoRusso, and Ms. Kathy Wells.

Assemblymember Church queried who the Law Department represents.

Mr. Spiropoulos:

- advised that the Planning Commission is a quasi-judicial board;
- stated that the Law Department reviews the Planning Commission's decisions when they are appealed to the Board of Adjustment and Appeals;
- spoke regarding the standards that the Assembly set for the Planning Commission;
- explained that the Law Department cannot represent the Planning Commission's decision if they do not follow the standards set for them by the Assembly; and
- spoke regarding findings of fact.

MOTION: Assemblymember Woods moved to extend past 10 p.m., but not to exceed 10:30 p.m.

GENERAL CONSENT: The motion passed without objection.

- D. CONSENT AGENDA (AM No. 08-017 and AM No. 08-022 were pulled from the consent agenda and addressed separately. *See pp. 13-14*)
- a. Resolution Serial No. 08-017: A RESOLUTION SETTING THE SCOPE OF WORK AND BUDGET FOR FISCAL YEAR 2008 AREA-WIDE CAPITAL APPROPRIATIONS FOR THE FERRY LANDING CONSTRUCTION AT PORT MACKENZIE, PROJECT NO. 70001.
(1) IM No. 08-055
- b. Resolution Serial No. 08-018: A RESOLUTION AMENDING THE BUDGET OF PORT MACKENZIE – PHASE II, PROJECT NO. 70001, TO ALLOW ADDITIONAL FUNDING FOR THE ENGINEERING, DESIGN, AND INSPECTION SERVICES FOR THE FERRY VESSEL.
(1) IM No. 08-056
- c. Resolution Serial No. 08-020: A RESOLUTION SUPPORTING SENATE BILL 72, AND REQUESTING THAT THE LEGISLATURE INCREASE THE REVENUE SHARING FUND TO \$225 MILLION WITH AN ANNUAL PAYOUT OF \$75 MILLION. (*Sponsor: Assemblymember Woods*)
(1) IM No. 08-064

ASSEMBLY MEMORANDUMS

- b. AM No. 08-018: AWARD OF BID NO. 08-081, TO 3C CONSTRUCTION IN THE CONTRACT AMOUNT OF \$159,747 FOR LOWER ROAD PHASE II PROJECT.

- c. AM No. 08-020: AWARD OF BID NO. 08-083 TO TEW'S EXCAVATION, INC., IN THE CONTRACT AMOUNT OF \$114,188 FOR CENTRAL LANDFILL RENTAL EQUIPMENT.

Ms. Charles read the above legislation into the record.

MOTION: Assemblymember Woods moved to approve the consent agenda as read into the record by the Clerk.

VOTE: The motion passed without objection.

- a. AM No. 08-017: AUTHORIZING THE BOROUGH MANAGER TO ENTER INTO AN AMENDMENT FOR THE COOPERATIVE SERVICES AGREEMENT WITH THE CITY OF PALMER TO INCREASE THE ANNUAL PAYMENT FOR THE CONTRACT TO AN AMOUNT NOT TO EXCEED \$875,425 FOR THE PROVISION OF DISPATCH SERVICES FOR CALENDAR YEAR 2008.

MOTION: Assemblymember Kvalheim moved to adopt AM No. 08-017.

Assemblymember Kvalheim queried what the amount of the contract included.

Mr. Brodigan spoke regarding how the rates were derived.

Assemblymember Kvalheim queried if the Borough owned the building.

Mr. Brodigan:

- responded that the city of Palmer owns the building; and
- advised that the Borough owns the equipment.

Assemblymember Bettine queried if the Borough provides the technical support for the equipment.

Mr. Brodigan:

- affirmed that the Borough provides the technical support for the E-911 equipment; and
- noted that Borough-owned hardware is serviced through the Information Technology Department.

Discussion ensued regarding how the money is distributed between the cities each year.

MOTION: Assemblymember Bettine moved a primary amendment to AM No. 08-017 to strike the amount of "\$875,425" and insert the amount of "\$813,615" in its place.

VOTE: The motion passed with Assemblymember Woods in opposition.

VOTE: The motion passed as amended without objection.

- d. AM No. 08-022: AWARD OF BID NO. 08-088, TO KLEBS MECHANICAL, INC., IN THE AMOUNT OF \$386,974 FOR THE DOROTHY SWANDA JONES BUILDING WINDOW REPLACEMENT.

MOTION: Assemblymember moved to adopt AM No. 08-022.

Mr. Klebesadel provided a staff report.

VOTE: The motion passed without objection.

Assemblymember Church requested the Manager to develop a finance plan with alternatives for the Hatcher Pass Ski Area development.

There was no objection noted.

MOTION: Assemblymember Bettine moved to extend past 10:30 p.m., but not to exceed 10:40 p.m.

GENERAL CONSENT: There was no objection noted.

XIII. MAYOR AND ASSEMBLY COMMENTS

Assemblymember Bettine requested further information regarding who the Law Department will represent when a Planning Commission's decision is appealed.

Mr. Spiropoulos responded that he would be available for further clarification.

Assemblymember Woods spoke regarding revenue sharing.

Assemblymember Houston:

- spoke regarding Mr. Leiner's concerns; and
- spoke to water impact studies.

Assemblymember Kluberton:

- asked the Manager to follow up with the reclamation requests in Ordinance Serial No. 08-017; and
- informed the Assembly that Mr. Marty Metiva would be resigning from the Mayor's Blue Ribbon Sportsmen's Committee.

Mayor Menard reported that the company hired to do the Environmental Impact Study for the railroad is currently holding their public hearings.

Mr. Duffy spoke regarding the involvement of the Assembly and staff in the public process.

XIV. ADJOURNMENT

The regular meeting adjourned at 10:38 p.m.

/ S /

CURTIS D. MENARD, Borough Mayor

ATTEST:

/ S /

LONNIE R. McKECHNIE, CMC, Borough Clerk

Minutes approved: 03/18/08