

I. CALL TO ORDER

The regular meeting of the Matanuska-Susitna Borough Assembly was held on March 16, 2010, at the Borough Assembly Chambers, 350 E. Dahlia Avenue, Palmer, Alaska. The meeting was called to order at 6:01 p.m. by Mayor Talis J. Colberg.

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
Mr. Ronald Arvin, Assembly District No. 3
Mr. Mark Ewing, Assembly District No. 4
Ms. Cindy L. Bettine, Assembly District No. 5
Mr. Jim Colver, Assembly District No. 6 (*via teleconference*)
Mr. Vern Halter, Assembly District No. 7

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
Ms. Shaune O'Neil, Public Works Director
Ms. Christine Nelson, Planning and Land Use Director
Mr. Dennis Brodigan, Emergency Services Director
Ms. Linda Brenner, Community Development Director
Ms. Patty Sullivan, Public Affairs Director
Mr. Dave Hanson, Economic Development Director
Mr. Russ Krafft, Purchasing Officer
Ms. Nancy Cameron, Land Management Agent

III. APPROVAL OF AGENDA

Mayor Colberg 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. Spiropoulos.

V. MINUTES OF PRECEDING MEETINGS

A. Regular Assembly Meeting: 03/02/10

Mayor Colberg inquired if there were any corrections to the regular meeting minutes of March 2, 2010.

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

(There was no report provided.)

3. Mat-Su Convention and Visitors Bureau – Mr. Jason Votruba

Mr. Votruba:

- noted that the Mat-Su Convention and Visitors Bureau (MSCVB) is excited about their internet webpage that will come online in late April 2010;
- spoke to the upcoming Highway Neighbors Convention in Valdez;
- noted that MSCVB will be represented at the Mat-Su Sportsmen's show held in March 2010 and also the Anchorage and Fairbanks shows;
- reported that Agnew:Beck Consulting LLC will be showing the 98 percent complete plan of the visitors center to the MSCVB Board;
- spoke to a MSCVB luncheon held on March 12, 2010, where Ron Peck, President of the Alaska Travel Industry Association and Paul Landis, CEO of CIRI Alaska Tourism Corporation representing Alaska Act were present;
- noted that the Alaska Act is composed of tour businesses that are associated with the cruise industry;
- noted that the Alaska Act was formed to benefit the cruise industry; and
- reported that Governor Parnell will be attending the Cruise Shipping Miami Conference, to meet with executives of the three biggest cruise lines in Alaska, to ask them what can be done to secure the cruise industry in Alaska.

Assemblymember Halter queried the independent traveler numbers.

Mr. Votruba:

- reported that it seems that the independent traveler numbers will be online with last year's numbers;
- noted that tourism has been on an overall decline since 2004; and
- commented that the exact numbers will not be known until the end of summer 2010.

B. COMMITTEE REPORTS

1. Joint Assembly/School Board Committee on School Issues

(There was no report provided.)

2. Assembly Public Relations

Assemblymember Colver:

- noted that it was requested at the last joint Assembly/School Board meeting that the Joint Assembly/School Board Committee on School Issues take up and analyze possible bond packages;
- stated that the intent was to work together;
- opined that this would be a big job for the Joint Assembly/School Board Committee on School Issues;
- spoke to a memorandum that was forwarded to the Assembly regarding a possible road map that breaks the tasks down, so that subgroups can start working on some of the tasks; and
- spoke to how the tasks could be broken out.

Ms. McKechnie spoke to concerns regarding taking action and providing direction to the Joint Assembly/School Board Committee on School Issues without the item being advertised.

Assemblymember Bettine:

- spoke to the importance of getting input from the Borough Area Schools Site Selection Committee;
- noted that the last Borough Area Schools Site Selection Committee meeting was cancelled at last minute;
- spoke to concerns the Committee has on having enough time to work on site selection;
- noted that this may not only affect school facilities, it may also affect Borough departments that may want to be housed on site with the schools; and
- requested to be notified when the Joint Assembly/School Board Committee on School Issues is discussing bond issues.

Assemblymember Houston:

- stated that his vision of this is that the Joint Assembly/School Board Committee on School Issues would be able to handle this topic how they saw fit;
- opined that the proposed structure seems complex; and
- opined that the Committee could decide on how they want to tackle the issues without having direction from the Assembly.

Discussion ensued regarding:

- the recreation aspect;
- the option of having a multi-use facility attached to the school;
- the need to think outside of the box;
- the need to look at different funding so that the tax payers are not paying 30 percent of every project; and
- the need for the taxpayers to be able to use the facility when the students are not.

Assemblymember Ewing:

- provided an overview of the 2010 National Association of Counties (NACO) Conference in Washington D.C.;
- spoke to bill HR 211 bill that supports a way for the public to be able to dial 2-1-1 for non-critical emergencies and receive 24 hour disaster information in up to 100 languages;
- reported on the support of the IP (internet protocol) based public safety communication system; and
- spoke to attending a class regarding budget issues, as NACO is trying to prepare municipalities for lack of funding from the Federal Government.

Assemblymember Arvin:

- noted that the Municipality of Anchorage will be taking up the Knik Arm Bridge Crossing; and
- spoke to a resolution being brought forward at the April 6, 2010, regular meeting, in support of the Knik Arm Bridge Crossing.

A. MANAGER COMMENTS

1. State/Federal Legislation
2. Strategic Planning Issues

Mr. Duffy:

- spoke to meeting with Mr. Ray Gillespie, Mr. Rick Mystrom, and members of the State Legislature in Juneau on March 11, 2010, regarding the rail extension project;
- stated that he felt there was widespread support for the rail extension project;
- reported that he had a very positive meeting with Governor Parnell's staff and Representative Stoltze;
- noted that he requested Governor Parnell sign a letter of support for the rail extension project;
- spoke to a meeting with Mr. Miles Baker, Senator Steadman's Chief of Staff, regarding cruise grant projects and the Assembly's priorities;
- reported that Senate Finance will be accepting comments on the capital budget, March 18, 2010, at 5 p.m.;
- noted that Mr. Rick Mystrom sent out a request to more than 300 businesses that have offered to help write letters of support for the rail extension project;

- advised that a 90,000 ton, cape size vessel, is coming to Port MacKenzie in June 2010 to test how the facility can handle a ship that size;
- spoke to the Goose Creek Correctional Center economics handout and how it is helping out the local economy;
- stated that the Environmental Impact Statement (EIS) draft for the rail extension project is completed;
- noted that the formal notice of the EIS will be in the federal register on March 26, 2010;
- reported that the preferred alternative is not available in the EIS draft, however, it would be available after the subsequent meetings took place;
- stated that public comments are due to the Surface Transportation Board by May 10, 2010;
- advised that the Hatcher Pass Environmental Impact Statement will be issued on April 7, 2010;
- noted that an open house has been scheduled for April 22, 2010;
- spoke to a familiarization trip held on March 12, 2010, with a delegation from China and representatives from Larsen Farms Hay Terminal, LLC, to determine whether or not the delegation will invest in growing seed potatoes for the Chinese market in the Borough;
- reported that Alaska is the only state in the United States that has a Certified Seed Potato Program; and
- noted that the Chinese delegation also toured the Delta Farms in Fairbanks.

A. ATTORNEY COMMENTS

Mr. Spiropoulos:

- noted that the closing arguments from the Steppers court case were forwarded to the Assembly via email; and
- spoke to the updated injunction list.

B. CLERK COMMENTS

Ms. McKechnie:

- spoke regarding the upcoming meeting schedule; and
- queried if the Assembly would like to include the Platting Board in future Joint Assembly/Planning Commission meetings.

Assemblymember Colver:

- stated that the Platting Board and Planning Commission could have joint meetings; and
- spoke to concerns with productivity at meetings if all three bodies met at the same time.

Assemblymember Ewing spoke in support of Assemblymember Colver's comments.

Assemblymember Houston noted that the Assembly could add an item to the Joint Assembly/Planning Commission agendas to have a Platting Board member report at the joint meetings.

Assemblymember Bettine:

- spoke in support of adding an agenda item to the Joint Assembly/Planning Commission agendas to have a Platting Board member report at the Joint meetings;
- commented that the Platting Board could report to the Assembly anytime; and
- spoke to the legislation under the public hearing section of the agenda that would allow boards and commissions to report to the Assembly under Agency Reports twice a year.

Assemblymember Ewing requested that the Platting Board chair report to the Assembly at the Joint Assembly/Planning Commission meetings.

There was no objection noted.

Assemblymember Ewing queried whether the April 13, 2010, Assembly Work Session regarding the Alaska State Department of Natural Resources rewrite of the Hatcher Pass Management Plan, start time could be changed to 6 p.m. instead of 5 p.m.

There was no objection noted.

[Clerk Note: the April 13, 2010, Assembly Work Session meeting time was changed to 6 p.m.]

C. CITIZEN AND OTHER CORRESPONDENCE

1. MSB Board/Committee Minutes:
 - a. Caswell FSA No. 135: 10/14/09
 - b. Circle View and Stampede Estates Flood and Water Erosion Control SSA No. 131: 05/28/09, 09/17/09
 - c. Emergency Medical Services Board: 11/04/09
 - d. Fairview RSA No. 14: 11/17/09
 - e. Local Emergency Planning Committee: 11/18/09
 - f. Local Road Service Area Advisory Board: 11/19/09, Resolution Serial No. 09-05
 - g. Mayor's Blue Ribbon Sportsmen's Committee: 11/13/09
 - h. Parks, Recreation, and Trails Advisory Board: 11/23/09, Resolution Serial Nos.: 09-10(AM), 09-11, 09-12, 10-01, 10-02, 10-03, 10-04
 - i. Platting Board: 10/15/09, 11/05/09
 - j. Port Commission: 12/21/09
 - k. South Colony RSA No. 16: 08/12/09
2. Community Council Correspondence:
 - a. Fishhook Community Council: 06/03/09
 - b. Gateway Community Council: 10/15/09, 10/29/09
 - c. North Lakes Community Council: 01/27/09, 02/24/09, 06/30/09, 07/28/09, 09/29/09, 10/27/09, 11/24/09
 - d. Point MacKenzie Community Council: 10/08/09, 12/10/09
 - e. Willow Area Community Organization: 2008-2009 Annual Report

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

D. INFORMATIONAL MEMORANDUMS

1. IM No. 10-056: AN INFORMATIONAL MEMORANDUM REPORTING THE CONCLUSION OF CONTRACT FOR BID NO. 09-017 TO COLLINS CONSTRUCTION INC. FOR SUSITNA VALLEY JUNIOR/SENIOR HIGH SCHOOL CONSTRUCTION FOR THE FINAL CONTRACT AMOUNT OF \$18,164,632.

The informational memorandum was presented and no comments were noted.

IX NEW BUSINESS

A. INTRODUCTION (For public hearing - 04/06/10, 7 p.m., Borough Assembly Chambers)

1. Ordinance Serial No. 10-023: AN ORDINANCE ACCEPTING AND APPROPRIATING \$50,000 FROM THE UNITED STATES FISH AND WILDLIFE SERVICE FOR THE EDGERTON ROAD CULVERT REPLACEMENTS IN THE LITTLE SUSITNA RIVER WATERSHED PROJECT, PROJECT NO. 30107, FUND 410.
 - a. Resolution Serial No. 10-020: A RESOLUTION APPROVING THE SCOPE OF WORK AND BUDGET FOR THE EDGERTON ROAD CULVERT REPLACEMENTS IN THE LITTLE SUSITNA RIVER WATERSHED, PROJECT NO. 30107.
 - (1) IM No. 10-032
2. Ordinance Serial No. 10-024: AN ORDINANCE ACCEPTING AND APPROPRIATING \$144,000 FROM THE UNITED STATES FISH AND WILDLIFE SERVICE FOR THE EDGERTON AND SUNRISE ROAD CULVERT REPLACEMENTS IN THE LITTLE SUSITNA RIVER WATERSHED PROJECT, PROJECT NO. 30107, FUND 410.
 - a. Resolution Serial No. 10-021: A RESOLUTION APPROVING THE SCOPE OF WORK AND BUDGET FOR THE EDGERTON AND SUNRISE ROAD CULVERT REPLACEMENTS IN THE LITTLE SUSITNA RIVER WATERSHED PROJECT, PROJECT NO. 30107.
 - (1) IM No. 10-033
3. Ordinance Serial No. 10-025: AN ORDINANCE ACCEPTING AND APPROPRIATING \$75,000 FROM THE UNITED STATES FISH AND WILDLIFE SERVICE FOR THE CASWELL LAKES CULVERT REPLACEMENTS FOR THE FISH PASSAGE PROJECT, PROJECT NO. 30110, FUND 410.
 - a. Resolution Serial No. 10-022: A RESOLUTION APPROVING THE SCOPE OF WORK AND BUDGET FOR THE CASWELL LAKES CULVERT REPLACEMENTS FOR THE FISH PASSAGE PROJECT, PROJECT NO. 30110.
 - (1) IM No. 10-035
4. Ordinance Serial No. 10-026: AN ORDINANCE ACCEPTING AND APPROPRIATING \$75,000 FROM THE UNITED STATES FISH AND WILDLIFE

- SERVICE FOR THE HORSESHOE LAKE CULVERTS REPLACEMENT PROJECT IN ROAD SERVICE AREA NO. 21, PROJECT NO. 30109, FUND 410.
- a. Resolution Serial No. 10-023: A RESOLUTION APPROVING THE SCOPE OF WORK AND BUDGET FOR THE HORSESHOE LAKE CULVERTS REPLACEMENT PROJECT IN ROAD SERVICE AREA NO. 21, PROJECT NO. 30109.
 - (1) IM No. 10-036
 5. Ordinance Serial No. 10-027: AN ORDINANCE ACCEPTING AND APPROPRIATING \$350,000 FROM THE NATURE CONSERVANCY IN ALASKA FOR THE LITTLE SU TRIBUTARIES FISH PASSAGE PROJECT, PROJECT NO. 30107, FUND 410.
 - a. Resolution Serial No. 10-024: A RESOLUTION APPROVING THE SCOPE OF WORK AND BUDGET FOR THE LITTLE SU TRIBUTARIES FISH PASSAGE PROJECT, PROJECT NO. 30107.
 - (1) IM No. 10-034
 6. Ordinance Serial No. 10-028: AN ORDINANCE ACCEPTING AND APPROPRIATING \$73,038 FROM THE UNITED STATES FISH AND WILDLIFE SERVICE FOR THE MAT-SU STREAMBANK AND LAKESHORE REVEGETATION PROJECT, PROJECT NO. 30108, FUND 410.
 - a. Resolution Serial No. 10-025: A RESOLUTION APPROVING THE SCOPE OF WORK AND BUDGET FOR THE MAT-SU STREAMBANK AND LAKESHORE REVEGETATION PROJECT, PROJECT NO. 30108.
 - (1) IM No. 10-037
 7. Ordinance Serial No. 10-029: AN ORDINANCE APPROVING THE MANAGER TO ENTER INTO A PURCHASE AGREEMENT FOR THE RIGHT-OF-WAY ACQUISITION OF TRACT B, FIELD OF VIEW PARK-ADDITION NO. 3, PHASE 1, ACCORDING TO PLAT NO. 2008-71, IDENTIFIED IN THE MATANUSKA-SUSITNA BOROUGH'S LONG RANGE TRANSPORTATION PLAN, ADOPTED BY THE ASSEMBLY IN JUNE 2007, AND THE RIGHT-OF-WAY IDENTIFIED ON THE OFFICIAL STREETS AND HIGHWAYS PLAN (MSB004874).
 - a. IM No. 10-044
 8. Ordinance Serial No. 10-030: AN ORDINANCE APPROVING THE LEASE DISPOSAL AT LESS THAN FAIR MARKET VALUE OF THE REAL PROPERTY LEGALLY DESCRIBED AS TRACT 3, POINT MACK SUBDIVISION PHASE 1, FOR THE FUTURE CONSTRUCTION AND OPERATION OF A WATER AND WASTEWATER FACILITY SITE TO SERVICE GOOSE CREEK CORRECTIONAL CENTER AND TO RECLASSIFY TRACT 3 AS RESERVED USE LANDS.
 - a. IM No. 10-047
 9. Ordinance Serial No. 10-031: AN ORDINANCE APPROVING THE BOROUGH-OWNED REAL PROPERTY LEGALLY DESCRIBED AS LOT 1 BOGARD ACRES SUBDIVISION TO BE RECLASSIFIED FROM PUBLIC

RECREATION LANDS TO RESIDENTIAL LANDS AND SALE OF LOT 1 FOR FUTURE RESIDENTIAL DEVELOPMENT THROUGH THE MAT-SU SCHOOL DISTRICT CAREER AND TECHNICAL EDUCATION HOME BUILDING PROGRAM.

- a. IM No. 10-055

- 10. Ordinance Serial No. 10-032: AN ORDINANCE ACCEPTING AND APPROPRIATING A STATE GRANT IN THE AMOUNT OF \$3,967,278, APPROPRIATING BOND PROCEEDS IN THE AMOUNT OF \$291,249, APPROPRIATING INSURANCE PROCEEDS IN THE AMOUNT OF \$16,479,518, AND REAPPROPRIATING FUNDS IN THE AMOUNT OF \$1,093,021 FROM THE SITE SELECTION RESERVE TO FUND 400, PROJECT NO. 40167, FOR THE SUSITNA VALLEY JUNIOR/SENIOR HIGH SCHOOL.
 - a. Resolution Serial No. 10-026: A RESOLUTION APPROVING THE AMENDED BUDGET FOR PROJECT NO. 40160, SUSITNA VALLEY ROOF REPLACEMENT AND APPROVING THE SCOPE OF WORK AND BUDGET FOR PROJECT NO. 40167, SUSITNA VALLEY JUNIOR/SENIOR HIGH SCHOOL.
 - (1) IM No. 10-060

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 April 6, 2010.

VOTE: The motion passed without objection.

B. MAYORAL NOMINATIONS AND APPOINTMENTS

1. VACANCY REPORT

Mayor Colberg requested the following confirmations:

Aviation Advisory Board
Eric Feige
Board of Equalization
Andrew Evans
Borough Area Schools Site Selection Committee
Randy Dellar
Health and Social Services Board
Jane Conard
Local Emergency Planning Committee
Kevin Munson
Caswell Lakes RSA No. 15
Clinton Buck

Mayor Colberg made the following recommendations:

Emergency Medical Services Board
Darren Stewart
Planning Commission
Gary Foster
John L. Anderson
Trapper Creek RSA No. 30
Joan Medbery

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

VOTE: The motion passed without objection.

(The meeting recessed at 6:43 p.m. and reconvened at 7:01 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. 10-019: AN ORDINANCE AUTHORIZING THE FAIR MARKET VALUE SALE OF BOROUGH-OWNED REAL PROPERTY, INCLUDING ANY IMPROVEMENTS THEREON, FOR LOTS 7 AND 9, BLOCK 13, ALASKA RURAL REHABILITATION CORPORATION (ARRC) NO. 1, AND LOTS 10 AND 11, BLOCK 4, FELTON ADDITION TO PALMER TOWNSITE AND AUTHORIZING THE MANAGER TO ENTER INTO A CONTRACT WITH A SALES PRICE AT OR ABOVE FAIR MARKET VALUE (OLD SCHOOL ADMINISTRATION BUILDING AND OLD CITY MORGUE BUILDING).
 - a. IM No. 10-031

Ms. Cameron provided a staff report.

Mayor Colberg 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 Houston moved to adopt Ordinance Serial No. 10-019.

Assemblymember Houston:

- noted that the Assembly voted to sell these two buildings in September 2009;
- commented that both the private sector and the city of Palmer have invested money into upgrading buildings in the area;

- opined that all of the buildings in the area look nice with the exception of the old School District Administration building and the old city morgue building;
- commented that this would be a great step forward; and
- stated that the public sector would do a better job with upgrading the buildings.

Assemblymember Ewing queried whether the city of Palmer is interested in buying the buildings.

Assemblymember Houston noted that there has been interest expressed, but that he could not speak for the city of Palmer.

Assemblymember Ewing queried the commission on the sales of the buildings.

Ms. Cameron:

- reported that the selling agent's commission is 6 percent; and
- noted that the percentage would be split between the selling and buying agent upon the sale of the two properties.

VOTE: The motion passed without objection.

2. Ordinance Serial No. 10-020: AN ORDINANCE ACCEPTING AND APPROPRIATING AN ADDITIONAL \$8,586 FROM THE ALASKA STATE DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES FOR THE SHIRLEY TOWN DRIVE IMPROVEMENT PROJECT, PROJECT NO. 35359, FUND 430.
 - a. Resolution Serial No. 10-014: A RESOLUTION APPROVING THE SCOPE OF WORK AND AMENDED BUDGET FOR THE SHIRLEY TOWN DRIVE IMPROVEMENT PROJECT, PROJECT NO. 35359.
 - (1) IM No. 10-041

Ms. O'Neil provided a staff report.

Mayor Colberg 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 Halter moved to adopt Ordinance Serial No. 10-020 and Resolution Serial No. 10-014.

VOTE: The motion passed without objection.

3. Ordinance Serial No. 10-021: AN ORDINANCE AMENDING MSB 2.12.082, AGENCY REPORTS; TO PROVIDE A PLACE FOR BOARDS,

COMMISSIONS, AND COMMUNITY COUNCILS TO REPORT TO THE ASSEMBLY. *(Sponsored by Assemblymember Bettine)*

a. IM No. 10-049

Ms. McKechnie provided a staff report.

Mayor Colberg opened the public hearing.

The following person spoke regarding the importance of the public being able to weigh in at the audience participation section of the meetings: Mr. Stephen Stoll.

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

MOTION: Assemblymember Bettine moved to adopt Ordinance Serial No. 10-021.

Assemblymember Bettine:

- noted that there have been occasions where boards have had reason to speak to the Assembly without a place on the agenda to do so;
- opined that there would not be a rush of people coming to speak; and
- noted that this gives respect to the hundreds of volunteers that work doing the public's business.

Assemblymember Halter queried why the legislation limits the reporting to once every six months.

Assemblymember Bettine:

- noted that the legislation limits the reporting to two reports per Assembly meeting due to the other timeframes already allocated on the agenda;
- spoke to the other ways that the boards and commissions could report to the Assembly; and
- noted that the Assembly could increase the number of reports should it turn out to be a popular reporting method.

Discussion ensued regarding:

- concerns regarding limiting the number of reports per year;
- the teleconferences that were held in Assembly District 7 previously and the reasons why they ceased;
- the limited timeframe that is available on the agenda;
- the concerns that the Assembly had with the previous similar legislation;
- the option of reporting under the audience participation section of the agenda;
- the time allocated to each agency report; and
- the need to look at decreasing the number of Borough boards and commissions.

VOTE: The motion passed without objection.

4. Ordinance Serial No. 10-022: AN ORDINANCE AMENDING MSB 2.12.081, PERSONS TO BE HEARD. *(Sponsored by Assemblymember Bettine)*
 - a. IM No. 10-050

Ms. McKechnie provided a staff report.

Mayor Colberg opened the public hearing.

The following person spoke in opposition to Ordinance Serial No. 10-022: Mr. Stephan Stohl.

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

MOTION: Assemblymember Bettine moved to adopt Ordinance Serial No. 10-022.

Assemblymember Bettine:

- spoke to the reasons for sponsoring the legislation;
- spoke to previous topics applied for under the “persons to be heard” section of the agenda; and
- noted that the public is able to comment under the audience participation of the agenda regarding any topic and/or forward comments to the Assembly via email.

Assemblymember Arvin:

- spoke to the advantages of the public going through the process of applying to speak under persons to be heard; and
- stated that it is risky to limit the public’s ability to come and address the Assembly and to make it any more restrictive than it already is.

MOTION: Assemblymember Arvin moved a primary amendment to Ordinance Serial No. 022, MSB 2.12.081(A), by striking the following words “The topic in which the person wishes to speak to must be a borough issue.” to read “A person wishing to speak before the assembly under the agenda item “persons to be heard” shall file an appearance request with the clerk specifying the topic on which the person intends to speak.”

Assemblymember Arvin stated that when the public comes to speak to the Assembly they have passion on the issue that they are speaking about.

Assemblymember Houston spoke in support of the amendment.

Discussion ensued regarding:

- previous topics under “persons to be heard”;
- who decides whether it is a Borough issue or not;
- the possibility of the topic being a state or federal issue that could affect the Borough; and
- the need for the Assembly to be more inclusive versus narrowing it down.

VOTE: The primary amendment passed without objection.

Assemblymember Houston queried if the three minute timeframe for the “persons to be heard” had been past practice or if it was part of the legislation.

Ms. McKechnie:

- noted that the timeframe of three minutes is past practice; and
- noted that a timeframe could be added to the legislation.

Assemblymember Ewing noted that the Assembly could look at the timeframe on a case by case basis.

VOTE: The main motion passed as amended without objection.

C. AUDIENCE PARTICIPATION (Three minutes per person.)

The following persons spoke in opposition to Resolution Serial Nos. 10-018 and 10-019: Ms. Amy Thomas, Ms. Jennie Bettine, and Mr. Stephen Stoll.

The following persons spoke in support of Resolution Serial Nos. 10-018 and 10-019: Ms. Margaret Avsit, Alaska Farmland Trust; Mr. Leroi Heaven, and Ms. Tereasa Swan-Armistead.

The following person thanked the Assembly for looking at School bonds and forestry research at the Susitna Junior/High School and spoke in support of granting full funding to schools: Ms. Jill Showman, Mat-Su Education Association President.

D. CONSENT AGENDA (Resolution Serial Nos. 10-015, 10-016, 10-017, 10-018, and 10-019 and AM Nos. 10-026 and 10-022 were pulled from the consent agenda and addressed separately. *See pp. 14-22*)

1. RESOLUTIONS

- a. Resolution Serial No. 10-015: A RESOLUTION AWARDED PROPOSAL NO. 09-151 TO VALLEY UTILITIES, LLC, FOR THE DESIGN, BUILD, OPERATE AND FINANCE OF A WATER AND WASTEWATER FACILITY TO SUPPORT THE GOOSE CREEK CORRECTIONAL CENTER.
 - (1) Resolution Serial No. 10-016: A RESOLUTION DECLARING THE OFFICIAL INTENT TO REIMBURSE EXPENDITURES MADE PRIOR TO THE ISSUANCE OF BONDS.
 - (2) AM No. 10-026: AWARD OF PROPOSAL NO. 09-151 TO VALLEY UTILITIES, LLC, FOR THE DESIGN, BUILD, OPERATE AND FINANCE OF A WATER AND WASTEWATER FACILITY TO SUPPORT THE GOOSE CREEK CORRECTIONAL CENTER.

MOTION: Assemblymember Bettine moved Resolution Serial Nos. 10-015 and 10-016 and AM No. 10-026.

Mr. Krafft provided a staff report.

MOTION: Assemblymember Bettine moved a primary amendment to Resolution Serial No. 10-015, to insert a 17th whereas clause to read: “Whereas, recent communications with the State of Alaska Department of Corrections indicate that the State of Alaska may seek an assignment or novation of the Borough’s interests in the DBOF Agreement directly to the State.”

Assemblymember Halter queried if the state of Alaska would have ownership after 30 years.

Mr. Spiropoulos advised that that state of Alaska would have ownership once the Borough assigns the rights and interests over to them.

Assemblymember Colver:

- spoke in support of the primary amendment; and
- stated that the Borough should turn ownership over to the state of Alaska as soon as possible.

VOTE: The primary amendment passed without objection.

MOTION: Assemblymember Bettine moved a primary amendment to Resolution Serial No. 10-015 by inserting a Be it Further Resolved clause to read: “Be it Further Resolved, that where necessary or desirable in the judgment of the Manager, the Borough authorizes an assignment or novation to the State of Alaska of all of the Borough’s interests in the DBOF Agreement and the Borough authorizes and approves amendments to the DBOF Agreement necessary or desirable in the judgment of the Manager, after consultation with the Borough Attorney, to facilitate the assignment or novation.”

Assemblymember Ewing queried why the judgment of the Manger is within the legislation.

Mr. Spiropoulos:

- advised that the Alaska State Department of Corrections had been talking about the potential assignment and taking it over;
- reported that to date, the Alaska State Department of Corrections said that they could not make it happen;
- commented that the State is receiving legal advice that this is the better way to go;
- advised that there may need to be amendments to the agreement to facilitate the assignment; and
- noted that the assignment has to be a good deal for the Borough;

- noted that if rights are assigned, the State would need to take on the responsibilities; and
- spoke to the importance of making sure that the Manager has the discretion to execute any documents that would be necessary to fully and competently carry forward this assignment or novation and potentially amend the agreement without having to come back before the Assembly with another cycle of ordinances.

Discussion ensued regarding:

- the state of Alaska's history with wastewater facilities;
- the state of Alaska now wanting to control the wastewater facility;
- the ability for the Manager to be able to give the state of Alaska full rights to the wastewater facility;
- the Borough owning the facility at the end of 30 years;
- the option of releasing the contract to the state of Alaska;
- the Borough retaining ownership of the land; and
- the Borough assisting the state of Alaska with getting the tax free bonds.

VOTE: The primary amendment passed without objection.

Assemblymember Arvin:

- stated that he has read the history and it calls out all kinds of action items to effectuate the operation of the prison to include operating and building a water/wastewater facility;
- commented that the focus was put on the building of the main facility in the beginning; and
- queried what would happen if an adequate response to build a water/waste water facility under the DBOF approach is not received.

Mr. Krafft

- noted that it is one of the reasons the process was started very early on; and
- commented that the process was started before the bonds were sold.

MOTION: Assemblymember Colver moved to postpone Resolution Serial Nos. 10-015 and 10-016 and AM No. 10-026 to April 6, 2010, and hold a public hearing.

Assemblymember Colver:

- spoke to the need to have more information and details on the DBOF process;
- spoke to concerns with the legislation listed on the agenda as a consent item;
- spoke to the need to hold a public hearing on the legislation; and
- noted the importance of having transparency.

Assemblymember Woods queried how postponing the legislation to April 6, 2010, would impact the legislation.

Mr. Krafft:

- noted that the project falls under the category of publicly funded construction;
- reported that there is a bird window that is quickly approaching where trees have to be cut down prior to April 15, 2010, or it will delay the tree cutting until mid-summer;

- advised that the design builder has committed to providing water to the facility as early as fall 2010;
- stated that the water to the facility is critical for commissioning operations that Neeser Construction would be starting;
- noted that there are some buildings that are at 35 to 40 percent complete;
- reported that Neeser Construction will want to start placing water into the systems and running a system check in September 2010; and
- advised that if the project is not up and running soon, that it could impact the design build project at the Goose Creek Correctional Center.

Assemblymember Ewing queried why the legislation was not brought forward two months ago.

Mr. Krafft:

- noted that the Assembly was briefed with an outline of the course of action that was going to be taken with the DBOF for the water facility in September 2009;
- spoke to the Citizens Advisory Committee on the Goose Creek Correctional Facility;
- noted that public has forwarded comments and inquiries; and
- advised that the legislation had not come forward previously as the project had been evolving and the Borough had been working with Valley Utilities for over two months to try and refine the design and cost to be able to present the legislation to the Assembly.

Assemblymember Halter:

- queried if the State was going to guarantee payment to Valley Utilities as part of this contract; and
- and asked if there was possibility of default.

Mr. Krafft:

- spoke to the bond structure;
- noted that it is the State's responsibility should a novation occur; and
- reported that the Borough still has an interest to oversee the activities to ensure that Valley Utilities is complying with the proposal that they brought forward and meet the Borough requirements.

Discussion ensued regarding:

- the public benefit of the DBOF;
- the need to take action on the legislation;
- the need to postpone action to receive more information and have a public comment period;
- the need to get a handle on this type of procurement;
- whether a delay is a greater risk to the public than moving forward with the legislation now; and
- the previous Assembly briefing on the legislation.

VOTE: The motion to postpone Resolution Serial Nos. 10-015 and 10-016 and AM No. 10-026 to April 6, 2010, and hold a public hearing, failed with Assemblymembers Ewing and Colver in support.

Assemblymember Bettine:

- stated that the project is a large one that the Assembly has been involved with since 2005;
- spoke to the jobs created from the project;
- commented that the risk was known for a long time;
- spoke to the need to forward staff questions prior to the meeting;
- spoke in support of the legislation; and
- noted the need to applaud everyone in the Borough for the long-term jobs that will be created.

Assemblymember Ewing:

- spoke in support of the Goose Creek Correctional Facility; and
- stated that this is one way of circumventing the request for proposal process.

VOTE: The main motion passed as amended with Assemblymembers Ewing and Colver opposed.

(The meeting recessed at 8:41 p.m. and reconvened at 8:50 p.m.)

- b. Resolution Serial No. 10-017: A RESOLUTION AUTHORIZING THE MANAGER TO SUBMIT AN APPLICATION FOR THE LIBRARY CONSTRUCTION AND MAJOR EXPANSION MATCHING GRANT PROGRAM FOR THE SUTTON COMMUNITY RESOURCE CENTER/LIBRARY IN THE AMOUNT OF \$1,650,000.
- (1) IM No. 10-051

MOTION: Assemblymember Ewing moved to adopt Resolution Serial No. 10-017.

Assemblymember Ewing:

- spoke to the need to have public input on the legislation;
- queried the reasons that the Sutton Library was at the top of the funding list; and
- spoke to the location of the Sutton Library on the library user chart.

Ms. Brenner:

- reported that the Sutton Library is the community center for the Sutton area; and
- noted that the Sutton Library project is a high priority of the Library Board.

Mr. Duffy reported that the project is ranked the highest on the Capital Improvement Plan.

Discussion ensued regarding:

- the square footage of the building; and
- what was included in the cost of the project.

VOTE: The motion passed without objection.

- c. Resolution Serial No. 10-018: A RESOLUTION APPROVING THE SCOPE OF WORK AND BUDGET FOR THE ALASKA FARMLAND TRUST PROJECT NO. 20370, TO PURCHASE THE DEVELOPMENT RIGHTS OF THE MCCORMICK SOUTH 40-ACRE CONSERVATION EASEMENT.
- (1) IM No. 10-059

MOTION: Assemblymember Arvin moved to adopt Resolution Serial No. 10-018.

Assemblymember Halter queried whether Resolution Serial Nos. 10-018 and 10-019 could be consolidated for discussion purposes and debate.

Mayor Colberg:

- noted that the legislation could be consolidated; and
- queried if Assemblymember Arvin would like to consolidate the legislation for discussion purposes.

Assemblymember Arvin noted that he would like the legislation to be discussed together.

- d. Resolution Serial No. 10-019: A RESOLUTION APPROVING THE SCOPE OF WORK AND BUDGET FOR THE ALASKA FARMLAND TRUST PROJECT NO. 20370, TO PURCHASE THE DEVELOPMENT RIGHTS OF THE MCCORMICK NORTH 40-ACRE CONSERVATION EASEMENT.
- (1) IM No. 10-061

MOTION: Assemblymember Arvin moved to amend the main motion to include the adoption of Resolution Serial No. 10-019.

VOTE: The motion passed without objection.

Assemblymember Arvin queried the tax structure of farmlands.

Ms. Clayton:

- noted that if at least 10 percent of income is derived from farm related activities, the taxes for that property are deferred; and
- stated that if at such time the property was to be sold to a developer, the taxes would become due and payable for the five preceding years from the developer.

Mr. Spiropoulos:

- noted that taxes are generally the highest and best use of the land;
- spoke to types of properties; and
- spoke to how land qualifies to be taxed as farmland.

Discussion ensued regarding:

- how farmland property tax is deferred;
- concerns that designating property as farmland is a mechanism to retain property when taxes are unable to be paid;

- the foreclosure process;
- the number of properties that are foreclosed for non-payment of taxes;
- the percentage of the foreclosed properties that are farms;
- whether there is a difference between the assessed value and mill rate in residential lands and farmlands;
- whether a house could be built on land designated as farmland;
- the annual inspections performed on the farmland by the Alaska Farmland Trust;
- the farm income and crops being produced on the land;
- whether the farmland could be permanently used for grass land; and
- concerns regarding the small percentage of farmable land in Alaska being sold for development due to families not being able to keep them as farms.

MOTION: Assemblymember Ewing moved to postpone Resolution Serial Nos. 10-018 and 10-019 to a time certain of April 6, 2010.

Assemblymember Bettine spoke to previous dialog noting that the legislation is time sensitive.

Ms. Brenner:

- noted that this has moved through many steps;
- noted that the title work is in process with the Natural Resource Conservation Service; and
- stated that it is fairly time sensitive.

Assemblymember Bettine:

- queried how the requested tax information would change the decision process;
- noted that the end goal is to protect and save farmland for farming in the future; and
- spoke to being on the Assembly when there was a proposed road through this land and there was a lot of public testimony to support the farmland.

Discussion ensued regarding:

- whether the legislation is time sensitive;
- the importance of the issue;
- the funding for the legislation; and
- the farming condition of the parcels.

VOTE: The motion to postpone Resolution Serial Nos. 10-018 and 10-019 to a time certain of April 6, 2010, failed with Assemblymembers Ewing and Colver in support.

Discussion ensued regarding:

- the property evaluation;
- the concerns with funding;
- what would stop the owner from selling the property;
- the high cost to purchase farmland;
- the need to preserve good soils;
- the need for young farmers to be able to afford farmland to get into the business;

- concerns with the Borough budget;
- whether it is a proper use of tax payers money;
- the need to take public lands out of the governments holding and putting it into private hands for ownership;
- the need to spend the funding on essential services that the government is supposed to be providing; and
- whether there are other funding sources; and
- the commodities routes into Anchorage.

MOTION: Assemblymember Bettine moved to reconsider postponing Resolution serial Nos. 10-018 and 10-019 to a time certain of April 6, 2010.

VOTE: The motion to reconsider passed with Assemblymembers Arvin and Ewing opposed.

VOTE: The motion to postpone Resolution Serial Nos. 10-018 and 10-019 to a time certain of April 6, 2010, passed with Assemblymembers Arvin and Ewing opposed.

2. ASSEMBLY MEMORANDUMS

- a. ~~AM No. 10-022~~ AM No. 10-023¹: AUTHORIZATION FOR EXTENSION OF CONTRACT NO. 06-054 WITH LDM ASSOCIATES FOR THE OWNER'S CONSTRUCTION PROJECT REPRESENTATIVE, KNIK TRANSPORT RESCUE BOAT/E-CRAFT, FOR AN ADDITIONAL 18 MONTHS FOR THE CONTRACT AMOUNT OF \$150,000 PER YEAR PLUS UP TO \$45,000 PER YEAR FOR APPROVED EXPENSES.

MOTION: Assemblymember Colver moved to approve AM No. 10-022.

MOTION: Assemblymember Colver moved a primary amendment to AM No. 10-022 by inserting the following words at the end of AM No. 10-022: "This contract extension is contingent on receipt of federal funding. The manager shall execute this contract extension only after receipt of federal funds equaling 90 percent of the contract amount.

VOTE: The primary amendment passed without objection.

Assemblymember Colver queried the total cost to date with the contract extensions.

Mr. Duffy:

- advised that he did not have the amounts at the meeting, however, he would forward this information to the Assembly;

¹ AM No. 10-023 was listed as AM No. 10-022 on the legislation. The legislation was numbered incorrectly. The Clerk's Office has documented the error.

- noted that the hourly rate for LDM Associates had not changed since the first contract was awarded in 2005;
- advised that the Assembly has considered approving the contract on an annual basis; and
- stated that the contractor has performed in an above average manner.

Assemblymember Colver:

- spoke to the need for AM No. 10-022 to be the last contract for this purpose; and
- recommended that the manager direct a scope of work so that the contract could be managed in-house.

Mr. Duffy advised that the legislation is for that purpose.

VOTE: The main motion passed as amended with Assemblymember Colver opposed.

VIII. UNFINISHED BUSINESS

C. OTHER NEW BUSINESS

X. RECONSIDERATION

(There were no reconsiderations presented.)

XI. VETO

(There were no vetoes presented.)

XII. EXECUTIVE SESSION

(There was no executive session held.)

XIII. MAYOR AND ASSEMBLY COMMENTS

Assemblymember Colver:

- spoke to the upcoming legislative town meetings scheduled for March 20, 2010;
- provided an update of the status of House Bill 350;
- spoke to the need to look at social impacts of the Goose Creek Correctional Center; and
- requested that a joint meeting be scheduled with the Municipality of Anchorage Assembly.

Ms. McKechnie:

- noted that the joint meeting was requested previously by the Assembly;
- advised that Mr. Duffy had spoken to the Administration Department from the Municipality of Anchorage (MOA) with regards to scheduling a joint meeting after the MOA's April 6, 2010, regular election; and
- noted that Administration would contact the Municipality of Anchorage in May 2010 to schedule a joint meeting.

Assemblymember Bettine:

- requested that the resolution coming forward regarding the Knik Arm Bridge Crossing be inclusive of the Municipality of Anchorage's ferry landing so that it encompasses an interim transportation link between the Municipality of Anchorage and Port MacKenzie, funding information, and how it may affect other transportation projects; and
- spoke to the need to view farmland as a food source.

Assemblymember Halter:

- spoke in support of decreasing the number of Borough boards and commissions;
- noted that a resolution regarding a motorized use corridor at Hatcher Pass would be coming forward;
- spoke to the need to confirm the Mayor's Planning Commission recommendations to fill the vacancies;
- stated that the farmland issue is a difficult one;
- requested more information and detail with regards to Resolution Serial Nos. 10-018 and 10-019; and
- spoke to concerns regarding farmland that is only producing grass.

MOTION: Assemblymember Halter moved to extend the meeting past 10 p.m. and not to exceed 10:05 p.m.

VOTE: The motion passed without objection.

Assemblymember Ewing:

- thanked the public for coming to the meeting to give testimony;
- stated that one thing that was learned from the National Association of Counties Conference was that we are in for some reality checks, schools, police departments, and prisons are getting shut down;
- spoke to the state of Alaska paying for prisoner's medical bills;
- spoke to the importance of watching spending habits; and
- stated that the government cannot do everything for everyone.

Assemblymember Arvin:

- spoke to the good debate at the meeting;
- stated that it is healthy thing when the public are not coming to meetings predisposed to the outcome of issues;
- opined that 40 or 80 acres of farmland would not be enough to be able to feed the public should there be a natural disaster; and
- noted that there are a number of things that the Assembly could use the farmland funding for that could go a lot further and serve a much larger audience.

Assemblymember Woods:

- spoke to an online webinar regarding public/private partnerships;
- noted that the wastewater project had some of the elements of a public/private partnership;

- opined that public/private partnerships could be an option when looking into further Borough development.

XIV. ADJOURNMENT

The regular meeting adjourned at 10:04 p.m.



TALIS J. COLBERG, Borough Mayor

ATTEST:



LONNIE R. McKECHNIE, CMC, Borough Clerk

Minutes approved: 04/06/10