I. CALL TO ORDER

The regular meeting of the Matanuska-Susitna Borough Assembly was held on April 17, 2007, 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:

Mr. Bill Allen, 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

Assembly members absent and excused were:

Ms. Lynne Woods, Assembly District No. 1 *(Deputy Mayor)*

Staff in attendance were:

Ms. Michelle M. McGehee, CMC, Borough Clerk
Mr. John Duffy, Borough Manager
Mr. Nicholas Spiropoulos, Borough Attorney
Ms. Lonnie R. McKechnie, Deputy Borough Clerk
Ms. Tammy Clayton, Finance Director
Mr. Keith Rountree, Public Works Director
Mr. Dennis Brodigan, Emergency Services Director
Mr. Ron Swanson, Community Development Director
Mr. Sev Jones, Chief of Planning
Ms. Patty Sullivan, Public Information Manager
Mr. Dave Hanson, Economic Development Director
Ms. Eileen Probasco, Planner II
Mr. Brad Sworts, Transportation and Environmental Manager

III. APPROVAL OF AGENDA

Mayor Menard inquired if there were any changes to the agenda.

Mr. Duffy requested that AM No. 07-063 be pulled from the agenda, as a bid appeal has been filed to the Office of Administrative Hearings.

There was no objection noted.

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

IV. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Curtis D. Menard.

V. MINUTES OF PRECEDING MEETINGS

A. Special Assembly Meeting: 03/27/07

Mayor Menard inquired if there were any corrections to the special meeting minutes of March 27, 2007.

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

B. Regular Assembly Meeting: 04/03/07

Mayor Menard inquired if there were any corrections to the regular meeting minutes of April 3, 2007.

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

VI. SPECIAL ORDERS OF THE DAY

A. A Proclamation in Recognition of Worldwide Parkinson's Awareness Month

Mayor Menard:
- read the proclamation into the record; and
- presented the proclamation to Ms. Lory Jiminez-Betts, Vice-President of the Anchorage Parkinson's Disease Support Group and the State Coordinator for the Parkinson's Action Network.

Ms. Jiminez-Betts:
- thanked the Borough for the proclamation; and
- spoke to the difficulties in having Parkinsons Disease.

VII. REPORTS/CORRESPONDENCE

A. AGENCY REPORTS

1. Reports from cities

Wasilla City

Councilmember Menard:

- advised that council members will by lobbying in Washington D.C. and Juneau;
- spoke regarding items that the council will discuss at a special meeting scheduled for May 23, 2007.

2. Matanuska-Susitna Borough School District

The following principals provided a report on performance-based and enhanced budgeting for the larger elementary schools: Mr. Carl Schleich, Shaw Elementary School, and Ms. Deena Paramo, Cottonwood Creek Elementary School.

Assemblymember Church:

- spoke regarding the need for a diverse tax base; and
- encouraged the principals to speak to the public in support of a sales tax.

Assemblymember Allen:

- stated that the schools cannot continue to be funded off the back of the property tax payers;
- spoke to the need for a sales tax; and
- queried if they believe in forward funding from the Legislature.

Mr. Schleich:

- stated that he was excited that forward funding looks more realistic; and
- spoke to the need for the funding to be realistic.

Discussion ensued regarding:

- the funding of the School District;
- diversification of the tax base;
- the student allocation figures;
- the amazing job that the teacher do; and
- the need to focus on education as a society.

B. COMMITTEE REPORTS

1. Joint Assembly/School Board Committee on School Issues

Assemblymember Wells advised that the Joint Assembly/School Board Committee on School Issues is scheduled to meet in the beginning of May.

2. Assembly Public Relations

Assemblymember Bettine thanked the groups that send public opinion messages to the Legislature in support of the rail extension to Port MacKenzie.

C. MANAGER COMMENTS

1. State/Federal Legislation

Mr. Duffy:
- thanked the staff from the Finance Department for the work that was done on the recent bond financing;
- provided an update regarding the rail extension from Willow to Port MacKenzie; and
- advised that Mr. Swanson, Community and Economic Development Director, will be retiring May 31, 2007.

D. ATTORNEY COMMENTS

(There was no report provided.)

E. CLERK COMMENTS

Ms. McGehee:
- spoke regarding the upcoming meeting schedule; and
- referenced the Assembly wanting to schedule another work session regarding sales tax.

Discussion ensued regarding whether to schedule another work session on the sales tax legislation.

Ms. McGehee:
- advised that the quasi-judicial report and the records management report are provided; and
- noted that the tracking report is updated.

F. CITIZEN AND OTHER CORRESPONDENCE

1. MSB Board/Committee Minutes:
a. Big Lake FSA No. 33: 01/08/07
b. Board of Adjustment and Appeals: 08/15/06, 11/21/06, 12/15/06
c. Local Road Service Area Advisory Board: 01/18/07
d. Parks, Recreation, and Trails Advisory Board: 01/22/07, Resolution Serial Nos. 07-06, 07-07(SUB), 07-08
e. Real Property Asset Management Board: Resolution Serial No. 07-05

2. Community Council Correspondence:
a. Chickaloon Community Council: 01/31/07
b. Point MacKenzie Community Council: 12/29/06
c. Trapper Creek Community Council: 01/18/07

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

G. INFORMATIONAL MEMORANDUMS

(There were no informational memorandums presented.)

Mayor Menard inquired if there was any objection to taking up the introductions and vacancy report prior to unfinished business.

There were no objections noted.

X. NEW BUSINESS

A. INTRODUCTION (For public hearing - 05/01/07, 7 p.m., Borough Assembly Chambers)

1. Ordinance Serial No. 07-055: AN ORDINANCE APPROPRIATING $943,632 OF INTEREST EARNINGS ON THE 2006 GENERAL OBLIGATION SCHOOL BONDS TO FUND 400, SCHOOL CAPITAL PROJECTS, PROJECT NO. 40161, TO FUND THE SAFETY UPGRADES OF HOLLYWOOD ROAD FOR THE KNIK-GOOSEBAY AREA ELEMENTARY SCHOOL.
a. IM No. 07-096
b. AM No. 07-061: APPROVAL OF CHANGE ORDER TO THE UNIT COMPANY IN THE AMOUNT OF $943,632 FOR WORK ON HOLLYWOOD ROAD FOR THE KNIK-GOOSEBAY ELEMENTARY SCHOOL DESIGN/BUILD PROJECT, PROJECT NO. 40161.

2. Ordinance Serial No. 07-056: AN ORDINANCE AMENDING MSB 17.19, GLACIER VIEW SPECIAL LAND USE DISTRICT, TO INCLUDE THE SHEEP MOUNTAIN SUB-DISTRICT.
a. IM No. 07-084.

B. INTRODUCTION (For public hearing - 05/03/07 and 05/08/07, 6 p.m., Central Mat-Su Public Safety Building, 101 W. Swanson Avenue, Wasilla, Alaska)

1. Ordinance Serial No. 07-007: AN ORDINANCE APPROPRIATING MONIES FROM THE CENTRAL TREASURY OF THE BOROUGH OPERATING FUNDS, ENTERPRISE FUNDS, AND CAPITAL FUNDS AND ESTABLISHING RATE OF LEVY FOR ALL BOROUGH FUNCTIONS FOR FISCAL YEAR BEGINNING JULY 1, 2007, AND ENDING JUNE 30, 2008.

2. Ordinance Serial No. 07-054: AN ORDINANCE APPROPRIATING MONIES FROM THE CENTRAL TREASURY FOR THE EDUCATION OPERATING FUND FOR FISCAL YEAR BEGINNING JULY 1, 2007, AND ENDING JUNE 30, 2008

Ms. McGehee read the above legislation into the record.

MOTION: Assemblymember Allen moved to introduce the legislation as read into the record by the Clerk and set the public hearings for May 1, 2007, May 3, 2007, and May 8, 2007, respectively.

VOTE: The motion passed without objection.

B. MAYORAL NOMINATIONS AND APPOINTMENTS

1. VACANCY REPORT

Mayor Menard requested the following confirmations:

- Board of Equalization
  - Charles Foster
- Emergency Medical Services Board
  - Roger Swingle
- Enhanced 911 Advisory Board
  - Angella Long
- Local Emergency Planning Committee
  - Mark Kvalheim
- Mayor's Blue Ribbon Task Force on Road Service Areas
  - Gerald Peneau
- Parks, Recreation, and Trails Advisory Board
  - Jack Campbell
- Port Commission
  - Greg Bell
- South Colony RSA No. 16.
  - Kathleen Rogge

Mayor Menard made the following recommendations:

- Borough Area Schools Site Selection Committee
  - William Bruu
- Library Board
  - Julia Ede

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

VOTE: The motion passed without objection.

(The regular meeting recessed at 6:50 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.)

B. PUBLIC HEARINGS (Three minutes per person.)

1. Ordinance Serial No. 07-034: AN ORDINANCE AMENDING MSB 3.08.161, ASSEMBLY APPROVAL OF CONTRACTS, AND MSB 3.08.270, OPEN MARKET PROCEDURE.

a. IM No. 07-004

Ms. Clayton provided a staff report.

Assemblymember Bettine queried if this ordinance were to pass, if items such as the infrared patching machine would come forward to the Assembly for approval.

Ms. Clayton advised that the infrared patching machine would not come before the Assembly for approval.

Assemblymember Allen:

- queried if there was going to be a process for bringing this information forward to the Assembly;
- spoke to the need of keeping the public informed; and
- queried if there was a process to keep the public informed.

Ms. Clayton advised that the information can be provided to the Assembly through an informational memorandum.

Discussion ensued regarding:

- the public process; and
- the areas that are exempt from the process.

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 Allen moved to adopt Ordinance Serial No. 07-034.

MOTION: Assemblymember Allen moved a primary amendment to Ordinance Serial No. 07-034, MSB 3.08.270(A), by striking the suggested amounts of “25,000 and $35,000, leaving the amount the same to read as follows: (A) The purchasing officer may in the best interest of the borough procure all supplies, services, professional services and construction having an estimated value of not more than $10,000 in all cases of supplies or services, or $15,000 in all cases of professional services or construction on the open market without formal advertising or other formal bid procedures.

Assemblymember Church queried the concerns regarding sole sourcing.

Assemblymember Allen opined that the idea of sole sourcing is not good; however, for efficiency there should be certain limits that cannot be exceeded.

VOTE: The primary amendment passed without objection.

MOTION: Assemblymember Bettine moved a primary amendment to Ordinance Serial No. 07-034, MSB 3.08.161(A), by striking the amount of “100,000” and inserting its place “$50,000” through the subsection to read as follows: (A) A contract or contract amendment for supplies, services, professional services, or construction which obligates the borough to pay more than $50,000 may not be executed unless the assembly has approved a memorandum setting forth the essential terms of the contract. No contract amendment which will cause the total price of the contract, as amended, to exceed $50,000 may be executed unless the assembly has approved a memorandum setting forth the essential terms of the changes. To the extent applicable for particular contracts, the following essential terms shall be set forth.

Assemblymember Allen:
- spoke regarding the Management Review Audit; and
- noted that the amount can always be reduced in the future.

Assemblymember Bettine:
- spoke to concerns regarding the purchase of the infrared patching machine; and
- queried the informational memorandum that will bring the information regarding purchases and contracts forward to the Assembly.

Mr. Duffy:
- advised that the informational memorandum will be brought to the Assembly after the fact;
- stated that the issues with the infrared patching machine is the allocation of the funds and not the purchase; and
- noted that Matrix found that the Assembly was not pulling many contract awards from the consent agenda.

Discussion ensued regarding:
- how the information regarding these issues would be brought forward to the Assembly;
- the need to deal with contract awards more efficiently; and
- the need for public awareness.

MOTION: Assemblymember Allen called for the question (to stop debate).

VOTE: The motion to stop debate passed without objection.

VOTE: The primary amendment failed with Assemblymembers Wells and Bettine in support.

MOTION: Assemblymember Bettine moved a primary amendment to Ordinance Serial No. 07-034, MSB 3.08.161(C), by striking the amount of "$100,000" leave the amount at "$15,000" to read as follows: (C) A grant to a governmental or quasi-governmental agency or to a private nonprofit corporation under the provisions of MSB 3.08 for more than $15,000 may not be issued unless the assembly has approved a memorandum setting forth

VOTE: The primary amendment passed without objection.

VOTE: The main motion passed as amended without objection.

2. Ordinance Serial No. 07-035: AN ORDINANCE ADOPTING THE PARADISE LAKE, LAKE MANAGEMENT PLAN, AND AMENDING MSB 15.24.030, COMPREHENSIVE PLAN AND PURPOSES, AND MSB 17.59, LAKE MANAGEMENT PLAN IMPLEMENTATION.

a. IM No. 07-056

Ms. Probasco 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 Wells moved to adopt Ordinance Serial No. 07-035

VOTE: The motion passed without objection.

3. Ordinance Serial No. 07-036: AN ORDINANCE APPROPRIATING $451,777 TO FUND 300, SCHOOL DEBT SERVICE FUND, FOR THE ISSUANCE COSTS FOR THE 2007 SERIES A, GENERAL OBLIGATION SCHOOL REFUNDING BONDS.

a. Ordinance Serial No. 07-037: AN ORDINANCE APPROPRIATING $31,882 TO FUND 320, PARK BOND DEBT SERVICE, FOR THE ISSUANCE COSTS FOR THE 2007 SERIES B, GENERAL OBLIGATION PARK REFUNDING BONDS.

(1) IM No. 07-076

Ms. Clayton 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 Allen moved to adopt Ordinance Serial No. 07-036 and Ordinance Serial No. 07-037.

VOTE: The motion passed without objection.

4. Ordinance Serial No. 07-038: AN ORDINANCE APPROPRIATING $30,000 OF INTEREST EARNINGS ON THE 1999 SERIES A GENERAL OBLIGATION SCHOOL BONDS TO FUND 400, SCHOOL CAPITAL PROJECTS, PROJECT NO. 40131, FOR HOUSTON HIGH SCHOOL.

a. IM No. 07-077

Ms. Clayton 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 Kluberton moved to adopt Ordinance Serial No. 07-038.

Assemblymember Church queried how the contamination occurred and whether the contamination is covered under the contractor’s bond.

Ms. Clayton:

- spoke regarding the legal dispute that the Borough has had with the contractor; and
- advised that the $30,000 will not be recuperated from the contractor.

VOTE: The motion passed without objection.

5. Ordinance Serial No. 07-039: AN ORDINANCE AMENDING MSB 3.04.110(C), REPORTING AND LAPSE OF APPROPRIATIONS.

a. IM No. 07-078

Ms. Clayton provided a staff report.

Assemblymember Allen:

- spoke regarding concerns with sinking funds;
- spoke regarding debt pyramiding; and
- stated that this source of funds should go towards the sinking fund.

Ms. Clayton continued the 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 Kvalheim moved to adopt Ordinance Serial No. 07-039.

Assemblymember Kvalheim:

- noted that School Board Member Turner brought this idea forward; and
- opined that it was a good idea to have half of the lapsed funds go towards the acquisition of school sites.

Assemblymember Bettine queried what would occur if not all of the funds are needed for school site acquisition.

Mr. Duffy advised that there is not much land left in the central area; therefore, the cost of acquiring the land is substantial.

MOTION: Assemblymember Allen moved a primary amendment to Ordinance Serial No. 07-039, MSB 3.04.110(C), to insert the following phrase at the end of the subsection "accrued balance shall not exceed $5,000,000" to read as follows: (C) Notwithstanding other provisions of this section, the school district may carry over from one year to the next one-half of their unreserved local appropriation fund balances, not exceeding 7 percent of the local contribution to education for that fiscal year. The remaining one-half of their unreserved local appropriation fund balance shall lapse to the Borough's General Fund to a reserve for School Site Acquisition. Expenditures from this reserve shall only be for the acquisition of land for school sites and related costs; accrued balance shall not exceed $5 million. The school district may not be required to show these carry-over funds as revenues for the following fiscal year's budget. The superintendent of schools shall account separately for the state and local funds. All local funds in excess of 7 percent of the local contribution in the fiscal year appropriation shall lapse in accordance with subsection (A).

Assemblymember Bettine queried how the funds would be accessed in case of an emergency.

Mr. Duffy advised that it would take a majority vote of the Assembly to utilize the funds.

VOTE: The primary amendment passed without objection.

MOTION: Assemblymember Allen moved a primary amendment to Ordinance Serial No. 07-039, MSB 3.04.110, to insert a subsection D to read as follows: (D) Any deduction other than for described purposes requires a two-thirds vote of the assembly.

VOTE: The primary amendment passed without objection.

MOTION: Assemblymember Wells moved a primary amendment to Ordinance Serial No. 07-039, MSB 3.04.110(C), by striking the phrase "one-half" in between the words "next" and "of" and insert in its place the words "75 percent" and to strike the phrase "one-half" in between the words "remaining" and "of" and insert in its place the phrase "one-quarter" to

> read as follows: (C) Notwithstanding other provisions of this section, the school district may carry over from one year to the next, 75 percent of their unreserved local appropriation fund balances, not exceeding 7 percent of the local contribution to education for that fiscal year. The remaining one-quarter of their unreserved local appropriation fund balance shall lapse to the Borough's General Fund to a reserve for School Site Acquisition. Expenditures from this reserve shall only be for the acquisition of land for school sites and related costs; accrued balance shall not exceed $5 million. The school district may not be required to show these carry-over funds as revenues for the following fiscal year's budget. The superintendent of schools shall account separately for the state and local funds. All local funds in excess of 7 percent of the local contribution in the fiscal year appropriation shall lapse in accordance with subsection (A).

Assemblymember Wells:
- noted that the Borough is going to have to start including site acquisition in with school bonds;
- spoke to concerns with mixing operating budgets with what should be capital budgets;
- stated that this amendment would give the School District the ability to carry over lapsed funds for their operating budget; and
- commented that it would be advantageous for the School Board and School District to use the lapsed funds for operations.

Assemblymember Kluberton:
- opined that this is a good incentive for the School District not to spend wildly at the end of the year; and
- stated that there is merit to this amendment.

(The regular meeting recessed at 7:59 p.m. and reconvened at 8:10 p.m.)

VOTE: The primary amendment failed with Assemblymember Wells in support.

VOTE: The main motion passed as amended without objection.

C. AUDIENCE PARTICIPATION (Three minutes per person.)

The following person spoke in support of funding libraries: Ms. Jeanne Troshynski.

The following person spoke regarding the Wasilla Chamber of Commerce and the funding formula for the Mat-Su Convention and Visitors Bureau: Ms. Cheryl Metiva.

D. CONSENT AGENDA (AM Nos. 07-058, 07-066, and 07-067 were pulled from the consent agenda and addressed separately. *See pp. 14-16*)

1. RESOLUTIONS

a. Resolution Serial No. 07-041: A RESOLUTION APPROVING THE AMENDED SCOPEOFWORK FOR THE WOLF ROAD AND TAMARACK COVE DRIVE CULVERT REPLACEMENT PROJECT, PROJECT NO. 30084.
(1) IM No. 07-085

b. Resolution Serial No. 07-042: A RESOLUTION AMENDING THE SCOPE OF WORK AND BUDGET FOR TOURISM INFRASTRUCTURE (BED TAX) PROJECT NO. 15030, FUND 480.
(1) IM No. 07-086

c. Resolution Serial No. 07-043: A RESOLUTION ESTABLISHING THE MINIMUM LEVEL OF FUNDING FOR THE MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT FOR THE FISCAL YEAR ENDING JUNE 30, 2008.
(1) IM No. 07-095

d. Resolution Serial No. 07-044: A RESOLUTION APPROVING AMENDMENTS TO THE BOROUGHWIDE RECORDS RETENTION SCHEDULE.
(1) IM No. 07-097

2. ASSEMBLY MEMORANDUMS

a. AM No. 07-057: APPROVAL OF A CHANGE ORDER TO JANSSEN CONTRACTING IN THE AMOUNT OF $88,879 FOR ADDITIONAL WORK ON THE NUTRITION SERVICES CENTER CONSTRUCTION PROJECT, PROJECT NO. 40145.

c. AM No. 07-062: AWARD OF BID NO. 07-113 TO E & D WELL DRILLING IN THE AMOUNT OF $34,650 FOR THE TRAPPER CREEK AMBULANCE BUILDING WELL DRILLING.

~~d. AM No. 07-063: AWARD OF BID NO. 07-135 TO TRAFFIC MARKINGS, INC., IN THE AMOUNT OF $30,300 FOR THE 2007 ROADS STRIPING.~~

e. AM No. 07-064: AWARD OF PROPOSAL NO. 07-102 TO LOUNSBURY & ASSOCIATES, INC., IN THE CONTRACT AMOUNT OF $525,000 FOR THE TRUNK ROAD EXTENSION SOUTH DESIGN SERVICES.

Ms. McGehee read the above legislation into the record.

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

VOTE: The motion passed without objection.

b. AM No. 07-058: AUTHORIZATION FOR THE MANAGER TO ENTER INTO SEPARATE AGREEMENTS WITH THE FEDERAL HIGHWAY ADMINISTRATION AND THE BOY SCOUTS OF AMERICA; TO ESTABLISH A ROAD SERVICE AREA AND FOR THE DESIGN, CONSTRUCTION, AND MAINTENANCE OF THE ROAD, BRIDGE, AND TRAILHEAD/VEHICLE TURNAROUND IN THE VICINITY OF BLAIR LAKE AND BETWEEN THE CHULITNA AND SUSITNA RIVERS.

MOTION: Assemblymember Kluberton moved to approve AM No. 07-058.

Assemblymember Kluberton:
- spoke regarding concerns that the Borough would be providing maintenance on the project;
- noted that the agreement does not state that the Boy Scouts of America would provide 100 percent of the bridge maintenance;
- commented that the public comments for the environmental assessments are not due until May;
- spoke regarding the prospect of trading land with the State and making a continuation of Denali State Park; and
- noted that there is currently no road service area in the area.

Mr. Swanson provided a staff report.

Assemblymember Kvalheim queried who would pay for the road service.

Mr. Swanson advised that the Boy Scouts would pay for the road service under a separate contract.

Assemblymember Kluberton queried if the Borough could enter into an agreement with the Boy Scouts.

Mr. Duffy stated that at some point the Borough will have to enter into an agreement with the Boy Scouts.

Discussion ensued regarding:
- concerns with establishing a road service area; and
- “agreement” versus “negotiations.”

VOTE: Assemblymember Kluberton moved a primary amendment to AM No. 07-058, Recommendation of Administration, to strike the word “agreement” and insert in its place the word “negotiations” to read as follows: It is the recommendation of the administration that the Borough Assembly authorize the manager to enter into negotiations with the FHWA and the GAC for the design, construction, and maintenance of road, bridge, and trailhead/vehicle turnaround, and to accept the road, bridge, and trailhead/vehicle turnaround on behalf of the public, provided the above conditions are met.

VOTE: The amendment passed without objection.

VOTE: The main motion passed as amended without objection

f. AM No. 07-066: VACATION OF UTILITY EASEMENTS AND SCREENING EASEMENTS WITHIN THE BOUNDARIES OF THE PROPOSED CREEKSIDE TOWN SUBDIVISION LOCATED WITHIN SECTION 11, TOWNSHIP 17 NORTH, RANGE 1 WEST, SEWARD MERIDIAN, ALASKA.

(1) AM No. 07-067: VACATION OF EAST DUANE DRIVE BETWEEN SOUTH MANEY DRIVE AND SOUTH HERMON ROAD FOR THE PROPOSED CREEKSIDE TOWN SQUARE SUBDIVISION LOCATED WITHIN SECTION 11, TOWNSHIP 17 NORTH, RANGE 1 WEST, SEWARD MERIDIAN, ALASKA.

MOTION: Assemblymember Church moved to approve AM Nos. 07-066 and 07-067.

Mr. Sworts provided a staff report.

Assemblymember Kvalheim queried whether the vacations would be tracked when the developer comes back to plat.

Ms. Sworts advised that the Borough will be tracking this issue.

Mr. Duffy advised that the memorandum of understanding and the action memorandums will be attached to the platting report.

Assemblymember Church queried if this is legally enforceable.

Mr. Spiropoulos:

- stated that there may not be legal enforceability behind it; however, the developers' attorney feels that it is enforceable;
- spoke regarding a letter from Matanuska Electric Association noting their power lines will be in the right-of-way if the easements are moved; and
- stated that the agreement could be brought to the Platting Board.

Discussion ensued regarding:

- the need for the development in the city of Wasilla;
- relocating the utilities;
- the possibility that a traffic impact analysis would need to be performed;
- whether the city of Wasilla will annex the area up to Hermon Road and south towards the Parks Highway;
- whether the city of Wasilla would put in the additional turn lanes at their expense;
- the upgrade of Hermon Road;
- concerns that the developer has not acquired all of the property needed for the development;
- the property taxes that will be generated by the development that could possibly cover the turn lane expenses;
- redesigning the building and the parking to accommodate the 15 feet;
- the amount it will cost to fix the road issues; and
- the need for a boroughwide sales tax.

MOTION: Assemblymember Church called for the question (to stop debate).

VOTE: The motion to stop debate passed without objection.

VOTE: The motion passed without objection.

(The regular meeting recessed at 9:10 p.m. and reconvened at 9:24 p.m.)

IX. UNFINISHED BUSINESS

A. Resolution Serial No. 06-139: A RESOLUTION ESTABLISHING FEES FOR MSB MANDATORY LAND USE PERMIT, TITLE 17, ZONING. *(Motion Pending: 01/16/07)*

1. IM No. 06-273

MOTION PENDING: Assemblymember Kvalheim moved to adopt Resolution Serial No. 06-139.

MOTION: Assemblymember Church moved to postpone Resolution Serial No. 06-139 to a time certain of June 19, 2007.

Assemblymember Allen requested that administration provide the information on how the fees were arrived at.

Assemblymember Kluberton spoke in favor of a small fee.

VOTE: The motion to postpone to a time certain of June 19, 2007, passed without objection.

Ms. McGehee advised that Resolution Serial No. 06-139 would need to be renumbered as a 2007 document.

B. Resolution Serial No. 07-039: A RESOLUTION AMENDING THE BUDGET FOR THE OLD ADMINISTRATION BUILDING RENOVATION/ REMODEL PROJECT AND APPROVE THE SCOPE OF WORK AND BUDGET FOR THE NEW ANNEX BUILDING CONSTRUCTION PROJECT. *(Motion Pending: 03/20/07)*

1. IM No. 07-074

a. AM No. 07-060: AUTHORIZATION TO SOLICIT FOR PRIVATE SECTOR CONSTRUCTION FOR BOROUGH OFFICE SPACE AND TO POSTPONE ACTION ON RESOLUTION SERIAL NO. 07-039, REGARDING THE MOVING OF FUNDS FROM THE REMODELING OF THE OLD SCHOOL DISTRICT ADMINISTRATION BUILDING TO THE DESIGN AND CONSTRUCTION OF NEW OFFICE SPACE.

MOTION PENDING: Assemblymember Allen moved to adopt Resolution Serial No. 07-039 and AM No. 07-060.

MOTION: Assemblymember Wells moved to divide the question and take Resolution Serial No. 07-039 and AM No. 07-060 separately.

VOTE: The motion to divide the question passed without objection.

MOTION: First Segment. Assemblymember Allen moved to postpone Resolution Serial No. 07-039 indefinitely.

VOTE: The first segment to postpone Resolution Serial No. 07-039 indefinitely passed without objection.

MOTION: Second Segment. Approval of AM No. 07-060.

Mr. Duffy provided a staff report.

Assemblymember Bettine:

- spoke regarding a report that was previously provided to the Assembly that referenced the amount of square footage the Borough needs now and in the future; and
- queried how much square footage would be requested in the proposals.

Mr. Duffy advised that legislation will be brought back to the Assembly, with the report attached, for the Assembly's consideration.

Assemblymember Bettine queried if the renovation of the Borough Gymnasium would be included in the proposals.

Mr. Duffy advised that the Borough Gymnasium would not be part of the proposals; however, it can be included if that is what the Assembly wishes.

Assemblymember Bettine:

- opined that it is important to consider the gymnasium for renovations;
- queried the appraisal of the old School District Administration Building; and
- queried whether it is anticipated that the appraisal will be low due to the parking issues.

Mr. Swanson:

- advised that a commercial appraisal is in the process for the old School District Administration Building; and
- spoke regarding what the appraiser will be reviewing to come up with the appraisal.

VOTE: The second segment passed without objection.

C. AM No. 07-047: AUTHORIZATION TO PURCHASE AN INFRARED PATCHING MACHINE FROM AK INFRARED ASPHALT SYSTEMS, INC., IN THE AMOUNT OF $52,360 FOR THE PUBLIC WORKS DEPARTMENT. *(Motion Pending: 03/20/07)*

MOTION PENDING: Assemblymember Kluberton moved to approve AM No. 07-047.

Mr. Rountree provided a staff report.

Assemblymember Kluberton:

- noted that the Mayor's Blue Ribbon Task Force on Road Service Areas is working on road service issues;
- spoke in support of a central equipment fleet; and
- spoke regarding the elliot grid rollers.

Assemblymember Bettine:

- stated that the funds still come out of fund 265 and the road service area with the most road miles put the most money into the fund;
- spoke regarding the need to be fair to the road service areas; and
- spoke regarding the Mayor's Blue Ribbon Task Force on Road Service Areas.

VOTE: The motion passed without objection.

D. AM No. 07-055: AWARD OF PROPOSAL NO. 07-112 TO G. R. BROWN ENGINEERING SERVICES IN THE AMOUNT OF $84,500 FOR THE TALKEETNA WATER AND WASTEWATER SYSTEM PHASE II DESIGN. *(Motion Pending: 04/03/07)*

MOTION PENDING: Assemblymember Allen moved to approve AM No. 07-055.

Assemblymember Kluberton:

- spoke regarding a meeting that took place with Public Works and the Alaska State Department of Environmental Conservation;
- spoke regarding the infiltration in the sewer system;
- noted that the challenges that face this system are huge;
- advised that there is no technician to manage the system at this point; and
- spoke to the need for a maintenance shop.

Assemblymember Wells queried what other public facilities are within the service area boundaries that the Borough owns.

Mr. Duffy spoke regarding borough-owned property within the service area boundaries.

Discussion ensued regarding the issues with the service area.

VOTE: The motion passed without objection.

XI. RECONSIDERATION

(There were no reconsiderations presented.)

XII. VETO

(There were no vetoes presented.)

XIII. EXECUTIVE SESSION

(There was no executive session held.)

XIV. MAYOR AND ASSEMBLY COMMENTS

Assemblymember Kluberton:
- requested that administration get an early warning system going to provide information when projects such as the development in the city of Wasilla are coming forward; and
- opined that it would have been helpful if the Assembly would have been aware of the project earlier.

Mr. Duffy:
- advised that the city of Wasilla was made aware of the development due to their permitting requirements; and
- noted that the Borough now has permitting requirements also.

Assemblymember Kvalheim queried whether this would go through the city of Wasilla or the Borough.

Mr. Duffy:
- advised that the Borough would be dealing with the plat and the conditional use permit; and
- noted that the city of Wasilla will handle any permit that they require.

Assemblymember Church:
- stated that the sales tax issue needs to be kept in the limelight; and
- spoke to the need to meet with the city of Palmer regarding the parking issues at the old School District Administration building.

Assemblymember Bettine:
- spoke regarding the funding formula for bed tax;
- stated that the Borough needs to have the Mat-Su Convention and Visitors Bureau help in developing a consistent program;
- spoke to the need for criteria for grant funds that are given out;
- advised that she is opposed to putting the bed tax increase and sales tax propositions on the same ballot; and
- commented that the Borough may want to extend the Mat-Su Convention and Visitors Bureau's grant for one year.

Assemblymember Wells:

- spoke regarding concerns with creating multiple visitors bureaus;
- stated that if the increase in bed tax is eventually passed by the voters, the funds should go towards tourism infrastructure;
- advised that he also agrees that the bed tax increase and the sales tax propositions should not go on the same ballot; and
- spoke to the need to market the sales tax issue well.

Mayor Menard:

- spoke to the need for organizations to lobby on the sales tax issue and not just the Borough;
- advised that the Manager's lobbying efforts in Juneau regarding the rail line extension issue went very well; and
- spoke to the need for the rail line extension to Port MacKenzie to increase development.

XV. ADJOURNMENT

The regular meeting adjourned at 10:14 p.m.

/ S /

CURTIS D. MENARD, Borough Mayor

ATTEST:

/ S /

MICHELLE M. MCGEHEE, CMC, Borough Clerk

Minutes approved: 05/01/07