

I. CALL TO ORDER

The regular meeting of the Matanuska-Susitna Borough Assembly was held on April 18, 2006, at the Borough Assembly Chambers, 350 E. Dahlia Avenue, Palmer, Alaska. The meeting was called to order at 6 p.m. by Mayor Timothy L. Anderson.

II. ROLL CALL

Assembly members present and establishing a quorum were:

Ms. Lynne Woods, Assembly District No. 1
Mr. Talis J. Colberg, Assembly District No. 3
Ms. Cindy L. Bettine, Assembly District No. 5
Mr. Jim Colver, Assembly District No. 6 (*Deputy Mayor*)
Ms. Betty Vehrs, Assembly District No. 7

Assemblymembers absent and excused were:

Mr. Bill Allen, Assembly District No. 2
Ms. Mary Kvalheim, Assembly District No. 4

Staff in attendance were:

Mr. John Duffy, Borough Manager
Ms. Michelle M. McGehee, CMC, Borough Clerk
Mr. Nicholas Spiropoulos, Assistant Borough Attorney
Ms. Lonnie R. McKechnie, Executive Assistant to the Borough Clerk
Ms. Tammy Clayton, Finance Director
Mr. Dennis Brodigan, Emergency Services Director
Mr. Steve Cypra, Chief of Land and Resource Management
Mr. Sev Jones, Planning Division Chief
Mr. Dave Hanson, Economic Development Director
Ms. Patty Sullivan, Public Affairs Manager
Ms. Susan Lee, Planner I
Ms. Eileen Probasco, Planner II
Ms. Elizabeth Hartley, Comptroller
Mr. Bob Bechtold, Project Manager II

III. APPROVAL OF AGENDA

Mayor Anderson:

- advised that Resolution Serial No. 06-054 is being pulled from the agenda, as it is part of the budget process; and
- queried whether there was any objection to adding a proclamation in recognition of Municipal Clerk's week.

There was no objection noted.

Mayor Anderson inquired if there were any other changes to the agenda.

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

IV. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Ms. Cheryl Turner, Matanuska-Susitna Borough School Board Member.

V. MINUTES OF PRECEDING MEETINGS

A. Special Assembly Meeting: 04/03/06

Mayor Anderson inquired if there were any corrections to the special meeting minutes of April 3, 2006.

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

B. Special Assembly Meeting: 04/04/06

Mayor Anderson inquired if there were any corrections to the special meeting minutes of April 4, 2006.

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

C. Regular Assembly Meeting: 04/04/06

Mayor Anderson inquired if there were any corrections to the regular meeting minutes of April 4, 2006.

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

VI. SPECIAL ORDERS OF THE DAY

A. A Proclamation in Recognition of Municipal Clerk's Week

Mayor Anderson:

- read the proclamation into the record; and
- presented the proclamation to Michelle M. McGehee, Borough Clerk.

VII. REPORTS/CORRESPONDENCE

A. AGENCY REPORTS

1. Reports from cities

(There were no reports provided.)

2. Matanuska-Susitna Borough School District

(There were no reports provided.)

B. COMMITTEE REPORTS

1. Joint Assembly/School Board Committee on School Issues

Mayor Anderson advised that the Joint Assembly/School Board Committee on School Issues has not met since the last report.

2. Regional Transportation Planning Organization

Mayor Anderson advised that the Regional Transportation Planning Organization has not met since the last report.

Assembly Public Relations Committees

- a. Chambers of Commerce *(Assemblymembers Vehrs and Bettine)*

(There was no report provided.)

- b. School Board *(Assemblymembers Allen and Colver)*

(There was no report provided.)

- c. Cities *(Assemblymembers Kvalheim, Allen, and Vehrs)*

(There was no report provided.)

- d. Home Builders and Realtors Associations *(Assemblymembers Colver, Bettine, and Vehrs)*

(There was no report provided.)

- e. Community Councils *(Mayor Anderson and Manager)*

(There was no report provided.)

- f. Civic Clubs *(Mayor Anderson and Assemblymember Kvalheim)*

(There was no report provided.)

g. Non-Profit Organizations (*Mayor Anderson and Assemblymembers Kvalheim and Vehrs*)

(There was no report provided.)

C. MANAGER COMMENTS

1. Borough/State/Federal Legislative Issues

Mr. Duffy:

- advised that the Assembly would be receiving their budget books by the end of the evening;
- provided an update regarding the construction of the portables for the Susitna Valley High School;
- spoke regarding meeting with a representative from Full Metal Minerals, Ltd. regarding the drilling project at Lucky Shot Mine;
- advised that the suit the Borough joined with other Cook Inlet communities recognizing beluga whales as an endangered species has prevailed; and
- provided an update regarding his trip to Juneau to meet with the State Delegation.

D. ATTORNEY COMMENTS

(There were no comments provided.)

E. CLERK COMMENTS

Ms. McGehee:

- spoke regarding the upcoming meeting schedule;
- advised that she has provided a comprehensive report on the records management program under separate cover;
- advised that she would like to set a work session with the Assembly regarding the records management program in the future; and
- noted that the “Notice of Public Meetings” is now being published in the Copper River Record.

F. CITIZEN AND OTHER CORRESPONDENCE

1. MSB Board/Committee Minutes:

- a. Animal Care and Regulation Board: 02/13/06, 02/17/06, 03/13/06, Resolution Serial No. 06-01
- b. Greater Talkeetna Road Service Area No. 29: 02/09/06
- c. Library Board: 01/21/06
- d. Parks, Recreation, and Trails Advisory Board: 02/27/06, Resolution Serial Nos. 06-07 and 06-08
- e. Platting Board: 02/16/06, 03/02/06
- f. Talkeetna Sewer and Water Special Service Area No. 36: 02/23/06
- g. Wasilla Lakes Fire Service Area No. 130: 02/13/06
- h. Willow Fire Service Area No. 35: 01/12/06, 02/16/06

2. Community Council Correspondence:
 - a. Glacier View Community Council: 04/23/06
 - b. Knik-Fairview Community Council: 03/22/06 Letter
 - c. Point MacKenzie Community Council: 03/25/06
 - d. South Knik River Community Council: 02/04/06

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

G. INFORMATIONAL MEMORANDUMS

(There were no informational memorandums presented.)

VIII. UNFINISHED BUSINESS

- A. Ordinance Serial No. 05-160: AN ORDINANCE REAPPROPRIATING \$432,000 OUT OF THE RESERVE FOR MAJOR REPAIR AND RENOVATION, FUND 100, TO FUND 400, SCHOOL DISTRICT PORTABLE CONSTRUCTION PROJECT, FOR THE PURPOSE OF ADDRESSING THE EMERGENCY SITUATION AT SUSITNA VALLEY SCHOOL. *(Sponsors: Mayor Anderson and Assemblymembers Colver and Vehrs) (Motion Pending: 10/18/05)*
 1. Resolution Serial No. 05-120: A RESOLUTION AMENDING THE SCOPE OF WORK FOR PROJECT NO. 40158, FOR THE SUSITNA VALLEY HIGH SCHOOL, TO ALLOW CONSTRUCTION OF PORTABLE FACILITIES.
 - a. IM No. 05-241
 - b. IM No. 05-247
 - c. AM No. 05-159: AUTHORIZING THE PURCHASE OF UP TO 6 PORTABLE CLASSROOM UNITS FOR THE AMOUNT OF \$482,000 TO PROVIDE HOUSING FOR STUDENTS DISPLACED BY THE UNSAFE CONDITIONS AT SU-VALLEY HIGH SCHOOL.

MOTION PENDING: Assemblymember Vehrs moved to adopt Ordinance Serial No. 05-160, Resolution Serial No. 05-120, and AM No. 05-159.

Assemblymember Vehrs queried the difference in the costs of paying for the transportation of the portables to the school site versus paying Davis Bacon wages if the portables were built at the school site.

Mr. Rountree:

- advised that he does not have the transportation costs as of yet;
- advised that the Borough would need to pay Davis Bacon wages if the portables were to be built at the school site; and
- spoke regarding the criteria that will be required on the proposals.

Mayor Anderson queried the Davis Bacon wages.

Mr. Rountree:

- advised that Davis Bacon wages would need to be paid if the portables were built at the school site, due to the fact that it is a public facility; and
- spoke regarding the possibility of the portables being built close to the school.

Assemblymember Vehrs stated that she would like the portables built as close to Susitna Valley High School as possible.

(The meeting recessed at 6:27 p.m. and reconvened at 6:29 p.m.)

MOTION: Assemblymember Vehrs moved a primary amendment to Resolution Serial No. 05-120 to add a clause to read as follows: “Be It Further Resolved, that the portables be built in as close a proximity to Susitna Valley High School as possible.”

Assemblymember Vehrs:

- noted that the closer that the portables are built to the school the less it will cost to move them;
- spoke regarding Davis Bacon wages; and
- stated that the amendment will clarify what the Assembly wants done with the portables.

Assemblymember Woods stated that she does not support trying to get out of paying Davis Bacon wages.

Assemblymember Bettine queried whether the request for proposal could require that the portables be delivered.

Mr. Rountree:

- stated that they try not to be constraining on the contracts to the point that it costs the Borough more money;
- stated that if the Borough dictates the location where the portables will be built, there may be implied costs;
- noted that they are not trying to get out of paying Davis Bacon wages; and
- stated that six portables may not be build if Davis Bacon wages are paid, as it will be cost prohibited.

Discussion ensued regarding the portables being delivered to the school site.

VOTE: The primary amendment failed with Assemblymembers Vehrs and Colver in support.

VOTE: The main motion passed without objection.

- B. Ordinance Serial No. 06-068: AN ORDINANCE ACCEPTING AND APPROPRIATING \$1,479,965 FROM THE UNITED STATES DEPARTMENT OF JUSTICE, COMMUNITY ORIENTED POLICING SERVICES GRANT, TO FUND 480, PROJECT NO. 20316, TO UPGRADE THE DISPATCH CENTERS AND FIELD UNITS TO MAKE THEM ALASKA LAND MOBILE RADIO COMPATIBLE.
1. Resolution Serial No. 06-048: A RESOLUTION APPROVING THE SCOPE OF WORK AND BUDGET FOR THE UNITED STATES DEPARTMENT OF JUSTICE, COMMUNITY ORIENTED POLICING SERVICES GRANT, PROJECT NO. 20316, FUND 480, TO UPGRADE THE DISPATCH CENTERS AND FIELD UNITS TO MAKE THEM ALASKA LAND MOBILE RADIO COMPATIBLE.
(Motion Pending: 03/21/06)
- a. IM No. 06-096

MOTION PENDING: Assemblymember Colver moved to adopt Ordinance Serial No. 06-068 and Resolution Serial No. 06-048.

Mr. Brodigan:

- advised that the system will provide interagency communications;
- noted that like the last system, there will be dead spots;
- stated that according to Motorola, the new system will provide better coverage;
- spoke regarding the costs of the new radio system;
- advised that it is anticipated that the radios will last for 20 years;
- stated that the primary goal is to update the technology;
- advised that they anticipate receiving additional grants in the future;
- advised that the Alaska Land Mobile Radio (ALMR) system is going to be used nationwide; and
- spoke regarding the compatibility with the dispatch centers.

Assemblymember Woods queried if the Sutton and Glacier View fire service areas do not have ALMR radios, whether they would be able to use their existing radios to communicate.

Mr. Brodigan:

- advised that the repeaters that are in the area are dual analog/digital; and
- advised that the system will be phased in over a period of time.

VOTE: The motion passed without objection.

(Unfinished Business continued to page 17 of 22.)

(The meeting recessed at 6:52 p.m. and reconvened at 7:04 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. 06-079: AN ORDINANCE ADOPTING THE FLORENCE 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. 06-116

Ms. Probasco provided a staff report.

Assemblymember Vehrs queried whether the Borough's process, as set forth by code, has been followed for the Florence Lake, Lake Management Plan.

Ms. Probasco advised that the Borough process has been followed on the Florence Lake, Lake Management.

Mayor Anderson opened the public hearing.

The following persons spoke in favor of Ordinance Serial No. 06-079: Mr. Walter Soroka, Mr. Robert Gill, Mr. Dick Gunlogson, Ms. Martha Levensaler, and Mr. Dick Lafebvre.

The following persons spoke in opposition of Ordinance Serial No. 06-079 and the Borough's process regarding lake management plans: Ms. Kelly Larson and Mr. Link Larson.

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

MOTION: Assemblymember Vehrs moved to adopt Ordinance Serial No. 06-079.

Assemblymember Vehrs:

- spoke regarding the Borough's lake management plan process;
- noted that if a lake is under 75 acres, there is no ability to timeshare;
- commended the Planning Staff for helping the Florence Lake community;
- stated that there has not been a lake management plan that has failed in the Borough since its inception;
- spoke regarding the effort that the community had to put forth to start the lake management plan; and
- noted that the majority of the community is in favor of the plan.

VOTE: The motion passed without objection.

MOTION: Assemblymember Vehrs moved to reconsider Ordinance Serial No. 06-079.

VOTE: The motion to reconsider failed unanimously.

2. Ordinance Serial No. 06-080: AN ORDINANCE AMENDING THE LAND USE DISTRICT MAP OF THE CITY OF HOUSTON FOR MSB TAX ACCOUNT NO. 18N03W36B003; 12796 WEST CHERI LAKE DRIVE.
 - a. IM No. 06-117

Ms. Lee provided a staff report.

Assemblymember Woods:

- noted that the public voiced concerns about the wetlands at the Planning Commission meeting; and
- queried how the public's concerns were addressed.

Ms. Lee stated that the city of Houston, in the memorandum of agreement, provided that they and the developer would address the issue.

Mayor Anderson opened the public hearing.

The following persons spoke in favor of Ordinance Serial No. 06-080: Mr. Dale Adams, Houston City Mayor; and Mr. Link Fannon, Houston City Councilmember.

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

MOTION: Assemblymember Vehrs moved to adopt Ordinance Serial No. 06-080.

Assemblymember Vehrs:

- spoke regarding the process that the city of Houston went through to amend the land use district map; and
- advised that there will be an effort to give the wetlands to a conservation group.

VOTE: The motion passed without objection.

3. Ordinance Serial No. 06-081: AN ORDINANCE CLASSIFYING NINE PARCELS OF BOROUGH OWNED LAND FOR RESERVE USE LANDS/EMERGENCY SERVICE FACILITY (ESF) FOR FUTURE BOROUGHWIDE EMERGENCY FACILITIES.
 - a. IM No. 06-119

Mr. Swanson provided a staff report.

Assemblymember Bettine queried whether the classification of the land can be changed if a better site is found in the future.

Mr. Swanson advised that the lands can be reclassified.

Assemblymember Bettine queried how many fire training facilities are needed in the Borough.

Mr. Brodigan:

- advised that fire training facilities would not be placed in each fire service area; and
- advised that the training facilities that may be built will be much smaller than the existing facilities.

Mayor Anderson 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 Vehrs moved to adopt Ordinance Serial No. 06-081.

VOTE: The motion passed without objection.

C. AUDIENCE PARTICIPATION (Three minutes per person.)

The following person spoke regarding Resolution Serial No. 06-057 and the Alaska Industrial Development and Export Authority's funding of the project: Ms. Jay Nolfi and Ms. Annette Harpster.

The following persons spoke in favor of Resolution Serial No. 06-055 and requested \$40 million to support the Matanuska-Susitna Borough School Budget: Mr. Ron Rucker, President of the Classified Employees Association.

The following person spoke in opposition to House Bill 306 and in favor of the land remaining as public land: Ms. Jean Woods.

C. CONSENT AGENDA (Resolution Serial Nos. 06-057 and 06-061 and AM Nos. 06-068 and 06-076 were pulled from the consent agenda and addressed separately. *See pp. 12-16 of 22*)

1. RESOLUTIONS

a. ~~Resolution Serial No. 06-054: A RESOLUTION ACCEPTING AND APPROVING A FIRE CODE DEFERMENT FROM THE ALASKA STATE FIRE MARSHAL'S OFFICE FOR THE WASILLA LAKES FIRE SERVICE AREA NO. 130, INCLUDING THE ADDITION OF TWO REGULAR FULL-TIME FIRE CODE OFFICIALS, FUNDED THROUGH THE WASILLA LAKES OPERATING BUDGET, FUND 250.~~
(*Sponsor: Assemblymember Kvalheim*)

(1) ~~IM No. 06-124~~

b. Resolution Serial No. 06-055: A RESOLUTION ESTABLISHING THE MINIMUM LEVEL OF FUNDING FOR THE MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT FOR THE FISCAL YEAR ENDING JUNE 30, 2007.

(1) IM No. 06-126

- c. Resolution Serial No. 06-056: A RESOLUTION SUPPORTING CONSTRUCTION OF A PERMANENT RECYCLING FACILITY IN THE MATANUSKA-SUSITNA BOROUGH.

(1) IM No. 06-128

2. ASSEMBLY MEMORANDUMS

- a. AM No. 06-046: APPROVAL OF CHANGE ORDER NO. 10, CONTRACT NO. 02-161, TO TRYCK, NYMAN, HAYES, INC., IN THE AMOUNT OF \$29,800 FOR ARCHITECTURAL AND CONSTRUCTION ADMINISTRATION SERVICES FOR THE PORT MACKENZIE FERRY TERMINAL BUILDING DESIGN.
- b. AM No. 06-055: THE VACATION OF WEST LOUISE CIRCLE LOCATED BETWEEN LOTS 4 AND 5, BLOCK 1, BIG MEADOW SHORES SUBDIVISION, LOCATED IN SECTION 33, TOWNSHIP 18 NORTH, RANGE 1 WEST, SEWARD MERIDIAN, ALASKA, LOCATED IN THE MEADOW LAKES COMMUNITY COUNCIL AREA.
- c. AM No.06-056: THE VACATION OF A PORTION OF RIGHT-OF-WAY ADJACENT TO VICTORIA ESTATES PHASE II, BLOCK 5, LOT 9, ALONG WEST LEOPOLD LOOP, LOCATED WITHIN SECTION 34, TOWNSHIP 17 NORTH, RANGE 2 WEST, SEWARD MERIDIAN, ALASKA, LOCATED IN THE KNIK-FAIRVIEW COMMUNITY COUNCIL AREA.
- d. AM No. 06-064: APPROVAL OF CHANGE ORDER NO. 4, TO BURKHART CROFT ARCHITECTS IN THE AMOUNT OF \$68,056 FOR ADDITIONAL DESIGN WORK FOR THE SUSITNA VALLEY HIGH SCHOOL ROOF REPLACEMENT DESIGN PROJECT, DERIVED FROM THE BUILDING AND CONDITION SURVEY REPORT.
- e. AM No. 06-065: AWARD OF BID NO. 06-119 TO WESTERN CONSTRUCTION AND EQUIPMENT IN THE AMOUNT OF \$94,091 TO SEAL AND STRIPE APPROXIMATELY 800,000 SQUARE FEET OF SCHOOL PARKING LOTS THROUGHOUT THE BOROUGH.
- f. AM No. 06-066: AWARD OF BID NO. 06-118 TO ALL WRIGHT CONSTRUCTION, INC. IN THE CONTRACT AMOUNT OF \$346,350 FOR THE HEATING, VENTILATION, AIR CONDITIONING, AND ELECTRICAL UPGRADES AT THE ANIMAL CARE AND REGULATION SHELTER.
- g. AM No. 06-067: APPROVAL OF CONTRACT AMENDMENT NO. 6, CONTRACT NO. 03-200, TO LOCKHEED MARTIN IN THE AMOUNT OF \$150,000 FOR A THIRD PARTY REVIEW OF THE NAVAL ARCHITECTURE DESIGN DOCUMENT FOR THE KNIK ARM PASSENGER AND CARGO STUDY.

- i. AM No. 06-069: A REQUEST THAT THE EXISTING PLANNER I/GRANT WRITER POSITION WITHIN THE PLANNING AND LAND USE DEPARTMENT BE CHANGED TO A PLANNER II POSITION.
- j. AM No. 06-070: APPROVAL OF CONTRACT NO. 06-143 TO PND INC., IN THE AMOUNT OF \$160,240 FOR FINAL DESIGN OF THE ACCESS ROAD IMPROVEMENTS TO THE PORT MACKENZIE DOCK AREA.
- k. AM No. 06-071: APPROVAL OF CONTRACT NO. 06-144 TO SIEMENS BUILDING TECHNOLOGIES, INC. IN THE AMOUNT OF \$77,010 FOR THE UPGRADE OF THE PALMER HIGH SCHOOL'S POOL HEATING, VENTILATING, AND AIR CONDITIONING CONTROLS.
- l. AM No. 06-072: AWARD OF BID NO. 06-117 TO NORTHSTAR ELECTRIC COMPANY IN THE CONTRACT AMOUNT OF \$339,323 FOR THE PALMER JUNIOR MIDDLE SCHOOL FIRE ALARM AND SECURITY UPGRADES.
- m. AM No. 06-074: APPROVAL OF CONTRACT NO. 06-145 TO ARCTIC IT IN THE AMOUNT OF \$29,430 FOR THE SQL SERVER MANAGEMENT AND CONSOLIDATION PROJECT.
- n. AM No. 06-075: APPROVAL TO PURCHASE PORTABLE DIGITAL RADIOS FROM PROCOMM ALASKA LLC IN THE AMOUNT OF \$81,555.96 FOR THE EMERGENCY SERVICE DEPARTMENT.

Ms. McGehee read the above legislation into the record.

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

VOTE: The motion passed without objection.

- d. Resolution Serial No. 06-057: A RESOLUTION SUPPORTING ADOPTION OF LEGISLATION TO EXPAND THE ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY'S (AIDEA) FINANCING AUTHORIZATION TO FULLY PARTICIPATE IN THE HATCHER PASS SKI AREA PROJECT.

(Sponsor: Assemblymember Colver)

- (1) IM No. 06-140

MOTION: Assemblymember Colberg moved to approve Resolution Serial No. 06-057.

Assemblymember Colberg queried if the proposed financing plan is prepared.

Mr. Duffy advised that a financing plan is not prepared.

Assemblymember Colberg queried whether AIDEA or J.L. Properties is seeking the proposed legislation to the State Legislature.

Mr. Duffy advised that he believes that AIDEA and J.L. Properties are both asking for the legislation.

Mr. Colberg:

- opined that it is peculiar that the Manager did an enthusiastic pitch for funding in Washington D.C. when a plan has not been approved as of yet;
- noted that this Resolution is requesting support of a process that the Assembly has not yet agreed to;
- spoke regarding the first proposal that came forward to the Assembly;
- stated that the Borough has issues with what the tax payers want to support;
- noted that the Nutrition Center has a clear plan on where it is going, while this project does not; and
- stated that he is not willing to approve a resolution that is supporting a project that has not been approved by the Assembly.

Assemblymember Colver:

- spoke regarding legislation that passed the State Legislature in 1998 that authorized AIDEA to loan \$15 million for the Hatcher Pass project;
- noted that House Bill 500 amends the lending authority to \$25 million;
- spoke regarding J.L. Properties financing plan;
- noted that the Hatcher Pass project is on the Borough's Capital Improvement Program list; and
- noted that financing has been a difficulty of the Hatcher Pass project.

MOTION: Assemblymember Colver moved a primary amendment to Resolution Serial No. 06-057, in the "Now, Therefore, Be It Resolved" clause by striking the word "legislation" and inserting the words "House Bill 500" to read as follows: "Now, Therefore, Be It Resolved, that the Matanuska-Susitna Borough Assembly supports the adoption of House Bill 500, to authorize AIDEA to finance up to \$25 million, to fully participate in the Hatcher Pass ski area project.

Assemblymember Woods queried the reason for delay in the agreement with J.L. Properties.

Mr. Duffy:

- advised that the documents have not been received from J.L. Properties; and
- spoke regarding the draft development document that has been received.

Discussion ensued regarding:

- the agreement with J.L. Properties; and
- the funding for the Hatcher Pass project.

VOTE: The primary amendment passed without objection.

VOTE: The main motion as amended passed with Assemblymember Colberg in opposition.

MOTION: Assemblymember Colver moved to reconsider Resolution Serial No. 06-057.

VOTE: The motion to reconsider failed with Assemblymember Colberg in support.

(The regular meeting recessed at 8:16 p.m. and reconvened at 8:25 p.m.)

e. Resolution Serial No. 06-061: A RESOLUTION SUPPORTING THE “NO MOOSE COMMUTE” EFFORTS OF THE ALASKA MOOSE FEDERATION.

(Sponsor: Assemblymember Allen)

(1) IM No. 06-142

MOTION: Assemblymember Vehrs moved to approve Resolution Serial No. 06-061.

Assemblymember Vehrs:

- stated that she does not know what the efforts of the Alaska Moose Federation are; and
- spoke to the need for additional information.

Assemblymember Woods also queried what the Alaska Moose Federation’s efforts are.

Mr. Duffy:

- advised that the organization is filing for a grant with the Alaska State Department of Transportation to find ways to reduce vehicle and moose collisions; and
- advised that the Alaska Moose Federation’s efforts are to identify appropriate measures to reduce moose collisions on the Parks and Glenn Highways.

Assemblymember Bettine:

- spoke in opposition to the resolution;
- advised that she would like to invite the Alaska Moose Federation to come and speak to the Assembly; and
- spoke regarding transportation funds.

MOTION: Assemblymember Woods moved to postpone Resolution Serial No. 06-061 to a time certain of June 6, 2006.

Mr. Duffy advised that he will invite the Alaska Moose Federation to speak to the Assembly.

Assemblymember Bettine queried whether the Alaska Moose Federation could speak under Agency Reports at the June 6, 2006, regular meeting.

Ms. McGehee advised that the Alaska Moose Federation could speak under Agency Reports at the June 6, 2006, regular meeting.

VOTE: The motion to postpone to a time certain of June 6, 2006, passed without objection.

CONFLICT OF INTEREST: Assemblymember Colver declared a conflict of interest on AM No. 06-068.

RULING: Mayor Anderson declared that Assemblymember Colver had a conflict of interest and would be recused from voting.

(Assemblymember Colver exited the meeting.)

h. AM No. 06-068: AWARD OF BID NO. 06-114 TO F-E CONTRACTING INC., IN THE CONTRACT AMOUNT OF \$133,666 FOR THE ACADEMY CHARTER SCHOOL SEWER EXTENSION.

MOTION: Assemblymember moved to approve AM No. 06-068

VOTE: The motion passed without objection.

(Assemblymember Colver re-entered the meeting.)

o. AM No. 06-076: APPROVAL TO ENTER INTO AN AGREEMENT WITH A STATE AGENCY TO BUILD A TEMPORARY EARTHEN/GRAVEL EMBANKMENT CONSISTING OF RIVERINE GRAVEL TO DEFLECT THE RIVER FROM THE WEST BANK OF THE MATANUSKA RIVER, IN ORDER TO PROTECT EXISTING HOMES IN THE KINGS RIVER TO SUTTON AREAS. *(Sponsor: Assemblymember Woods)*

MOTION: Assemblymember Colberg moved to approve AM No. 06-076.

Assemblymember Colberg queried the legalities of the Borough entering into this agreement.

Mr. Spiropoulos:

- stated that it is Mr. Aschenbrenner's opinion that the Borough does not have the legal power to do this;
- spoke regarding Alaska Statute 29.35.010; and
- stated that the Borough does not have the power to enter a cooperative agreement and spend Borough funds for this project.

Assemblymember Vehrs stated that she would like to pass the legislation and get additional legal advice.

Assemblymember Colver:

- advised that he would also like to have additional legal advise on this issue;
- spoke regarding Resolution Serial No. 04-125 which accompanied AM No. 06-076; and
- stated that the Borough has a duty to act to protect the health, safety, and welfare of citizens.

Assemblymember Woods:

- stated that she has requested this action on behalf of residents in Sutton that are in eminent danger of their structures being washed away;
- stated that the Army Corps of Engineers will assess where exactly the channel will be; and
- advised that this is an effort to take some action to help the residents.

Discussion ensued regarding:

- Borough powers under code and State Statute;
- having the Governor declare a state of emergency; and
- the need for additional legal advice.

MOTION: Assemblymember Woods moved to postpone AM No. 06-076 to a time certain of May 9, 2006.

Mayor Anderson queried the prime time that the erosion occurs.

Mr. Duffy:

- stated that the highest erosion is going to begin within 2 to 3 weeks; and
- advised that it will progress throughout the summer.

Assemblymember Colver queried if permits will be an issue if the legislation is postponed.

Assemblymember Bettine queried if the Borough could move forward with the permits.

Mr. Duffy advised that they can try to move forward with the permits.

Discussion ensued regarding the postponement of AM No. 06-076 to May 9, 2006.

Assemblymember Bettine queried the consequences if the Borough went against the Borough Attorney's legal advice.

Mr. Duffy:

- noted that someone can file a lawsuit against the Borough; and
- spoke regarding the Borough's risk.

Assemblymember Vehrs reiterated the need for additional legal advice.

Assemblymember Colver:

- spoke regarding protecting the shoreline embankment; and
- stated that the postponement would allow time to jump[through the necessary "hoops."

Assemblymember Colberg:

- stated that this is about whether the Borough has the authority to do this; and
- stated that the Borough Attorney is not giving this advice because he does not want to help the people.

VOTE: The motion to postpone to a time certain of May 9, 2006, passed without objection.

(Unfinished Business continued from page 7 of 22.)

C. AM No. 06-058: APPROVAL OF CHANGE ORDER TO MCCOOL CARLSON GREEN IN THE AMOUNT OF \$129,806 TO COMPLETE DESIGN WORK, INCORPORATE ALTERNATE WORK IN THE FACILITY DESIGN, REDESIGN THE WATER WELL, AND COORDINATE WITH OTHER AGENCIES FOR THE CAREER CENTER –VOCATIONAL HIGH SCHOOL. *(Motion Pending: 04/04/06)*

MOTION PENDING: Assemblymember Woods moved to approve AM No. 06-058.

Mr. Rountree:

- spoke regarding the added alternates to the project;
- advised that the change order constitutes 8 percent of the total design cost; and
- opined that change orders are a natural result of construction.

Assemblymember Colver queried whether there were expenses attached to each added alternate.

Mr. Rountree advised that he did not have those figures.

Mr. Bechtold:

- spoke regarding the approximate expenses for the added alternates;
- advised that the savings for the redesign of the water well would be \$40,000; and
- advised that they have worked with the contractors and have brought the cost of the added alternatives down from \$179,000 to \$129,806.

(The regular meeting recessed at 9:25 p.m. and reconvened at 9:36 p.m.)

Mr. Rountree:

- stated that the design cost for the added alternates is \$109,000;
- advised that the cost to coordinate with the Alaska State Department of Transportation regarding Seward Meridian was \$1,800;
- advised that the redesign of the water system was \$18,000; and
- spoke regarding the projected savings.

Assemblymember Colver:

- spoke regarding the issue of the pumps not fitting into the well casings;
- queried who would be paying for the additional costs; and
- queried if more change orders would be coming forward to the Assembly.

Mr. Rountree:

- noted that there are two separate wells;
- advised that they have a meeting with McCool Carlson Green on April 19, 2006; and
- stated that McCool Carlson Green agrees that the Borough should not have to pay for the additional expenses for the casings.

VOTE: The motion passed with Assemblymember Colver in opposition.

IX. NEW BUSINESS

A. INTRODUCTION (For public hearing - 05/16/06, 7 p.m., Borough Assembly Chambers)

1. Ordinance Serial No. 06-082: AN ORDINANCE APPROVING AN APPROPRIATION OF \$85,000 FROM GOLD TRAILS ROAD SERVICE AREA NO. 28 FUND BALANCE, FUND 282, TO GOLD TRAILS ROAD SERVICE AREA NO. 28 CAPITAL PROJECTS, FUND 410, PROJECT NO. 30048.
 - a. IM No. 06-028
2. Ordinance Serial No. 06-083: AN ORDINANCE APPROVING AN APPROPRIATION OF LOAN PROCEEDS IN THE AMOUNT OF \$224,500 FROM THE FIRE SERVICE AREA REVOLVING LOAN FUND, FUND 605, TO THE BUTTE FIRE SERVICE AREA, FUND 251, A REAPPROPRIATION OF \$224,500 FROM THE BUTTE FIRE SERVICE AREA, FUND 251, AN APPROPRIATION OF \$9,000 FROM THE BUTTE FIRE SERVICE AREA FUND BALANCE, FUND 251, AND A REAPPROPRIATION OF \$6,500 FROM THE BUTTE FIRE SERVICE AREA FISCAL YEAR 2006 OPERATING BUDGET, FUND 251, TO THE STATION 21 ANNEX PROJECT (45113), FUND 405, TO SUPPLEMENT THE CONSTRUCTION OF AN ANNEX BUILDING.
 - a. Resolution Serial No. 06-058: A RESOLUTION APPROVING A LOAN FROM THE FIRE SERVICE AREA REVOLVING LOAN FUND, FUND 605, IN THE AMOUNT OF \$224,500, TO THE BUTTE FIRE SERVICE AREA, TO SUPPLEMENT THE CONSTRUCTION OF THE STATION 21 ANNEX BUILDING.
 - (1) IM No. 06-118
3. Ordinance Serial No. 06-084: AN ORDINANCE CLASSIFYING AS RESERVE USE LANDS – PUBLIC PURPOSE AND RETAINING IN PUBLIC OWNERSHIP LOT 7, BLOCK 1, LOT 10, BLOCK 2, AND LOT 1, BLOCK 5, CIRCLE VIEW SUBDIVISION IN THE BUTTE AREA; TRACT A, FOOTHILL ESTATES SUBDIVISION IN THE LAZY MOUNTAIN AREA; AND TRACT A, GALA WOODS SUBDIVISION IN THE KNIK-GOOSE BAY AREA, WHICH WERE ACQUIRED THROUGH TAX AND LOCAL IMPROVEMENT DISTRICT SPECIAL ASSESSMENT FORECLOSURE AND APPROVING A SUPPLEMENTAL APPROPRIATION FOR \$21,248.02 FROM THE LAND MANAGEMENT FUND, FUND 203, FUND BALANCE TO PAY ALL DELINQUENT TAXES, SPECIAL ASSESSMENT PRINCIPAL, PENALTIES, INTEREST, AND FORECLOSURE

COSTS UP TO CLERK'S DEED AND ALL DELINQUENT TAXES, PENALTIES, AND INTEREST FOR PARCEL NO. 6360000T00A.

- a. IM No. 06-120

- 4. Ordinance Serial No. 06-085: AN ORDINANCE ACCEPTING AND APPROPRIATING \$49,907.35 FROM THE UNITED STATES DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT, TO FUND 440, PROJECT NO. 20362, AND AUTHORIZING THE MANAGER TO ENTER INTO AN AGREEMENT FOR THE CONTINUED WORK ON THE "ALASKA FAR AWAY" FILM PROJECT.
 - a. Resolution Serial No. 06-059: A RESOLUTION APPROVING THE SCOPE OF WORK AND BUDGET TO CONTINUE THE CREATION OF A FILM DOCUMENTING THE ARRIVAL OF COLONIST TO ALASKA FOR FARMING AND SETTLEMENT IN THE MATANUSKA VALLEY.
 - (1) IM No. 06-127

- 5. Ordinance Serial No. 06-086: AN ORDINANCE REQUESTING A SUPPLEMENTAL APPROPRIATION OF \$24,000 FROM THE MEADOW LAKES FIRE SERVICE AREA FUND BALANCE, FUND 257, TO THE MEADOW LAKES FIRE SERVICE AREA FISCAL YEAR 2006 OPERATING BUDGET, FUND 257, TO PAY FOR COMPLETED LANDSCAPING.
 - a. IM No. 06-129

- 6. Ordinance Serial No. 06-087: AN ORDINANCE AUTHORIZING THE VOLUNTARY ACQUISITION OF PRIVATELY-OWNED REAL ESTATE BY THE MATANUSKA-SUSITNA BOROUGH IN COOPERATION WITH THE UNITED STATES DEPARTMENT OF AGRICULTURE, NATURAL RESOURCES CONSERVATION SERVICE, MATANUSKA RIVER TERRACE EROSION PILOT PROJECT, BEING LOCATED IN THE KINGS RIVER TO SUTTON AND TRIPLE CROWN ESTATES TO CIRCLE VIEW SUBDIVISION AREA.
 - a. IM No. 06-132

- 7. Ordinance Serial No. 06-088: AN ORDINANCE ACCEPTING AND APPROPRIATING A \$594,000 GRANT FROM THE UNITED STATES DEPARTMENT OF AGRICULTURE, NATURAL RESOURCES CONSERVATION SERVICE, TO FUND 445, PROJECT NO. 55008, FOR A LAND ACQUISITION PROJECT ALONG THE BANKS OF THE MATANUSKA RIVER.
 - a. Resolution Serial No. 06-060: A RESOLUTION APPROVING THE SCOPE OF WORK AND BUDGET FOR A LAND ACQUISITION PROJECT ALONG THE BANKS OF THE MATANUSKA RIVER.
 - (1) IM No. 06-133

- 8. Ordinance Serial No. 06-089: AN ORDINANCE APPROVING A SUPPLEMENTAL APPROPRIATION OF \$10,000 FROM FAIRVIEW ROAD SERVICE AREA NO. 14 FUND BALANCE, FUND 271, TO FAIRVIEW ROAD SERVICE AREA NO. 14 OPERATING BUDGET, FUND 271.
 - a. IM No. 06-134

9. Ordinance Serial No. 06-090: AN ORDINANCE AMENDING MSB 5.25.016(A), MIDWAY ROAD SERVICE AREA NO. 9, BY ADJUSTING THE BOUNDARY TO REFLECT THE DELETION OF AN AREA OF LAND AND AMENDING MSB 5.25.018(A), FAIRVIEW ROAD SERVICE AREA NO. 14, BY ADJUSTING THE BOUNDARY TO REFLECT THE ADDITION OF LAND WHICH WOULD BE SPLIT BY A SERVICE AREA BOUNDARY.
 - a. IM No. 06-135
10. Ordinance Serial No. 06-091: AN ORDINANCE APPROVING A REAPPROPRIATION OF \$200,000 FROM THE INFORMATION TECHNOLOGY DIVISION OPERATING BUDGET, FUND 100, TO FUND 480, FOR THE CUSTOMIZATION OF THE NEW ASSESSMENT/GIS/TAX/LAND SYSTEM PROJECT.
 - a. IM No. 06-136
11. Ordinance Serial No. 06-092: AN ORDINANCE APPROPRIATING AN ADDITIONAL AMOUNT OF \$1,692,842 FROM STATE FUNDS AND GRANTS TO FUND 204, EDUCATION OPERATING FUND, FOR FISCAL YEAR 2006.
 - a. IM No. 06-138
12. Ordinance Serial No. 06-093: AN ORDINANCE APPROPRIATING \$75,000 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. 06-139
- B. INTRODUCTION (For public hearing - 05/11/06 and 05/18/06, 6 p.m., Central Mat-Su Public Safety Building, 101 W. Swanson Avenue, Wasilla, Alaska)
 1. Ordinance Serial No. 06-006: AN ORDINANCE APPROPRIATING MONIES FROM THE CENTRAL TREASURY AND ESTABLISHING THE RATE OF LEVY FOR ALL BOROUGH FUNCTIONS FOR FISCAL YEAR BEGINNING JULY 1, 2006, AND ENDING JUNE 30, 2007.

Ms. McGehee read the above legislation into the record.

MOTION: Assemblymember Colver moved to introduce the legislation as read into the record by the Clerk and set the public hearings for May 16, 2006, May 11, 2006, and May 18, 2006, respectively.

VOTE: The motion passed without objection.

C. MAYORAL NOMINATIONS AND APPOINTMENTS

1. VACANCY REPORT

Mayor Anderson made the following recommendations:

Emergency Medical Services Board

Traci Hackett

Mayor's Blue Ribbon Task Force on Forming a Health and Social Services Board

Gabriel Layman

Maryalice Larson

Mayor's Blue Ribbons Task Force on Forming an Economic Development Corporation

Leslie Senden

Senior Citizen Advisory Board

George Dusek

Mayor Anderson requested the following confirmations:

Board of Equalization

James Hayes

Sean Riggan

Enhanced 911 Advisory Board

John Rhyshek

Mayor's Blue Ribbons Task Force on Forming an Economic Development Corporation

Patrick Gamble

MOTION: Assemblymember Colver moved to confirm the Mayor's appointments 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

(There was no executive session held.)

XIII. MAYOR AND ASSEMBLY COMMENTS

Assemblymember Woods:

- spoke regarding the Knik River Public Use Area;
- encouraged the Assembly to read the Water Shed Report that is in the Manager's Report;
- spoke regarding the fire stations in the Butte being broken into; and
- spoke regarding attending an economic development work shop in Valdez.

Assemblymember Vehrs:

- requested that the Manager keep the original contract to start the reconstruction of the roof at Susitna Valley High School;
- requested that the Manager obtain a second legal opinion on Borough powers regarding AM No. 06-076;
- spoke regarding complaints that she has received from the public regarding the Assessment Division; and
- advised that the Animal Care and Regulation Division has met with the Alaska Equine Rescue Group and training for the officers are being scheduled.

Assemblymember Colver:

- spoke regarding living up to the commitment to start on the reconstruction of the roof at Susitna Valley High School;
- requested to be added as a sponsor to Resolution Serial No. 06-056; and
- requested that the Clerk not add draft copies of the boards and commission minutes to the Assembly packet.

Mayor Anderson:

- clarified the issue that the Borough has had regarding North Bowl;
- advised that he attended the groundbreaking ceremony for Academy Charter School's gymnasium on April 17, 2006;
- spoke regarding attending a Sexual Assault Response Team (SART) Conference with Senator Lisa Murkowski;
- advised that the Tri-Borough Commission, along with the Manager, met with Senator Lisa Murkowski after the SART Conference and discussed issues of interest to the South Central community; and
- advised that the Finance Department has finalized the proposed fiscal year 2007 budget.

Ms. Clayton:

- spoke regarding issues with the software conversion in finance; and
- provided the Assembly with copies of the fiscal year 2007 budget.

Mr. Duffy commended the Finance staff for putting the budget together with all of the conversion issues.

XIV. ADJOURNMENT

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

/s/

TIMOTHY L. ANDERSON, Borough Mayor

ATTEST:

/s/

MICHELLE M. MCGEHEE, CMC, Borough Clerk

Minutes approved: 06/06/06