

I. CALL TO ORDER

The special meeting of the Matanuska-Susitna Borough Assembly was held on May 2, 2013, at the Central Mat-Su Public Safety Building, 101 West Swanson Avenue, Wasilla, Alaska. The meeting was called to order at 6:05 p.m. by Mayor Larry DeVilbiss for the purpose of conducting a public hearing on Ordinance Serial Nos. 13-013, 13-056, and introducing Ordinance Serial No. 13-058.

II. ROLL CALL

Assembly members present and establishing a quorum were:

Mr. Warren Keogh, Assembly District No. 1
Mr. Noel Woods, Assembly District No. 2
Mr. Ronald Arvin, Assembly District No. 3 (*Deputy Mayor*)
Mr. Steve Colligan, Assembly District No. 4
Mr. Darcie K. Salmon, Assembly District No. 5
Mr. Jim Colver, Assembly District No. 6
Mr. Vern Halter, Assembly District No. 7

Staff in attendance were:

Ms. Lonnie R. McKechnie, Borough Clerk
Mr. John Moosey, Borough Manager
Mr. Nicholas Spiropoulos, Borough Attorney
Ms. Jamie Newman, Deputy Borough Clerk
Mr. George Hays, Assistant Borough Manager
Mr. Dennis Brodigan, Emergency Services Director
Ms. Tammy Clayton, Finance Director
Mr. Stefan Hinman, Media Design Specialist
Ms. Sonya Conant, Human Resources Director
Ms. Joell Church, Records Management Officer
Ms. Sharon Huckins, Administrative Secretary I
Ms. Shannon Post, Chief Information Officer

III. APPROVAL OF AGENDA

Mayor DeVilbiss queried 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 Wasilla Mayor Verne Rupright.

V. ITEMS OF BUSINESS

A. PUBLIC HEARING (Three minutes per person)

1. Ordinance Serial No. 13-013: AN ORDINANCE APPROPRIATING MONIES FROM CENTRAL TREASURY FOR THE BOROUGH OPERATING FUNDS, ENTERPRISE FUNDS, EDUCATION OPERATING FUND, AND CAPITAL FUNDS AND ESTABLISHING THE RATE OF LEVY FOR ALL BOROUGH FUNCTIONS FOR THE FISCAL YEAR BEGINNING JULY 1, 2013, AND ENDING JUNE 30, 2014.

Mayor DeVilbiss opened the public hearing as continued from April 30, 2013.

The following person spoke in support of funding for a Sexual Assault Response Team and Mat-Su Youth Court, and spoke in support of Ordinance Serial No. 13-056, provided the funds are used for health and safety initiatives: Wasilla City Mayor Verne Rupright.

The following persons spoke in support of funding for Mat-Su Youth Court: Ms. Lisa Albert-Konecky, Mat-Su Youth Court Co-Director; Mr. John Doak; Mr. Thomas Doak; Ms. Carole Hamman; Ms. Lydia Hamman; Ms. Jana Engle, Alaska State Department of Health and Social Services Juvenile Probation Officer; Mr. Nathan Hamman; Ms. Belinda Bohanan; and Ms. Alexa Marshall.

The following persons spoke in support of funding for a Sexual Assault Response Team: Ms. Carol Koliadko, Alaska State Department of Health and Social Services Public Health Nurse; and Ms. Linda Combs.

The following persons spoke in support of funding for the Health and Human Services Matching Grant Program: Mr. Chris Donnally, Mat-Su Boys and Girls Club Director; Ms. Katrina Suarez; Ms. Claudia Dolfi, Wasilla Area Seniors Development/Activity Coordinator; Ms. Camile Putnam, Access Alaska; Mr. Brian Galloway, Access Alaska; and Mr. Larry Dearman, Upper Susitna Seniors Board of Directors Vice Chair and Meals on Wheels Representative.

The following persons spoke in support of funding for the construction of a new Talkeetna Public Library: Mr. Charlie Loeb; Mr. Phillip Manning; Ms. Kathryn Hacker; and Ms. Ann Yodon, Talkeetna Library Librarian.

The following person spoke in opposition to the elimination of flex-schedules at the Borough: Mr. Jeff Krueger, Accounting Specialist.

(The meeting recessed at 7:07 p.m. and reconvened at 7:16 p.m.)

The following persons spoke in support of funding for the Health and Human Services Matching Grant Program: Mr. Herman Thompson, Sunshine Transit Advisory Board Member; Ms. Pam Ratcliff, Family Promise Mat-Su; Ms. Karey Gaston, Blood and Fire Ministry of Alaska; Ms. Sunny Radebaugh; and Ms. Janet Beeter, Mat-Su Senior Services.

The following person spoke in support of funding for a Sexual Assault Response Team, Mat-Su Youth Court, the Health and Human Services Matching Grant Program, and the construction of a new Talkeetna Library: Ms. Sue Deyor, Sunshine Transit.

The following person spoke in support of funding for the continued development of the Government Peak Recreation Area: Mr. Dave Musgrave.

The following person spoke in support of full funding for the School District to reduce classroom size and to fund extracurricular activities: Ms. Emma Twitchell.

The following person spoke in support of funding a mechanic position for the West Lakes Fire Service Area: Mr. William Browne, West Lakes Fire Service Area Board of Supervisors Chairman.

The following persons spoke in support of funding for the Health and Human Services Matching Grant Program: Mr. Pat Brown; Mr. John Rozzi; Ms. Maggie Humm, Alaska Legal Services; Ms. Karen Nugen-Logan, Nugen's Ranch Director; Mr. Bob Mehaffey; Ms. Pat Mehaffey; Ms. Cherie LeBlanc-Shue, United Way of Mat-Su Resource Development Director; Ms. Barbara Brown; Mr. Kenneth Anderson, Mat-Su Senior Services; Mr. Philip Licht, Alaska Substance Abuse Treatment Center Executive Director; Ms. Paula Jones, The Children's Place Executive Director; Mr. David Board, Big Brothers Big Sisters of Alaska; Ms. Betsy Woodin; Mr. Dave Rose; and Mr. Kevin Munson, Mat-Su Health Services Chief Financial Officer.

The following person spoke in support of funding for Mat-Su Youth Court: Mr. Josh Hartman.

The following person spoke in support of funding the Health and Human Services Matching Grant Program and the Sexual Assault Response Team: Ms. Elizabeth Ripley Mat-Su Health Foundation Executive Director.

The following person spoke to the value of economic development and in support of the Economic Development Department's budget: Mr. John Klapperich, Borough Planning Commission Chair.

The following person spoke to the value of investing in economic development: Ms. Taffina Katkus.

(The meeting recessed at 8:22 p.m. and reconvened at 8:30 p.m.)

The following person spoke to flex-schedules saving money and in opposition to the elimination of flex-schedules at the Borough: Ms. Cheron Simeroth, Accounting Specialist.

The following person spoke in support of funding for the Sexual Assault Response Team and Mat-Su Youth Court: Ms. Michelle Overstreet, MY House President; and Mr. Bert Cottle, Wasilla City Deputy Administrator.

The following persons spoke in support of funding for the Health and Human Services Matching Grant Program: Ms. Jean Kincaid, Mat-Su Services for Children and Adults; Ms. Pam Ockerlander, Wasilla Area Seniors; and Mr. Carl Baker, Wasilla Senior Center; and Mr. Carol Christensen.

The following person spoke in support of full funding for the School District and thanked the Assembly for access improvements made at Cottonwood Creek Elementary School: Ms. Bebe Williams.

The following person spoke to the value of economic development and in support of the Economic Development Department's budget: Ms. Kelly Larson.

The following person spoke in support of funding for the construction of a new Talkeetna Public Library: Ms. Ruth Wood.

The following person spoke to the value of engaging the public in the budget preparation process: Ms. Patricia Rosnel.

The following person spoke in support of funding the Sexual Assault Response Team: Ms. Judith Bergman.

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

MOTION: Assemblymember Arvin moved to continue Ordinance Serial No. 13-056 to a time certain of May 6, 2013

VOTE: The motion passed without objection.

B. Ordinance Serial No. 13-056: AN ORDINANCE AMENDING MSB 3.30 TO INCREASE THE EXCISE TAX ON CIGARETTES AND TOBACCO PRODUCTS.
(Sponsored by Assemblymember Arvin)

1. IM No. 13-104

Mayor DeVilbiss 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 Arvin moved to adopt Ordinance Serial No. 13-056.

Assemblymember Arvin:

- spoke to the necessity of taxes in some instances; and
- added that the Assembly has the authority to impose an increase in tobacco excise tax.

Mr. Spiropoulos provided a staff report on the implementation of the tobacco excise tax and the legalities of the issue.

Assemblymember Arvin:

- noted that the proposed increase in the tobacco tax remains less than the tax in effect in the Municipality of Anchorage;
- spoke to the revenue forecast of the tax increase; and
- spoke in support of the revenue funding health and public safety initiatives in the Borough.

Assemblymember Colver queried if amending the fiscal note to increase the revenue projection from \$1.8 million to \$3 million would translate to a technical amendment to the budget.

Ms. Clayton affirmed the query.

MOTION: Assemblymember Colver moved to amend the fiscal note to strike the projected revenue of \$1,800,000 and insert in its place \$3,000,000.

Assemblymember Halter spoke in support of a more conservative approach to revenue forecasting.

MOTION: Assemblymember Arvin moved a secondary amendment to strike \$3,000,000 and insert \$2,000,000.

VOTE: The secondary amendment passed without objection.

VOTE: The primary amendment passed without objection.

Assemblymember Halter spoke in support of increasing the rate of taxation on tobacco products to that of Anchorage, as the measure is a health issue not a revenue issue.

MOTION: Assemblymember Halter moved a primary amendment to Ordinance Serial No. 13-056, MSB 3.30.020 (A), by striking the number "110" and inserting in its place "115.3" to read: (A) The Municipality hereby levies an excise tax of 115.3 mils, adjusted annually as provided in subsection (B) of this section, on each cigarette brought into the Borough after June 30, 2013. Cigarettes upon which the tax is imposed are not again subject to the tax when acquired by another person.

Assemblymember Woods expressed that matching Anchorage's tobacco taxation rate will not serve to entice Anchorage residents to travel to the Borough to purchase tobacco products and therefore he will not be supporting the primary amendment.

Discussion ensued regarding:

- the appropriate rate of increase in the tobacco tax;
- if Anchorage residents would travel to the Borough to purchase tobacco products; and
- the intent of tax increase.

VOTE: The primary amendment failed with Assemblymembers Keogh, Colver, and Halter in favor.

Assemblymember Colver:

- spoke to the original enactment of the excise tax; and
- noted that the voters approved the measure in 2005.

Assemblymember Keogh commended Assemblymember Arvin for sponsoring the legislation.

MOTION: Assemblymember Salmon called for the question (to end debate).

VOTE: The motion passed without objection.

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

VI. INTRODUCTIONS (For public hearing – 05/07/13, Borough School District Administration Building)

- A. Ordinance Serial No. 13-058: AN ORDINANCE AMENDING MSB 3.24.030(B), ALLOCATION OF MOTOR VEHICLE REGISTRATION TAX REVENUES.
1. IM No. 13-114

MOTION: Assemblymember Arvin moved to introduce Ordinance Serial No. 13-058 and set for public hearing on May 7, 2013.

VOTE: The motion passed without objection.

VII. AUDIENCE PARTICIPATION

The following person spoke to the quality of life benefits of the Human Services Matching Grant Program, her move to Alaska and employment history, and concerns about road maintenance on Melanie Avenue: Ms. Barbara Lee Brown.

VIII. MAYOR, ASSEMBLY, AND STAFF COMMENTS

Assemblymember Salmon:

- questioned the decision of the Assembly to raise the tax on tobacco products;
- spoke to the devastating effects of alcohol; and
- noted that in the interest of health and safety, perhaps alcohol should be banned.

Assemblymember Colligan expressed agreement that alcohol is a major threat to the health of a community.

Assemblymember Colver:

- requested that the Manager provide the budget analyst hired by the Assembly an opportunity to address the Assembly at the May 6, 2013, Assembly meeting; and
- requested that the Attorney be prepared to discuss areawide and non-areawide funding at the same meeting.

IX. ADJOURNMENT

The meeting adjourned at 9:36 p.m.



LARRY DeVILBISS, Borough Mayor

ATTEST:



LONNIE R. McKECHNIE, CMC, Borough Clerk

Minutes Approved: 05/21/13